East Timor may drop spying case against Australia if new maritime border struck

Daniel Flitton
Published: February 15, 2016 - 7:01PM

East Timor has hinted its international spying case against Australia could be abandoned should the two countries negotiate a new treaty to divide rich undersea oil and gas fields.

East Timor's leader Rui Araujo has also written directly to Prime Minister Malcolm Turnbull in recent weeks to appeal for fresh negotiations in what has become an impasse over drawing a maritime boundary.

The dispute has soured relations between the neighbours after East Timor hauled Australia before the international court in 2013, alleging espionage to gain a commercial advantage during a Howard-era deal to divide resources in the Timor Sea.

Shadow foreign affairs spokeswoman Tanya Plibersek last week pledged to negotiate a maritime boundary with East Timor should Labor win government in a rare break with the Coalition on foreign policy.

East Timor's ambassador Abel Guterres told a conference in Melbourne on Monday the espionage case against Australia remains subject to arbitration in international court at The Hague and it was a matter of when the case would start.

"But if we decide to sit at the table and negotiate, perhaps we don't need to go through all this process – unnecessarily exposing sensitive materials. But that is a sensible approach, a common sense, sensible approach," Mr Guterres said.

East Timor has not committed to dropping the espionage case, but asked if this could be a consequence of negotiations on a maritime boundary, Mr Guterres told Fairfax Media: "You only go there if you have no choice."