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## East Timor parliament OKs sea border treaty with Australia

By OKI RAIMUNDOS Associated Press | JULY 23, 2019 — 6:20AM

DILI, East Timor — The parliament of impoverished East Timor voted in favor Tuesday of ratifying a maritime boundary treaty with Australia that governs how the two countries will share billions of dollars of oil and gas riches lying beneath the Timor Sea.

East Timor, one of the world's youngest and poorest nations, and Australia, one of the richest, signed a historic treaty in March last year drawing their maritime borders, ending years of acrimonious wrangling. It paves the way for development of the offshore Greater Sunrise gas field.

East Timorese independence hero and the country's chief negotiator on the treaty, Xanana Gusmao, said his country was losing \$5 million a month while the agreement remained unratified.

"We dragged this thing out too long, so every month we have lost \$5 million. We want to push this thing to be faster but cannot because this process is not easy," he told parliament.

He said the treaty will be ratified by an exchange of diplomatic notes when Australia's prime minister visits East Timor on Aug. 30, the 20th anniversary of a referendum that secured independence from Indonesia, which invaded the former Portuguese colony in 1975.

The parliament voted 42 to 23 in favor of ratification.

Under the treaty, East Timor will get the biggest share of revenue from exploiting Greater Sunrise. It will be split either 80-20 if gas is piped to Australia for processing or 70-30 if it is piped to East Timor.

East Timor wants the gas to be processed in its territory but investors are wary because it may not be economically viable.

East Timor's oil revenues, which finance more than 90 percent of government spending, are rapidly dwindling due to the exhaustion of existing fields in its territory. The country's \$16 billion sovereign wealth fund could be empty within 10 years because the government's annual withdrawals are exceeding its investment returns, according to La'o Hamutuk, an East Timorese research institute.

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