



ASIA-PACIFIC COALITION FOR EAST TIMOR

APCET SUBMISSION ON THE REVIEW OF TIMOR SEA AGREEMENTS

31 July 2002

**The Secretary
Joint Standing Committee on Treaties
Parliament of Australia
Parliament House
Canberra, ACT 2600
AUSTRALIA**

Dear Secretary:

We are a coalition of organizations and individuals formed in Manila in 1994 in support of the East Timorese struggle for independence. We believe that independence for East Timor includes not only political freedom but also economic self-sufficiency and determination.

We are therefore pleased that your committee is inquiring into the Timor Sea agreements, as the treaties have critical importance for East Timor's future self-determination.

We believe that the Timor Sea Treaty (May 2002) and the Exchange of Notes between East Timor and Australia (Timor Sea) (May 2002) has put East Timor in a bad position because it will ultimately lose up to 60 percent of its oil and gas resources.

The East Timor government believed signing the treaty at the earliest possible time would quicken its hold over the resources and the revenues that would help its economy. But it might end up with less in its hands.

We recognize that there remains dispute over the 'lateral' seabed boundaries and lateral resource sharing between Australia and East Timor. And as we believe it, the treaties are theoretically a temporary arrangement, subject to settlement of East Timor and Australia's seabed boundaries.

A third document also signed in May 2002, the Memorandum of Understanding between Australia and East Timor, has the two countries agreeing to "work

expeditiously and in good faith" to conclude by December 31, 2002 an "international unitisation agreement" over the Greater Sunrise deposits.

In our view, the Australian Government, in agreeing to revise the Greater Sunrise resource sharing arrangements (as they currently appear in the Joint Petroleum Development Area - JPDA- definitions of the Timor Sea Treaty 2002) apparently recognises legitimacy in the East Timorese position.

Before Australia ratifies the treaty, we ask that the Australian Government take into account international law in relation to seabed boundaries, as this will allow prompt resolution of the outstanding seabed boundary disputes and the related resource sharing dispute (lateral to the JPDA) between Australian and East Timor.

The Joint Standing Committee on Treaties is reviewing the Timor Sea agreements and can influence the Australia Government in correcting what could be East Timor's loss in resources and future revenues.

We therefore ask the Committee to press the Australian Government:

- 1. to resolve the outstanding seabed boundary disputes and the related resource sharing dispute (lateral to the JPDA) between Australian and East Timor;**
- 2. to employ international law and submit to international arbitration in resolving the boundary and resource-sharing disputes;**
- 3. to resolve the disputes at the soonest, so that the people of East Timor are not wrongly deprived of resources in particular from the rich oil and gas fields of Greater Sunrise, to the northeast of the JPDA, but also the oil and gas fields to the southwest.**

Thank you for prompt action on our plea.

Yours sincerely,

**Mr. Augusto N. Micalat, Jr.
APCET Coordinator**