The Timor-Leste government has praised a decision by the Australian government to return documents about past spying that were at the centre of raids by the Australian Security Intelligence Organisation (Asio) in 2013.

But Timor-Leste said there had still been a lack of progress on resolving a dispute between the two countries over a contentious Timor Sea oil and gas treaty, and warned it was “reserving its rights” on that issue.

Australia’s northern neighbour launched action in the International Court of Justice in December 2013 after Asio seized documents from the offices of Timor-Leste’s Canberra-based legal adviser, Bernard Collaery.

Australia’s attorney general, George Brandis, authorised the raids “on the grounds that the documents contained intelligence related to security matters”.
Timor-Leste has said it had irrefutable proof that Australia bugged the country’s cabinet room to gain an unfair advantage in the lead-up to a 2006 agreement extending the length of a crucial oil and gas treaty. Those claims were being examined by a separate arbitration tribunal.

On Monday, the government of Timor-Leste issued a statement saying it “appreciated the decision of the government of Australia to return all documents and data seized”.

“After 16 months of vigorously defending its right to take and keep the documents, the Australian government has now written to the International Court of Justice stating that it wishes to return them,” the statement said.

“On 22 April the court responded to the Australian letter authorising the return of the documents, still sealed, under the supervision of a representative of Timor-Leste.”

The government of Timor-Leste said it was reserving its rights on the broader dispute and would be “taking legal advice and considering its position on the case with this new development”.

It said the Australian prime minister, Tony Abbott, and foreign affairs minister, Julie Bishop, had sought a six-month adjournment in September in an attempt to allow the two countries “to seek an amicable settlement”. But it said a schedule for bilateral talks on the Timor Sea maritime boundaries “remains undefined”.

“Timor-Leste hopes to see Australia put action to its declared principles, and remains optimistic that the leaders of our great neighbour will demonstrate courage and commit to a clear course of negotiations to settle the maritime boundaries between our two countries once and for all,” said the minister of state, HE Agio Pereira.

Bishop said Australia had offered to return the documents “in an effort to settle the ICJ case amicably, and as a signal of our goodwill towards Timor-Leste”.

“An agreement to produce a structured plan for bilateral talks on maritime delimitation was never part of the agreement to adjourn the matter,” she said. “Australia’s arrangements with Timor-Leste in the Timor Sea are entirely consistent with international law.”