

# Timor-Leste: on the cusp of digital transformation despite challenges

by Tim Mann and Juvita Pereira Faria

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Timor Plaza mobile phone retailer in Dili, Timor-Leste

*Photo Credit: The Asia Foundation*

Timor-Leste has a reputation for having some of the **slowest and most expensive internet** services in the world. But things are beginning to change.

Timor-Leste is one of the last countries in the region without an active submarine fibre optic internet connection. Low-earth-orbit satellite internet (Starlink) became available in the country in late 2024, and the long-awaited submarine fibre optic internet cable is expected to come online later in 2025. In April, the government approved the establishment of a **new state-owned enterprise** tasked with managing the cable connection, setting wholesale prices and delivering services to government agencies and telecommunications providers.

For now, however, high internet costs and slow speeds remain a formidable barrier to access. Internet services are overwhelmingly provided by three telecommunications companies: state-owned Timor Telecom, Telemor and Telkomcel. The average cost of one gigabyte of mobile data in **Timor-Leste is US\$1.92**, markedly higher than in comparable countries like Cambodia (\$0.12), Fiji (\$0.09) or Samoa (\$0.36).

Fixed broadband is even more expensive. Starlink's cheapest package is **US\$40 per month** and other satellite broadband internet providers' costs extend **beyond US\$100 per month**, plus significant infrastructure setup costs. In Timor-Leste, where more than half the population has a household income of **less than US\$100 per month**, these costs are out-of-reach for many.

Speeds are as slow as **4.85 Mbps for mobile internet** and 6.10 Mbps for fixed broadband. This compares to an average speed of **115.66 Mbps for mobile** and 85.63 Mbps for fixed broadband in Australia.

The introduction of reliable fibre-optic internet infrastructure has the promise to significantly improve speeds, reduce costs and, most importantly, expand access.

Digital transformation will offer major advantages for Timor-Leste. The government's

digital strategic plan, *Timor Digital 2032*, recognises the benefits of digitalisation for enhancing government service delivery and public participation, supporting inclusive economic development, expanding access to information and assisting agricultural production and access to markets.

The Central Bank of Timor-Leste has said it will **launch a national QR code payment system** by the end of the year and has ambitious plans for expanding mobile banking. This would represent a substantial shift in a largely cash-based economy, where electronic payment terminals (known as EFTPOS in Australia) are extremely limited.

Against this backdrop of change, The Asia Foundation's *2025 Tatoli! survey* provides some of the most up-to-date data on how Timorese people engage with the online space. The survey interviewed 1,503 people across all Timor-Leste's 14 municipalities, providing nationally representative results with an error margin of  $\pm 2.5\%$ . It found that Timorese people are increasingly enthusiastic users of the internet, but that major challenges remain.

Just over half (51%) of respondents reported using the internet. This is higher than DataReportal.com's *2025 estimate of 34.5%*, although the company noted that complexities of data collection meant that figure was likely an underrepresentation. *Tatoli!* found usage was higher among respondents aged 18-34 (69%, compared to 11% of respondents aged 55+), those living in urban areas (76%, compared to 40% of rural respondents), and those with higher incomes (as high as 87% among respondents with an income greater than \$500 per month, compared to 40% of those with incomes less than \$100 per month).

These findings point to a digital divide, with significant gaps in access. The majority (61%) of internet users surveyed spent less than \$10 per month to access the internet and 90% accessed it through a smartphone. The new state-owned enterprise responsible for managing the fibre-optic network is likely going to face a struggle balancing cost recovery with ensuring access is affordable for lower income Timorese.

One of the most pressing findings of the survey was that 28% of internet users reported encountering messages online that they considered hostile or degrading towards groups of people or individuals in the last six months. Individuals were most commonly attacked because of their political and social views (50%), sexual orientation or gender identity (33%) or because they were a woman (32%). One in five (20%) respondents said they had personally experienced online harassment or abuse in the same period.

Timor-Leste has some of the highest rates of violence against women and girls in the world, with **59% of ever-partnered women aged 15-49** reporting experience of physical or sexual intimate partner violence by a male partner in their lifetime. The *Tatoli!* survey data reinforces concerns long expressed by Timorese women and minorities, that the internet does not always feel like a safe place.

In late 2024, co-author Juvita Pereira Faria interviewed 14 women and sexual and gender minorities, finding that almost all had experienced harassment online, with significant impacts on their freedom of expression.

For example, one woman said: “I started facing pressure when I posted critical opinions about social issues on Facebook. People often reacted negatively, attacking me personally instead of engaging with what I wrote. It was often men who responded with insults and tried to discredit me using harsh, offensive language. Now I am afraid and very cautious about what I post.”

These kinds of experiences were especially common among activists. Several participants reported that they were forced to deactivate their social media accounts because of digital abuse. “I experienced being attacked in 2021, when I used my social media account to campaign for digital rights,” another participant said. “I ended up temporarily closing my Facebook account for about two months.”

The *Tatoli!* survey also asked respondents about their safety and security practices, revealing a worrying disconnect between confidence and behaviour. More than three-quarters (77%) said they were either “somewhat” or “very” confident about their ability to protect their information online. However, respondents’ actual safety and security practices were lacking. For example, only 22% said that they were able to identify emails or text messages containing viruses or malware, and 17% said they knew how to report abuse on social media. Meanwhile, 37% admitted to posting personal identification information on social media, such as their address, phone number or date of birth.

At present, Timor-Leste’s online environment is largely unregulated. The Ministry of Justice released a draft Cybercrime Law earlier this year and has **said it is working on a Data Protection Law**. The Cybercrime Law proposes criminal provisions on computer-related forgery, and unauthorised access, interception and damage to computer systems or data. It will also cover child and revenge pornography. Civil society has expressed concerns about the draft’s lack of protections for whistleblowers who access computer systems or data to expose wrongdoings and the relatively low threshold for law enforcement to secure or intercept communications, which could interfere with the right to privacy.

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While online harms must be addressed, there is a risk that well-intentioned attempts to prevent criminal activity may lead to overreach by police or regulators. This is particularly concerning in a context where digital literacy gaps affect not only internet users but also government, law enforcement and civil society. It is important that Timor-Leste avoids the heavy-handed approach to regulation of the online space used by **some of its neighbours**, where laws have been used to silence dissent and restrict civic space. Timor-Leste is rightly proud of its reputation as one of the most open societies in the region (even if recent years have seen **its rankings in some international assessments dip**). This reputation is worth defending.

Timor-Leste's growing investment in digital infrastructure has the potential to tackle longstanding issues of slow and expensive internet, and limited access. But achieving an inclusive digital transformation will require more than just expanding coverage. Major efforts are also needed to enhance digital literacy, strengthen safety and security online, and ensure that new regulations protect rights. These steps are essential to ensure that digitalisation benefits all Timorese, and does not deepen existing inequalities or exacerbate existing risks.

### **Disclosures:**

*The views expressed here are those of the authors and do not necessarily reflect the views of The Asia Foundation.*

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