

# Rights and Sustainability in Timor-Leste's Development

Presentation by La'o Hamutuk  
February 2026



## What is La'o Hamutuk?

- **The Timor-Leste Institute for Development Monitoring and Analysis, founded in 2000.**
- **Timorese and international people “walking together” on the journey to create a new Nation.**
- **An independent, non-partisan, Timorese, non-governmental organization which does research, policy analysis, public education and advocacy.**
- **A force for participatory, equitable, sustainable and evidence-based policies and practices.**

## Topics to discuss

- 1. Petroleum dependency – Timor-Leste is cursed by its (lack of diverse) resources.**
- 2. The state budget and national economy are not sustainable.**
- 3. If wishes were horses ... dreams should (mostly) be based on reality.**
- 4. Justice for past crimes**

## History in one slide

- People have lived in Timor-Leste for at least 5,000 years.
- Portuguese colonized nearly 500 years ago.
  - They brought Catholicism but little development or education.
  - Onshore oil exploration started in 1890s.
- Australia, then Japan, invaded in 1941-45.
  - 40,000-60,000 Timorese killed in WWII, which didn't involve them.
- Portugal's military dictatorship resumed control in 1945.
  - Offshore oil exploration began in the 1960s.
- Portugal began decolonizing in 1974.
  - After Carnation Revolution brought down Portuguese dictatorship
  - TL declared independence 28 November 1975 ... but 10 days later
- Indonesia invaded on 7 December 1975.
  - Indonesia killed 100,000-200,000 Timorese in 24-year occupation.
  - Timor-Gap Treaty 1989; oil production started 1998.
- Referendum in 1999, then 2½ years of UN rule.
- Finally restored independence on 20 May 2002.
  - Oil income surged in 2005-2007, peaking in 2012, and ending in 2025.
- Peaceful elections in 2001, 2002, 2007, 2012, 2017, 2018, 2022 and 2023.

## 1. Petroleum Dependency

**Timor-Leste has been one of the world's most petroleum-export-dependent countries.**

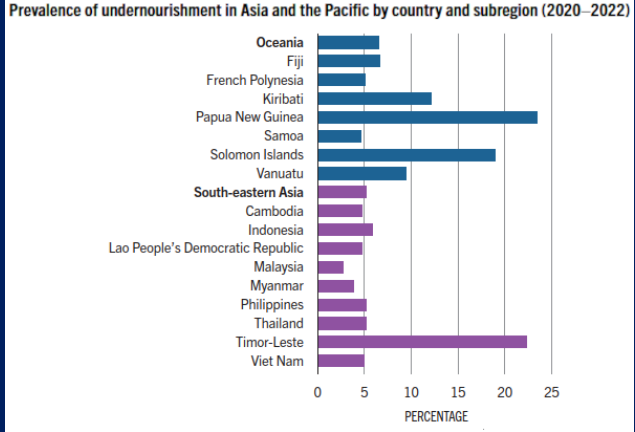
**This determines our State, our economy and our future.**

### Basic Statistics

- **One-third of Timor-Leste's people live in poverty, 46% in multi-dimensional poverty.**
- **Two-thirds of people live in rural areas, largely by subsistence farming.**
- **Poor sanitation and malnutrition are endemic. We have one of the lowest Global Hunger Index scores on the planet.**
- **Over 1,000 Timorese children under 5 years old die from preventable conditions every year ... 30 times as many people as die from homicide.**

# Our children are the most poorly nourished in Southeast Asia.

- The majority of rural children are stunted.
- Half of Timor-Leste's people are less than 21 years old.
- Many under-nourished or under-educated children will not become productive workers or optimal parents.



# Petroleum Dependency (nominal USD)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Petroleum GDP</b>	\$4,234	\$2,591	\$1,496	\$820	\$895	n.a.	n.a.	n.a.	\$2,062	\$1,533	\$278	-\$22
<b>Non-oil GDP</b>	\$1,396	\$1,448	\$1,590	\$1,640	\$1,585	\$1,556	\$1,688	\$1,581	\$1,563	\$1,676	\$1,802	\$1,887
<b>Productive (agric. &amp; manuf.)</b>	\$311	\$308	\$299	\$298	\$296	\$305	\$322	\$319	\$329	\$356	\$357	\$360

- **State revenues in 2024:..... \$1,488 million**
  - \$ 1,170 million from investing the Petroleum Fund
  - \$ 85 million from oil and gas revenues
  - \$ 233 million from non-petroleum sources
- **Executed 2024 State Budget:..... \$1,750 million** (\$2,151m appropriated)
  - \$ 1,300 million transferred from the Petroleum Fund
  - \$ 233 million from non-petroleum (domestic) revenues
  - \$ 18 million from loans which will have to be repaid
  - \$ 2 million from donors in direct budget support
  - \$ 279 million from money allocated but not spent in prior years
- State activities, paid for with oil money, are nearly half of the 'non-oil' economy because some of this money circulates in the local economy.
- Petroleum and investment 'income' goes to the state, not to the people.

**Only South Sudan, Libya (and Equatorial Guinea?) are more dependent on oil and gas exports than Timor-Leste was before 2014.**

## But we don't have very much oil.

	Timor-Leste (70% Sunrise)	TL without Sunrise	Australia (30% Sunrise)	Australia without Sunrise	Indonesia	Brunei
Verified oil and gas reserves at the end of 2020 (million barrels equiv.)	774	18	16,450	16,130	9,800	2,400
Oil and gas reserves per capita (barrels/person)	587	14	645+	632+	36	5,530
How long the reserves will last at 2020 production rates (years)	24	0.6	16+	16+	15	21

## Our seas have been explored for half a century, and our land for longer.

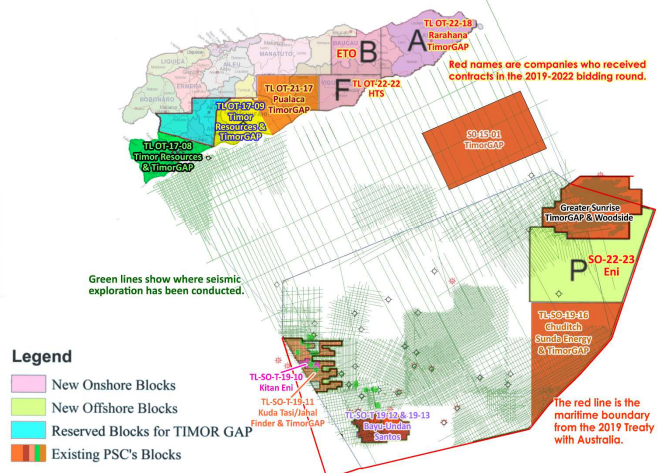
Bayu-Undan and Kitan were the only proven fields, and they are depleted.

Sunrise awaits investors.

Buffalo came up dry.

There may be no others which are commercially viable.

### Timor-Leste's areas for oil and gas exploration

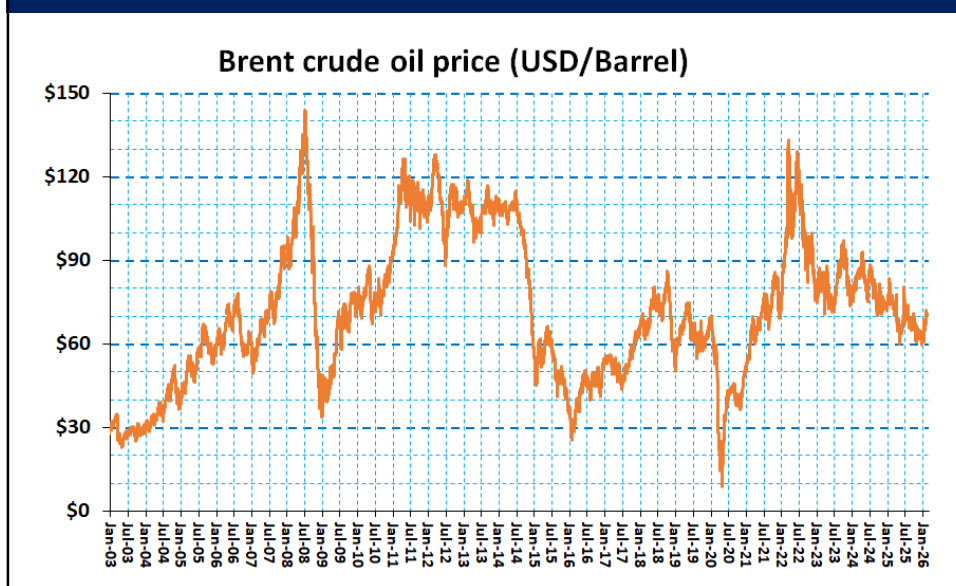


Map by La'o Hamutuk based on information from the RDTL National Petroleum Authority and other sources. September 2025

## Pending projects may not help much.

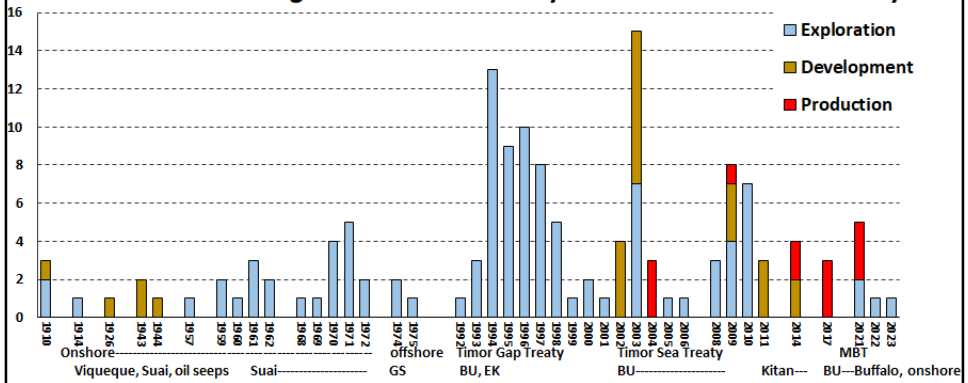
Project	Operator (partners)	Oil & gas reserve (mmBOE)	Possible future revenues (million USD)	Status
Bayu-Undan	Santos 36% (SK E&S, Inpex, Eni, JERA/Tokyo Gas, TimorGAP 16%)	0	\$60	Produced 900 mmBOE from 2004 through 2025; now shut down.
Greater Sunrise	Woodside 33% (TimorGAP 57%, Osaka Gas)	1,080	?	Discovered in 1974. Seeking financing to proceed with development. High capital costs. Woodside and TimorGAP revalued the project to 0 in 2020. Negotiations continue; new study not public.
Buffalo	Carnarvon 50% (Advance Energy)	0	\$0	Test well drilled in 2021-22 was not commercially viable. Project abandoned.
Onshore (Covalima & Manufahi)	Timor Resources 50% (TimorGAP)	40	\$600	Three test wells drilled in 2021-23; data being analyzed.
Chuditch	Sunda Energy 60% (TimorGAP)	588 (?)	?	Shell drilled a test well in 1998 but did not continue. Sunda may drill another well in 2026. TimorGAP increased its share in 2024.
Four other contract areas	TimorGAP, FINDER Energy and Eni	?	unlikely	Not enough work has been done to estimate possible reserves.
Five contract awards from bid round	TimorGAP, Eni, ETO, HTS	?	?	Three contracts signed; one cancelled, one under discussion. No exploration has been done yet.

## The price of oil goes up and down, but Timor-Leste's formerly producing reserves are used up.



**Since 1910, oil companies have drilled 97 exploration wells here. They found eight commercially viable reserves. Kitan is the only one discovered in the last 20 years.**

**Number of oil and gas wells drilled each year in Timor-Leste's territory**

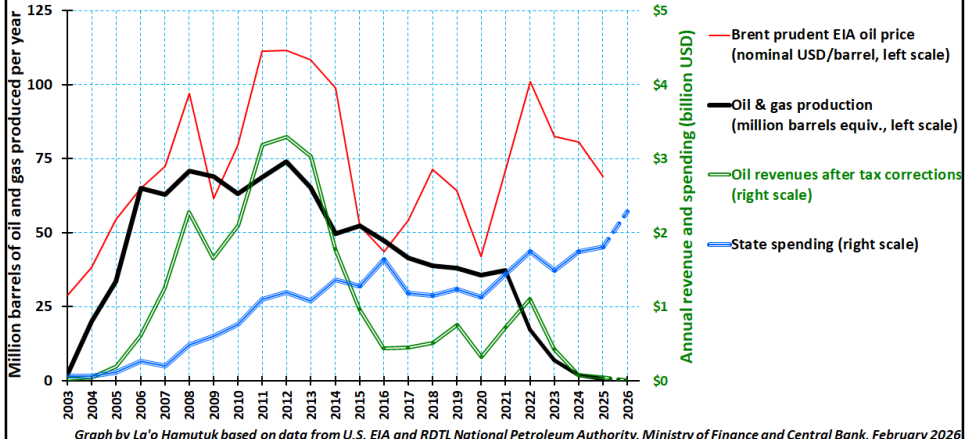


*Graph by La'o Hamutuk based on historical data and ANPM Lafaek database. June 2024*

**Oil and gas income has been falling since 2012.**

**Production is dropping, and will not go back up when prices do. The price is irrelevant when we have nothing left to sell.**

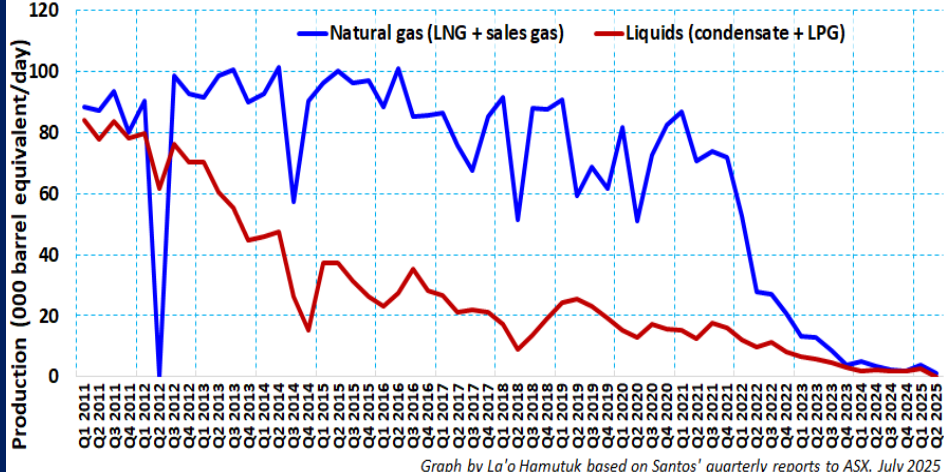
**Timor-Leste's oil and gas income peaked in 2012 and ended in 2025.**



*Graph by La'o Hamutuk based on data from U.S. EIA and RDTL National Petroleum Authority, Ministry of Finance and Central Bank. February 2026*

## But Bayu-Undan is depleted.

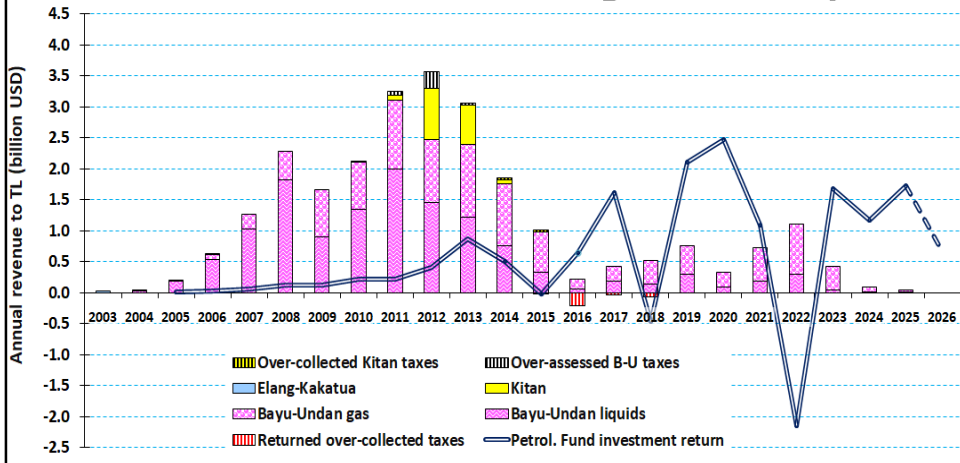
Daily gas and liquid production rates from Bayu-Undan



Graph by La'o Hamutuk based on Santos' quarterly reports to ASX. July 2025

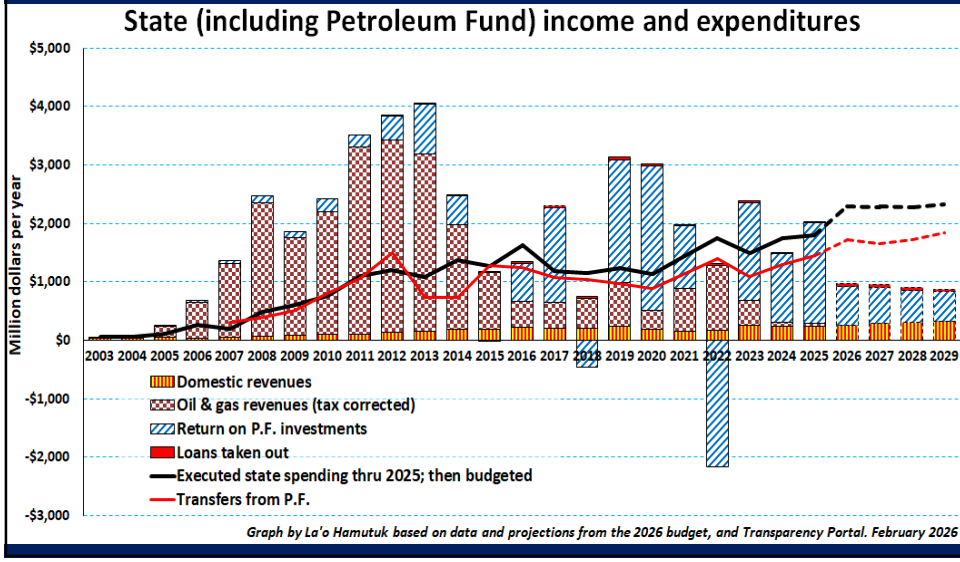
## Where TL's oil income comes from

Where the Petroleum Fund gets its money



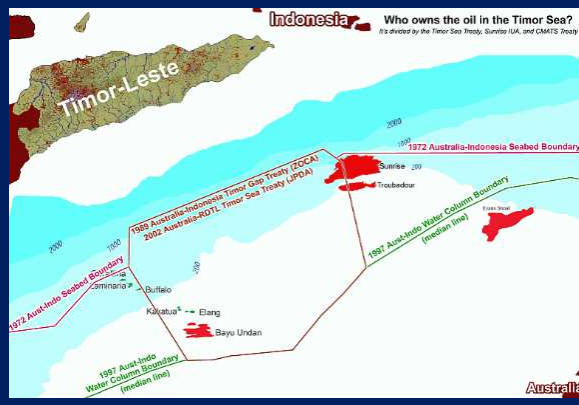
Graph by La'o Hamutuk based on data and projections from RDTL ANPM, EITI reports, Ministry of Finance and Central Bank. February 2026.

# Spending will exceed income.



# Sunrise and maritime boundary dispute

- Australian companies began exploring Sunrise in the early 1970s. After Indonesia invaded, Australia and Indonesia negotiated the Timor Gap Treaty in 1989, closing the gap in their 1972 boundary to share illegally occupied resources in the Joint Development Area.
- The 2006 CMATS treaty banned maritime boundaries discussion for 50 years. It divided Sunrise upstream revenues 50-50.
- Australia put its greed for oil before respect for its sovereign neighbors or international law.
- Based on UNCLOS, TL owns the fields north of the median line, and lateral boundaries should move outward.
- In January 2017, Australia accepted Timor-Leste's request to revoke the entire CMATS Treaty. A permanent boundary treaty was signed in March 2018 and came into force in August 2019.

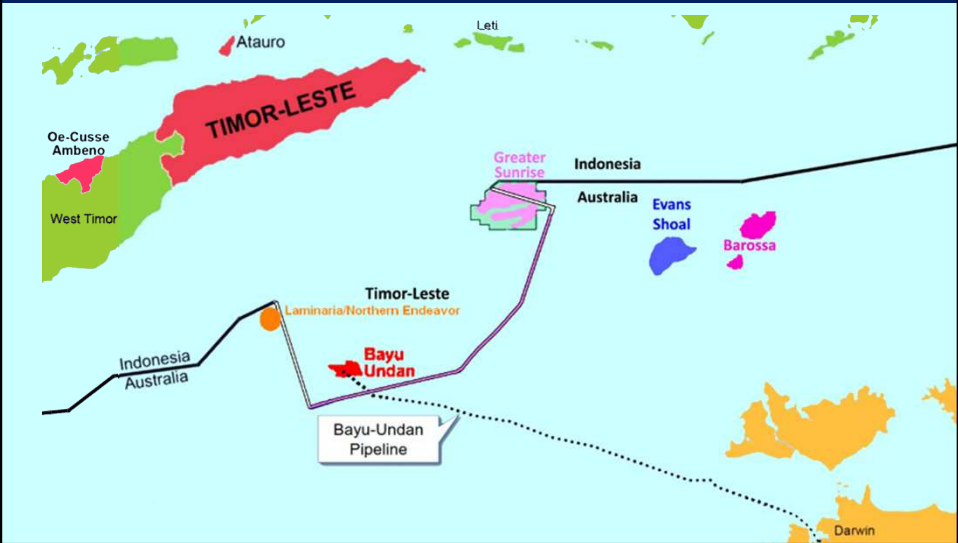


# Conspiring to steal Timor's wealth

**1989:**  
Foreign ministers Gareth Evans and Ali Alatas toast the signing of the Timor Gap Treaty while flying over the Timor Sea.

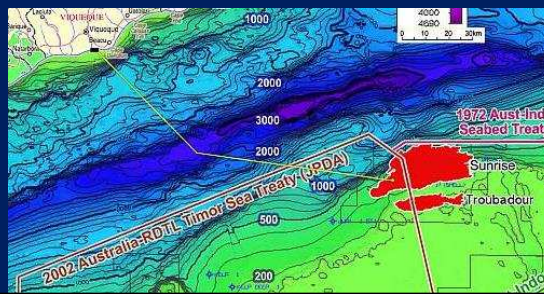


**In 2018, Australia and Timor-Leste agreed on a boundary and on Sunrise revenue sharing – but the gas pipeline was not settled by the Treaty.**



## The Greater Sunrise stalemate

- The project was stalled because Timor-Leste and the companies do not agree on how it should be developed.
- Before 2018, Woodside and its partners believed that an undersea gas pipeline to the Darwin LNG plant used for Bayu-Undan would be more profitable.
- Timor-Leste wants a pipeline from Sunrise to its south coast, to get more jobs and revenues, and to anchor the Tasi Mane project.
- Under contracts and treaties, the companies propose the development plan, but both governments need to approve it.
- Because of Australian spying, TL forced Australia negotiate a boundary treaty, but the 2019 agreement did not settle where the pipeline will go.
- Timor-Leste bought 57% of Sunrise from ConocoPhillips and Shell to try to control the decision.
- In 2020, Woodside and TimorGAP devalued Sunrise to zero.
- In 2023, the Ninth TL government prioritized the project, with many meetings but little progress.
- The pipeline is now planned to go to Natarbora, west of Beacu.



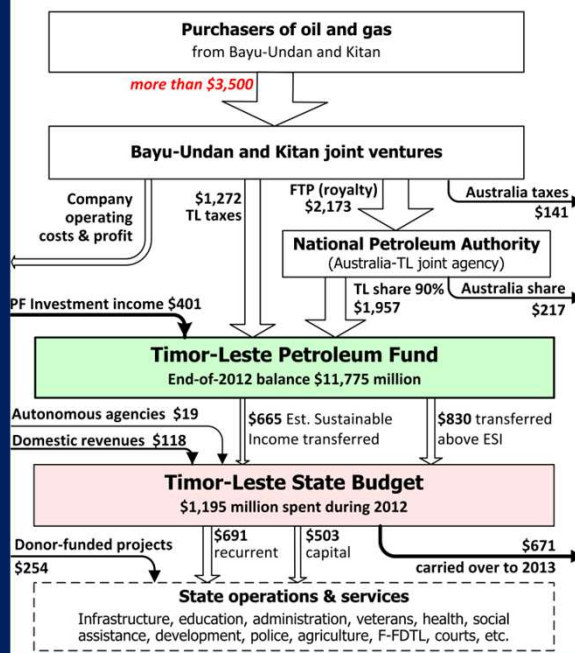
**Petroleum revenue peaked in 2012, and this is how it flowed in and out of the Petroleum Fund that year.**

The basic structure is the same, but the numbers have changed, oil revenue has ceased, and Australia no longer gets a cut.

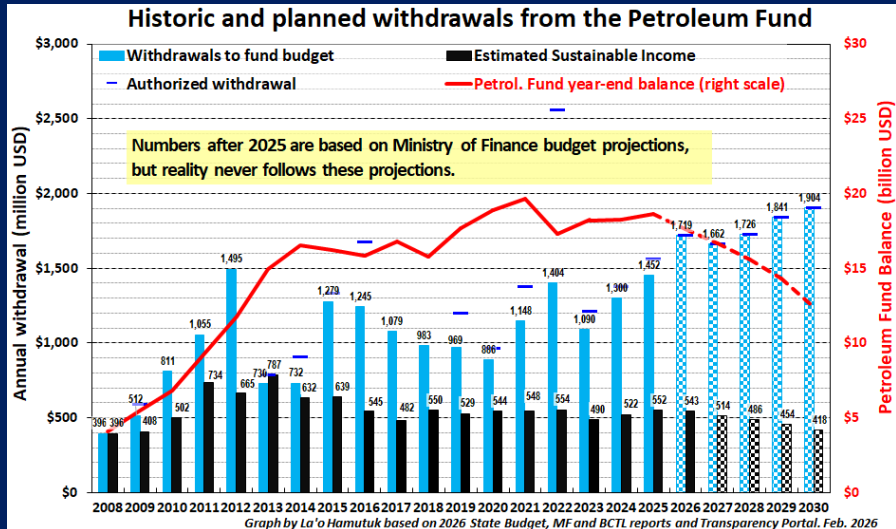
From 2005 thru 12/2025:  
 \$25.5 bn oil revenues  
 +\$12.0 bn invest. returns  
 -\$18.9 bn withdrawn  
 \$18.6 bn balance

### Timor-Leste's Petroleum Revenue Streams

Totals for 2012. Millions of U.S. dollars, estimates in *italics*.



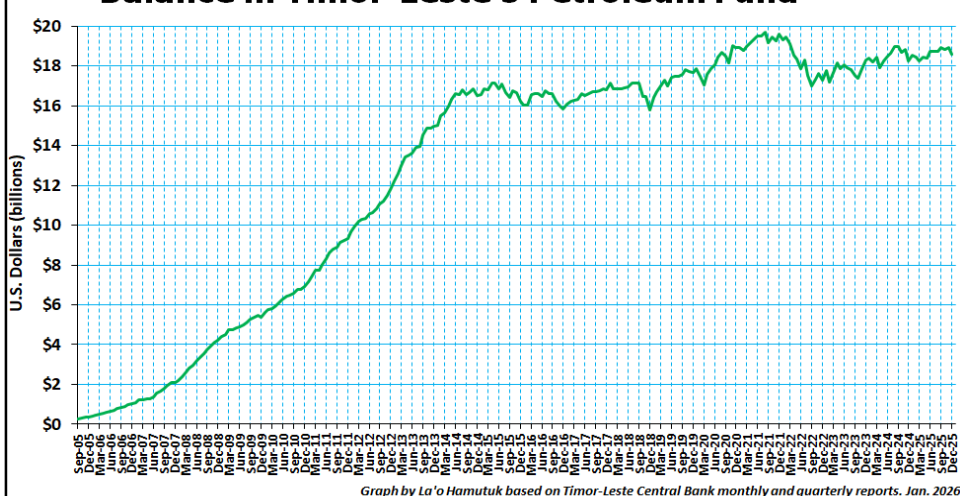
## We're spending down our birthright.



**The Petroleum Fund reached \$19.7 billion in 2021 and was \$18.6 bn at the end of 2025. It is falling, leading to a fiscal cliff.**

## We've moved from oil dependence to relying on our savings.

**Balance in Timor-Leste's Petroleum Fund**



## Signs of the 'resource curse' (1)

- **Acting as if the oil money will last forever**  
Bayu-Undan has been exhausted; a "fiscal cliff" is imminent.
- **Dreaming of more riches from the earth**  
which will be received without doing hard work.
- **Borrowing today, to repay tomorrow**  
TL is borrowing billions for projects with little chance of return.
- **Lack of realistic long-term planning**  
The Strategic Development Plan 2011-2030 is but a dream;  
Tasi Mane and ZEESM may have greater costs than benefits.
- **Using money to 'solve' every problem**  
It's easier to buy an overseas scholarship than to manage a university.

## Signs of the 'resource curse' (2)

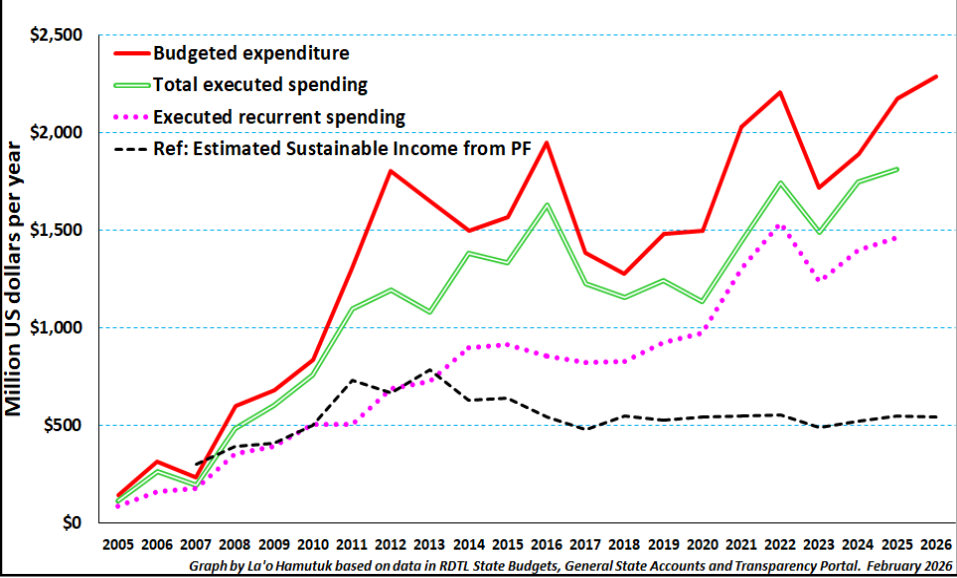
- **Spending without thinking**
- **Import dependency**  
The non-oil trade deficit is more than a billion dollars every year.
- **Ignoring non-oil development and revenues**  
Farming is too hard to envision, even as oil runs out.
- **Benefits flow to the urban and political elite.**  
Most people won't use highways, airports and oil facilities ...  
but will share the costs of paying for them.
- **Petroleum captures decision-making.**  
Agriculture, tourism, small industries, etc. don't get a 'fair go.'

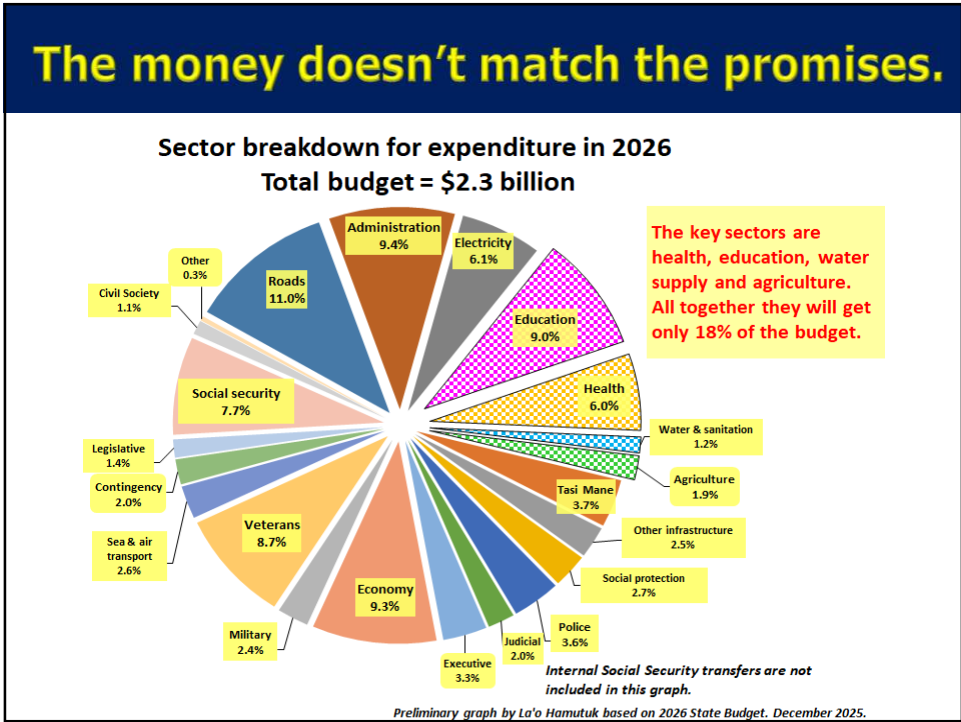
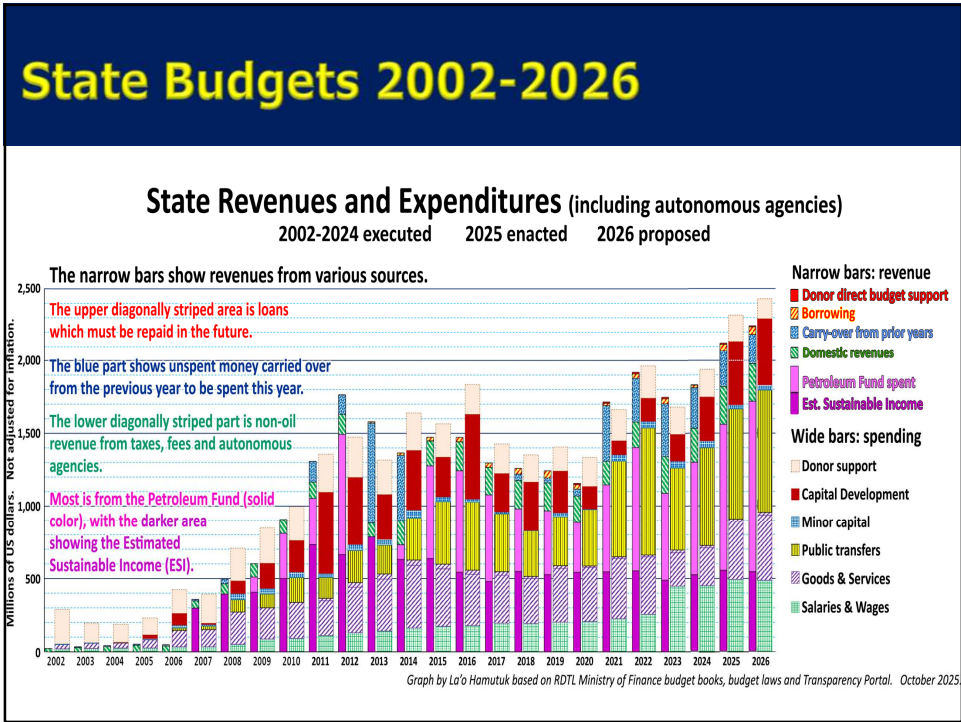
## 2. Unsustainable budget and economy

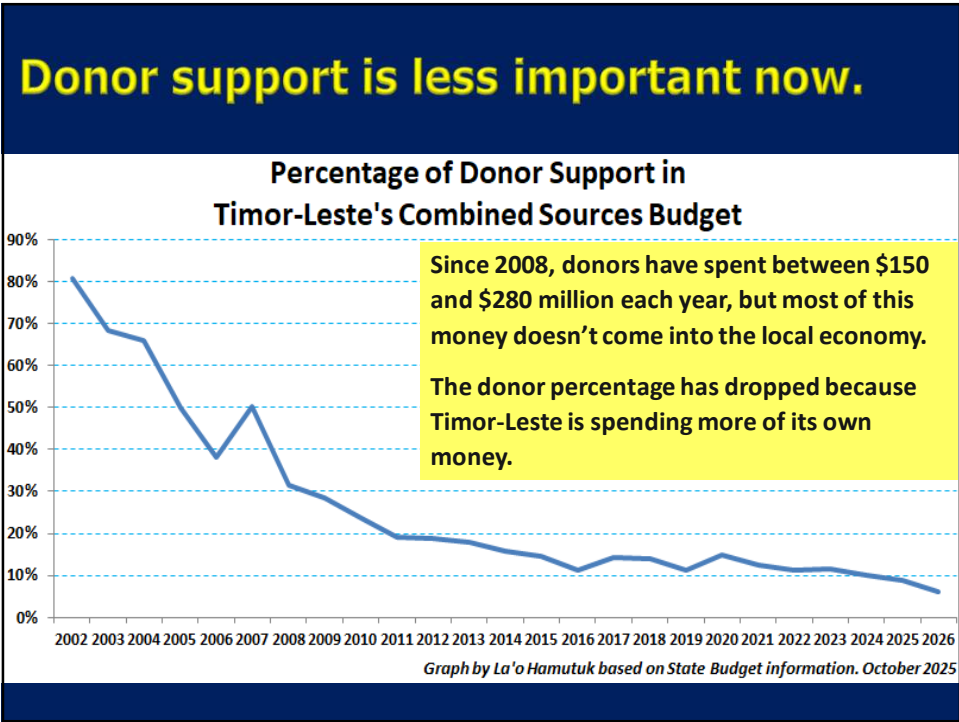
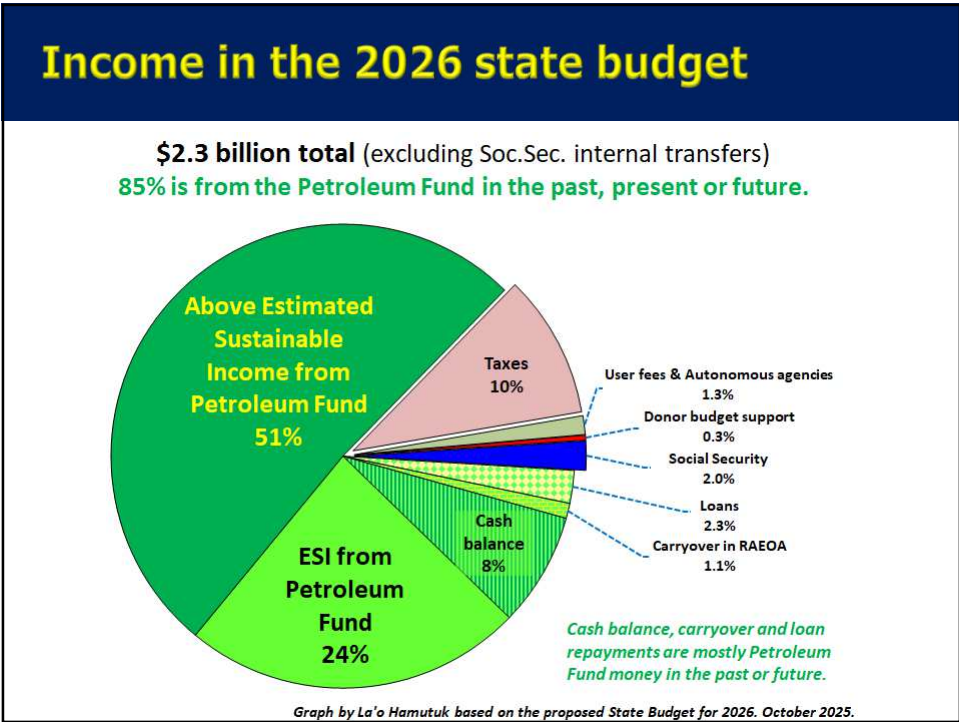
**Timor-Leste has almost no industry and a tiny private sector.**

**From 2008 through 2016, state spending grew faster than nearly every country in the world.**

### Budgeted & executed spending

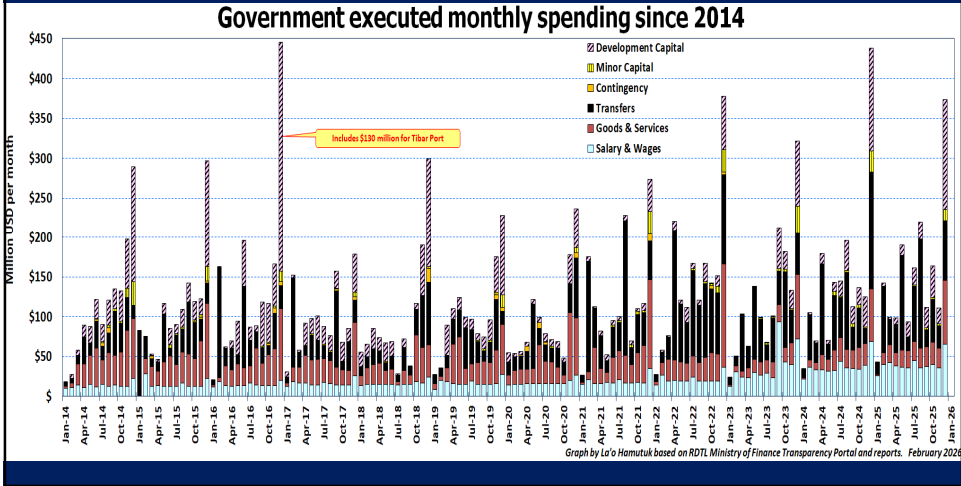






# Recent budget execution

Hasty end-of-year spending is neither effective nor efficient.



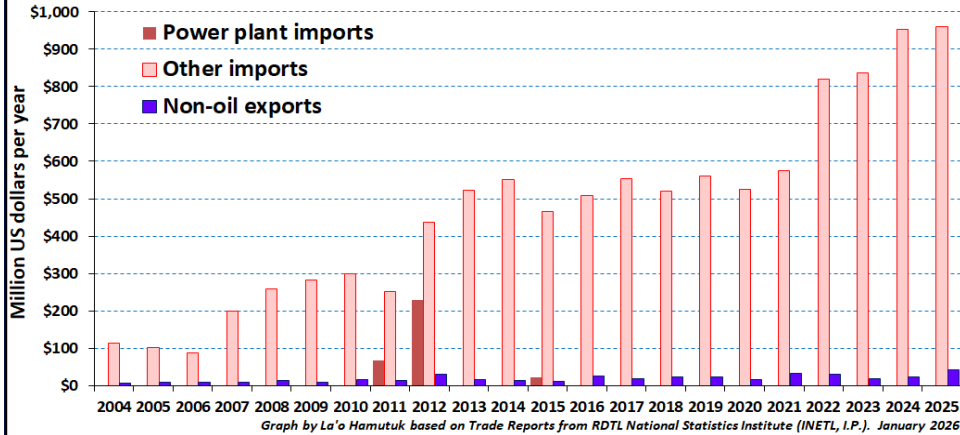
# Real Threats to Real Security

- Human security is health care, food, education, employment, housing, etc.
- 20 times as many Timorese children under five die from avoidable conditions as people are killed by violence.
- These children will not be helped by police, soldiers or judges, but many donors prioritize the "security sector," seeing everything through a conflict lens.
- We must diversify our economy and strengthen our people and workers to prepare for the day our oil runs out and we can no longer pay for imports.



# Import Dependency

## Timor-Leste Balance of Goods Trade

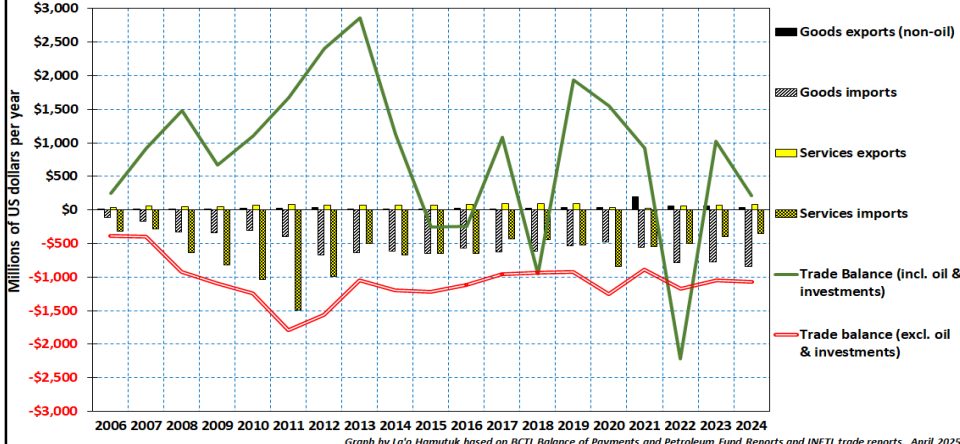


The graph shows legal goods trade only. Three-fourths of donor spending and two-thirds of state spending leaves the country.

# More money goes out than comes in.

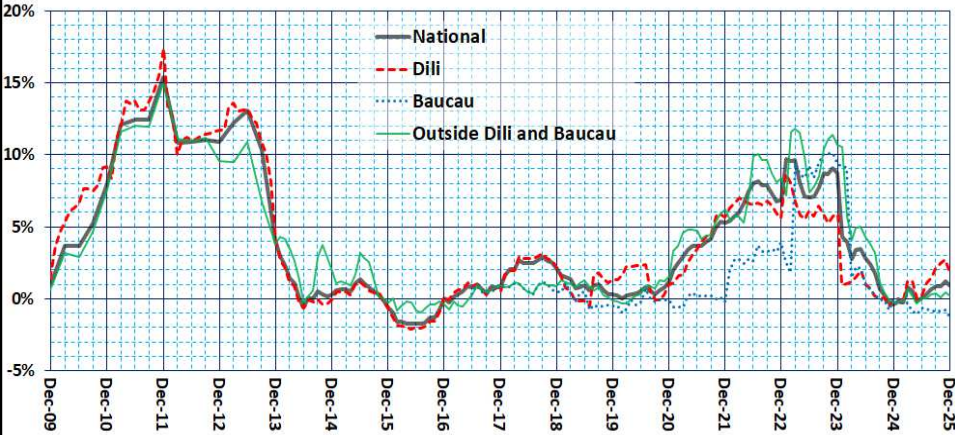
2024 trade:	services	goods	total
Imports	\$357m	\$840m	\$1,197m
Exports	\$ 82m	\$ 21m (excluding oil)	\$ 103m
Deficit	-\$275m	-\$819m	-\$1,094m

## Timor-Leste's External Balance of Payments



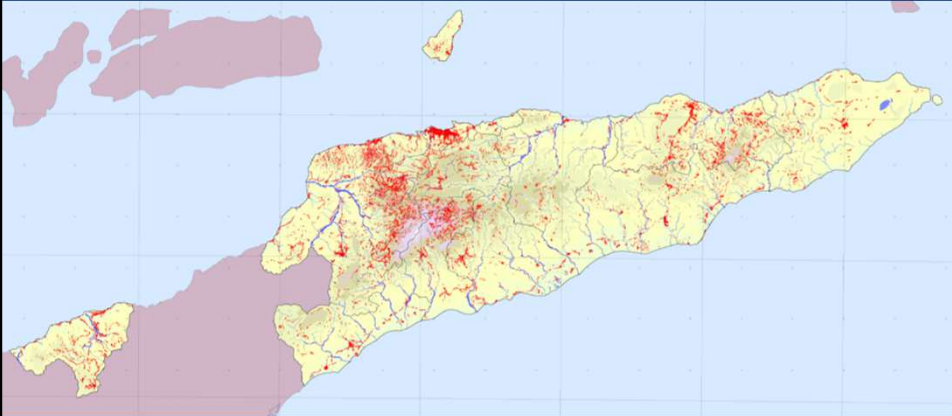
## Prices rose here and around the world.

### Year-on-year inflation in Timor-Leste



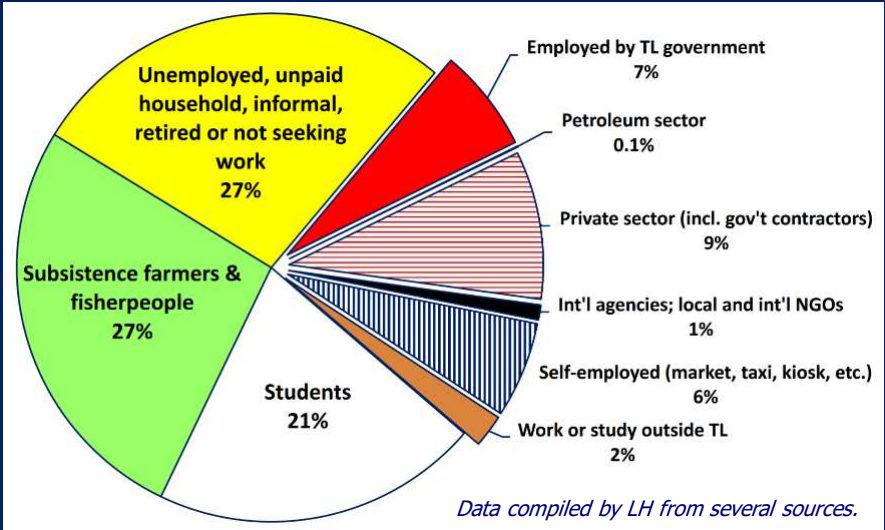
Graph by La'o Hamutuk based on CPI information from the RDTL National Statistics Institute. Jan. 2026

## Most people live in rural areas by subsistence agriculture.

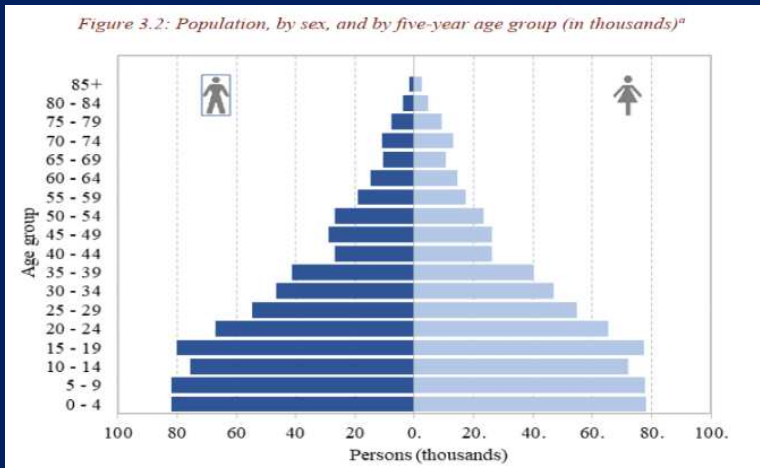


**Agriculture will get about 2% of state expenditures in 2025, although it is the livelihood of 65% of the population.**

# What do 820,000 Timorese people aged 15-64 do for work?



# Timor-Leste's people are young.



**The working-age population increases by about 20,000 people every year.**

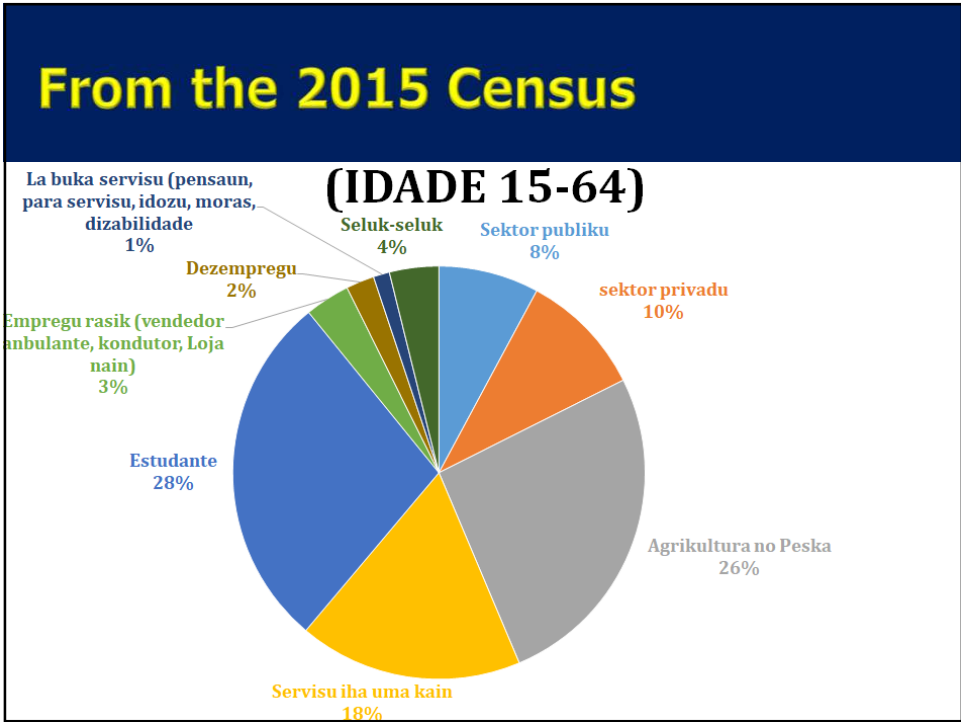
## What are the future prospects?

		Total Timor-Leste										
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Employment												
Male *	n	47,200	46,200	44,000	43,500	38,700			36,400	42,200	43,100	43,800
Female *	n	15,000	15,100	14,200	14,500	14,200			15,900	21,100	22,100	22,800
<b>Total employment *</b>	<b>n</b>	<b>62,200</b>	<b>61,300</b>	<b>58,200</b>	<b>57,900</b>	<b>53,000</b>			<b>52,200</b>	<b>63,300</b>	<b>65,200</b>	<b>66,600</b>

**Timor-Leste lost 10,000 private sector jobs between 2014 and 2021.**  
**They were restored in 2022-23, but at lower inflation-adjusted wages.**  
**The potential labor force increased by about 190,000 people in 8 years.**  
**The VIII Government promised to create 60,000 new jobs each year.**  
**The IX Government calls job creation its 'number one priority.'**  
**An LNG plant will employ about 350 workers.**

Profit	\$m	374.9	402.2	465.2	404.1	380.8			365.6	534.9	525.7	588.3
Average wages per employee **	\$	2,500	2,600	2,700	3,100	3,100			3,200	2,600	2,900	3,300
Capital expenditure	\$m	80.7	67.3	48.9	70.4	27.0			21.9	14.8	16.1	32.7

**The potential workforce grows by more than 20,000 people every year.**  
**Half the population is under 21 years old.**



## Dili is very different from the rest.

**Table 2.6 Wealth quintiles**

Percent distribution of the de jure population by wealth quintiles, and the Gini Coefficient, according to residence and municipality, Timor-Leste DHS 2016

Residence/region	Poverty		Wealth quintile			Total	Number of persons	Gini coefficient
	Lowest	Second	Middle	Fourth	Highest			
<b>Residence</b>								
Urban	1.5	3.4	8.8	30.0	56.2	100.0	16,539	0.11
Rural	26.9	26.2	24.2	16.3	6.4	100.0	44,030	0.25
<b>Municipality</b>								
Aileu	16.6	33.3	27.2	17.1	5.9	100.0	2,357	0.21
Ainaro	35.0	27.1	20.8	13.5	3.7	100.0	3,076	0.15
Baucau	20.0	22.4	22.5	22.6	12.6	100.0	6,994	0.23
Bobonaro	15.6	22.0	29.8	22.5	10.0	100.0	4,797	0.23
Covalima	24.4	18.9	24.8	20.8	11.1	100.0	3,569	0.15
Dili	2.9	4.4	6.8	26.0	59.8	100.0	12,625	0.18
Ermera	30.0	32.8	21.9	11.2	4.1	100.0	5,818	0.27
Lautem	15.1	20.9	25.4	26.5	12.2	100.0	3,374	0.21
Liquiça	17.0	28.3	24.1	18.8	11.9	100.0	3,966	0.28
Manatuto	18.7	19.3	25.5	21.7	14.9	100.0	2,795	0.26
Manufahi	24.2	22.7	20.2	21.6	11.3	100.0	3,201	0.27
SAR of Oecussi	45.7	18.7	16.8	10.6	8.2	100.0	3,985	0.25
Viqueque	30.3	22.0	24.3	15.0	8.3	100.0	4,012	0.27
Total	20.0	20.0	20.0	20.0	20.0	100.0	60,569	0.16

**60% of Dili's population are among the wealthiest 20% of Timorese, while only 7% are below the poverty line.**

**More than half of the families outside Dili live in poverty.**

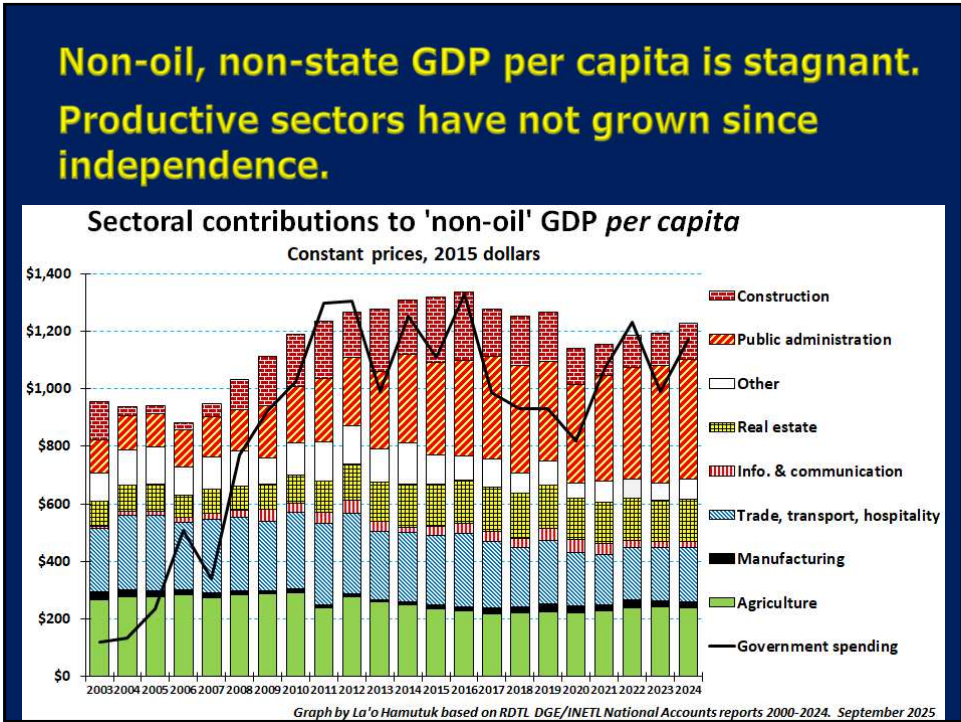
## Timor-Leste's constant-prices GDP (including oil) is falling and uncertain.

Real growth in total GDP	Date	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
IMF Article IV Report (2019)	May 19					20.9%	0.8%	-4.5%	-8.0%	6.6%	1.3%	-12.3%
RDTL Nat'l Accounts (2017)	Apr 19	11.5%	5.0%	-11.1%	-25.9%	20.6%	0.7%	-9.2%				
RDTL Nat'l Accounts (2016)	Jan 18	11.8%	5.0%	-11.0%	-26.0%	20.9%	0.8%					
IMF Article IV Report (2017)	Dec 17				-26.0%	20.9%	-7.9%	-8.0%	-0.7%	-4.7%	-3.7%	-2.6%
RDTL Nat'l Accounts (2015)	April 17	11.9%	4.8%	-10.9%	-26.0%	20.9%						
RDTL Nat'l Accounts (2014)	June 16	10.6%	1.9%	-12.8%	-27.8%							
IMF Art. IV Consult. (2016)	May 16		5.3%	-13.9%	-15.8%	-0.6%	-8.8%	-12.9%				
RDTL Nat'l Accounts (2013)	June 15	12.6%	5.2%	-13.9%								
IMF Art. IV Consult. (2014)	Oct 14	7.9%	-10.4%	-10.7%	-10.2%	10.2%						
IMF Article IV Report (2013)	Dec-13	7.3%	5.7%	-3.2%	-6.9%							

**Total GDP per capita is lower than it was in 2006, before the oil boom. The population is growing faster than the economy is.**

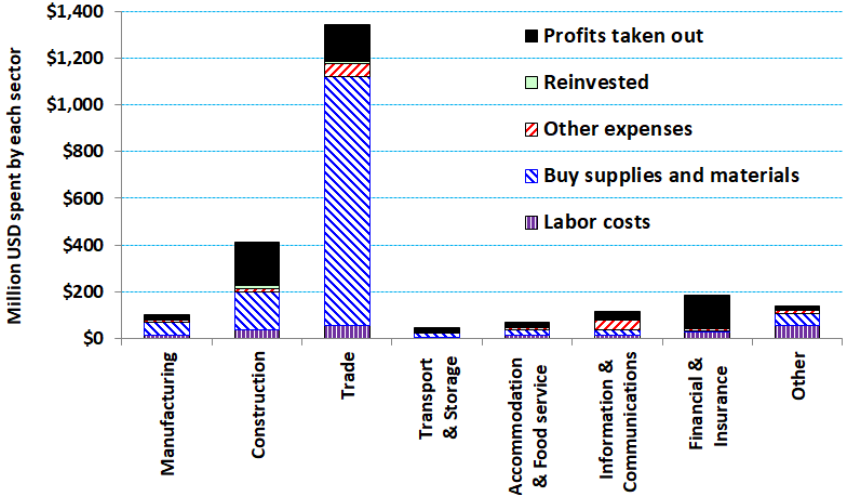
### Timor-Leste's constant-prices non-oil GDP growth is erratic and less than predicted.

Real growth in non-oil GDP	Date	Avg. 2013-19	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 (est.)	2026 (est.)
RDTL 2026 Budget	Oct 25	1.7%	3.0%	-3.2%	-0.5%	2.7%	-8.5%	3.0%	4.0%	2.4%	4.3%	4.5%	4.5%
RDTL Nat'l Accounts 2024	Sep 25	1.7%	3.0%	-3.2%	-0.5%	2.7%	-8.5%	3.0%	4.0%	2.4%	4.3%		
WB TL Economic Report	Sep 25	1.6%	3.4%	-3.1%	-0.7%	2.1%	-8.5%	3.0%	4.0%	2.4%	4.1%	4.0%	3.4%
IMF Article IV cons. (2024)	Dec 24	1.6%	3.4%	-3.1%	-0.7%	2.1%	-7.2%	3.0%	4.0%	2.4%	3.5%	3.4%	3.2%
RDTL Nat'l Accounts 2023	Sep 24	1.7%	3.0%	-3.2%	-0.5%	2.7%	-8.5%	3.0%	4.0%	2.4%			
IMF Article IV cons. (2023)	Feb 24	1.6%	3.4%	-3.1%	-0.7%	2.1%	-7.2%	1.6%	4.0%	1.5%	3.5%	3.2%	3.1%
WB TL Economic Report	Jan 24	1.7%	3.4%	-3.1%	-0.7%	2.1%	-8.3%	2.9%	4.0%	2.1%	3.6%	4.5%	4.0%
RDTL Nat'l Accounts 2022	Sep 23	1.7%	3.4%	-3.1%	-0.7%	2.1%	-8.3%	2.9%	4.0%	2.3%			
RDTL Nat'l Accounts 2021	Sep 22	1.7%	3.4%	-3.1%	-0.7%	2.1%	-8.3%	2.9%	3.3%				
RDTL Nat'l Accounts 2020	Sep 21	1.6%	3.4%	-3.1%	-0.7%	2.1%	-8.6%	1.9%					
WB TL Economic Report	May 21	1.3%	3.4%	-4.1%	-1.1%	1.8%	-7.3%	1.8%	3.7%	4.3%			
RDTL Nat'l Accounts 2019	Oct 20	1.3%	3.4%	-4.1%	-1.1%	1.8%							
RDTL Nat'l Accounts 2018	Dec 19	1.4%	3.6%	-3.8%	-0.8%								
RDTL 2018 Budget	Aug 18	2.2%	5.3%	-5.3%	0.6%	4.5%	3.7%	4.8%					



# Businesses don't invest in themselves.

How businesses spend the money they receive



Graph by La'o Hamutuk based on INETL Business Activities Survey 2024

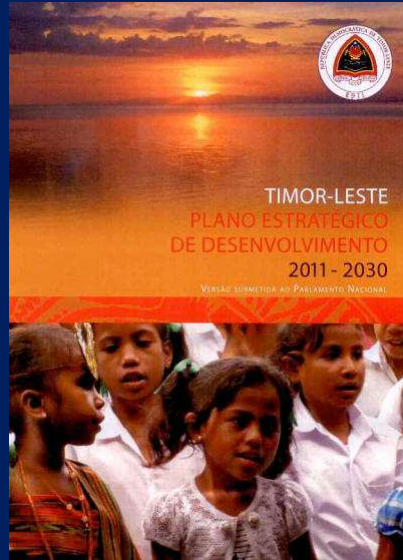
## 3. Unrealistic dreams

**Current plans for development will not sustainably improve people's lives.**

**They rely on Greater Sunrise gas, which is limited and may never come to TL's land or treasury.**

## The Strategic Development Plan

- Issued in 2011, hopes to make Timor-Leste an Upper Middle Income Country by 2030.
- A vision and dream, not a realistic plan.
- Focuses on physical infrastructure, not sustainable or human development.
- Will require spending far beyond TL's means.
- Promised reviews began with the last Gov't, and were restarted by the current one.



## Tasi Mane petroleum infrastructure project

- In 2010, TL began to plan the South Coast Petroleum Corridor.
- During 2011-2024, Timor-Leste spent more than \$600 million on it.
- In 2019, Timor-Leste also bought 57% ownership of Greater Sunrise for \$650 million ... and will now have to pay 57% of offshore development costs.
- Total capital costs could exceed \$24 billion (more if Timor-Leste pays for the refinery, pipeline or LNG plant).
- No investors have shown interest.
- In 2020, both Woodside and TimorGAP said that the Sunrise project was worth nothing.
- In 2023, the new Government prioritized and relocated Tasi Mane.



# Buying into Greater Sunrise

- Timor-Leste 'borrowed' \$650 million from the Petroleum Fund to pay for 57% of the Sunrise Joint Venture.
- The other partners do not want to build a pipeline to TL and an LNG plant there, but might go along if TL pays all the costs.
- This will eat up billions of dollars and reduce TL's share of Sunrise upstream revenues from 80% to 70%.
- Spinoff benefits may be a mirage, and environmental, social and financial costs and risks have not been fully analyzed.
- The deals have been done with little accountability and weakened oversight.
- Few consider lost opportunity costs, more realistic and sustainable options, or what else the money is needed for.
- JV partners Woodside and TimorGAP re-valued the project to \$0 in 2020.



# What will Tasi Mane really cost?

This estimates capital expenditures only, not operational costs. Most have never appeared in state budget forecasts.

Money spent, budgeted and required to build the Tasi Mane project (millions of USD)

Component	Location	Status	Spent through 2024	Budgeted 2025	Budgeted 2026	Estimated total capital cost	Percent budgeted
Airport	Suai	Constructed	79	2	2	83	100%
Supply base	Suai	Tender pending	52	14	20	1,200	7%
Highway	Suai-Fatukai	Mostly built	306	4	1	340	91%
Highway	Fatukai-Natarbora	Not started	-	22	30	800	7%
Airport (is this real?)	Natarbora	Not started	-	-	-	100	0%
Oil refinery & petrochemical	Natarbora	Pending design	5	0	-	2,200	0%
Gas pipeline, LNG plant & port	Sunrise-Natarbora	Pending design. Seeking financing	117	0	-	8,700	1%
57% share of Greater Sunrise Joint Venture	Offshore	Borrowed directly from the Petroleum Fund	650	-	-	650	100%
57% of Sunrise upstream capital expenditure	Offshore	Pending design. Seeking financing	-	12	52	9,200	1%
Administrative and other costs	Dili	Ongoing	106	13	20	744	19%
<b>TOTAL</b>			<b>1,315</b>	<b>67</b>	<b>124</b>	<b>24,017</b>	<b>6%</b>

Note: This table does not include \$580 million to be paid to the Petroleum Fund as interest on the loan to buy participation in the GS Joint Venture, or any other financing costs. Table by La'o Hamutuk from Min. Finance budget books, General State Accts, TimorGAP, transparency portal and our estimates. Oct. 2025

## Problems with the Tasi Mane project

- It prolongs TL's dependency on oil and gas.
- Dubious concepts and planning.  
It is unlikely to provide a reasonable return on investment.
- It neglects sustainable development (agriculture, tourism, small industries etc.), exemplifying the obsession with oil.
- Nearly all the billions spent will go to foreign companies, providing hardly any local livelihoods or subcontracts. The petroleum industry creates fewer jobs than any other option.
- It will create social conflict, take up land, displace people, worsen health and degrade and endanger the environment.
- Cost projections leave out 90% of required investment.
- In tomorrow's economy and oil prices, it is not financially viable.

**The Government has made many unrealistic promises about revenues, profit-sharing, jobs and other benefits.**

## Special Market Zone in Oecusse

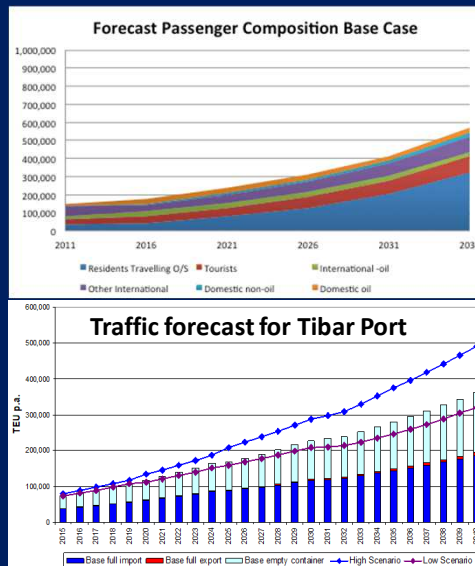


- In 2014-19, RDTL spent \$647 million on ZEESM with no accountability. Oecusse has 6% of Timor-Leste's population.
- What are Oecusse's competitive advantages?
- Can ZEESM justify a \$4 billion investment?

**Who benefits: residents of Oecusse or political leaders?**

## Overbuilding ports and airports

- Timor-Leste is building a port and airport far beyond realistic traffic expectations.
- Airfares have escalated and airlines are cancelling routes.
- How will the country pay for a \$6 billion annual trade deficit after the oil is gone?



## Timor-Leste is in debt.

- Laws in 2009 opened the door to foreign loans.
- Since 2012, TL has signed\* contracts to borrow \$864 million:
  - \$616m from Asian Devel. Bank (ADB) for roads
  - \$135m from World Bank for roads
  - \$113m from Japan (JICA) for roads and Dili airport
  - \$ 45m from Australia for Dili airport
- From these contracts, \$320 million has been disbursed so far.
- Future borrowing is unclear, although Sunrise and the Tasi Mane Project might be financed by borrowing billions of dollars.
- The 2026 Budget authorizes \$850 million in new loan contracts.
- In 2026, Timor-Leste will pay \$27 million in debt service, which could increase to more than \$55 million/year after new contracts are signed and more money is disbursed.

\*Not including a \$50 million loan from China that was invalidated by the Audit Court.

## Important to consider



- Implementing the Strategic Development Plan will require borrowing billions, probably at commercial rates.
- Even at concessional rates, repaying loans depletes the assets in the Petroleum Fund.
- TL's oil and gas reserves are limited, non-renewable, and already used up. Future projects may not materialize.
- TL will have to prioritize repaying loans above spending on people's needs or developing other sectors.
- Our children and grandchildren will inherit the debt after the oil wells have run dry.

## What are the alternatives?

- Invest in human resources: education, health, and nutrition. These are prerequisites for everything else.
- Build infrastructure that people need: rural roads and water supply, local schools and clinics, decentralized renewable electricity.
- Don't forget people outside of the formal economy.
- Strengthen sectors which build on Timor-Leste's strengths: agriculture, community-based tourism, small industries making products for domestic use.
- Adopt policies based on evidence and unbiased analysis, not on unrealistic ideas, politics or dreams.

## 4. Impunity and accountability

**Impunity for past crimes  
undermines future stability,  
security and rule of law.**

### **Impunity and accountability for crimes against humanity**

- **1975-1999: Indonesian invasion and occupation killed about 180,000 people in a systematic and planned policy executed throughout Timor-Leste.**
- **The US, UK and Australia and others armed, trained and provided diplomatic cover for the Suharto military dictatorship until the 1990s.**
- **2000: Indonesian Commission on Human Rights Abuses in TL (KPP HAM) reported on 1999 crimes and recommended an international mechanism.**
- **2001-2004: UN-supported Serious Crimes Unit indicted 391 people for 1999 crimes. All Indonesian and most Timorese indictees live free in Indonesia.**
- **2001-2005: TL's Commission for Reception, Truth and Reconciliation (CAVR) researched history and encouraged reconciliation among Timorese. Its extensive report made 200 recommendations, including that if other processes fail, the UN should create an international tribunal.**

## Impunity continues to this day

- 2005: UN Commission of Experts (COE) reviewed legal processes to date and recommended creating an international mechanism.
- 2005: TL and Indonesian governments created the Commission of Truth and Friendship (CTF) to avoid individual accountability.
- 2014: Prabowo, former commander of Kopassus, ran for President of Indonesia, losing to Jokowi.
- 2016: Jokowi appointed ex-general Wiranto as Coordinating Minister for Political, Legal and Security Affairs.
- 2019: Prabowo was again a leading candidate for President. After he lost, Jokowi appointed him as Minister for Defense.
- 2024: Prabowo is elected President of Indonesia.

**Until today, not one legitimate process in Indonesia or Timor-Leste has held major criminals accountable.**

## Indonesia's occupation included many massacres.



Above: 1983 massacre in Kraras, Viqueque



Right: Commemorating the 10<sup>th</sup> anniversary of the 1999 Suai Church massacre. Indicted ringleader Maternus Bere was illegally freed due to Indonesian pressure on TL's leaders.



## UN Serious Crimes Unit Special Panel

The UN-supported Serious Crimes Unit indicted 391 people for 1999 crimes, tried 87 Timorese and convicted 84.

All Indonesian indictees and most Timorese are living free in Indonesia, and efforts to prosecute were blocked by political interference.



## 2004: President Xanana Gusmão and indicted ex-General Wiranto

The Serious Crimes Unit issued an arrest warrant for former Indonesian military chief Wiranto for Crimes Against Humanity weeks before this photo was taken in Bali.

Wiranto later ran twice for President of Indonesia.



# Human rights groups against Wiranto's cabinet appointment

Indonesia: Gen. Wiranto's appointment shows contempt for human rights

27 July 2016, 14:35 UTC

**AMNESTY INTERNATIONAL**

KAMU TUNTUT  
A-N-T-I

HUMAN RIGHTS WATCH



## Ongoing impunity creates insecurity.

- Today, all the main perpetrators of crimes against humanity during the Indonesian occupation are free in Indonesia, including everyone responsible for the 99% of occupation-related killings committed between 1975 and 1998.
- They are all protected by the Indonesian government, and many hold high Indonesian political and military positions.
- This ongoing impunity greatly threatens peace, security, democracy, rule of law and moral values in both Timor-Leste and throughout ASEAN.

## UN Special Rapporteur on Extreme Poverty

**“Ending impunity is an essential prerequisite to ensuring stability, peace and sustainability. The Special Rapporteur encourages the State to take measures to ensure that post-conflict justice and reconciliation is prioritized and that a legal framework is put in place to ensure that those responsible for serious crimes during the conflict are called to account for their deeds, and the victims of those crimes are able to access reparations. She also reminds the Government of Indonesia, the United Nations and the international community of the role they must play in ensuring that the perpetrators of crimes during the Indonesian occupation are brought to justice.”**

*June 2012 report to Human Rights Council*

## What happens next?

- Today, neither Indonesia, Timor-Leste nor the international community has the political will to bring these criminals to justice.
- The Commission of Experts report has never been discussed in the Security Council.
- UNMIT left Timor-Leste at the end of 2012, having failed to achieve justice.
- Executive interference in the court system in 2014 further weakened the rule of law.
- UN policy and global consensus says that there can never be impunity for crimes against humanity. **Chega!**

**A luta continua. We continue to demand that people who violate the law be held accountable for their crimes.**

## Use [www.laohamutuk.org](http://www.laohamutuk.org)

Instituto Timor-Leste ba Analiza no Monitor ba Dezevolvimentu  
Timor-Leste Institute for Development Monitoring and Analysis  
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**Go to the Updates Page to see new items on this website.**  
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**Recent Postings**

- Feb 2026: Timor-Leste Joins ASEAN / Timor-Leste tama jha ASEAN
- Jan 2026: LH statement on the Illegal U.S. Military Operation in Vozneszuala (mós Tetum)
- Jan 2026: Extractive Industries Transparency Initiative (EITI) in Timor-Leste: reports and background
- Jan 2026: U.S. Millennium Challenge Corporation (MCC) in Timor-Leste
- Dec 2025: [Buletin LH \(Tetum\)](#) ho artigu kona-ba Orsamentu Jeral Estadu 2026; Analiza OJE 2026 ba Setór Agrikultura; Soberania Ai-Han Mak Dalam Sustentavel ba Seguransa Ai-Han Hafoin Rai Naruk Fiskal; Transparénsia, Akontabilidade no Partispasau; Lian husi Komunidade ba Projetu Mineiru; Projetu Tasi Mane no Greater Sunrise; Dezevolvimentu Setór Edukasaun (PDE)
- Oct 2025: LH statement on ASEAN accession (mós Tetum)
- Oct 2025: Surat Popular Hamoin Soberania Ai-Han no Ekonomia
- Sep 2025: Submission from LH about the review of the Strategic Development Plan (mós Tetum)
- Sep 2025: Submission from LH about proposed Blue Economy Action Plan (Eng.)
- Sep 2025: LH Mid-Year Report, January-June 2025
- July 2025: Submission husi LH ba PN kona-ba proposed Competition Law (also Eng.)
- June 2025: Karta aberta husi LH no TLCE ba PN kona-ba Alterasaun Lei Baze Edukasaun
- May 2025: Rights and Sustainability: LH briefing on key issues facing TL, Powerpoint (also PDE). Also Tetum PowerPoint (mós PDE)
- Jan 2026: Ex-Priest Richard Daschbach charged with sexually abusing children

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**Thank you.**

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