



Global court agrees to take up Timor, Australia sea border row

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An international arbitration court has agreed to take up a decade-long border dispute between Australia and East Timor over territory in the Timor Sea that contains large oil and gas deposits worth an estimated \$40 billion.

The Permanent Court of Arbitration (PCA) "held that it was competent to continue with the conciliation process" initiated by East Timor against Australia in April, the court based in The Hague said.

East Timor last month urged the body — the world's oldest arbitration tribunal — to help end the dispute that has soured relations between the two countries, saying negotiations had so far failed.

Australia in return had argued the PCA had no jurisdiction in the battle as the Government had already signed a treaty with East Timor ruling out any recourse to the court.

East Timor welcomed the PCA's decision.

"Just as we fought so hard and suffered so much for our independence, Timor-Leste will not rest until we have our sovereign rights over both land and sea," the country's independence resistance hero and former prime minister Xanana Gusmao said.

Foreign Affairs Minister Julie Bishop said Australia "accepts the commission's decision and will continue to engage in good faith as we move to the next phase of the conciliation process".

"We are committed to working together to strengthen our relationship and overcome our differences in the Timor sea," she added.

The Australian Government's lawyers had also sought to argue that it had initiated talks with East Timor through an exchange of letters in 2003 to try to solve the dispute.

But the panel said the exchange of letters between Australia and East Timor "did not constitute an agreement... because the exchange was not... legally binding".

And the PCA's five-member conciliation commission ruled the dispute should be settled under the UN Convention of the Law of the Sea, rather than the 2006 treaty — called Certain Maritime Arrangements in the Timor Sea (CMATS) — which covers the vast Greater Sunrise gas field lying between the two nations.

East Timor has also called for CMATS to be torn up after accusing Australia of spying to gain commercial advantage during the 2004 negotiations.

East Timor however officially dropped its spying case against the Government before the UN's International Court of Justice in June 2015 after Australia returned sensitive documents.

Talks to take place in 'confidential setting'

The PCA has not shied away from stepping into complex diplomatic battles.

Earlier this year it sparked fury in Beijing by ruling in a case brought by the Philippines that China's claims to a vast swathe of the resource-rich South China Sea were invalid.

The PCA, set up in 1899, is dedicated to resolving international disputes through arbitration, mediation and other means, by referring to international and bilateral treaties.

East Timor, which only gained its independence from Indonesian occupation in 2002, is an impoverished nation heavily dependent on oil and gas exports.

Talks between Timor and Australia will now continue over the next year, the tribunal based in The Hague said, but it

<http://www.abc.net.au/news/2016-09-27/court-of-arbitration-takes-up-australia-timor-sea-border-row/7879286>
stressed the meetings will be "largely in a confidential setting".

The commission will be involved "in a process for creating a positive relationship between the two sides to try and bring them together to the table," Aaron Matta, a senior researcher at The Hague Institute for Global Justice think-tank, said

AFP

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