An estimated $40 billion worth of oil and gas is at stake in a maritime dispute between East Timor and Australia. The countries are set to tear up a controversial treaty that some say has held them back from defining a permanent boundary in the Timor Sea.

For East Timor, one of the world’s poorest nations, a new boundary brings the prospect of increased oil profits, and with it, economic development. Residents also say it will complete their journey to sovereignty. Australian officials have maintained that the current bilateral treaties have been beneficial for both sides.

The countries have a complicated history. While Australia has been credited for supporting East Timor’s push for self-determination from Indonesia in 2002, it also has been criticised for taking advantage of the newly independent nation.

The two nations have been in a holding pattern since 2006, when they signed a treaty that would put off boundary negotiations for 50 years. These stalled talks have fueled discontent among many East Timorese, who accuse Australia of shortchanging them of billions in oil and gas revenues.

East Timor adheres to the United Nations Convention on the Law of the Sea, which would draw a median line equidistant between the countries to establish a maritime boundary. They argue this could put the more oil-rich territory, known as “The Greater Sunrise” region in the smaller nation’s control. But just two months before East Timor gained independence, Australia withdrew from that convention, leaving it free from international arbitration on the matter.

We look at the impact these new negotiations could have on the countries.

In this episode of The Stream, we speak with:

Dr. Jose Ramos-Horta
Former President, East Timor
What do you think? Leave your thoughts in the comments section below.

3 Comments

Ian Parry · Works at Artist
As an aus I am ashamed of the cowardly and egregious aus govt. Best wishes to East Timor. Watch out for the fscist baboons of indo and aus collaborating to ruin your gallant and admirable nation.

Ella Fabry · The University of Melbourne
14 years of Australia engaging in unsavoury behaviour has led to this situation. If we had have gone down the fair and legal solution in the first place (a median line boundary in accordance with international law) we wouldn't have strained relationships and heavily delayed development plans now.

Robert Wiese
There was nothing honourable or noble about the Australian Government's involvement in the liberation of Timor Leste. They and their Corporate Business Backers saw a small, newly independent and poor nation that they could bully, con and exploit. The Australian Defence Forces acted with honour and professionalism which is more that can be said about the actions and intentions of consecutive Australian Government's and their Corporate Business Backers. If this lot had any honest care or interest in the future and welfare of our Friend, Neighbour and Loyal WW2 Ally then the subjects of Oil Reser...

See More