

Francisco Guterres Lu Olo for President

“I shall be a President of all and for all”

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Lu Olo outlines measures to protect sovereignty over petroleum

FRETILIN presidential candidate Francisco Guterres Lu Olo will promote two measures to ensure the people of Timor Leste get maximum benefit from the country's gas and oil reserves.

Lu Olo said today he wanted exploration and development of onshore oil and gas to be reserved for a national company, and gas from the offshore Greater Sunrise field to be processed in Timor Leste.

“I will do everything a president can under the constitution to ensure that Timor-Leste's natural resources wealth is sustainably exploited for the maximum benefit of Timor-Leste and its people,” Lu Olo said.

Lu Olo disagreed with his opponent Ramos Horta who said that whether or not Greater Sunrise gas is piped to Timor-Leste or Australia will depend on a World Bank study he proposes to commission. Ramos Horta made this statement to a seminar involving the government, the president, the parliament and Timorese civil society in Dili on Friday 13 April 2007.

Lu Olo said: “I reject this view. Who governs this country? We do. Whose sovereignty is it? Our people's. Whose interests are we meant protect? Our people's.

“The World Bank can provide technical assistance and funding, but Timor-Leste as a sovereign state will decide what happens to our share of the resources in Greater Sunrise. I will always put our national interests first – this is why we fought so long and hard for independence.”

Lu Olo said he had made his view clear to the government that exploration and development of onshore oil and gas should be reserved for a national oil company.

“I have been briefed by the government on the draft of the proposed laws for the establishment of a national oil company which has been put out for public comment. The establishment of this company is also a way of involving national private sector investors as shareholders.

“Setting up a national oil company is one way to ensure we keep control of our resources for our people. The other is to control the processing and use of resources in order to create other industries and more jobs. That is also why I will, as president, give full support to the government's efforts to bring gas from the Greater Sunrise field to Timor-Leste.”

Lu Olo said that as President he would lobby Parliament to enshrine the safeguards and transparency measures of the petroleum laws in the constitution, to protect Timor-Leste's wealth for future generations.

Lu Olo said the FRETILIN majority in Parliament and the Fretilin Government have done everything possible to ensure that natural resources, especially petroleum, remain under the control of the Timorese people.

“Our Petroleum Exploration Law was approved without a vote against it and the Petroleum Fund Law was approved unanimously after thorough public consultation and scrutiny. This indicates the consensus amongst all parties and our people for these laws. I promise to protect the consensus reached on these laws,” he said.

“Timor-Leste’s Petroleum Exploration Laws have been widely acclaimed as being amongst the most modern, transparent and progressive laws in the world, embodying ‘world’s best practice’ standards.

“The laws allow for retention of national ownership and national interest by providing transparent and appropriate safeguards for a National Petroleum Company (State owned or mixed state/private owned) to participate in both downstream and upstream operations.

“I have accompanied the elaboration of the laws and our inaugural bid round closely. The government has kept me and the parliament well informed. I know that Timor-Leste has awarded Production Sharing Contracts for offshore exploration areas to reputable international companies following transparent and competitive international bidding.

For more information contact:

Harold Moucho (Lu Olo’s political adviser) (+670) 723 0048 (Dili)

Jose Manuel Fernandes (Lu Olo’s official election representative) (+670) 734 2174 (Dili)

<http://www.luolobapresidente.blogspot.com>, <http://luolo.blogspot.com>, <http://www.timortruth.com>