

HOW ALFREDO PIRES SABOTAGES A \$400 MILLION GAS INVESTMENT PROJECT FOR "ELECTRICITY OF TIMOR-LESTE"

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The project of investing in a gas system for Electricity of Timor-Leste started in 2010. I had the opportunity to meet with the Prime Minister in Oe-Cusse on 30 September, at the official residence of the then Secretary of State for the Autonomous Region, Jorge Teme, who also participated in the meeting.

I explained to the Prime Minister the advantages of using natural gas, due to its lower cost and minimum damage to the environment. When using diesel the Government pays \$0.40 per kWh, while if using gas the price would be \$0.06 kWh. Within the next five years households could also start using gas for cooking thus giving the population an alternative to cutting down trees for firewood and destroying our forests.

I presented to the Prime Minister the Compressed Natural Gas Transportation System (CNG at 200 bar), with carrier ships built by American and Korean experts and a marine design by the Korean Hyundai Corporation.

The beauty of this project is that it is entirely funded by private investment. The Government will not invest a cent. There is zero risk for the Government. The Government will only pay for the gas once it has been fed to the Hera and Betano power plants.

The company, Toke Oil & Gas, will recruit and train 500 Timorese for three years. The Company will contract the instructors from overseas. Trainees will obtain shipping practice overseas for six months. The cost would be paid by Toke Oil & Gas, and could reach \$3 million in three years.

With this professional training young Timorese could acquire skills enabling them to earn a good salary anywhere. The F-FDTL navy component could also be part in this professional training.

After listening to the detailed presentation, the Prime Minister said **"Go talk to the Secretary of State Alfredo Pires and start it"**.

Three days later I met with Alfredo Pires at his office in the Fomento building to convey the Prime Minister's words. Alfredo Pires replied: "We will see".

I waited over a year. Alfredo Pires and Monteiro imagined all sorts of excuses and good reasons.

Monteiro wanted Timor GAP to be involved. We asked how much Timor GAP would invest. He did not answer. We then asked if his investment would be private or governmental. Monteiro said "both sides". We said that would be difficult. There would be a conflict of interest. The shareholders would not approve.

Thinking that perhaps Alfredo and Monteiro believed I lied to them when I invoked the name of the Prime Minister's, I decided to contact the Prime Minister again and asked for a memo to Alfredo Pires. The Prime Minister did send a memo to Alfredo Pires. However, even with this memo, Alfredo Pires and Monteiro didn't pay much attention, until now.

Why does Alfredo Pires not take the Prime Minister's Memo seriously?

There are many reasons. The most important are as follows:

- I. **Opportunism** - Alfredo Pires believes he has more power than the Prime Minister;
- II. **Parasitism** - Alfredo Pires feels that the Prime Minister is ignorant in the area of Oil & Gas;
- III. **Fraud** - Alfredo Pires believes that even if he "opposes" the Prime Minister's will, the Prime Minister cannot do anything because the "Melbourne Club Mafia" dominated the IVth Government and again now dominates the Vth Government;
- IV. **Manipulation** - Alfredo Pires pretends he has a complete "monopoly" over the Oil & Gas business, exclusive to his groups' interests in the long term;
- V. **Hanger-on** - Alfredo Pires with his monopoly of Oil & Gas business dreams of replacing the Prime Minister in 2017;
- VI. There is a belief that if Maubocoy is successful with this project Alfredo Pires and Monteiro would have to face the ridicule of their mega Sunrise project.

Alfredo Pires Profile

It appears that Alfredo Pires has a Geology Degree. Before coming to Timor he was unemployed in Melbourne. Alfredo is good at being a sycophant with those in politics. Thus he came to Timor-Leste and hung on with our Older Brother Xanana, working at the Presidential Palace. It appears that in 2001 Alfredo and Agio joined the Socialist Democratic Party (PSD) as founders. I met them during the campaign in Baucau.

During the legislative campaign in 2007 Alfredo was apparently in hiding. I went everywhere with Xanana and Alfredo was nowhere to be seen. After the campaign, the AMP was formed; then Alfredo had a dream and descended from Heaven to become the Secretary of State for Natural Resources.

During the first six months Alfredo answered my calls. After six months he became very arrogant and never responded to my calls again to this day.

Now he is a Minister and his vanity has skyrocketed. One thing Alfredo and other opportunists should not forget: voters voted for our Older Brother Xanana. They didn't vote for characters like Alfredo Pires, Emilia Pires and others who never were involved in politics.

What are the results Alfredo Pires achieved in five years?

The only result is that he has sent several Timorese to study abroad. Beyond that the balance is negative, as follows:

- I. The Sunrise issue remains without a solution thus far. My view is that it will be difficult. I will describe in detail why it will be difficult;
- II. Approximately \$100 million have been spent in surveys by international consultants; Alfredo and Monteiro don't even bother to review some of the results that have been submitted;
- III. Onerous bureaucratic process to tender projects;
- IV. Established the Oil Company (Timor GAP) which would have been suitable in the 60's and 70's but not in 2012. Alfredo has an old-fashioned mentality like all dictators;
- V. The irony is that Timor GAP as an oil company plays a role equal to a Government institution in charge of tendering projects; it shouldn't be doing this, which is illegal;
- VI. Timor GAP occupies a luxurious office with a monthly rental cost of \$50,000. What for? Monteiro is a 36 years old child with a luxury office better than that of the Prime Minister's. How come Monteiro has access to this kind of exclusiveness?
- VII. Making irrational mega projects: South Coast, Supply Base, Nova Suai, Novo Betano, refineries etc. Have the costs been calculated? Are we creating the golf courses for Alfredo and Monteiro or maybe for the people of Suai? Think carefully my friends. Do not betray our Older Brother with mega projects for your own interests.

The Selection of staff for ANP and Timor GAP

Who approves the selection of staff for ANP and Timor GAP? The Presidents of ANP and Timor GAP have no authority in selecting the staff for their working place. Full competence falls to an outsider.

Who is this person?

This person is Minister Alfredo Pires's wife. Alfredo Pires receives orders from his spouse with instructions for the ANP and Timor GAP to nominate her family members and friends.

As evidence Alfredo Pires wife's friends staff up the ANP. Recently, Alfredo Pires' sister in law (his wife's older sister) was appointed as Timor GAP Director. These events demonstrate that Alfredo Pires practices corruption and nepotism.

If Alfredo is not a Minister any more, will he stay in Timor?

Time will tell. Many have returned to Australia because they couldn't obtain a job in the Government. It seems that Alfredo and Emilia Pires will follow their footsteps if things come to a head. I will praise them if they stay in Timor without a position in Government. On the other hand, the real parasites and opportunists should get out of Timor-Leste.