

## Labor backs talks on new maritime boundary with East Timor

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A Labor government will enter into maritime boundary negotiations with East Timor, a move that would likely give the tiny half-island state a far greater share of royalties and tax receipts from the \$40 billion Greater Sunrise oil and gas project.

A motion to begin formal talks on a new boundary was passed on Sunday morning at the ALP conference after being moved by Janelle Saffin, a former federal Labor parliamentarian. It was seconded by the shadow attorney-general Mark Dreyfus.

While there is no formal boundary between the two nations, Australia currently shares in resources that lie in an area much closer to East Timor than Australia under a treaty carving out a joint petroleum development area.

East Timor believes the boundary should be equidistant between the two nations, bringing far more of the oil and gas reserves in the Timor Sea within its borders.

Under current arrangements, East Timor will share 50 per cent of upstream revenues from the Greater Sunrise project, which is led by Australian energy giant Woodside and has yet to be developed due to the disagreement about the maritime boundary.

Existing productive oil and gas fields in the Timor Sea are approaching the end of their lifespan, leaving East Timor vulnerable to a calamitous economic decline. It relies on oil and gas income for about 90 per cent of its budget revenues and needs.

Ms Saffin, who has acted as an adviser for East Timor, said the uncertainty over the maritime boundary was undermining the economic security of East Timor and was a major irritant in relations between the two countries.

"We are a country of the fair go and we should demonstrate that with the Timor Sea," she said.

As well as committing a Labor government to "enter into structured engagement" with East Timor to negotiate a settlement on the boundary, the motion also says Labor will review Australia's controversial position to exempt itself from key parts of the United Nations Convention on the Law of the Sea (UNCLOS).

The so-called "reservations" about UNCLOS were made by Australia shortly before East Timor, formally known as Timor-Leste, assumed nationhood in 2002 after 25 years of occupation by Jakarta.

The reservations mean that Australia does not recognise the International Court of Justice or the UN's International Tribunal for the Law of the Sea as arbiters of maritime boundary disputes.

East Timor's efforts to convince the Abbott government to enter negotiations to draw the boundary have been unsuccessful.

Instead, East Timor has gone to international arbitration to try to get a treaty governing the distribution of oil and gas revenues declared void after revelations Australian spies bugged its government offices during negotiations.

East Timor ambassador to Australia Abel Guterres welcomed the resolution, noting favourably the decision to reconsider the UNCLOS reservations that "deny Timor-Leste access to a third party independent umpire on the boundary issue".