

Exclusive

## Steve Bracks tapped as envoy on East Timor-Woodside gas project



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*Economics editor*

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Former Victorian premier Steve Bracks has been appointed by the Albanese government as a special representative to help break an impasse involving East Timor and Woodside Energy over the stalled Greater Sunrise gas project.

The appointment of the former Labor premier is the strongest signal yet that the government is keen to ensure the development of the gas field, to shore up East Timor's finances and block China from potentially moving in.

Former Victoria premier Steve Bracks has strong ties to East Timor. **Joe Armao**

Foreign Affairs Minister Penny Wong visited East Timor in September and [warned President Jose Ramos-Horta of China's model of infrastructure finance.](#)

The Greater Sunrise gas field is located 150 kilometres from East Timor and 450 kilometres from Darwin.

[East Timor's political leaders want the gas piped to East Timor's south coast for local onshore gas processing](#) to boost employment and economic development.

However, joint venture partner and project operator Woodside has argued the commercially viable option is to process the gas at the established energy hub of Darwin, partly because of the challenges of building a pipeline 3000 metres below the surface along the steep "Timor trough" to East Timor.

The two countries and Woodside are awaiting completion of a production sharing contract [PSC] between the parties, which is required under the revised 2019 Maritime Boundary Treaty. The governance and legal framework would include a petroleum mining code, tax and royalties, custom rules and emergency management.

The [International Monetary Fund has warned the impoverished country's \\$US17.4 billion \(\\$28 billion\) petroleum fund could be depleted by 2038 and the country run out of money](#), unless the Greater Sunrise gas field goes ahead.

East Timor is guaranteed 70 per cent to 80 per cent of the royalties if the project proceeds, with Australia entitled to the remainder.

## **Mutually beneficial development**

Senator Wong said the appointment of Mr Bracks demonstrated the government's "commitment to the mutually beneficial and commercially viable development of the Greater Sunrise gas fields".

"Greater Sunrise is critical to Timor-Leste's economic development and resilience," she said in a statement.

"The Australian government wants to see the development of Greater Sunrise in a commercially viable way that supports the economic development of Timor-Leste and maximises the benefits to all parties, consistent with the 2018 Maritime Boundary Treaty," she said.

“As special representative, Mr Bracks will represent the Australian government and consult with the government of Timor-Leste and other key stakeholders, including the Sunrise Joint Venture.

“He has deep knowledge of Timor-Leste and close relationship with its people and leaders as a result of his close engagement over many years.”

The Greater Sunrise gas field is 56.56 per cent controlled by East Timor government-controlled company Timor Gap.

Woodside has a 33.44 per cent interest and the technical experience to get the project off the ground. Japan’s Osaka Gas has a 10 per cent stake.

President Jose Ramos-Horta visited Prime Minister Anthony Albanese in Canberra last month and [claimed East Timor could become the next Dubai or Singapore if Woodside agreed to pipe gas there instead of Darwin.](#)

Mr Bracks has been a supporter of East Timor for more than 15 years.

In 2019, he reportedly said the Morrison government should help East Timor attract a funding partner to develop Greater Sunrise, or otherwise China could move in.

## **Governance adviser to previous leader**

In August 2007, following his resignation as premier after eight years, Mr Bracks worked as a pro bono governance adviser to the then newly elected prime minister Xanana Gusmao, who continues to push for the Sunrise gas to be processed in East Timor.

More recently, Mr Bracks wrote a forward to a book published in 2020 by Bernard Collaery, the lawyer of an Australian Secret Intelligence Service whistleblower known as “Witness K”.

The whistleblower exposed how Australian spies secretly recorded the office of East Timor's first democratically elected prime minister, Mari Alkatiri, during 2004 negotiations with Australia for dividing the Timor Sea maritime boundary around Sunrise.

Mr Bracks wrote it was Australia's "betrayal of the Timorese".

"While our army was on the ground bravely bringing peace to a shattered land, in Canberra our Department of Foreign Affairs and Trade was scheming to deny Timor-Leste billions of dollars of desperately needed revenue," [Mr Bracks wrote in the forward to Mr Collaery's book published in 2020, \*Oil Under Troubled Water\*](#).

Mr Bracks was premier from 1999 to 2007.

He is chairman of law firm Maurice Blackburn and chancellor of Victoria University.

He is a former chairman of industry superannuation fund Cbus Super, which manages the retirement income for workers in the building and construction industry.

Senator Wong said Mr Bracks brings a wealth of experience from both public and private sectors.

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