

Signing of Production Sharing Contracts with offshore petroleum operators

JOINT PRESS RELEASE

Minister for Foreign Affairs and Cooperation of Timor-Leste,

Dionisio da Costa Babo Soares

Minister of the Presidency of the Council of Ministers and Acting Minister of Petroleum and Minerals,

Hermenegildo Cabral Pereira

August 28, 2019

The Government of Timor-Leste has today completed the 'transitional arrangements' process required for the Treaty between the Democratic Republic of Timor-Leste and Australia Establishing Their Maritime Boundaries in the Timor Sea to enter into force on 30 August 2019.

Following a period of extensive consultation and negotiation, which started before the signing of the Treaty in March 2018 and continued thereafter, the Government has today signed five revised and new Production Sharing Contracts with the oil and gas companies affected by the Treaty to ensure that they will have certainty and security for affected offshore operations in the Timor Sea, across the period of transition from the Timor Sea Treaty to the new Maritime Boundaries Treaty.

The Government has also today signed further arrangements with the Australian Government on exchange of taxation information between Timor-Leste and Australia, and two Memorandums of Understanding between the institutions of the two States to allow for cooperation on petroleum related matters (specifically, on the management of the Bayu-Undan pipeline and on transfer of geological data and related cooperation).

The signing of these five Production Sharing Contracts and further arrangements with the Australian Government are necessary pre-conditions to the exchange of diplomatic notes between Timor-Leste and Australia, that will allow the Maritime Boundaries Treaty to come into force on 30 August 2019.

With this 'transitional arrangements' process complete, the Government now looks forward to the entry into force of the Maritime Boundaries Treaty in two days' time. **ENDS**

url: <http://timor-leste.gov.tl?lang=en&p=22775>