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## East Timor takes Australia to court over spying dispute

By Jamie Smyth in Sydney and Ben Bland in Jakarta

East Timor is taking Australia to the world court in an escalating dispute over a maritime agreement that could unlock billions of dollars in gas revenues for one of Asia's poorest countries.

The David and Goliath battle at the International Court of Justice in The Hague is part of East Timor's efforts to unpick a 2006 deal with Canberra that gives both countries an equal share of reserves in the Greater Sunrise gasfields that are worth up to \$40bn.

East Timor has alleged that Canberra bugged its cabinet offices to obtain commercial advantage in negotiations for the maritime deal, which was struck when the country was still recovering from violence sparked by its 1999 vote for independence from Indonesia.

The high profile case will refocus attention on Australia's spy agency following evidence supplied late last year by Edward Snowden, the US whistleblower, that Canberra bugged the mobile phone of Susilo Bambang Yudhoyono, Indonesia's president.

"In addition to the return of our property, Timor-Leste is seeking the protection of all its communications that attract legal privilege," said Agio Pereira, East Timor's minister of state, said ahead of the hearing, which will run for three days from Monday.

Last year, East Timor initiated a case at the Permanent Court of Arbitration, which is also in The Hague, and sought the annulment of the bilateral treaty.

But on December 3, shortly before the first scheduled meeting of the arbitration panel, Australian secret service agents raided the Canberra office of Bernard Collaery, East Timor's lawyer, and seized material relating to the case.

Mr Collaery told the Australian Broadcasting Corporation last month that evidence of the spying was provided by a former Australian secret service agent, who wanted to blow the whistle on the operation. The home of the former agent, who cannot be named for legal reasons, was raided at the same time as Mr Collaery's offices.

"The director-general of the Australian Secret Intelligence Service and his deputy instructed a team of ASIS technicians to travel to East Timor in an elaborate plan, using Australian aid programmes relating to the renovation and construction of the cabinet offices in Dili, East Timor, to insert listening devices into the wall, of walls to be constructed under an Australian aid programme," said Mr Collaery.

Canberra refused to comment on the case.

“As the matter is before the International Court of Justice, it would be inappropriate to comment on the substance of the dispute,” said a spokesman for the Australian attorney-general.

The International Court of Justice is the principal legal organ of the UN and was set up to settle disputes between member countries. If the court finds that a case is under its jurisdiction and issues a ruling, states generally abide by its decision.

Although Australia supported East Timor’s moves towards independence following the successful referendum on separation from Indonesia, the maritime boundary dispute has deep historical roots.

Australia and Indonesia sealed a maritime boundary agreement concerning the Timor Sea in 1972 before the Greater Sunrise gasfields were discovered in the now disputed area in 1974.

The agreement was disputed by then Portuguese-controlled East Timor, which was subsequently invaded by Indonesia in 1975.

A joint venture between Australia’s Woodside, ConocoPhillips, Royal Dutch Shell and Osaka Gas has the rights to develop the fields, which hold contingent reserves of 5.1tn cubic feet of gas and 225.9m barrels of condensate.

But progress has stalled because of the boundary dispute and the East Timor government pushing for the gas to be piped and processed onshore, while the companies insist that it is cheaper to use floating gas storage vessels.

The government believes that the development of an onshore gas industry would support its fledgling economy and combat widespread unemployment.

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