

[SUBMISSION NO. 23]

The Secretary
Treaties Committee
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Inquiry into TIMOR SEA TREATY 2002
Submission by LAIFET

We appreciate the opportunity to make a submission to your Inquiry, and if possible would like to appear before you to expand our concerns.

The Timor Sea Treaty as signed is grossly unfair to East Timor, particularly Annexe E which says that over 80% of Greater Sunrise Gas field belongs to Australia.

As a new nation on 20th May 2002 we did not have the chance to declare our EEZ and Maritime Boundaries, essential prerequisites to a full Timor Sea Treaty. What should have been signed was an agreement just to allow Bayu Undan to go ahead.

We believe that under UNCLOS we will own 100% of Greater Sunrise, and also 100% of Corallina, Laminaria and Buffalo. Prime Minister Mari Alkatiri said he believes East Timor owns 100% of Greater Sunrise – it is a mystery why he signed Annexe E giving Australia 80% at least on a interim basis. It must have been pressure from Australia – yes?

We believe that the oil and gas riches of the Timor Sea will be developed by and for the benefit of both neighbouring countries, but it is quite unfair for the large country Australia to take our resources, especially as we are very poor. It could be seen that Australia took advantage of our inexperience and needs for short term finance to pressure our Prime Minister into signing the Treaty on 20th May. At the same time Australia's withdrawal from the ICJ as it relates to UNCLOS jurisdiction over Timor Maritime Boundaries can only be seen as a hostile act to East Timor and an attempt to grab most of the Timor Sea resources.

We will be asking our parliament, and we ask your to recommend to yours, that ratification of the Timor Sea Treaty NOT go ahead until the above issues are resolved according to the principles of UNCLOS.

Corallina/Laminaria/Buffalo:

These oil fields have produced US \$650 million government revenues during the last 2 years alone, 100% going to Australia. The UN has administered East Timor from late 1999 until 20th May 2002. The UN administration should have declared an interim EEZ and Maritime Boundaries immediately. The revenues from these fields should have been forwarded to East Timor from August 30th or early September 1999

or 20th September 1999 when Interfet arrived, and this would have been enough money for the East Timor budget and removed donor and Australian pressure on the Timor Sea Treaty negotiations. At the very least, these monies and future earnings should be held in trust for determination by negotiation or arbitration under the ICJ administration of UNCLOS, or by negotiations under UNCLOS principles.

Greater Sunrise:

Lateral boundary limits to the east will enclose all of Greater Sunrise. If Australia refuses to negotiate under UNCLOS, then we demand that our ownership be recognised by an agreement giving East Timor no less than 90% of control and government revenues.

At the same time we demand 10% of the government revenues of all oil and gas projects on the Australian side of the median line separating our 2 countries.

Understanding:

The present Timor Sea Treaty is developed from the illegal 1989 Timor Gap Treaty. This is illogical and undesirable, and makes for a very long and difficult to understand document. We feel sure only a few lawyers have read it. A much more simple document should be prepared as the Timor Sea Treaty.

We feel sure that when members of your committee understand the issues, you will recommend to the Australian parliament and government that ratification of the present Timor Sea Treaty **NOT** go ahead. We feel sure that the Australian people, who have supported our struggle for freedom from military occupation, will demand a fair go and support us also. We are one of the poorest countries in the world, you are one of the richest, it is inconceivable that you will rob us.

Yours sincerely

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