



**JOINT STATEMENT BY THE GOVERNMENTS OF TIMOR-LESTE AND AUSTRALIA AND THE
CONCILIATION COMMISSION CONSTITUTED PURSUANT TO ANNEX V OF THE UNITED NATIONS
CONVENTION ON THE LAW OF THE SEA**

Australia and Timor-Leste are engaged in the ongoing Conciliation under the United Nations Convention on the Law of the Sea. The purpose of this process is to resolve the differences between the two States over maritime boundaries in the Timor Sea.

From 10 to 13 October 2016, the governments of Timor-Leste and Australia participated in a series of meetings convened by the Conciliation Commission constituted in this matter. In the course of those meetings the governments of Timor-Leste and Australia agreed to an integrated package of measures intended to facilitate the conciliation process and create the conditions conducive to the achievement of an agreement on permanent maritime boundaries in the Timor Sea.

As part of this package of measures, the Government of Timor-Leste has decided to deliver to the Government of Australia a written notification of its wish to terminate the 2006 *Treaty on Certain Maritime Arrangements in the Timor Sea* pursuant to Article 12(2) of that treaty. The Government of Australia has taken note of this wish and recognises that Timor-Leste has the right to initiate the termination of the treaty. Accordingly, the *Treaty on Certain Maritime Arrangements in the Timor Sea* will cease to be in force as of three months from the date of that notification.

The Commission and the Parties recognise the importance of providing stability and certainty for petroleum companies with interests in the Timor Sea and of continuing to provide a stable framework for petroleum operations and the development of resources in the Timor Sea. In the interest of avoiding uncertainty, the governments of Timor-Leste and Australia wish to record their shared understanding of the legal effects of the termination of the *Treaty on Certain Maritime Arrangements in the Timor Sea* as follows:

- The governments of Timor-Leste and Australia agree that, following the termination of the *Treaty on Certain Maritime Arrangements in the Timor Sea*, the *Timor Sea Treaty between the Government of East Timor and the Government of Australia* of 20 May 2002 and its supporting regulatory framework shall remain in force between them in its original form, that is, prior to its amendment by the *Treaty on Certain Maritime Arrangements in the Timor Sea*.
- The governments of Timor-Leste and Australia agree that the termination of the *Treaty on Certain Maritime Arrangements in the Timor Sea* shall include the termination of the provisions listed in Article 12(4) of that treaty and thus no provision of the Treaty will survive termination. All provisions of the treaty will cease to have effect three months after the delivery of Timor-Leste's notification.

For the further conduct of the conciliation process, the governments of Timor-Leste and Australia have each confirmed to the other their commitment to negotiate permanent maritime boundaries under the auspices of the Commission as part of the integrated package of measures agreed by both countries. The governments of Timor-Leste and Australia look forward to continuing to engage with the Conciliation Commission and to the eventual conclusion of an agreement on maritime boundaries in the Timor Sea. The Commission will hold a number of meetings over the course of the year, which will largely be conducted in a confidential setting.

The governments of Australia and Timor-Leste remain committed to their close relationship and continue to work together on shared economic, development and regional interests.

This statement is being issued simultaneously by the Foreign Minister of Timor-Leste, the Foreign Minister of Australia, and the Permanent Court of Arbitration on behalf of the Conciliation Commission.

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