

Government website, 23 July 2019

Maritime Borders for the Ratification of the Treaty Legislature Approved by the National Parliament

The National Parliament today approved the legislative package allowing ratification and entry into force of the Treaty between the Democratic Republic of Timor-Leste and Australia establishing the respective Maritime Borders, with 42 votes in favor and 23 against.

The discussion of this legislative package, approved today, began with the joint hearings with the Government and Committees B, C and D, on 16 and 17 July. On the 18th, the bills were discussed at the plenary session and approved in general. On July 19, 20 and 22, Commissions C and D discussed and voted on the proposals in detail. The final wording of the legislative proposals and the Resolution ratifying the Treaty defining the Maritime Borders between Timor-Leste and Australia will now be prepared, after which the Bills will be sent to the President of the Republic.

The approved bills aim to adapt the Petroleum Activities Law, to adapt the Petroleum Fund Law, to adapt the Tax Law and the two laws regulating the taxation of the Bayu-Undan field exploration and to establish the specificities of the labor and migratory regime of the exploitation of Bayu-Undan as a whole, complemented by the other legislation previously approved by the Council of Ministers, aimed at ratifying the Maritime Borders Treaty.

The Minister of State of the Presidency of the Council of Ministers and Acting Minister of Petroleum and Minerals, Agio Pereira, in his closing speech thanked on behalf of the Eight Constitutional Government all the political benches of the National Parliament “for their contribution to the approval of the four laws aimed at allowing the ratification of the Maritime Borders Treaty”.

The Minister of State explained that “the bills submitted by the Government and approved today by the National Parliament do not imply any decrease in revenue or increase in expenditure for the State Budget for 2019” and “that the financial effect of these laws, by virtue of the entry into force of the Maritime Borders Treaty, will be an increase the revenues of the Petroleum Fund, due to an increase of about of US \$ 110 million in revenues from the exploration of the Bayu-Undan field”. He further noted that “the entry into force of the Treaty will allow the collection of 100% of the proceeds from future exploitation of the Buffalo Fields and parts of the Laminaria and Coralina Fields licenses” and that “the Greater Sunrise Agreement is an integral part of the Treaty”.

The Minister stated that “the ratification of the Treaty, as well as the approval of the four bills will finally enable Timor-Leste to achieve full sovereignty in the Timor Sea”, “an important step not only in ensuring independence and integrity. as well as to guarantee economic independence”. He stressed that this Treaty “will allow the development of various sectors of activity, the creation of new jobs, the development of infrastructure and will foster investment and economic diversification.”

The Minister of State ended his speech by quoting the Head of the Negotiating Team Kay Rala Xanana Gusmão, stating that “the new treaty that delimits permanent maritime borders with Australia gives Timor-Leste a solid foundation to leverage its prosperity. With fair and stable maritime boundaries, Timor-Leste can now confidently move forward to realize the potential of its seas and the promise of its independence”.

url: <http://timor-leste.gov.tl?lang=en&p=22510>