

Indonesia 'may be drawn into Timor talks'

Lisa Martin - AAP on May 6, 2016, 7:13 pm

The foreign affairs department says potentially reopening border negotiations with East Timor could draw Indonesia into the fray.

Federal Labor has pledged to reopen good-faith negotiations with East Timor over a disputed maritime boundary if it wins government.

The move could have implications for the carve up of oil or gas reserves.

Department of Foreign Affairs and Trade secretary Peter Varghese said if laterals are shifted that could also have ramifications for Australia's boundary with Indonesia.

Bilateral talks potentially could become trilateral, he said.

"We don't believe there is any basis to revisit the arrangements," Mr Varghese told a Senate estimates hearing in Canberra on Friday.

"We think the current arrangements serve Australia's interests well and I might add ... provide a very fair and generous deal for East Timor."

Mr Varghese said recent protests of thousands of people outside Australia's embassy in Dili had not put staff or property at risk.

The embassy had maintained close contact with East Timor authorities during the protests.

East Timor for years has sought to renegotiate the treaty governing sharing arrangements for revenue from the Greater Sunrise oil and gas field worth an estimated \$40 billion.

The treaty was signed soon after East Timor gained statehood in 2002.

There have been allegations Australia spies eavesdropped on East Timor officials during negotiations.

