

# ABC NEWS

## Australia and Timor-Leste strike deal to end maritime boundary dispute

By political reporter Jane Norman

Updated Sat 2 Sep 2017, 5:14am

**Australia and Timor-Leste have resolved their bitter and long-running dispute over maritime boundaries in the Timor Sea, in what is being described as a "landmark day" in the relationship between the two nations.**

The Permanent Court of Arbitration in The Hague today announced the parties reached an agreement on Wednesday over the disputed territory, which contains large oil and gas deposits worth an estimated \$40 billion.

Foreign Minister Julie Bishop hailed the breakthrough as a "landmark day in the relationship" between Timor-Leste and Australia.

"This agreement, which supports the national interest of both our nations, further strengthens the long-standing and deep ties between our Governments and our people," Ms Bishop said.

Timor-Leste — also known as East Timor — initiated the compulsory conciliation process last year in a bid to force Australia to negotiate a permanent maritime boundary.

Former Timor Leste president Xanana Gusmao said the "long and at times difficult" process had helped the country achieve its dream of "full sovereignty and to finally settle our maritime boundaries with Australia".

"This is an historic agreement and marks the beginning of a new era in Timor-Leste's friendship with Australia," he said.

While the details remain confidential, the court said the agreement "addresses the legal status of the Greater Sunrise gas field...and the sharing of the resulting revenue".

In January, Timor-Leste terminated its 2006 treaty with Australia, which split revenue from the Greater Sunrise field 50/50 and delayed negotiations over a permanent maritime boundary for 50 years.

The country claimed the treaty was invalid because of allegations that Australia spied on cabinet ministers during negotiations to divide the oil and gas fields.

This week's agreement will likely be seen as a moral victory for Timor-Leste.

Labor's foreign affairs spokeswoman Penny Wong welcomed the



**PHOTO:** The disputed territory contains large oil and gas deposits worth an estimated \$40 billion. (ABC News)

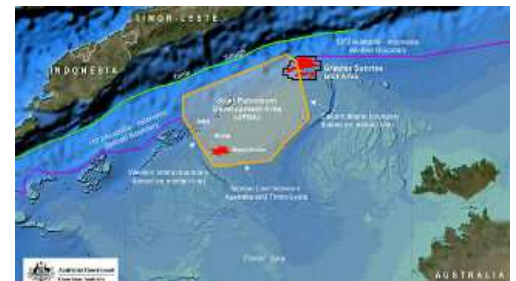
**RELATED STORY:** East Timorese president-elect to push for new boundary with Australia

**RELATED STORY:** East Timor being pushed closer to China by gas dispute with Australia, Ramos-Horta warns

**RELATED STORY:** East Timor tears up oil and gas treaty with Australia

**MAP:** East Timor

### A history of treaties in the Timor Sea



- In 1989 Australia and Indonesia signed the Timor Gap Treaty when East Timor was still under Indonesian occupation.
- East Timor was left with no permanent maritime border and Indonesia and Australia got to share the wealth in what was known as the Timor Gap.
- In 2002 East Timor gained independence and the Timor Sea

breakthrough, saying the court's ruling brings to an end "more than 40 years of uncertainty over this maritime border".

"The maritime boundary dispute with Timor-Leste has strained our bilateral relations and has gone on too long," she said.

The deal will be finalised in October. Until then, the details will remain confidential.

**Topics:** foreign-affairs, oil-and-gas, trade, international-aid-and-trade, government-and-politics, east-timor, australia

*First posted Sat 2 Sep 2017, 4:01am*

Treaty was signed, but no permanent maritime border was negotiated.

- East Timor has long argued the border should sit halfway between it and Australia, placing most of the Greater Sunrise oil and gas field in their territory.
  - In 2004 East Timor started negotiating with Australia again about the border.
  - In 2006 the CMATS treaty was signed, but no permanent border was set, and instead it ruled that revenue from the Greater Sunrise oil and gas field would be split evenly between the two countries.
-