

Timor-Leste and Australia seek agreement on maritime borders

[Rough translation from Portuguese]

Dili, 4 Oct 2017 (Lusa) - Timor-Leste is expected to conclude negotiations with Australia on maritime borders in an area of the Timor Sea which has been disputed for decade this month, and whose resources will shape the future of Timorese in the medium term.

Between October 9 and 13, delegations from the two countries will meet in The Hague (Netherlands), under the aegis of a United Nations Conciliation Commission, established on the basis of the Law of the Sea, which, in addition to permanently defining maritime borders, will finalize the conditions for development of the major Greater Sunrise field.

This historic moment occurs almost 28 years after another, in December 1989, which became a symbol of the Australian recognition of the Indonesian occupation: the then Foreign Ministers of Australia and Indonesia Gareth Evans and Ali Alatas celebrated with champagne the signing of the Timor Gap treaty, which divided the resources of the Timor Sea.

When that agreement was signed, Xanana Gusmão was the leader of the Timorese resistance, who was living in one of his hardest times, trying to reorganize himself in the interior, and Agio Pereira was one of the voices of Timorese activism in the diaspora in Sydney.

As in the various negotiating rounds over the past year, Xanana Gusmão and Agio Pereira, who has just been sworn in as the Deputy Prime Minister for Border Delimitation, still lead the Timor-Leste negotiating team.

The final step was taken at the end of August in Copenhagen, when the two delegations reached agreement on the “central elements” of the delimitation of maritime borders between the two countries and on the legal status for the development of the Greater Sunrise gas field, with estimated reserves of 5.1 trillion cubic feet of gas.

“The agreement in Copenhagen was the decisive step because without this agreement you cannot shape the new treaty. This agreement is now more about details, how to proceed to complete the whole process,” Agio Pereira told Lusa.

“The agreement is a package and includes the concept of developing a special regime for Greater Sunrise and this is where the parties are working hard to reach a final conclusion leading to signing the new treaty,” he said.

The contours of the agreement itself - including the terms of sharing the development of Sunrise - remain unknown: the rule of confidentiality about the negotiations was agreed at the outset to “strengthen mutual trust” during the dialogue.

Still, sources close to the negotiations explained to Lusa that the agreement is based on the placement of the border at the median line - the position that Timor-Leste has always advocated - and that one of the remaining ‘bumps’ is Sunrise’s mode of development.

Specifically, Timor-Leste continues to try to convince Australia and, secondly, investors, of the strategic advantages of a pipeline from the field to Timor-Leste rather than to Darwin (Northern Australia).

“The conviction that the gas pipeline is a strategic advantage for the country’s development, but both options are being considered with due dignity. We will see how it will be concluded in this process in which the commission itself is engaged,” said Agio Pereira.

The Timorese minister highlighted that the agreement will have an impact far beyond Timor-Leste, serving as a precedent for other disputes in various parts of the world.

“The delimitation of maritime borders, access to natural resources are processes that we are seeing, for example, in the South China Sea, and which are always surrounded by enormous complexities. The success of a conciliation commission under the aegis of the UN will be an example, a good precedent for other countries to consider,” he said.

The aim is for both parties to sign the new treaty before the end of the year.

“The intention is that it should be before the end of the year. All parties are committed to completing the process properly,” he said.

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