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Centre point: government buildings in Dili, Timor-Leste Photo: RUSSELL SEARANCKE

LETTER: Timor-Leste aims to reinvigorate its oil and gas sector

Upstreamonline

20 August 2020 7:32 GMT UPDATED 20 August 2020 11:52 GMT

I refer to Russell Searancke's opinion article "<u>Upheaval in Timor-Leste a threat to Greater Sunrise scheme</u>" (Upstream, 6 August 2020).

It is very clear that you have been misinformed about recent developments in the oil and gas sector in Timor-Leste, especially the recent replacement of Mr Francisco Monteiro as the chief excutive of Timor GAP EP, and Mr Gualdino da Silva as the President of National Petroleum & Minerals Authority, as well as the resignation of Mr (Xanana) Gusmao as chief negotiator for Greater Sunrise fields.

There has been no such "upheaval", and the feedback from all relevant stakeholders has been to the contrary.

As you are aware, with the recent changes in the Timor-Leste Government sworn in on 24 June 2020, FRETILIN (the party with the most seats in the Timor-Leste national parliament) members have been included amongst it, holding key portfolios, including Petroleum and Mineral Resources. Natural resource development, of which petroleum is key, has been a driving factor in Timor-Leste's national development. Our government places a great deal of importance in the continuing development of this sector in our country.

The new multi-party coalition government aims to improve the quality of government services to our people. Improving the efficiency and transparency of our oil and gas sector will be key in this effort.

As the Minister of Petroleum & Minerals, it is my intention to undertake a much needed restructuring of the oil and gas sector. We need to improve the quality of the services provided in this sector, which includes reinvigorating and making the management of the sector more efficient, effective, transparent and accountable.

A part of this new direction will be to limit the time that any person holds a position in the public administration, bringing in new leadership with new and more appropriate management perspectives to achieve this efficiency, effectiveness, transparency and accountability.

I am sure that you are aware that Mr Monteiro has been in his position for more than two terms and Mr Gualdino (da Silva) for more than three terms. In our government's view, such tenure flies in the face of world best management practices and is an unacceptable practice for our government. We regard such "perpetual tenures" as potentially imperilling the future of our petroleum sector.

Both Mr Antonio de Sousa and Mr Florentino Ferreira have been a part of the growth in this sector for the last decade, working in both Timar GAP and the ANPM. Both were equally heavily involved in all vital developments of the Greater Sunrise field, which will be the main challenge of these two institutions in the foreseeable future. I have every confidence that they will manage the respective institutions in an independent, highly professional and transparent manner that will improve the performance of both institutions in the sector.

We sincerely hope you will keep reporting on the development of the sector in our country, merely requesting that the reporting is balanced and independent.

Victor da Conceicao Soares

Minister of Petroleum & Minerals

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OPINION: Upheaval in Timor-Leste a threat to Greater Sunrise scheme

6 August 2020 22:00 GMT UPDATED 6 August 2020 22:00 GMT

By Russell Searancke

in Wellington

OPINION: The removal of Timor-Leste's three top petroleum officials and the resignation of Xanana Gusmao from his petroleum responsibilities is a setback that could imperil the country's petroleum future.

Alfredo Pires was replaced as petroleum minister, while Francisco Monteiro was fired as chief executive of national oil company Timor GAP and Gualdino da Silva was dropped as president of the National Petroleum & Mineral Authority.

All three were instrumental in the development of Timor-Leste's oil and gas sector.

Political upheaval lies at the heart of this uproar. There has been ongoing bickering and the coalition government, led by the dominant Fretilin party, wants its own people in positions of influence.

Upstream is told that Monteiro and Da Silva did not have ties to any party, but their long associations with Gusmao made them targets.

Gusmao is a member of the CNRT political party, which pulled out of the coalition government.

As soon as Gusmao learned that Pires and Monteiro were being replaced, he resigned as Timor-Leste's special representative for petroleum and its chief negotiator for the Greater Sunrise development.

The country needs Sunrise to be developed, and it needs companies to take up new acreage in the current licensing round.

But these decisions — and there is a rumour that more management changes are under way at Timor GAP — could destroy the hard work done so far.

With all four individuals who brokered the Sunrise deal with Australia now gone, these are worrying times for Timor-Leste.

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