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East Timor says Australia pipeline deal to be struck by November

AFP, 11 Sep 2024. By Jack MOORE

East Timor President Jose Ramos-Horta said on Wednesday a deal with Australia on a vast fossil fuel project seen as crucial to the tiny nation's economic future will be struck by November.

Speaking to AFP at his residence in the capital Dili, the Nobel-winning leader said an agreement on the Greater Sunrise project -- which aims to tap trillions of cubic feet of natural gas -- would be signed within weeks.

Exploration has been stalled for years at the project, located in waters between the neighbouring countries, due to disputes over maritime boundaries and whether the gas should be refined in Australia or East Timor.

"Soon we will sign an agreement with Australia on the development of Greater Sunrise. A decision will be made to develop the big gas field," he said.

"The agreement should be signed no later than November, probably. It will be signed this year."

Asia's youngest nation, which secured independence in 2002, is trying to shore up the future of its nascent economy, which is heavily reliant on oil and gas reserves.

"China needs it, Japan, South Korea, they need it," Ramos-Horta said of Greater Sunrise.

However, he said whether resources would be piped to East Timor or Australia was still to be decided by both governments after an independent study.

"Why should it go to Darwin?" he said.

Project operator Woodside Energy also appeared to manage expectations in an investor call last month, saying "Sunrise has a lot of complexity... we've got a bit of work to do".

Australian officials had been concerned that China could fund the project when there were already wider fears about Beijing's expanding regional influence.

That includes in East Timor, which sits a few hundred kilometres off Australia's northern coast.

Ramos-Horta said in a wide-ranging interview that relations with Canberra, tense for years over a spying scandal that became public in 2018, have been reset.

"The bugging was unkind. But... every country, they bug everybody else," he said.

"So now we have great relations with Australia. Australia is a true friend, a great friend."

- US-China rivalry -

The 74-year-old spoke of delicately balancing relations with the United States and China as competition ramps up in the Asia-Pacific region, condemning critics over East Timor's warming ties with Beijing.

Australia and New Zealand have historically been the region's go-to security partners but there are worries in Washington that China may one day parlay agreements with small nations into a permanent military foothold.

"We have Australian, Portuguese and American military personnel. We don't have any Chinese military personnel. So what are they talking about?" Ramos-Horta said.

He brushed aside a 2023 deal to upgrade ties with Beijing as "formalities".

"China has such comprehensive strategic framework agreements.. with many other countries," he said.

He then called on Beijing and Washington to tamp down rising regional competition.

"Superpowers, they have a responsibility to their own people, they have a responsibility to the region, to the rest of the world," he said.

"They should be... benevolent, wise," he added, saying Chinese President Xi Jinping and the next US president should meet to reset relations.

- Church abuse -

One of East Timor's central liberation figures, Ramos-Horta's struggle for independence from Indonesia through tireless diplomacy in a decades-long exile won him a Nobel Peace Prize and two terms, a decade apart, as leader.

He shared that Nobel prize with Bishop Carlos Ximenes Belo, who was accused of sexually assaulting young boys and was secretly sanctioned by the Vatican in 2020 and now lives in Portugal.

Ramos-Horta said he wants "no child abuse" in East Timor, responding to a call by Pope Francis during the pontiff's three-day visit this week for the country's leader to do more on all forms of abuse.

He repeated that he would follow the Vatican's laws to deal with clergy members and, if any cases fell under the purview of East Timor's legal system, they would be dealt with.

Ramos-Horta said of Belo that the Timorese still respected him for how he saved lives during the struggle for independence from Indonesia.

"Our people, in spite of the revelations that have come, they keep this respect for Bishop Belo," he said.

"I feel the same like the people."

jfx/pbt

East Timor President Jose Ramos-Horta lobs China grenade ahead of visit

The Australian, 30 Sept. 2024. By Amanda Hodge

East Timor President Jose Ramos-Horta has likened Anthony Albanese to a neglectful godparent who never visits, and warned his government will look to Chinese or Kuwaiti investors to help it develop the [Greater Sunrise oil and gas fields](#) if Australia does not back its preferred option of a risky and expensive pipeline to the country's south coast.

Mr Ramos-Horta says it is time the Australian government looked beyond simple economics and saw [East Timor](#) for what it is – “part of its national security, national strategic area of interest”.

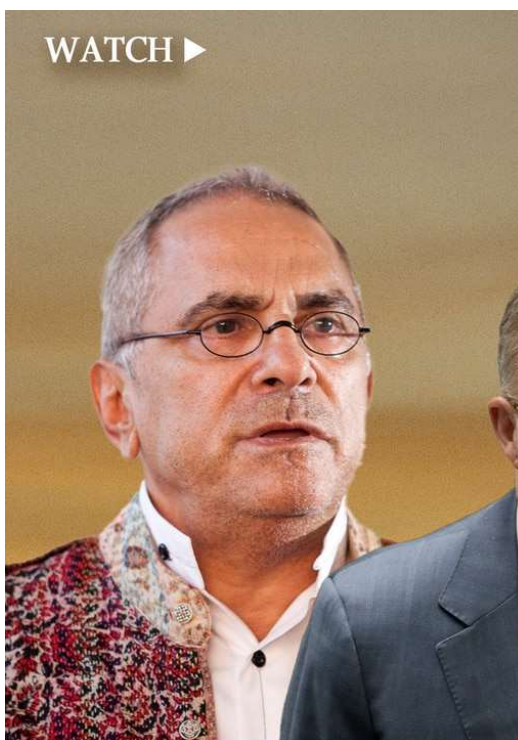
Had it done so “it would have supported the pipeline to Timor long ago”, he told *The Australian*.

“It would have invested much more in Timor Leste than foreign aid. And the Australian Prime Minister would have visited East Timor several times. Anthony Albanese has not visited. He sent Penny Wong to make up for that. We like Penny Wong but she's not the PM,” he said, using the alternative name for his country

The comments from the veteran diplomat underscore the often fractious relationship with Australia's closest neighbour – located just 600km north of Darwin – as it faces a looming economic crisis brought on by mismanagement of its multibillion-dollar Petroleum Fund.

In a wide-ranging interview ahead of his visit to Australia next week, Mr Ramos-Horta said he believed Mr Albanese's late Labor Party mentor Tom Uren would advise his protege to “stop the crap” and “go and visit Timor Leste and increase support”.

“When the Prime Minister doesn't even bother visiting you how can we say, ‘Ohhhh, East Timor and Australia (is a) very important relationship.”



[The newspaper's web version of this article](https://www.theaustralian.com.au/nation/politics/east-timor-president-jose-ramoshorta-lobs-china-grenade-ahead-of-visit/news-story/d3345fa9f759c252e2049535037b29e2?giftid=RVAJfCWsfN)

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[includes a video of the President speaking.](https://www.theaustralian.com.au/nation/politics/east-timor-president-jose-ramoshorta-lobs-china-grenade-ahead-of-visit/news-story/d3345fa9f759c252e2049535037b29e2?giftid=RVAJfCWsfN)

Australia should “fully back” Timor’s Greater Sunrise ambitions and underwrite the insurance risk to provide greater incentive for investors, he added.

Canberra is clearly on notice in East Timor, where in recent months the government has cancelled a flagship Australian government-supported social protection scheme and suspended delivery of two Australian navy patrol boats.

Deakin emeritus professor and long-time Timor watcher Damien Kingsbury believes Dili is sending warning signals ahead of an independent feasibility study into development options for Greater Sunrise that failure to support its ambitions could have strategic consequences, notwithstanding doubts over Chinese enthusiasm for investing in the project.

“There’s a reason it still hasn’t happened – they see the same viability challenges that everyone else does,” says Parker Novak, a nonresident fellow with the Atlantic Council’s Indo-Pacific Security Initiative and former International Republican Institute director for East Timor. Still, he agrees Greater Sunrise is “probably the most important variable driving the future of the (Australia-Timor) bilateral relationship”.

Diplomatic ploy

Mr Ramos-Horta bristles at suggestions he is playing the China card to leverage more support from Australia, and says it is in Timor’s national interests to build relationships with all great powers.

But he adds: “If China didn’t exist as it is, God, where would poor countries go when they’re completely ignored by the West, as Australia ignored Pacific island nations for decades and treated them like their little backyard?”

“The US, Australia, all descended on islands only when China decided to have a little maritime agreement with the Solomon Islands. It’s not a naval base. The Chinese want some guarantee, if their businessmen are attacked (they) can help their people.”

Twenty-five years since the Timorese voted overwhelmingly for independence from Indonesia, Asia’s youngest nation is hurtling towards the edge of a so-called fiscal cliff. Falling over it could plunge the impoverished country into bankruptcy and famine.

Billions of dollars in proceeds from its spent Bayu Undan gas field is projected to be gone by 2034 with no income source yet to replace it, though there is a proposal on the table to turn the empty Bayu Undan well into the world’s biggest carbon capture and storage facility.

East Timor’s Petroleum Fund was supposed to last generations but currently finances more than 80 per cent of the annual state budget. Now in a race against time to prevent economic collapse, the Timor government sees the Greater Sunrise gas and condensate fields that stretch across its Timor Sea boundary with Australia as vital to its future.

Income from those fields cannot come soon enough. Exploration has stalled for years because of disputes between joint venture partners over where the gas should be refined, and between Canberra and Dili over maritime borders which the Timor government sees as having contributed to its current predicament.

With the border finally settled, Mr Ramos-Horta says an agreement on a legal framework and preferred development option should be reached by the end of the year between Timor’s state-owned Timor Gap majority stakeholder, Australia’s Woodside, and the Australian arm of Japan’s Osaka Gas.

The independent concept study, a draft of which is already circulating, is intended to guide that decision by evaluating new technologies, as well as the socio-economic, safety, environmental, strategic, and security benefits of the various options. Yet asked if his government was prepared to accept the Darwin option should the study show it to be the better option – as widely expected – he told *The Australian*: “Without any irresistible offers from Australia, of course Timor will walk away.”

Mr Ramos-Horta says he understands concerns over the risks and costs of Tasi Mane, but insists those costs would be mitigated by Timor’s cheap labour and easier tax regime. “(If) the pipeline goes to Australia, we are paying Australian workers,” says. “How does this make sense? For us, there are no difficulties developing partners for Greater Sunrise.”

Timor would prefer to work with its current joint venture partners and believes that together Australia, Timor and Indonesia could be major energy powers if they joined forces.

But, equally, the Chinese are “very interested in Tasi Mane”, he insists, as is a private Kuwaiti investment fund that says it’s ready to invest \$US12bn in the project.

Analysts say bringing Greater Sunrise on stream buys East Timor time to start diversifying its economy, reduce its dependence on imports and transition from a generation of resistance-era leaders who, having fought so valiantly for an independent nation, have proved poor economic stewards.

East Timor’s economy has flatlined in recent years, down from an average growth rate of 5 per cent in its first decade of independence to 1 or 2 per cent in the past 10 years. Youth unemployment is above 30 per cent and productivity has plummeted, according to a recent World Bank report.

Not everyone is convinced Greater Sunrise is the answer to those problems given some doubts over the commercial feasibility of an expensive fossil fuel project with a long lead time to production in the age of global warming.

Even if an agreement were reached tomorrow, it would take six to eight years for income to flow and nobody knows what the market price for natural gas will be by then, says Charlie Scheiner, a development analyst with Dili-based NGO La’o Hamutuk.

Woodside has long-argued Timor’s Tasi Mane option is economically unviable. Its preferred option, to pipe the oil and gas to an existing facility in Darwin, could bring the project on stream several years quicker.

None of those arguments have swayed Xanana Gusmao, the country’s most celebrated resistance hero, who sees Tasi Mane as his political legacy and a fundamental issue of sovereignty.

Relationship reset

Foreign Minister Penny Wong may not have been the guest Timor was looking for when she visited in 2023 but her message landed well when she did.

Australia had made mistakes with Timor and had been wrong to drag out maritime boundary negotiations and from now on would be a good and respectful friend to Timor. “That means listening carefully to your interests and priorities. That means being a partner who will support the sustainable growth of your economy and deliver the greatest wealth and security for your people,” she said.

“That is why Australia is so deeply committed to working with East Timor to realise the development of Greater Sunrise.”

It was the reset both countries needed after years of tensions over allegations of Australian spying during maritime boundary negotiations, and what the Timor government saw as transactional development aid linked more to Australian interests than its own.

Mr Ramos-Horta said Timor and Australia “have the best possible relationship”.

Yet the government’s decision to suspend the May delivery of two patrol boats and cancel a DFAT-supported cash payments program for mothers to counter high rates of child malnutrition, sent shockwaves through the embassy and the development community.

The Guardian patrol boats were part of a 2017 agreement struck with the previous Fretilin-led government that included maritime training for Timorese naval personnel and Australian assistance to upgrade Dili’s Hera port. Timorese navy commanders are said to be fuming given their lack of capacity to prevent illegal fishing inside their waters.

Mr Ramos Horta told The Australian there was “no universe in which Timor could go it alone on maritime security without Australia given the proliferation of illegal fishing and other crimes in its waters”.

The government insists it is simply reviewing the suitability of projects.

Fretilin chairman and former prime minister Mari Alkatiri told The Australian the project cancellations – along with a decision to scrap low-cost World Bank and Asian Development Bank loans for water, health and education projects – would scare investors, and that walking away from Timor’s Greater Sunrise partners “would be the biggest disaster”.

“Nobody is going to invest in a country where there is no continuity of policy,” he said.

Last month, East Timor marked a quarter of a century since the Australian-led Interfet peacekeeping force swept into Dili to end an orgy of pro-Indonesian violence triggered by its independence vote in September with a series of moving events.

Guests of honour included former Australian Army commander Sir Peter Cosgrove and UN Secretary-General Antonio Guterres.

At an informal reception in the Chinese-built Presidential Palace last week, Mr Ramos-Horta thanked dozens Australian and New Zealand Interfet veterans in matching T-shirts bearing the Tetum word for “together” for helping Timor achieve liberation and reeled off some remarkable achievements.

The tiny country now had the region’s strongest democracy, rated higher on the Freedom House index than Australia and US for free media, and had raised life expectancy from less than 60 years before independence to 70 years today. It had no political violence or organised crime – “we are too disorganised for that”, he quipped – before cracking a few jokes about John Howard and Australia’s convict past.

A visitor to Australia is pulled out of line on his way into the country and asked if he has a criminal record. “I didn’t realise that was still a requirement,” the visitor responds.

The crowd laughs along with the President.

Australians have an incredible sense of humour, Mr Ramos-Horta told his guests in a warm and easy monologue that by turns poked and flattered. But its government was unnecessarily paranoid about China’s presence in the region, he said.

Australia and Portugal were Timor’s main security partners, he assured, brushing away concerns over Dili’s Comprehensive Strategic Partnership with Beijing last year that committed both nations to closer security ties.

Yet Australia and the US have watched with alarm as China has moved to build security partnerships across the region, following a 2022 agreement with Solomon Islands allowing for the deployment of Chinese “armed police, military personnel and other law enforcement forces” there.

The Albanese government scored a win last month when Pacific Island leaders unanimously endorsed a \$400m regional policing plan to improve training and create a multinational crisis reaction force. Two weeks later, China opened a facility for training Pacific police in Fuzhou.

Mr Ramos-Horta says Australia need not fear China’s presence in Timor – a tiny nation with outsized strategic importance due to its location at the crossroads of Southeast Asia and Oceania – and that Beijing only wants to help grow its economy.

The two countries signed agreements on an array of economic projects during his state visit to Beijing in July, where he and President Xi Jinping again committed to “enhance exchanges at all levels between the military and police forces”, through training and joint exercises.

Mr Ramos-Horta is a strong defender of China and its One China policy which asserts ownership of Taiwan, and earlier this year called for a freeze on arms sales to Taipei. He told The Australian Beijing wanted the South China Sea to be a “sea of peace and co-operation” – notwithstanding its relentless aggression against smaller neighbours.

China’s current aid to Timor – at just \$5m a year a fraction of Australia’s \$150m aid spend – would hardly seem to justify such spirited defence, though China’s infrastructure contributions, from the new Tibar Port to the presidential palace, are certainly more visible than Australia’s work on health, education and capacity building.

The problem with Western countries is they “wait for perfection”, he mused. So much of Australia’s aid went to study after study, whereas China mucks right in and gets things done.

Mr Ramos-Horta has great hopes for what Beijing can do for his country. His son Loro, Timor’s current ambassador to China, recently brought over a delegation of senior Chinese executives representing 300 companies. Another delegation is due next month.

“The Australian media often talks about Chinese influence in Timor-Leste. There are more Chinese in Australia than in Timor Leste,” he tells the Interfet crowd, who look slightly bemused at how the conversation has turned.

It is the Timorese that should be worried about Chinese influence in Australia, he says citing the 100-year lease of Darwin Port to Chinese-owned Landbridge.

Canberra would “go berserk if we did that”.

No white knight

While the prevailing Australian view of our role in East Timor is that of a white knight that protected the people when Indonesian troops ransacked the country on the way out, Dili’s resistance-era leaders have a more unvarnished view of Canberra’s legacy.

Mr Ramos-Horta is careful to draw a distinction between the Australian people – “true friends” to East Timor – and their government that backed Indonesia’s 1975 annexation of East Timor after Portugal ceded colonial rule.

Rui Maria de Araujo, Timorese prime minister between 2015 and 2017, says there is “mutual mistrust” and unhealed wounds dating back to World War II, when Australian troops “occupied” Portuguese East Timor.

Western concerns over China’s creeping influence are seen as paternalistic in Dili where no one needs reminding of the price the Timorese had to pay for their sovereignty. Yet across the country, there is growing resentment at the explosion of Chinese-owned businesses, from convenience stores to supermarkets and service stations and even farm land.

In some areas, like the South Coast village of Suai, there is now active resistance to more Chinese businesses and farmers coming in, says Nelson Belo of Fundasaun Mahein, an NGO that analyses security challenges.

“It’s a time bomb and one day it’s going to explode. It’s a big disagreement between the people and their leaders.”

Joaquim da Fonseca, a former ambassador to the UN and UK, says playing the “China card” is a high-risk gamble for the government that could blow up in its face.

“They (China) have just built the presidential palace, foreign ministry office, ministry of defence and so on. It would be stupid to think this is for free. There will be a time when Chinese companies turn up on our door and want this project or that project, this contract or that. ”

Like others, he worries the government is relying too heavily on Greater Sunrise to solve its problems. “We don’t know if production will come on stream early enough to fend off bankruptcy. Most political leaders do not accept this as a possibility but we have a very good chance of becoming a failed state if things do not improve swiftly,” he says.

It is a scenario that surely keeps Australian political leaders up at night. Australia wants a good relationship with East Timor and does not want it to be a failed state, says Deakin’s Professor Kingsbury.

“If that happens, China is not going to be its saviour. They will look at East Timor and say ‘what’s in it for us?’ ”

[Amanda Hodge](#) South East Asia Correspondent

Amanda Hodge is The Australian’s South East Asia correspondent, based in Jakarta. She has lived and worked in Asia since 2009, covering social and political upheaval from Afghanistan to East Timor. She has won a Walkley Award, Lowy Institute media award and UN Peace award.

Ramos-Horta says \$74bn Timor Sea gas project could begin within months if Australia signs treaty

The Guardian, 8 October 2024. By *Tory Shepherd*

The \$74bn [Greater Sunrise gas project](#), which has been decades in the making, could be under way by the end of the year, the Timor-Leste president, José Ramos-Horta, said.

But he also said the pipeline and accompanying processing work must go to his nation, not Darwin.

The enormous gas field was found in 1974 in the Timor Sea – between Australia and [Timor-Leste](#), which was then a province of Indonesia. Those two countries signed the Timor Gap Treaty in 1989. After Timor-Leste's independence there were negotiations over the maritime boundaries that were only resolved in 2019.

Since then there have been more negotiations and the location of the processing has been an ongoing sticking point.

Ramos-Horta is visiting Australia and will speak at the Sydney Opera House before giving a National Press Club address on Wednesday. The trip comes amid mounting pressure for Australia to finalise an agreement, with Ramos-Horta saying there's no shortage of potential investors, including from China.

According to the Australian government, the [potential revenue](#) from the gas field could be about US\$50bn (A\$75bn), and construction and job creation could add a further US\$50bn, "lifting economic growth and public and external finances".

Ramos-Horta said he wants Australia to work constructively and with an open mind to "reach an early conclusion on the development of the Greater Sunrise".

"It's a complex process and if they committed to it, I think by the end of this year a decision will be made," he said.

While the pipeline will take six or seven years to be operational, Ramos-Horta said, hundreds of millions of dollars would start to flow and thousands of jobs would be created during the construction phase.

"The day they sign the agreement, the work will begin in Timor-Leste," he said, adding that the benefits would be much higher if the pipeline goes to his country.

The gas field lies about 150km from Timor-Leste and 450km from Australia.

Woodside Energy, the operator, has argued that it is more commercially viable to pipe the gas to Darwin, but Ramos-Horta disagrees.

"It's much closer to Timor-Leste," he said.

“Going to Darwin means more cost because the tax in Australia is very high. It will cost 100 times more than in Timor-Leste, so if we can do it in Timor-Leste much cheaper, why would we want it coming into Australia?”

“It makes no economic sense. Even a shopkeeper would understand these economics.”

Ramos-Horta said South Korea and Kuwait were also interested in investing.

“There are always plenty of investors and not only China,” he said.

“Anyone who knows China and knows the US, [you can see that China is not a plausible threat](#) to the US or any country in the region,” he said.

“It is in China’s own interest to have a very peaceful Asia ... that is in their own national interest.”

At the press club Ramos-Horta will talk about the successes of Timor-Leste post independence. He was the spokesperson-in-exile for the East Timorese resistance during the 24-year Indonesian occupation and returned home after the 1999 independence referendum. The Australia Institute is hosting him as part of its 30th anniversary celebrations.

He will also call on Australia [to do more for Myanmar after the 2021 coup](#).

A Dfat spokesperson described Australia and Timor-Leste as “close partners and friends”.

“Australia strongly believes in a free, independent and prosperous Timor-Leste taking its rightful place in the world and the region,” they said in a statement.

“We want to see the Greater Sunrise field developed as soon as feasibly possible to support Timor-Leste’s development.

“We are open to any mutually beneficial and commercially viable solution to develop Greater Sunrise, consistent with the 2018 Maritime Boundary Treaty.”

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East Timor firm in gas pipe wrangle, may look elsewhere

AAP, 9 Oct 2024. by Dominic Giannini

East Timor's president is seeking to allay Australia's China fears in a tussle over an expansive offshore gas field.

Where the gas would be pumped from the Greater Sunrise fields, about 450km northwest of Darwin and 150km south of East Timor, remains a sticking point in negotiations between Canberra and Dili.

East Timor would receive the bulk of the projected \$74 billion but it and Australian energy giant Woodside, which controls one-third of the project, both want gas pumped to their own country.

"We want to develop Greater Sunrise and any other gas field onshore and offshore to guarantee us financial viability for the next 30 or 40 years," East Timor President Jose Ramos-Horta told the National Press Club in Canberra on Wednesday.

Construction and job-creation benefits are projected to be worth \$74 billion while Woodside also prefers Darwin with its established processing hub.

Australia had enough gas to sell and export and didn't need Greater Sunrise, Mr Ramos-Horta said, while pointing to the national security benefits of propping up East Timor's economy and making it more independent and self-reliant.

The president said he wanted to closely examine the imminent results of independent study, adding any decision needed to be "purely economics" and not political, citing risks such as the fluctuating price of gas into the future.

But he has threatened to look to other investors outside Australia if the impasse could not be resolved, saying a private fund from Kuwait had been to East Timor five times and offered about \$18 billion.

A group of more than 30 executives representing 300 companies in China had travelled to East Timor and another group will arrive soon, although this would include academics as well, he said.

Chinese oil and gas giant Sinopec expressed interest, he added. The company has been contacted for comment.

"The Chinese are interested ... and they have the means, the experience, the expertise," he told AAP after his speech.

But his prime minister was "pragmatic" and would continue to work with the existing joint venture, which is between Timor Gap and Woodside.

"There is no reason to change partners at the moment, unless, in the future, all partners want to bring in more investment," he said.

He denied his nation was trying to strongarm Australia by pausing acceptance of a patrol boat, a move seen by some analysts as an implication security ties remained contingent on gas negotiations.

"You call it 'leverage' but we say we look for partners," he quipped.

"If Australia doesn't feel like it, we can totally understand it but then either we talk with the Chinese or the Kuwaitis."

But he ruled out any security partnerships with China, as Canberra remains concerned about Beijing muscling its way into the Pacific through policing pacts.

He said the only security partnerships were with Australian military police, Portuguese military, navy and police personnel, and a small number of US navy engineers.

Mr Ramos-Horta met Chinese President Xi Jinping and Premier Li Qiang during a state visit in July, saying they discussed agriculture as his country wanted to learn from China about drawing itself out of poverty and increasing food production.

East Timor Eyes Chinese Partners for Stalled Greater Sunrise Gas Development

Offshore Engineer, 9 Oct. 2024 (from Reuters)

East Timor has talked with Chinese firms including state-owned Sinopec about developing the stalled Greater Sunrise gas field, President Jose Ramos-Horta said on Wednesday, after disagreements with Australia over the shared field's future.

The field, whose revenues were estimated at \$65 billion in 2018, is vital to the economy of the poor Southeast Asian country but has been stalled for decades due to disagreements with Australia, which shares the field, and operator Woodside Energy, which is meant to spearhead the project's development.

A bitter dispute over a maritime boundary was resolved in 2018. Now the main hurdle is disagreement over whether to pipe the gas to a new liquefied natural gas (LNG) plant in East Timor or to an existing LNG hub in Darwin.

Ramos-Horta has previously suggested East Timor could bring in new partners like China if the deal is not made on their terms, raising concerns in Australia about growing Chinese power and influence in the Pacific region.

Ramos-Horta told Reuters that East Timor had talked with a number of private and state-owned Chinese firms and that representatives of some of these had visited as part of a recent Chinese business delegation.

Asked whether Sinopec was among those companies, Ramos-Horta said "Sinopec has been in touch".

Sinopec, officially known as China Petroleum & Chemical Corp, did not immediately respond to a request for comment.

Ramos-Horta was speaking after delivering a speech in Canberra at which he said: "We look for partners. If Australia doesn't feel like doing it, that is totally understandable. Then either we talk with the Chinese or the Kuwaitis."

East Timor and China upgraded their bilateral ties last year during a visit by Prime Minister Xanana Gusmao to Beijing, where he met President Xi Jinping.

They signed an agreement to cooperate more closely on agriculture and infrastructure development. The deal also provided scope for Chinese government and commercial loans.

The development of the Greater Sunrise field is critical to East Timor's economy as its main source of revenue - the Bayu Undan oil and gas field - is exhausted and stopped exporting gas last year.

(Reuters - Reporting by Peter Hobson in Canberra, Lewis Jackson in Sydney and Colleen Howe in Beijing; Editing by Michael Perry)

Timor-Leste president praises Albanese for China pivot, urges leaders not to view Beijing as ‘threat’

Crikey.com, 9 Oct 2024 By Anton Nilsson

Timor-Leste President José Ramos-Horta has urged fellow world leaders not to view China as a “threat”, arguing small nations like his own are the ones to suffer most from the effects of international tension and war.

Ramos-Horta, who is set to address the National Press Club in Canberra on Wednesday afternoon, gave a speech to a crowd of about 1,000 at an event arranged by the Australia Institute at the Sydney Opera House on Tuesday night.

At the Opera House event, which *Crikey* attended, Ramos-Horta said he wished to correct what he described as “the claim by some Australian media that [Timor-Leste] has debt with China”.

“This is my clarification: we don’t. We don’t view China as enemies, we don’t view China as a threat to Australia, a threat to the region, a threat to the world,” the Nobel Peace Prize laureate said.

Ramos-Horta praised Prime Minister Anthony Albanese for “resetting relations and engaging in dialogue with China”, and said he had extended the same congratulations to French President Emmanuel Macron in January.

“I’m pleased that the foreign secretary of the UK, the current one, said he was ready to travel to China. Because we small countries in the periphery, we have nothing to do with all these major global power tensions,” Ramos-Horta said.

“But when a war happens, we in the periphery, we suffer. Not directly from the war, but as a consequence of war.”

Ramos-Horta said that as an example, the prices of rice and cooking oil in Timor-Leste had nearly doubled as a consequence of Russia’s war in Ukraine.

“So we know the cost of war, and so we appeal to the big powers: engage in diplomacy, engage in dialogue, persistent dialogue, patient dialogue, so that one day we can see the United States, China, Australia, and all the other powers, Indonesia, India, all working together to address issues of poverty around the world.”

Ramos-Horta said that “most of [Timor-Leste’s] debt was not with China”.

“Most of the debt, actually up to 70% to 80%, is to the World Bank, the [International Monetary Fund], and the [Asian Development Bank]”.

“But these are not the worst — the [worst] is the commercial banks that charge 7%, 8% interest,” he said.

Ramos-Horta urged the world’s major economies to combat poverty by “adopting a new Marshall Plan, focused on education, on health, on reforestation, on clean energy”, referencing the [US program](#) to finance the financial recovery and the rebuilding of European infrastructure after World War II.

While it was unclear which exact Australian media reports Ramos-Horta was referring to, there have been several instances in the past decade where Australian analysts have warned China’s Belt and Road Initiative could ensnare Timor-Leste in debt and extend Beijing’s influence on Australia’s doorstep.

In 2019, Timor-Leste [denied](#) a report in [The Australian](#) claiming “the state-owned Timor Gap gas company has rejected finance derived from US pension funds and is now ready to sign a commercial loan with China’s Exim Bank”.

In 2022, after Foreign Minister Penny Wong visited Timor-Leste’s capital Dili, she [warned](#) Ramos-Horta not to risk “unsustainable debt burdens” in developing its gas resource sector with potential Chinese financial assistance.

Ahead of that visit, Wong’s rhetoric was criticised in Chinese state media, with the *Global Times* reporting: “Australia and the US-led Western world want to sow discord between China and the island nations with the groundless and malicious ‘China debt trap’ narrative and ‘China threat theory’, as they try to drive nations into the US-led anti-China camp under the so-called Indo-Pacific Strategy.”