

Your address  
And phone contact

Mr or Ms ..... MP  
Member for .....  
Address .....(see Australian Parliament House website for electorate address)  
Date.....

Dear .....

I am writing to request an appointment with you about Timor-Leste (East Timor).

I wish to raise with you our concern that Australia is not being fair to Timor-Leste about sharing the oil and gas resources in the Timor Sea. I believe the best way that a resolution can be reached is to have a fair, permanent border and that agreement on such a border is well overdue.

You will be aware that Timor-Leste is one of the world's poorest countries. Nearly 40% of Timorese people live on less than U.S. \$1.25 per day, the international poverty line. Half of the population is illiterate. Many people still suffer the effects of the Indonesian occupation, in which over 100,000 people died violently. The country's infrastructure was severely damaged in 1999 after the people gained their independence.

As a sovereign nation, Timor-Leste wants maritime boundaries and is legally entitled to have them. Until now, both Coalition and Labor Australian Governments have persistently refused to establish permanent maritime boundaries which comply with current international law.

Australia even withdrew its recognition of the maritime boundary jurisdiction of the International Court of Justice and the International Tribunal for the Law of the Sea, just before Timor's Independence, leaving the Timorese with no legal avenues to assert their rights. The uneven negotiating positions have resulted in a series of temporary resource sharing agreements that short-change Timor-Leste of billions of dollars worth of government royalties generated by oil and gas resources located in the Timor Sea.

Not only would permanent boundaries bring some closure to the Timorese people's long and determined struggle to become an independent and sovereign nation, but they could deliver a significant income to the second poorest country in Asia. Some additional facts are attached for your information.

I am requesting an opportunity to meet you, as my representative in the Federal Parliament, to provide you with further details about this issue and how you might assist in the Australian Parliament and within your party. Perhaps you would ask your office to phone (.....) to let me know when you will be able to meet me.

Yours sincerely

## **Further Background on the Australia – Timor-Leste Border and Resources**

None of the disputes about who owns what can be solved until proper borders are established in the Timor Sea.

Justice requires that the Australian and Timorese Governments settle this matter once and for all, by agreeing to FAIR and PERMANENT BOUNDARIES.

Specifically, we're calling for the establishment of permanent maritime boundaries between Timor-Leste and Australia in accordance with international law – that is, the boundary should be according to median line principles, involving calculations based on the halfway line between the two countries' coastlines.

There is no dispute about any resources on Australia's side of half way. All disputes are about oil and gas fields on Timor-Leste's side of the median.

Australia has spent 1 billion dollars in aid to Timor-Leste since 1999, but in the same period we received 2 billion dollars from Laminaria-Corallina, a disputed area in the Timor Sea, which is now essentially exhausted. Timor-Leste did not receive one cent from that area.

Instead of a legal border, Australia and Timor-Leste negotiated a resource sharing agreement in 2006 called the *Certain Maritime Arrangements in the Timor Sea* (CMATS). This CMATS agreement to share resources was negotiated when Timor-Leste was a new nation still experiencing conflict, and was in a weak position to negotiate. To add to the questionable validity of the agreement, Australia spied on the Timor-Leste negotiating team's room at the time of the negotiations.

In 2002 the Timor Sea Treaty gave Timor-Leste 90% of the Joint Petroleum Development Area, although it is 100% on Timor's side of half-way. All the jobs and infrastructure went to Darwin, however, so Australia has benefitted greatly. The 2006 CMATS agreement gave Timor-Leste only 50% of the royalties and taxes on the Greater Sunrise giant gas field, with Australia claiming the other 50%. Greater Sunrise is two-thirds closer to Timor than it is to Australia.

However, if a border were negotiated, it would almost certainly follow current practice and involve the median line between the two countries. The complicated nature of the determinations may not give any of the concerned nations exactly what they want, but the resolution according to international standards would bring stability and security and would at least be fair to Timor-Leste. Every nation has the right to recognised borders.

The Greater Sunrise gas field has not yet begun production due to the continuing border disputes and the arguments concerning different perspectives on the location of the production terminals. Woodside and other oil companies desire the border issue to be resolved. Fair and permanent boundaries are required to lay this matter to rest.

## **Australia, Timor-Leste and Oil and Gas Resources in the Timor Sea Some History**

### **1972 Timor Gap**

Australia and Indonesia signed a seabed boundary treaty based on the now outdated continental shelf principle, establishing a seabed boundary much closer to Indonesia than Australia.

Since Portugal (the colonial ruler of Timor-Leste at that time) refused to participate in the discussions, the boundary was left incomplete, resulting in the "Timor Gap".

### **1989 Timor Gap Treaty**

Australia and Indonesia agreed on the Timor Gap Treaty in 1989, which divided equally the revenue from the seabed resources in the Gap.

When Timor-Leste achieved independence in 2002, the Treaty became invalid.

### **March 2002 No Umpire**

In March 2002, just two months before Timor-Leste's independence, Australia withdrew from the jurisdiction of the two international bodies overseeing the settling of maritime disputes, forcing Timor to deal with Australia without that international mechanism.

### **Timor Sea Treaty 2002**

Under the UN (1999-2002), action was taken to see that Timor-Leste would receive some oil revenues quickly.

The old Gap area was renamed the Joint Petroleum Development Area (JPDA).

The Timor Sea Treaty was signed at independence in 2002, giving Timor-Leste 90% of revenues from inside the JPDA.

Australia received 10% of the tax revenue from that area as well as all the downstream benefits, i.e. all the jobs and infrastructure.

## **1999-2012 Laminaria**

The Laminaria-Corallina oil field in the Timor Sea is just outside the Joint Petroleum Development Area, closer to Timor than to Australia. It lies completely in a disputed area, with both Australia and Timor-Leste claiming it.

The field started production in September 1999 and is now nearly depleted.

Australia received more than two billion US dollars in tax revenue from it but Timor-Leste received nothing.

During the same period, Australia spent one billion dollars in aid to Timor-Leste. Clearly, Australia is one billion dollars ahead.

## **2006 CMATS Treaty**

A treaty named "Certain Maritime Arrangements in the Timor Sea" (CMATS) divides 50/50 the resources of the Timor Sea in the Greater Sunrise area, which is outside the JPDA and very close to Timor.

Australia had originally wanted 82% but settled for 50% on condition that Timor-Leste did not discuss borders for 50 years (until 2057). The CMATS agreement was negotiated when Timor-Leste was a new nation, and in a weak position to negotiate, given Australia's withdrawal from the International 'umpires'.

In 2014, Timor-Leste accused Australia of spying when the 2004 negotiations were underway and claims that the treaty is invalid because of the unfair advantage gained.

## **2013 Spying**

The bugging of the offices of the Timorese Prime Minister (which Australia has now acknowledged) happened during refurbishment under a tax-payer funded AusAid program.

Timor's case at the Court of Arbitration in The Hague to withdraw from the CMATS Treaty received international interest when ASIO raided the office of an Australian lawyer acting for Timor and took his files. Australia claims the raid was because of "national security".

The Court in The Hague ordered Australia to stop interfering with Timor's legal advice and to refrain from using the material seized. Australia has now agreed to return the files. As a result, Timor-Leste has dropped the case, thus opening the way to the resumption of talks to settle this issue once and for all.

At the Labor Party Conference in July 2015, the Party decided to support undertaking negotiations towards delimitation of maritime boundaries in the Timor Sea. It also agreed to review reservations concerning membership of UNLCOS and to the settlement of maritime boundary disputes through the ICJ and the International Tribunal of the Law of the Sea (ITLOS).