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## **The Settlement of Australia and Timor-Leste Maritime Boundary Dispute: A Case Study**

Marcelo da Conceição Santos

Master in International Studies

Supervisor:

PhD. João David Malagueta Terrenas, Invited Assistant Professor  
ISCTE-University Institute of Lisbon

October, 2023

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SOCIOLOGIA  
E POLÍTICAS PÚBLICAS

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Department of History

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## **DEDICATION**

It is dedicated to the pursuit of truth and peace by all the beloved people of Timor-Leste.

&

I am grateful and honored that the conciliation committee and the government of Timor-Leste and Australia were stabilizing an acceptable agreement under international law.

## **ACKNOWLEDGMENTS**

Throughout the path to this master's degree in International Studies and the writing of this dissertation, my deepest gratitude is thanks to my supervisor, Ph.D. João David Malagueta Terrena for his constructive feedback and for providing materials during the process.

The FDCH (Fundo de Desenvolvimento Capital Humano) de Timor-Leste for giving tremendous support through the Apoio aos Filhos de Veteranos program.

I dedicate this work to Aguida da Costa and our little girl, Licypriya Greta da Conceição Santos, and my sincere gratitude as well to all my family, especially my dear father, Alberto dos Santos, and mother Mariana da Conceição, brothers, and sisters.

Finally, I sincerely thank Maun Azú for his assistance and unconditional support.

A big thank you to everyone!

Marcelo Santos

## **ABSTRACT**

Disputes concerning maritime boundaries are a significant source of contention between countries. This dissertation investigates the efforts of both Timor-Leste and Australia to settle the maritime dispute in the Timor Sea. Conflict resolution on the international level can be achieved through negotiation, mediation, compulsory conciliation, and international arbitration methods. The dissertation adopts a constructivism and qualitative approach and was conducted as a case study. This thesis shows how, following the United Nations' recognition of the maritime boundary agreement in New York on 6th March 2018, both countries have established permanent maritime boundary agreements. Nonetheless, the entire settlement process of this dispute is under the international law of the sea, the United Nations Convention of the Law of the Sea (UNCLOS).

**Keywords:** Maritime Boundary, the Settlement of the Maritime Boundary Conflict, Conciliation, UNCLOS, East Timor, Australia.

## **RESUMO**

As disputas de fronteiras marítimas são um dos conflitos centrais entre os estados. Esta dissertação procura-se saber como estavam a ser feitos os esforços de ambos estados Timor-Leste e Austrália de solucionar a disputa no Mar de Timor. Os métodos de negociação, mediação, conciliação obrigatória e a arbitragem internacional são mecanismos fundamentais para a resolução de conflitos internacionais. Esta dissertação enquadra-se no paradigma construtivista e qualitativa e foi conduzida como uma investigação do estudo de caso. Os dois estados estabeleceram o acordo de fronteira marítima permanente, após ter sido reconhecida internacionalmente pela ONU em 6 de março de 2018 em Nova Iorque. No entanto, todo o processo de resolução desse conflito foi baseado no direito do mar com a Convenção das Nações Unidas sobre o Direito do Mar (CNDM).

***Palavra-chave:*** Fronteira Marítima, Resolução do Conflito de Fronteira Marítima, Conciliação, CNDM, Timor-Leste, Austrália.

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## **ABBREVIATIONS LIST**

<b>AMP</b>	Alliance of Change for Progress/ Parliament Majority Alliance
<b>Art</b>	Article
<b>CNTR</b>	National Congress for Timorese Reconstruction
<b>CR</b>	Conflict Resolution
<b>CC</b>	Conciliation Commission
<b>CMATS</b>	Certain Maritime Arrangement in the Timor Sea
<b>GC</b>	Geneva Convention
<b>EEZ/A</b>	Exclusive Economic Zone/Area
<b>EUMS</b>	European Union Maritime Strategy
<b>FRETILIN</b>	The Revolutionary Front for an Independent East Timor
<b>ICA</b>	International Court of Arbitration
<b>ICJ</b>	International Court of Justice
<b>IO</b>	International Organizations
<b>JDGS</b>	Joint Development of the Greater Sunrise
<b>IMO</b>	International Maritime Organization
<b>ITLOS</b>	International Tribunal for the Law of the Sea
<b>KHUNTO</b>	Enrich the National Unity of the Sons of Timor
<b>LNG</b>	Liquefied Natural Gas
<b>LMBO</b>	Land and Maritime Boundary Office in Timor-Leste
<b>NI</b>	National Interest
<b>PCA</b>	Permanent Court Arbitration
<b>Parties</b>	TL and Australia
<b>PLP</b>	People's Liberation Party
<b>PD</b>	Democratic Party
<b>TL</b>	Timor-Leste
<b>TST</b>	Timor Sea Treaty
<b>UN letter</b>	Letter of United Nations
<b>UN</b>	United Nations
<b>UNCLOS</b>	United Nations Convention for the Law of the Sea

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## INTRODUCTION

Maritime boundary disputes are a complex global issue that significantly impacts state sovereignty, rights, and jurisdiction worldwide<sup>1</sup>. The Maritime Boundaries Research Institute at the University of Dundee reports that as of 2021, approximately 320 potential maritime boundaries are disputed or unresolved (Churchill, 2022). A study by Wiegand 2011 found that territorial dispute affects 41% of all sovereignty states today (Wiegand, 2011). Among existing disputes, the South China Sea is considered a site of increasing tensions wherein most high-profile cases occur (De Souza et al., 2022, pp. 26–43). The importance of this issue cannot be overstated, as disputes over maritime boundaries can have severe implications for bilateral relations, even international peace and security (Østhagen, 2020). These conflicts can arise from different grounds, such as historical, geographical, and self-determination, and may have significantly impacted the allocation of exploration and exploitation rights for oil and gas reserves. The dispute between Timor-Leste and Australia over the delimitation of the Timor Sea is a prime example of this.

Since gaining its independence in 2002, Timor-Leste has taken significant steps toward resolving previous dispute boundaries in the Timor Sea. In cooperation with Australia, Timor-Leste has signed several important agreements, including the Timor Sea Treaty (2002)<sup>2</sup>, the Sunrise International Unitization Agreements (2003)<sup>3</sup>, and Certain Maritime Arrangements in the Timor Sea Agreement (2006)<sup>4</sup>. Nonetheless, maritime borders remain a contentious national and international topic. Furthermore, Timorese civil society organizations, university student Groups, and the TL Government prioritize ensuring complete sovereignty and the stability of their land and sea borders.

Despite Australia's initial disregard for Timor-Leste's invitation to negotiate permanent maritime boundaries<sup>5</sup>, Timor-Leste proposed the issue to the ICJ in 2013. Three years later, Timor-Leste brought conciliation proceedings against Australia under Art. 298 of the UNCLOS (UNCLOS, 1994). The permanent maritime boundary was signed in New York in March 2018

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<sup>1</sup> Antunes, N. M. (2022). *Towards the Conceptualization of Maritime Delimitation: Legal and Technical Aspects of Political Process* (Vol. 42). Brill.

<sup>2</sup> Agreement signed in Dili by the Government of Australia and the Timor-Leste to recognize the importance of petroleum resources development on the seabed.

<sup>3</sup> Both Governments Australia and TL had signed off on the existence of Greater Sunrise.

<sup>4</sup> CMATS agreement.

<sup>5</sup> Message from the Chief Negotiator (H.E. Kay Rala Xanana Gusmão).

after many years of negotiation and legal struggles. Australia and Timor-Leste agreed on exploration activities and established a special regime for the Greater Sunrise. Despite this, both governments remained skeptical of the concession's long-term viability. Therefore, the occasion marked in March 2018 was a rules-based order in which both countries recognized the longstanding and deep ties of the maritime boundary in the Timor Sea (Australian Government, 2018). Following the UNCLOS and UN Charter, several efforts have been made by the state to formulate dispute resolution, which defended the principle of peaceful settlement (Pineda, 2021). It is crucial to overcome the conflict between states and consider a better pre-condition for exploring and exploiting marine resources to protect and prevent marine areas (Blake, 2002, pp. 1–13).

Against this backdrop, this dissertation sets out to analyze and understand the efforts carried out by Timor-Leste to mediate the maritime boundary conflict with Australia and identify potential solutions or strategies for resolving this dispute. This dissertation also explores how the colonial context, independent struggle, and resource exploitation influenced the development of TL's maritime boundaries. It also examines the legal frameworks and international laws governing maritime delimitations, such as UNCLOS, ITLOS, and maritime diplomacy.

The dissertation is structured in four chapters. The first chapter explains the concepts of methodology and analysis research techniques or methods for collecting, interpreting, and analyzing the data. The second chapter will explore different operationalization and methods of conflict resolution, management, and transformation, such as negotiation, mediation, and international arbitration. The third chapter assesses the legal framework, which explains the UNCLOS, maritime diplomacy, and ITLOS. The fourth chapter analyzes and discusses this case study. It will study the historical and legal dimensions, dispute area, geostrategy, geopolitics, negotiation and conciliation process, joint development, and current national political party concerns. The final chapter puts forward some concluding remarks.

## **Chapter 1- RESEARCH DESIGN**

This first chapter introduces the techniques and methods for collecting scientific literature and empirical data. The research presents a qualitative case study, applying a constructivist approach to the maritime dispute between Timor-Leste and Australia.

### **1.1. Defining Key Concept**

Two critical concepts in this dissertation are the maritime boundary dispute and conflict resolution.

Following UNCLOS of 1982, maritime dispute refers to a conflict between neighboring coastal states over their EEA and continental shelf delimitation beyond 200 nautical miles from the coast. UNCLOS has become part of legal public international law and international relations reality, and a more prominent political reality in international politics in which maritime boundary dispute entails the existence of overlapping entitlements to delineate maritime space and regarding the right to resources on the seabed and the water column (Østhagen, 2021). According to the author, maritime boundary disputes enlarged as the controversy grew and became more significant between the maritime zones of adjacent or opposing coastal states (Østhagen, 2021, p. 207).

It is possible to resolve conflict in several ways. There are different approaches to deal with the incompatibilities that exist. For example, win-win, lose-win, and lose-lose (Fisher, 2000). Nevertheless, before going into this field, one needs to understand conflict resolution. Wallensteen defined the conflict resolution process as the negotiation of parties to discuss how they may agree, how the agreement can be turned into reality, and how the statement can be durable (Wallensteen, 2019). The author also defined conflict resolution as a series of approaches based on the insight for peace research that draws the absence or end of war issues. Conflict resolution refers to all processes required to address the underlying causes of direct cultural and structural violence to promote peace, justice, and social harmony (Coy, 2009). The traditional conflict resolution approach uses game theory to manage conflict in a zero-sum manner and, thus, reframe the conflict as a problem with mutually acceptable settlements. This approach works in field conflict resolution by Kelman, Fisher, Zartman, and Bercovitch cited in (Wallensteen, 2019, pp. 91–131). John (1988) also used the game theory approach, diplomacy, states, and rule to clarify decision-making that results from inter-state conflict (Burton, 1988).

### **1.1.1. Conflict Resolution**

Conflict resolution between Timor-Leste and Australia involved seeking an amicable solution to the maritime boundary dispute. This concept provides the basis for operationalization and comprehensive conflict resolution processes. This process includes compulsory conciliation, international arbitration, and negotiation. The choice of these approaches and methods was determined by the circumstances of the conflict and the willingness of both parties. A conflict resolution approach promotes a long-term, equitable, mutually beneficial solution for both countries.

### **1.1.2. Maritime Border Dispute**

The maritime boundary dispute between Timor-Leste and Australia concerns disagreements over boundaries and rights to resources in maritime areas, particularly the Timor Sea. However, the maritime boundary dispute is essential to both countries for several reasons. First, it involves national interests as each nation seeks to assert its control and jurisdiction over resources, particularly oil and gas reserves, located in the disputed zone. Second, the dispute has the potential for political, economic, and geopolitical implications.

Examining the legal framework based on international law is necessary to understand the maritime boundary dispute comprehensively.

## **1.2. Research Objectives and Questions**

### **1.2.1. Research Objectives (RO)**

The main objective of this investigation is *to understand the efforts made by Timor-Leste and Australia to settle the maritime boundary dispute in the Timor Sea*. Summarize the intention to analyze this issue from the TL efforts regarding its strategic dimension. In the course's general objective, this investigation stabilizes two characteristics of the general objective (G) and one specific objective (S):

- Analyze the role that the two governments of TL and Australia played in the negotiation process (G).
- Analyze the legal implementation of the agreement concluded between Timor-Leste and Australia (G).

- Identify and examine the main character of the compulsory conciliation process between two countries (S).

### **1.2.2. Research Question (RQ)**

After identifying the research objectives above, regarding all the efforts, negotiation process, compulsory conciliation, and implementation of agreements, comes with the following main research question: How did the government of Timor-Leste conduct the negotiation process to resolve the maritime border dispute with Australia in the Timor Seas? Addressing this question encourages an approach to understanding conflict resolution, disputes, and critical agreements. Therefore, this study has the following sub-research questions: How was conducted the delimitation of the maritime boundary where claims overlap? How did Australia agree to the conciliation process? What agreement was reached between Timor-Leste and Australia to settle their maritime dispute?

## **1.3. Investigation Paradigm**

### **1.3.1. Constructivism**

Regarding theory and methodology, this investigation follows a constructivist framework based on an analytics approach with a qualitative background (Coutinho, 2015; Creswell & Creswell, 2018; Mertens, 2010). This paradigm represents a comprehensive and coherent system of assumptions, values, and traditions that guide research and provide a framework for researchers to explore the methodological, epistemological, ontological, and axiological aspects of their research project and determine the research method and orientation (Kivunja & Kuyini, 2017, pp. 26–34). According to Coutinho, the concept of a paradigm refers to a framework or perspective that encompasses a particular tradition and program within research (Coutinho, 2015, pp. 9–24). As described by Coutinho, it unifies and legitimizes research by providing a system that relates to aspects of the investigation. According to Mertens (2010), the constructivism paradigm advocates a social theory that emphasizes the role of social constructs, norms, and shared meanings in shaping individuals' perceptions, actions, and interactions in any context. Therefore, the research methodology within the constructivism paradigm argues that this approach allows for more values and potential implications for social phenomena

(Mertens, 2010). With this approach, the research methodology acknowledges individuals' perceptions and recognizes the relationships for interpretation, exchange, and comparison.

By adopting the constructivism paradigm, this study acknowledges the subjective nature of knowledge and the role of research in shaping the empirical phase and analyzing the outcome. Overall, this approach allows for understanding maritime dispute settlement between TL and Australia, considering the different perspectives and the reality of construction in the specific case.

## **1.4. Methodology, Method, and Data**

### **1.4.1. Qualitative Research (QR)**

Amaratunga et al. defined methodology as a process of exploring information through observation, document analysis, case studies, survey methods, and experimentation in theoretical and epistemological phenomena. Although it is essential, it is helpful to distinguish the research method to achieve the goal (Amaratunga et al., 2002, pp. 17–31).

According to the dictionary of Faria & Perição (2008), methodology concerns the evaluation of the characteristics of the different existing methods to achieve a specific purpose, considering the limitation of their use (Faria & Perição Maria da Graça, 2008, p. 828).

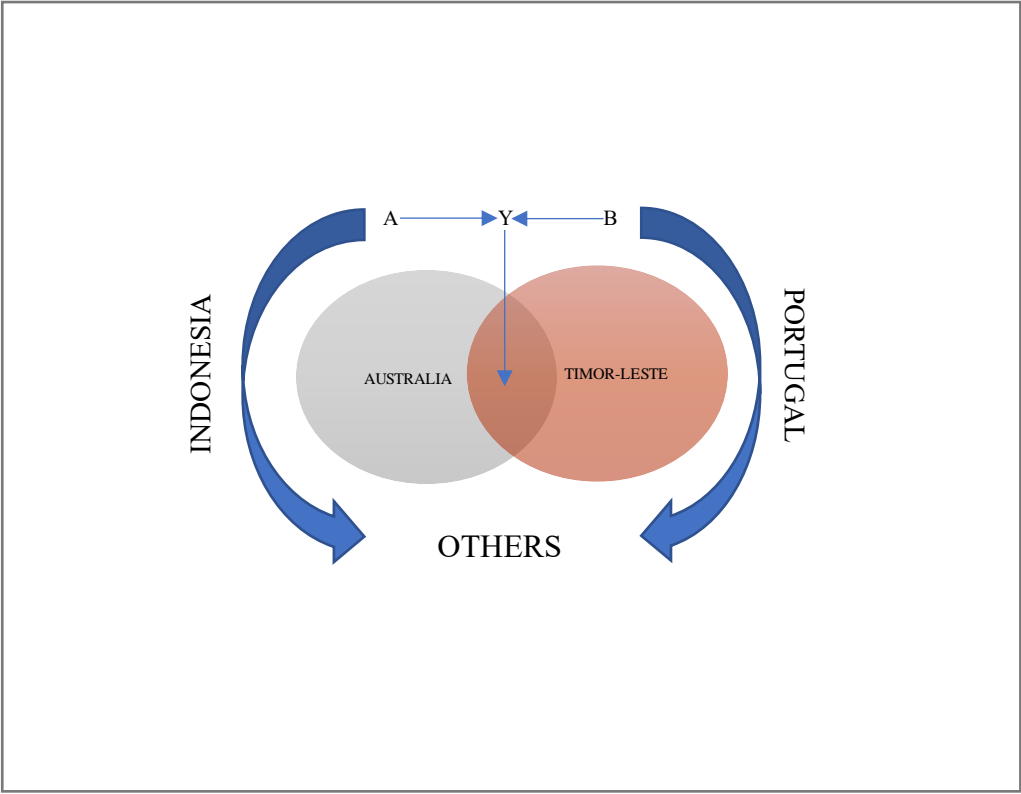
Qualitative research considers, among other approach, the systematic procedure for reviewing and evaluating documents. Data is examined and interpreted to gain knowledge and develop empirical understanding (Bowen, 2009, pp. 27–28). Fossey et al., suggest that qualitative research orients the researcher to develop and understand the accurate dimensions of the world (Fossey et al., 2002, pp. 730–731). This investigation characterizes research interconnected to subjective meaning, action, and social world.

Creswell & Creswell (2018) emphasize the importance of methodological rigor, matching research questions with appropriate design, and effectively integrating qualitative approaches. The essence of the qualitative approach allows its commitments to provide valuable insights into the “why” and “how” of things like flexibility, adaptability, and reflexivity. Stake concludes that qualitative investigation contributes to a more comprehensive understanding of the world (Mertens, 2010, pp. 225–227; Stake, 2010, pp. 11–31). Overall, the choice of a qualitative approach in this study is justified and contributes to a comprehensive understanding of the settlement of the maritime dispute between Australia and Timor-Leste.



The diagram below is a conflict relationship mapping of the dispute between both countries, Australia and Timor-Leste. Assuming that Australia is Actor A, Timor-Leste is Actor B, and Y is the disputed area that will analyze overall the delimitation of maritime boundary claims overlaps. There are also actors represented in this figure, such as Portugal, Indonesia, and others. Figure 1 illustrates a simplified overview, a comprehensive conflict analysis issue, and its consequences. Furthermore, Levinger (2013) provides system mapping that exercises and cooperates among actors. This system comprises one or more interconnected factors in a conflict (Levinger, 2013, pp. 175–178).

**Fig. 1-Dispute diagram (Source: By author)**



In this conflict, there are different participants and their interests, powers, and positions. Therefore, they can be dynamic and involve cooperation, collaboration, disagreement, power relations, and shifting alliances during the dispute.

### **1.4.2. Case Study**

Case studies involve diving deep into specific cases, contextual factors, and dynamics impact pathways. Bennett & Elman (2007) describe several salient aspects of case-based research in the subfields of IR, such as war, international security, and the economic system (Bennett & Elman, 2007, pp. 170–195). The “case study” helps to analyze the subject matter more effectively and draw it more accurately by examining the connection relationship and contributing to understanding the case (Bell & Waters, 2018, pp. 27–29; Mertens, 2010, pp. 232–236). As Reiter acknowledges, framing “fact” leads to understanding the investigation issues. In turn, it is essential to recognize that fact perception is a subjective process that depends on various factors (Reiter, 2017, pp. 136–141). Indeed, a case study approach to settling the maritime border dispute between Timor-Leste and Australia would include an analysis of the contextual background and legal aspects.

### **1.4.3. Strategy and Techniques of Data Collection**

The bibliographic for the study was collected from the relevant online platforms, databases, and official websites of the organizations and the governments. These collections of literature reviews are based on primary and secondary data. Thus, the following platforms and websites were mentioned: Google Scholars, Scopus, Repositório Científicos de Acesso Aberto de Portugal (RCAAP), Basic Text and Documents of International Tribunal for the Law of the Sea, United Nations Report and News, reports from Timor-Leste’s Land and Maritime Boundary Office, and Lao Hamutuk NGO, academic journals, and books.

The systematic approach to the literature search, which sought to examine and understand the literature on scientific publications, would give us the most comprehensive overview possible. However, the investigation was initiated in November 2022 and ran until May 2023. The data query searched for scientific literature on the topic. This search also used the term combination of Boolean operators such as OR and AND (*see Table 1*).

**Table 1-Investigation framework approaches**

<b>Features/entities</b>	<b>Platform and databases</b>	<b>Data of research</b>	<b>Research scope</b>	<b>Research keywords</b>
Platform and databases	<b>Google Scholar</b>	28-11-2022	Not filtered	“Conflict resolution”, “management AND transformation”; “conflict resolution”, “management OR transformation”  “The settlement of the maritime dispute between Timor-Leste and Australia”
	<b>Scopus</b>	29-11-2022	Not filtered	“Conflict resolution, management AND transformation”; “conflict resolution, management OR transformation”  “The settlement of the maritime dispute between Timor-Leste and Australia”
	<b>RCAAP</b>	29-11-2022	Not filtered	Conflict resolution, management, and transformation
Organizations	<b>ITLOS</b>	13-01-2023		Statutes, rules, and resolutions.
	<b>UN</b>	13-01-2023		Law, agreements, and resolutions
	<b>LMBO</b>	14-05-2023		Reports
	<b>Lao Hamutuk NGO</b>	14-05-2023		Reports
	<b>Timor Gap</b>	15-05-2023		Reports and treaties
<b>Governments</b>	<b>TL and Australia</b>	14-05-2023		Treaties, press releases, and reports

*Source: by author*

### **1.5. Limitations of the Study**

This study delves into the maritime boundary disputes between Timor-Leste and Australia. While the case presents diverse aspects, its findings may not be entirely transferrable to other conflicts. The primary challenge encountered during this study was overreliance on secondary sources over primary sources. Consequently, the research relied on publicly available sources that may not have been comprehensive enough to provide a conclusive answer. Thus, it proved difficult to handle complex literature reviews. Nevertheless, the study solved these challenges by endorsing that exclusive quality data sources was operated for the study.

## **Chapter 2- CONFLICT RESOLUTION, MANAGEMENT, AND TRANSFORMATION**

### **2.1. Conflict Resolution**

Firstly, it is necessary to define conflict resolution. Then, it will introduce its management and transformation. There is a critical requirement to design the method of conflict resolution such as international peaceful settlement, non-jurisdiction resolution of international conflict, and jurisdiction resolution of international conflict. Conflict resolution takes place between different actors, including individuals, groups, businesses, organizations, and states. Fisher (2000) argues that conflict can be divided into interpersonal, intergroup, multi-party, and international conflicts (Fisher, 2000, pp. 1–6). There is a large amount of literature that already defines conflict resolution, such as Barton (1988), Jandt (1996), Mayer (2004), and Wallensteen (2019). Thus, Mayer (2004) argues that CR has determined the attitude and approaches to deal with the nature of the conflict (Mayer, 2004, pp. 3–16). This definition comes with a reasonable handle on the intensity that motivates the behavior of all participants. According to Burton (1998), CR is the basis of legal norms and legal arguments that can apply to provide insights into the generic nature of the problem and contribute to the prevention of other instances (Burton, 1988, pp. 1–6). The author also defines that making a good relationship is an effort to resolve problems.

On the other hand, Jandt (1996) states that communication is a suitable method that can play a functional and dysfunctional role in conflict resolution. In Deutsch's (2011) perspective, settling the conflict uses a win-win orientation, which can posit that the foundation of constructive resolution lies in fundamental values, including reciprocity, human equality, shared community fallibility, and nonviolence (Deutsch & Morton, 2011). Moreover, according to Wallensteen (2019), conflict resolution refers to a situation wherein involved parties enter into an agreement that solves a central incompatibility and accepts each other (Wallensteen, 2019, pp. 3–10). Conflict resolution is primarily underscored through various approaches to managing, resolving, and transforming (Rhodes, 2008). Since the states always have conflict, they have tried to end it in multiple ways. However, many other ways to settle disputes have long been practiced; these include practicing its methods and applying the forms of negotiation, arbitration, and mediation. However, between the states, negotiation is a principle that must be used to reach agreements regarding issues of contention between them. In this regard, this study will focus on international conflict resolution between states. Therefore, the main objective of

this chapter is to present the different implementations of conflict resolution, management, and transformation, such as negotiation, mediation (non-judicial resolution), and international arbitration (judicial resolution).

## **2.2. Negotiation**

Negotiation refers to the dialogue between the authorities of several nations to reach an agreement on a matter of mutual concern between them (Berridge & James, 2003, p. 183). Some authors, like Zartman (2008), argue that negotiation merges opposing perspectives into mutually acceptable agreements. It also refers to the standard view of implementing, preventing, and transforming the conflict (Zartman, 2008, pp. 51–64). However, he compares negotiation and conflict resolution and thus thinks initiating before peace is essential. Zartman also has observed that it is critical to understand whether a suitable moment for establishing peace during negotiation. Others, such as Ikle and Leites (1964), argue that negotiation is a process in which proposals are explicitly made and put forward ostensibly to reach agreements between tacit bargaining and another form of conflict position (Ikle & Leites, 1964).

Diplomatic practice is the crucial strategy for attempting good interaction and communication in all negotiation processes (Faizullaev, 2014a), which refers to the exchange and acts of each other. However, this diplomacy interaction recognizes and draws elements of social thinking and makes sense from a negotiation perspective in the requirement between the parties. Herbert Kelman (1996) states the idea of problem-solving through the interactive negotiation process. This is essential that the negotiators should influence both sides (Kelman, 1996). Thus, the negotiation process can address the needs of the party's specific manner. This implies that, for a negotiation process, parties must be involved and interested in negotiation to reach an agreement.

Nevertheless, Zartman also said that parties involved in the process needed to make some concessions in the decision-making, which characterizes their interest and compatible point of view for the agreement to be signed (Zartman, 1977). In this context, Zartman argued that several considerations had to be made during the negotiation process, such as the party's need to decide good, guaranteed, and acceptable choices involving voting majority or standard agreement, the rule of collective will, and legislative. These approaches can occur from national and international actors, as stated by (Druckman et al., 1999). Moreover, some case studies also

refer to bilateral and multilateral negotiation relationships, conflict resolution, and management (Zawahri & Mitchell, 2011). Regarding the nation's negotiation, Faizullaev defines its diplomatic practice as involving government, parliamentary, foreign ministers, embassies, and individuals conducting an official pre-orientation of the governments (Faizullaev, 2014b). According to Zartman (1994), bilateral negotiation is planned and structured, and all processes should be through the role. Hence, this is characterized by the two agents' interaction in cooperation (Li et al., 2013). However, according to Holsti, the negotiation approach should be more precise between interaction states, which can promote peace and security (Holsti, 1996, pp. 272–296).

The objective of this international negotiation may or may not result in an agreement of a complex international conflict. However, Markhol (1988) raises different conceptions of international negotiation, including cultural, political, and psychological. For Zartman, International multilateral negotiation is very different from bilateral negotiation, where collocating the two parties are considered adversaries. In contrast, multilateral negotiation is about initial perceptions, not the adversary.

Zartman (1994. pp.4-7) divided multilateral negotiation into six different types: multiparty, multi-issue, multirole, variable value, parties, role, rulemaking, and coalition.

Zohar's Art of Negotiation explains the steps of negotiation. So, the following are essential steps: The first step begins the process. In this first step, the negotiators must review the rules and procedure. The negotiator's perception and decision-making orientation extensively focuses on problem-solving. Thus, this negotiation style is a crucial competitive, cooperative, and integrative feature. The second step is recognizing patterns; this is important to create an idea and enhance alternative options for the settlement of conflict resolution. The third must follow the rules, and the negotiators from both parties must have exemplary professionalism and knowledge. The following steps are listening with four ears. In this context, apply the best strategy, therefore, concrete, and participate in all information for negotiators to gain better insight. The fifth is the plan strategy; these steps involve specific goals and power of interest. The other is to anticipate tactics. This strategy focuses on a particular negotiation plan; these include credibility, information, time, and power. The seventh is communication through signals. Persuasion steps are stabilizing negotiation and building relationships. Finally, effective negotiation must give all prior components like values, loyalty, tolerance, truthfulness, persistence, and integrity (Zohar, 2015).

According to Zartman (2008), there are various phases before starting a negotiation, also called pre-negotiation. This phase concept is reached to help parties to enter negotiations. The next phase is seeking to crystallize the previous intent. Finally, there is the preliminary process to discuss and solve remaining issues that were not resolved before the settlement has been used (Zartman, 2008, pp. 117–120).

According to Meerts (2015), negotiation can take place through diplomatic practice or international conferences within international organizations or intergovernmental institutions (Meerts, 2015).

### **2.3. Mediation-Non-Jurisdictional Resolution.**

Mediation is another method to settle the conflict. This method allows the parties to come together, negotiate, resolve, and reach an agreement through the involvement and support of a third party. Mediation is thus an external intervention in conflict resolution (Zartman, 2008, p. 155). Fisher defines mediation as the ability to intervene and impartial act to facilitate acceptable negotiation regarding the dispute between parties (Fisher, 2001, p. 159).

To resolve international conflict, Jacob Bercovitch and Svensson discuss the following main conditions. Firstly, the absence of bias and impartiality mediators; second, cultural differences and needs to create shared norms (Bercovitch, 1992; Svensson, 2013).

Mediation is only possible if acceptable by the conflicting parties. Some authors (Bercovitch, 1996; Kleiboer & Hart, 1995; Vuković, 2014) define international mediation as a form of conflict management in which a third party actively tries to find a solution. Mediators in conflict processes may be individuals with legal personality, such as judges or individuals with authority. Mediation is also undertaken by the state and international organizations, for example, the USA and EU, in the case of the Palestine and Israel conflict.

There are different types of mediators. Bercovitch (1992) identifies three categories of mediators in international conflict resolution: individuals, states, and institutions or organizations (Bercovitch, 1992). Melin (2013) divided mediators into four categories: individual, state, international organization, and regional governmental organization (Melin, 2013, p. 79).

Chapter 6 of the UN Charter defines the concept of conflict mediation as a strategy to resolve peaceful conflict. In this sense, the third-party act is a mediator and facilitator.



This third party can be an *individual* with a legal personality, a *Country/State*, or an *international organization*. Mediators have the function of mediating both parties. There must be acceptance from both sides' mediators and conflicting parties.

i. **Individuals:** There is an official representative of their government. This refers to the Ministry of Foreign Affairs or formal high-level officials from the disputing countries (Bercovitch, 1992, pp. 100–102). Moreover, this individual should have the capability, skills, and resources to perform the dispute. However, the author also mentioned formal and informal individual mediation. Informal refers to good experience regarding international conflict resolution. In contrast, formal refers to the individual act that creates impact and influences decision-making. These individuals usually share their experiences and some values with the conflicting parties.

ii. **States:** Commonly, in international conflict resolution, the state has significance in mediation. The mediation act may run at the regional and international levels.

iii. **Institutions or organizations:** While the state or nation no longer facilitates the conflict, organizations become service providers and propose conducive peace. Among these entities are NGOs and other religious and humanitarian groups. They frequently behave to enable parties to remain face-to-face. They can better bring parties' viewpoints to the negotiation table, analyze dispute issues, create conflict resolution techniques, and propose a viable solution for disputing parties (Purdy, 2000).

Articles 3 and 4 of the Hague Convention of the Peaceful Settlement Dispute define the proposal made by the mediator shall not be construed as a hostile move against any party. The mediator's main job is to resolve a dispute and find a compromise acceptable to both parties. In this case, mediators play an active role in settling dispute issues and providing sound advice to both parties. While mediators intervene in conflict, they also seek to utilize different conflict resolution strategies and methods. As Bercovitch and Lee (2003) state, mediators can adopt different tactics, including procedural strategy, communication facilitating approach, and directive strategy (Bercovitch & Lee, 2003, pp. 3–5).

Throughout the procedural strategy, mediators seek to control the entire mediation process. They act on structural aspects such as meetings and agenda setting and define other levels like media publicity. In contrast, when adopting the facilitating strategy, mediators

behave as passive communicators. In this case, mediators inform the dispute parties, work to build mutual respect and cooperation, overlook issues that need to be discussed in the negotiation process, and promote a situation that is beneficial to dispute settlement. The directive strategy is considered the most potent mediation in which the mediator uses an ultimatum to reach a settlement. Mediators can choose either approach according to the nature of the dispute. It becomes essential for the mediator to keep an unbiased role. Mediators are more likely to adopt the procedural methods.

According to Westbrook and Riskin, mediation can be divided into six stages, namely (Riskin & Westbrook, 1989): (a) Agreement on the mediation process, (b) beginning the conversation, (c) establishing the work agenda, (d) negotiating problem-solution options, (e) reaching an agreement, (f) and execute the agreement. Kovach divided the mediation process into nine stages (Kovach et al., 2013), as follows: (1) Preliminary agreement, (2) commencement, (3) opening remarks, (4) information gathering, (5) pinpointing the issue, agenda setting, and assembly, (6) prompting alternatives for problem-solving, (7) bargaining, (8) reaching an agreement, (9) and finalizing with the capability or not contained between the parties.

#### **2.4. International Arbitration-Jurisdiction Resolution**

The settlement of the international conflict through arbitration was the first time offered by the International Court of Arbitration. Moreover, ICA showed other international peace methods, mediation, and conciliation.

Arbitration is considered a jurisdiction for settling disputes in which all the decisions are legally binding on the parties.

The settlement of maritime disputes is an essential issue faced by many states. When states choose an international arbitration method, they have a purpose of seeking the solution, as stated in Art. 2 and 3 of the UN Charter, which discuss peaceful settlement.

However, the disputants' countries can choose dispute resolution procedure mechanisms following Article 287 of UNCLOS 1982.

The Hague Convention of 1907 pointed out that states must establish peaceful settlement if they choose international arbitration; the signing power recognized arbitration as the most effective and, at the same time, the fairest means of resolving disputes, following

Article 16, the pacific settlement of the international conflict. Article 37 of the same Convention states that international arbitration aims to settle disputes between states by selecting the judge they choose and the basis of legal principles. To achieve distinction through compromise, parties must approach their decision with good faith and fairly without coercion.

Disputes can be resolved through arbitration in several ways, including institutional arbitration or *ad hoc*. An institution arbitration body is a pre-established arbitration body with procedural rights—for example, PCA in the Hague. Parties can decide on an *ad hoc* arbitration body. In this case, this body ceases to function after a decision on a specific dispute.

The following are considered principal arbitration centers for the maritime boundary dispute: the LMA, the SMA, SIAC, the GMA, and the VCC (Ismail, 2021, p. 25; Quang Anh, 2004, p. 31). In the maritime dispute, the parties can select one of these institutions. London, Singapore, and New York are the most popular places for maritime arbitration.

As previously stated, if the party is free to choose dispute resolution, they must be willing to be arbitrated following applicable international law. Therefore, all the processes of arbitration, in terms of selecting the arbitrators and the concept of rule, will be applied during the arbitration process. Parties must agree on a common agreement before submitting their argument to international arbitration, for example, the arbitration clause in signing the contract, the method to be utilized, and other necessary details relevant to both countries. Additionally, the ICJ statute defines an “optional clause,” which means an acceptance of the compulsory to the court, the state party consent, the states are not forced to announce their approval<sup>6</sup>, at the same time, the states should conform with the international legal principle (Cede, 2009, p. 358).

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<sup>6</sup> Paragraph 2 of Art. 36 of the ICJ.

## **Chapter 3- THE LEGAL FRAMEWORK: UNCLOS, ITLOS, AND MARITIME DIPLOMACY.**

This chapter aims to study the legal mechanisms for settling maritime disputes.

### **3.1. UNCLOS**

According to Brito and Moreira (2022), there are three major milestones of the United Nations Conference on the Law of the Sea (Bruto & Castro Moreira, 2022, pp. 49–57). The first conference took place in Geneva in 1958. The outcomes of this conference resulted in four main treaties, such as preparing the draft of the high sea continental shelf, fishing and conservation of sea resources, and territorial and zone of contiguous. In addition, the outcome of this conference also generated a concord regarding compulsory dispute settlement.

Two years later, the General Assembly demanded a Secretary-General to convene the second conference. During the conference, the General Assembly, by Act 1307, did not result in any agreements<sup>7</sup>. The Third United Nations Convention on the Law of the Sea was officially signed in Montego Bay, Jamaica 1982. In 1994, it became a law known as the Sea Constitution in international public law. It consists of 320 articles corresponding to 17 parts and nine annexes.

Since international conflict is rising regarding maritime disputes, UNCLOS contributes to establishing a critical global management of naval peace, rule of the sea, regulating marine resources, baseline, and all sea zones. Klein (2005) argued that the treaty frequently exerts a substantial impact in defining the rules and mechanism of settlement disputes between states (Klein, 2005, p. 3). The framework of peaceful settlement following UNCLOS within Part XV has effective management and contributes to many arguments at the international level. The treaty's commitment is to cooperate, to establish a compulsory structure binding to the settlement, and to regulate all sea and marine resources. The provision of this Part is applicable when there is a dispute regarding how to interpret and carry out the convention. Section 1 of Part XV reflects the party's commitment to using peace without force. Despite this, Art. 2 (4) of the UN Charter emphasizes that the state member must refrain from using territorial sovereignty. All state parties need to promote a peaceful resolution to settle the dispute. Hence,

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<sup>7</sup> See Churchill, 99, pp.453.

Art. 2 (3) of the UN Charter and Art. 279 of UNCLOS underscore that states should exhaust peaceful ways of resolving international disputes before adopting further options like using force. Article 780 allows state parties to select their choice. It highlights state parties that have the flexibility to choose to achieve consensus on dispute settlement (Klein, 2005, p. 54; Pineda, 2021, p. 6). Just in case an Art. 281, which clarifies the UNCLOS procedural for parties to choose their preferred.

States likewise settle the conflict through alternative ways like bilateral, regional, or general (Klein, 2005, p. 29). Therefore, the disputant parties need to apply diplomacy commitment and take place in international peace and security with negotiation, mediation, inquiry, conciliation, and arbitration methods. These methods are under Article 33 of the UN Charter. The disputants can resort to precaution when they do not accept the legal framework of the UNCLOS so they can have a consent agreement between bilateral relations (Morimasa, 2017, p. 10). Indeed, as we noted from Section 2 of Part XV, using compulsory methods and binding decisions. Thus, the parents run this while the dispute is unsuccessful in settling following section 1.

Article 286 of LOSC allows parties to submit the dispute to the court. Once states become a party, they are not necessary to grant any additional acceptance of which the treaty applied to them (Klein, 2005, p. 53). In this regard, parties also act to exchange views and procedures to provide for a local remedy, which is indispensable by the legal framework following articles 283 and 285. Conforming to Article 287 may apply when state members do not implicitly prefer the same dispute settlement procedure, but it may happen when parties consent. Annex VII emphasizes that the state party in dispute settlement is exposed to attestation in force through accepted arbitration and should have an agreement. UNCLOS' art. 309 and 297 figure out the limits and exceptions to compulsory regarding binding settlement disputes. Section 3 LOSC also allows States Parties by written declaration based on previous section 2 Art. 298 (1). Optional exceptions are as follows: (1) disputes concerning sea boundary delimitations, or those involving historic bays or titles; (2) disputes concerning military activities, which take place military activities and law enforcement activities; (3) disputes concerning which the Security Council of the United Nations is exercising its functions. However, the exception relates to the compulsory procedure of Article 298, which affirms the elimination of court statements regarding the issue of maritime. Therefore, apply this critical procedure system if there is no dispute resolution according to Article 286.

In the following explanation, UNCLOS exists to define the basic concepts of maritime boundary delimitation. Regarding this, the State's willingness to agree upon the regime of the legal frameworks' settlement. Concerning the delimitation of the maritime border, UNCLOS has established rights for the state, such as continental shelf and EEZ.

According to the UN Convention on the Art. 76(1), the continental shelf is defined as the seabed and subsoil of the underwater area that falls outside the country's territorial sea extending 200 nm from the baseline. In paragraph 3, the same article affirms that the natural prolongation in the continental margin with coastal state and seabed arises. However, the IJC considers that the Continental Shelf should be positioned on the sovereignty exercised. In this context, UNCLOS granted States the right to claim the EEZ that integrated into the column and surface of the water. According to Churchill (1999), coastal States strive for sovereignty rights regarding exploration, conservation, and all-natural resources management (R. R. Churchill & Lowe, 1999).

Furthermore, Art. 77 of the UNCLOS also guarantees the state's right over the continental shelf. Following articles, Art. 279-299 and 83 of UNCLOS pronounce that continental shelf must be accomplished utilizing an agreement between the neighboring states. Despite this, article 38 of the ICJ's statute prefers the deals, as the Geneva Convention of the Montego Bay indicates. If it is impossible to sign an agreement, the parties will exercise a settlement dispute mechanism as written in articles 279 to 299 of Montego Bay. When the state has no consent from the coastal State, it is considered illegal and should be triggered to its international responsibility.

EEZ corresponds to sovereignty rights and jurisdiction following Art. 74, paragraph 1 of the UNCLOS conforming EEZ with the opposite coast. These are the claims of the state's nation, which is close to a continental shelf (Art. 76). Reviewing Art 55 and Art. 77 resulted in different rights in the coastal state regarding EEZ.

### **3.2. ITLOS**

UNCLOS established the ITLOS as the independent judicial body. According to Art. 21 (1) of the Statute, it has the authority to arbitrate and mediate any dispute regarding the application and interpretation of the convention. Furthermore, 21 individuals have integrity and ability in maritime law, following Art. 2 of the Statute. Paragraph 2 of the same article ensures

that this judge is primarily from the legal system, and fair geographical distribution must be guaranteed. This legal system concept is permitted worldwide.

Even so, the composition of ITLOS favors this legal system. However, the state would conduct the scope (Tuerk, 2007). The allocation of judges based on geographical division shall not be less than three representatives. Presently, the composition of each geographical group is as follows: Asia and Europe consist of 6 members of each. The other two members are from South America, even though one of each member is from the following regions: the Caribbean, Central Africa, Southern Africa, East Africa, North Africa, North America, and Africa. In Art. 5 of the Statute, all judges are chosen by the respective state with nine-year terms and a year mandate if reelected.

Regarding the Art. 3 of the Statute, the Tribunal may not have two members of the same state. Under the provision of the statute, the Tribunal consists of four chambers: Fishing Dispute, Seabed Dispute, Marine Environment Dispute, and Maritime Delimitation Dispute (Tuerk, 2007, p. 279).

Before the establishment of the ITLOS, the ICJ was the judicial means chosen by the disputant party to settle the dispute and the area of maritime law by litigation. Under Arti. 287 of the UNCLOS, regarding the settlement of conflict, the disputant parties may apply for trial by written request. With this article, UNCLOS offers state parties several possibilities for settling disputes under Tribunal specialization, including ITLOS and Annex VI, arbitration to the deeper jurisdiction of the ICJ, and Tribunal with Annex VII and unique with Annex VIII. Overall, all possibilities depend on the parties' dispute background.

Under Art. 288 of the UNCLOS, the Tribunal has authority and jurisdiction to settle any dispute concerning the interpretation or application of an international agreement with the basis of the Convention. However, they also grant ITLOS broad jurisdiction without specific limitations. Art. 20 of the Statute also states that states dispute to an agreement which confers any case jurisdiction. Art.21 also compromises that the parties' applications are present following the outline of the Convention.

This consent part statute also allows parties to sign a written memorandum. Article 88 of the UNCLOS also has designated jurisdiction to tribunals and international courts, all based on Article 287 of paragraph 1. The state's rightful in the area of fishing, the protection of marine resources, navigation, and ship pollution. The decision must be binding on all state parties to ensure that they are obligated to comply with the Tribunal's determination regarding matters following Art. 286. Despite this, according to Art.288, the jurisdiction of the UNCLOS has no

limit regarding the provision. The Statute grants the Tribunal jurisdiction over a party's matter if the matter is subject to an agreement that confers jurisdiction. Diouf (2014) affirmed that if there are any differences or relations to the provision, the Tribunal should respect its jurisdiction *ratione persone* and its jurisdiction *ratione personae* (Diouf, 2014, pp. 26–31). In this concept, the procedure process before the court elaborates the rules to administer all ICJ and the Tribunal's jurisdiction. Therefore, Article 49 outlines the Tribunal's decision-making process and should provide essential regulations that allow the Tribunal to enable the appropriate features of jurisdiction, as well known as written in Art. 299 of the convention. The ITLOS has created a contest of jurisprudence relating to the law of the sea. It is mainly the case of maritime boundaries and consolidated international responsibility.

### **3.3. Maritime Diplomacy**

Otto's (2022) concept of maritime diplomacy specifically uses naval force as a diplomatic tool. This concept considers state conduct diplomacy policy in specific integration like ocean environmental protection, marine resources, and coastal sustainable diversity. These are all about promoting politics concerning ocean governance and the ocean economy (Otto, 2022). Otto's further concept of maritime diplomacy types is cooperative, persuasive, and coercive while understanding the inter-state dispute conceptual level like multilateral and bilateral. Understanding the matrix of security, economy, and political domain is constructive. However, all these domains serve the arrangement of common interests of the state (Otto, 2022, pp. 35–36).

Mière argues that maritime diplomacy can be recognized as a strategic area of investment, defense, security, and economic growth (Mière, 2014). Nevertheless, according to Mackinder's definition of the geopolitics framework, maritime diplomacy involves an interest in the territory of each state. Mackinder formulates how states may fulfill a vital component in regional growth (Sloan, 1999). For instance, the South China Sea maritime conflict generated many concerns, a prominent navigational diplomacy feature in global politics (Mitchell, 2020a).

After changing international realities, many geopolitics passed into maritime diplomacy and got a proper reexamination to determine their relevance to the activity and cooperation in the marine domain. This domain can be distinguished from coercive diplomacy, in which maritime support and concern prevail over changes in another nation's behavior.



Maritime diplomacy is the connection of diplomatic relations between a state and another country (Susilowati et al., 2018). However, according to the author, he considered maritime diplomacy to be the development of practice and art to negotiate states' representation. In this context, maritime diplomacy practice can be ruled and conduct international relations about issues like settlement of maritime disputes, war, and ocean security. Understanding that problem, within the framework of the creation of the UNCLOS 1982, decreased the number of marine issues by creating laws and standards to secure and elaborate the management of the conflict (Mitchell, 2020b, p. 640).

Following UNCLOS refers to the dispute settlement in Section 1 of Part XV, which grants parties to resolving the dispute by peaceful agreements. However, this procedure describes resolving disagreement concerning how to use and implement the convention. Being able to exchange perspectives is strengthened by the requirement to settle disputes through diplomatic breakthroughs (Klein, 2005, p. 31).

Furthermore, Mithcell also salient maritime diplomatic importance where the state should employ the chances for bilateral negotiation and may also apply third-party negotiation, good offices, and multilateral negotiation to settle maritime claims (Mitchell, 2020a, p. 664). The author also defines gunboat diplomacy within these chances, which avoids security concerns.

Existing literature tends to consider the issue of global maritime hot spots and particular perils such as maritime piracy, the South China Sea, the Arctic, port security, human trafficking, and illegal fishing (Bueger, 2015a; Bueger & Edmunds, 2017). Maritime security is understood to be all about guaranteed environmental and marine resources protection, as provided by IMO and EUMS. They established this vital principle to encourage disputants to find an acceptable solution.

## **Chapter 4- ANALYSIS OF ISSUE AND OVERVIEW OF MARITIME BOUNDARY (EMPIRICAL STUDY).**

### **4.1. Introduction**

A maritime boundary is a zone over which coastal states exercise sovereignty or jurisdiction under international law (Franckx, 2023).

The UNCLOS 1982 exists to define the rights and responsibilities of the state. However, UNCLOS serves to understand the following terms. Firstly, the territorial sea is considered the belt of coastal waters extending 12 nautical miles; this corresponds to 22 kilometers from the baselines<sup>8</sup>. Secondly, contiguous zones are some nautical miles from the territorial sea. Thirdly, EEZ, with 200 nautical miles, is around 370 kilometers. Lastly, the continental shelf includes the seabed and subsoil of the submarine zone. Thus, it means the natural prolongation of a state's land territory beyond its territorial sea.

Establishing the maritime boundary has different features: geographical, equidistance principle, and historical claims. By setting maritime boundaries, the state can use its resources more effectively and minimize the risk of depletion.

Overall, maritime boundaries play an essential role in managing and protecting the resources and the security of a country's coastal waters, thus promoting international cooperation and adherence to international law (Anderson, 1999; Bueger, 2015b; Nemeth et al., 2006).

The case of Timor-Leste's maritime boundary has been a contentious issue for many years with Australia and Indonesia. Both claim a significant portion regarding the Timor Sea as their own. However, after Timor-Leste gained independence, they ensured that their maritime resources must be controlled by themselves. It has granted resources and affirmed sovereignty, legal authority, and thus legitimacy<sup>9</sup>. Overall, the Timorese geostrategy and economic and political interests reflect a commitment to responsible and equitable maritime resources by pursuing a strategy that prioritizes sustainable developments and regional cooperation. UNCLOS provides several provisions related to the TL maritime interest. These provisions are crucial to establishing a state's maritime territory sovereignty and regulating fishing and

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<sup>8</sup> Art. 3, UNCLOS 1982.

<sup>9</sup> Establishing permanent maritime boundaries is a matter of national priority for TL, as the final step in realizing our sovereignty as an independent state; Prime Minister Rui Maria de Araújo.

resource exploration activities. As stated above, UNCLOS also has a vital condition concerning TL in a contest of the EEZs. In this regard, TL has the right to explore, exploit, and manage natural resources. Therefore, TL has the full right to establish its own EEZ, allowing it to exercise greater control over the resources within its maritime territory. For that matter, UNCLOS also gives another provision regarding setting the continental shelf. It means the country has the right to establish the outer area until 200 nm.

Negotiating the maritime boundary of TL took a very long time. It was complex during colonization until it recognized a permanent maritime border in 2018. Various challenges and obstacles, including disagreements and interests in natural resources in the Timor Sea, marked the negotiation process. However, TL gained sovereignty over its maritime territory through the international legal framework, diplomatic practice, and international support.

Implementing JDP resources is a comprehensive solution that both parties agreed on in the negotiation, nevertheless, through negotiation and legal action. TL has been able to assert its sovereignty over maritime territory and establish a permanent maritime boundary following UNCLOS.

The signing of a new treaty in New York in 2018 is to establish joint development where pipelines agreed to 30%-70 % offshoring to TL; if it's visible to operate to Australia, then 20%-80%. Become a solution commonly applied to both countries over hydrocarbon deposits on the seabed.

There is also an unacceptable internal issue for the solution of a permanent Maritime Boundary Treaty, which is why sharing the TL's sovereignty and sovereignty is still incomplete. On the other hand, the issue that took by political parties accused each other and argued over which party relinquished sovereignty. Finally, regarding negotiation competence, political parties' claim is fundamentally for only negotiating the maritime boundary, not deciding on sharing resources. This political party's challenge provokes public debate and contributes much fake information to the media.

Overall, to contextualize the object of study and present a fundamental concept of studies such as conflict resolution, maritime border dispute, and political parties' claims, thus starting to investigate its pertinence, object of study, and objective.

## **4.2. Maritime Border Dispute**

### **4.2.1. Historical Dimension**

John et al., state that the dispute between TL and Australia over the Timor Sea maritime border is a complex and sensitive issue that took many years (John et al., 2020). This dispute concerns the tremendous amount of oil and gas discovered in the Timor Sea's subsoil. According to Laot and Soares, most oil and gas fields are close to TL, including Greater Sunrise, Kitan, Laminaria, Bufallo, Corallina, and Bayu-Undang (Laot, 2019, pp. 1–3; Soares, 2022, pp. 14–18) as described in (Figure 2). However, this narrative delves into the pivotal events, shakes, and diplomatic attempts that have affected the path of this conflict over time.

The Timor Sea is shallow water in the Indian Ocean boundary, located on the northern coast of TL, in the southern part of Australia, and the northwest of Indonesia (Timor Sea-Wikipedia, 2023). Beyond this idea, it also constituted the idea of the Land and Maritime Boundary Office in Timor-Leste as follows: [...] is relatively shallow, except for a deep and narrow fold in the continental shelf called the Timor Trough, around 50 nm off the south coast of TL (MBO, 2018, p. 12).

Timor's recourse was an object of Australian and Indonesian political and economic interest in the Indonesian occupation periods. The complex territorial situation caused a dispute after the division of the Island by Portugal and the Netherlands. Thus, Portugal secured control over the eastern half, and the Netherlands ruled the western half. While the Indonesians gained independence, formed part of the Dutch, and became part of Indonesia. Portuguese rule ended after the carnation revolution of April 25, 1974, in Portugal, then Timor-Leste declared unilateral independence by the FRETILIN in November 1975. Timor-Leste became part of Indonesia after they controlled the country from 1975 to 1999.

Since the late 1960s, Australia and Indonesia have been delimiting their seabed and water column borders. Australia and Indonesia concerning the arrangement of the allocation of Timor Sea's seabed resources, such as the Treaty of 1971, which covered the Arafura Sea and the Eastern part of the Timorese Sea, and the Treaty of 1972, which manifested the seabed boundary in the Timor Sea. Indonesia and Canberra signed this treaty on 18 May 1971. As a result, from these arrangements, they formed the Timor Gap until the conclusion of UNCLOS negotiations. This process took place without the consent of Portugal. The Timor Gap Treaty was signed on 11 December 1989. This treaty was signed intending to share revenue resources extracted from the area, known as the "Cooperation Area." In this contest, Australia recognized the annexation

of Timor by Indonesia. While TL was recognized as a sovereign country, this Treaty became invalid (Schleich, 2018). Therefore, the Timor Gap Treaty deteriorated during the transition period from 1999 to 2002, led by UNTAET and with UN Resolution 1272 as extensive competence to replace Indonesia. The UNTAET legacy is arranged with Australia, which incorporates the JCPA establishment (Hendrapati, 2015).

In March 1997, the Government of Indonesia and the Government of the Commonwealth of Australia agreed on establishing comprehensive package deal boundary zones between the two countries to promote the sustainable development of marine resources and protect and preserve the adjacent marine environment. This Treaty is called EEZ and Certain Seabed Boundaries. The Treaty contains a range of provision that allows the rights and obligations of Australia and Indonesia to the water column jurisdiction. The Minister of Foreign Affairs Indonesia and Australia signed the establishment of this maritime boundary in Pert-Australia.

The aforementioned Timor Gap 1989 addressed the issue in which Indonesia and Australia disputed resources of tension for many years. TL was the Portuguese administration at that time. Portugal had claimed sovereignty since 1956 over the seabed following international law and, subsequently, the Geneva Convention. Moreover, while Australia and Indonesia signed the Timor Gap Treaty, Portugal projected its abstention vote. It continued to dispute Australia's right to overall exploration resources above the median line and establish a jurisdiction. Portugal granted exploration permits in the Timor Sea only to permit Oceanic Exploration of the United States company that covered 23,192 square miles from near the territorial coast to the median line with Australia (King, 2002, pp. 10–13).

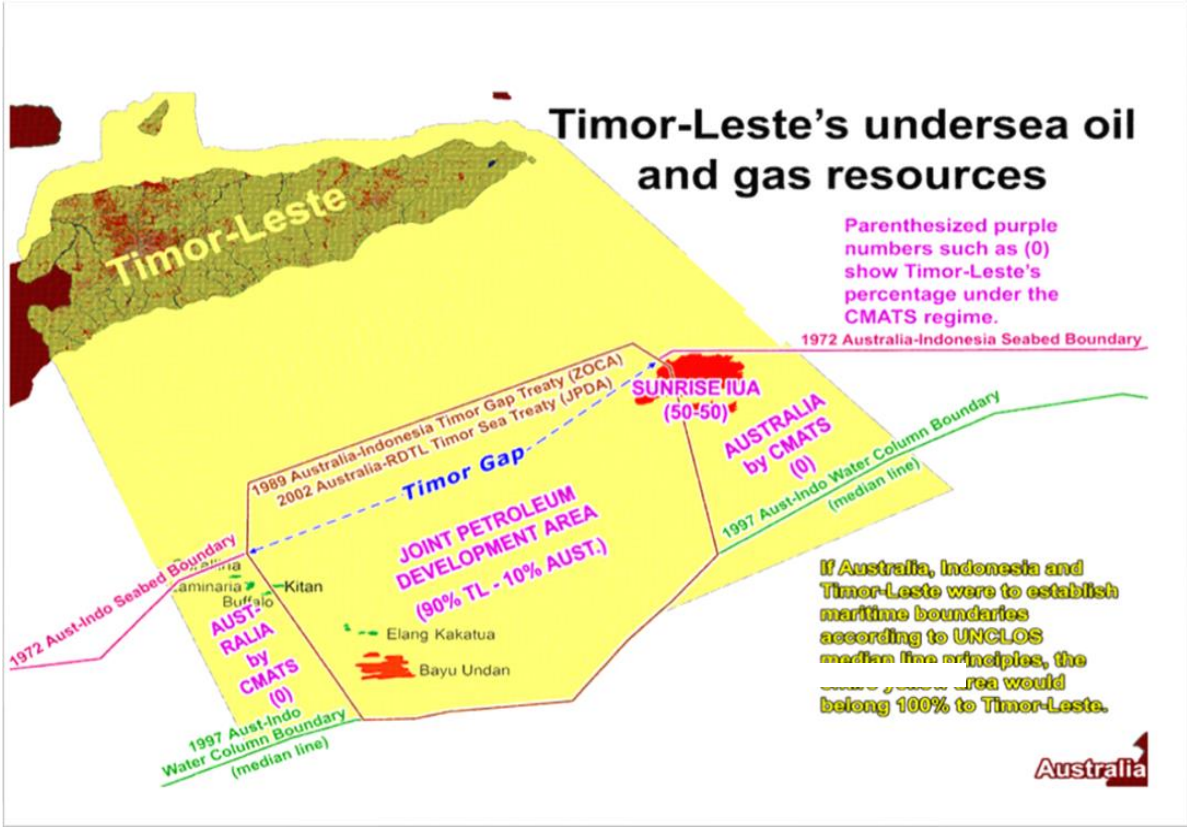
On 20 May 2002, TL celebrated its restoration anniversary. Therefore, TL officially signed the first treaty with Australia, the Timor Sea Treaty 2002. However, this treaty came with the nature of JPDA. Under Article 4 of TST, within the JPDA, the right of TL covered 90 % of the petroleum production and 10 % of Australia. After that, in 2003, TL began negotiations with Australia and claimed over the Timor Sea to have maritime boundaries, but it failed. Australia is interested only in sharing resources in the Timor Sea.

In 2003, TL signed another agreement. It is called the Sunrise International Unitization Agreement (Sunrise IUA). Therefore, TL and Australia agreed to unite the Greater Sunrise field, covering two principal areas, Sunrise and Troubadour. The purpose of creating this arrangement was to explore joint development. Meanwhile, the agreement also defined 21.1% of the Greater Sunrise, part of the cooperation zone, and 79.9% in Australia's jurisdiction. Three years later, TL made another effort to sign with Australia regarding the resource agreement known as

CMATS 2006. However, both countries have not yet agreed on permanent boundaries within these agreements.

Following the historical dimensions above noted three main features: (1) division of Timor Island; (2) configuration of critical elements of exploration of Timor Sea’s resources between Indonesia and Australia; (3) TL claims their right after gaining independence. Nonetheless, it has been affected by maritime disputes involving four main actors: Australia, Indonesia, Portugal, and Timor-Leste (as described in the conflict diagram; Figure 2). The position of the TL claims their right based on International Law, which considers a sovereign country must establish a maritime boundary that determines respective EEA and the right to exploit resources in the area.

*Fig.2-Map of oil and gas fields in the Timor Sea*



(Source: Lao Hamutuk)

#### 4.2.2. Dispute

As explained previously, maritime dispute is a complex issue. The issue is an assertion of national interest and jurisdiction and involves political, economic, and geopolitical dimensions.

The characteristics of Australia and TL have a significant imbalance in the country's economic performance, human resources, politics, and so on. As a sovereign country, TL must determine maritime boundaries in the Timor Sea following international law and convention. As stated in the national constitution article 6, to defend and guarantee the country's sovereignty. However, the Australian Government pursues its policies and protects its interest in the government of TL. Thus, negotiation fits a stronger position as a matter of life and death for East Timor (Schofield et al., 2007).

The primary issue that Timor-Leste and Australia have over the Timor Sea is the resources wealth in the zone and median line. Both states' have an economic interest in exploiting these resources. Being a young country, TL is dependent on maritime resources, especially petroleum, and considered its reserve for a short time vital to contribute to Timorese national economic and infrastructure developments.

Australia initially resisted such boundary claims for the EEA based on the principle of the Continental Shelf, citing its historical deal with Indonesia. However, Australia did not accept UNCLOS. In contrast, TL, in favor, argues for a median line border following UNCLOS. TL claimed all part of JPDA is north of the median line.

On the other hand, TL's claims were CMATS, which sought to impose a moratorium that prohibited discussing, negotiating, and proceeding with establishing maritime borders for 50 years. Nevertheless, this provision made TL criticism as it was securing Australia's interest to continue to get privileges from TL's sovereignty. With the CMATS treaty, TL and Australia agreed to 50:50 of the split revenue sharing of the Greater Sunrise. Despite this agreement, Greater Sunrise is currently not yet developed. TL also argued that significant sources in the Timor Sea would give TL following International Law. As shown in Figure 2 above, the entire Cooperation Area with the definition median line would entirely belong to TL, including Kitan, Elan Kakatua, and Bayu-Undang. TL also has legitimate claims following the maritime boundary agreement 2018 that TL's EEA would include the JPDA and most of the Laminaria, Corallina, and Greater Sunrise fields. Both countries have different interpretations of where their maritime border should be located. Meantime, the two countries-maintained opposition positions.

Australia withdrew from IJC and UNCLOS two months after TL celebrated its restorations in 2002. So, TL brought the case to the International Court of Justice, known as compulsory conciliation.

Many studies have shown that the resources dispute in the Timor Sea, since its establishment of the agreement, Australia has many advantages and does not consider the interest of TL (Chaudhry, 2006; Cotton, 2005; Ishizuka, 2004). The investigation of Triggs and Bialek (2002) regarding the Timor Gap Treaty 1989 was considered a reasonable settlement for the dispute. Under the Timor Gap Treaty, it split into three main zones: ZOC A, ZOC B, and ZOC C (Triggs, 2002). Indonesia and Australia did not jointly control the petroleum resources in the Zone of Cooperation (ZOC); each regulated their own, then divided the fee by 10%. However, the JPDA arrangement that UNTAET did was ZOC A only. The arrangement did not cover ZOC B and C. The revenue sharing from the cooperation zones: Australia favored 90% of area B and 10% of area C. Australia and Indonesia had the same right of the revenue area A of 50%:50%. The TL's proper 90% revenue is up from the previous 50%. This division was not equal to the regime contract of the Bayu-Undang and Kitan that had already been terminated. Article 4(a) of TST affirmed that when exploring Greater Sunrise, TL has a right of 90% from 20.1% revenue, not 90% from 100% total revenue. Under Article 3(b) of TST, TL and Australia jointly controlled, managed, and facilitated the exploration.

The dispute concerns sovereignty entitlement: maritime territory has contained significant natural resources that TL grants for the country's economic future, particularly for national development strategy and foreign policy goals, and it is clear that the people of TL understand the secondary benefits their country's energy supply, together with fisheries development issues, will also be an essential task.

#### **4.3.Conflict Resolution**

The maritime boundary dispute between TL and Australia had been negotiated before it was brought to the ICJ. It successfully settled its maritime boundary through international arbitration following a United Nations-mediated conciliation process. This success marked a significant step toward resolving the long-standing dispute and establishing a permanent maritime border between the two countries. However, many efforts exist to resolve maritime disputes, such as diplomatic engagement, society/Timorese people support, and international



solidarity. Nevertheless, there are three main ways to get a resolution: compulsory conciliations, negotiation, and international arbitration.

While unsuccessful in the bilateral negotiation process, compulsory conciliation is the only way TL is used (Section 4.3.2). The negotiation is about the strategic discussion TL used before subjecting TST to ICJ and after getting the resolution to its maritime boundary. Its primary action is that TL processes the further development of the Greater Sunrise (Section 4.3.3 and Section 4.2.3). International arbitration refers to the jurisdiction between TL and Australia's procedural case to the ICJ (Section 4.3.1).

TL made another remarkable effort, which depended on Australia's intelligence practices during the CMATS negotiation. The allegation was caused by an ASIS agent who spies on government information in Cabinet Rooms at the Palácio do Governo and other places in Australia that TL's negotiation team used for debates and conferences (McGrath, 2017, pp. 175–181)<sup>10</sup>. Not only that, but also a document showing which Australia's secret service official stole, this is obtaining the confidential legal copy from TL's lawyer's office. This practice is considered illegal based on international law like the VCLT (Vienna Convention Law of the Treaty), which states the party must have sound faith and consent over the negotiation process and not practice fraudulent behavior and information<sup>11</sup>.

In 2014, the declaration was made by the International Court of Justice that TL has the right to make any proceeding at the International Court of Justice. However, the decision also made that Australia shall not interfere with communication between TL and its legal adviser<sup>12</sup>.

If there were no espionage and document seizure cases, what guarantee does TL have to conduct the process to fight its maritime border rights? In my opinion, there are only two circumstances: Firstly, TL should change its political strategy, which obey the laws that Australia proposes regarding the CMATS Treaty if Australia agrees, but it may also be problematic because, initially, Australia did not accept these changes. TL needs to strengthen and improve the strategy of bilateral relations, especially regarding the Maritime Border issue, which concerns both parties' rights. Secondly, it may turn to the International Tribunal.

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<sup>10</sup> The spy scandal has been carried by Australia against the Government of TL since 2003 when CMATS agreement.

<sup>11</sup> Pursuant to Article 49 of the Vienna Convention.

<sup>12</sup> The right for a State to conduct arbitration or negotiation process without any interference by another, this under Article 38 (1) (c) of the Court's Statute.

However, this could lead to many disadvantages for TL, such as losing money and taking a long time.

Initially, Australia did not accept the negotiation for the permanent Maritime Boundary. Australia's principle is the continental platform, signed with Indonesia in 1972 and the CMATS moratorium<sup>13</sup>. Instead, Australia focuses on sharing petroleum resources.

Before TL restored its independence on May 20, 2002, Australia withdrew from UNCLOS (Anton, 2013, pp. 3–4). Australia used a well-thought-out and unique strategy to undermine TL, knowing Australia would lose while attending the ICJ. There is only one way that TL had a legal option: a compulsory conciliation based on fighting its maritime boundary<sup>14</sup>.

#### **4.3.1. International Arbitration**

In the context of its historical background, it is difficult to find a solution for the maritime border. According to the three treaties mentioned in the introduction (page. 1), it is evident that TL has suffered significant disadvantages in its sovereignty rights. Therefore, in 2011, TL started seeking ways to adhere to international treaties such as UNCLOS, which could provide a framework for discussing the maritime border. On 27 December 2012, TL officially ratified this law and became a member on 8 January 2013.

All that matter, before the Court crystallized, the TL's legal adviser, Mr. Collaery, presented its essential information that is not public knowledge at the commencement date: "Confidential Information"<sup>15</sup>. Applying this approach without prejudice to its claim based upon international law. Therefore, Mr. Collaery has provided advice on a range of matters, including, but not limited to, concerning the agreement between TL and Australia regarding the Timor Sea and CMATS Treaties. TL also puts forth the subsequent insight concerning the ownership of the materials retained by Australia<sup>16</sup>. However, on 4 December 2013, Australia's representative, Mr. Attorney-General, stated that "in the course of the execution of those warrants, document and electronic data was taken into possession and that the warrant had been issued, at the request of ASIO [...]"<sup>17</sup>.

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<sup>13</sup> Article 4 of the CMATS.

<sup>14</sup> Article 298 of the UNCLOS.

<sup>15</sup> RDTL MEMORIAL; page. 21-34.

<sup>16</sup> Items 002-003 and items LPP001-LPP015 (RDTL, 2014, pp. 29–31).

<sup>17</sup> (RDTL, 2014, pp. 33–34)

While TL commenced at the International Justice seeking regarding the spy case and other relevant issues, IJC handed down the decision of Australia, which interfered with the rights of TL all over the maritime negotiation process and any other procedure between the two countries<sup>18</sup>.

So far, the following consideration was the main direction in which the parties confer and seek agreement on the Rules of Procedure, comment, and proposal for the arbitration<sup>19</sup>:

1. **Proceeding Initiation:** 23-04-2013 TL initiated an arbitral proceeding against the Commonwealth of Australia. The precise reasons for initiating arbitration were related to disagreements and disputes over the application and interpretation of the Timor Sea Treaty.
2. **Arbitral Tribunal Constitution:** On 21 October 2013, the Arbitral Tribunal was constituted.
3. **Rules of Procedure:** On 29-10-2013, the Tribunal asked both countries to confer and seek an agreement on the Rules of Procedure for the Arbitration. On 27 and 28 November 2013, respectively, regarding rules and procedures. On 2 December 2013, both parties provided further written comments to the Tribunal of Arbitral.
4. **Procedural Meeting:** Both Parties are in a procedural meeting to discuss matters regarding the procedural aspect of the arbitration. This meeting was held on 5 December 2013 at the Peace Palace in the Hague.

Therefore, this is the first process in which TL proceeded with the Tribunal Arbitral based on the Timor Sea Treaty. The Parties were invited to confer and seek agreements on the Rule of Procedure for the arbitration. So far, TL and Australia have also submitted their comments and proposals to the arbitral. All this process is conducted under the authority of the Arbitral Tribunal to determine its procedure and settlement of any related to its competence. However, the tribunal also committed to achieving the arbitration reasonably and efficiently. Furthermore, the Arbitral Tribunal allows each disputant to present its pleading to the other party's argument with the following timetable<sup>20</sup>:

1. **On 18 February 2014**, TL submitted a Claim Statement with a legal and factual basis against Australia and provided an overview of the issue and argument<sup>21</sup>.

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<sup>18</sup> The principle of non-interference by another, including the concept of legal professional privilege: Pursuant article 38 (1) (c) of the Court's Statute.

<sup>19</sup> Procedural Order No. 1.

<sup>20</sup> Procedural No. 1.

<sup>21</sup> Art. 14° of the Procedural No.1.

2. **On 19 May 2014**, Australia's defense submission following TL's Statement of Claim presented a counterargument and legal defenses against the allegations<sup>22</sup>.
3. **On 18 July 2014**, TL submitted the replay after receiving Australia's defense. Addresses the point raised by Australia and presents further clarification and arguments<sup>23</sup>.
4. **On 18 August 2014**: Finally, Australia finally submitted a rejoinder. It Provides additional rebuttals and clarifications by Australia to TL's replaying.

TL claims that Australia engaged in covert spying on its negotiation team during the negotiation of the CMATS Treaty (RDTL, 2014, pp. 17–19). This alleged espionage allowed Australia to gain knowledge of TL's private discussion and negotiation process information. At the same time, TL argued that Australia violated customary international law, which in practice was unfaithful. Moreover, TL also argued that Australia is, in practical action, violating TL's sovereignty. This violation is likened to a breach of TL's territorial integrity.

The main argument of the TL to the further statement presented to the PCA is to challenge the validity and effectiveness of the CMATS Treaty and seek a declaration that TST remains in force. Consequently, specific articles like Article 3, which replaces Article 22 of the TST and Article 4, limit TL's ability to seek adjustment and assert claims.

Therefore, it is essential to know the legitimacy of the CMATS Treaty; it can severely impact TL's sovereignty, access to resources, and hopes for the future. Revising the 2002 pact, the CMATS Treaty would have lengthened its term and moved its expiration date to 2057. This extension dramatically aids Australia's interest because it gives more chances to develop petroleum resources. It is consistent with the expectation that most, if not all, economically viable petroleum resources will be produced by that time by extending the agreement's expiration date from 2002 to 2057. Therefore, the additional seabed that TL receives if a maritime border is formed in conformity with the rights claimed by TL under international laws is likely to contain few or remaining resources. In this case, TL would keep most of the depleted seabed region, while Australia may profit from the help before it is exhausted. Article 4 of the CMATS Treaty is crucial, emphasized in Chapter II. Australia can freely utilize resources in regions where TL assets are subject to its legal right under this clause.

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<sup>22</sup> Art. 15° of the Procedural No.1.

<sup>23</sup> Art. 16° of the Procedural No.1.

### 4.3.2. Compulsory Conciliation

Thus, after the consultations had concluded and did not reach an agreement on maritime boundaries, in 2015, the sixth constitutional government established a council for the delimitation of the maritime boundary with complete competence to address the issue of the maritime border itself. This Council constituted its elements under the Prime Minister's leadership, including the former Prime Minister, former President, and senior ministers. TL also has international experts and advisers who specialize in international legal frameworks.

Conciliation of the Timor Sea, in this context, TL's perspective has different considerations. When discussing this process, TL wants to find a permanent maritime border. In a statement, Mr. Gusmão emphasizes the country's approach to seeking justice and asserting its rightful claims through international law<sup>24</sup>. As well as say by Minister Pereira that countries' reliance on the rule under the global system and the pursuit of justice through legal means and the belief that TL, as smaller nations, should be afforded equal rights<sup>25</sup>.

In 2018, TL and Australia signed a Treaty of conciliation regarding the permanent maritime boundary. This treaty established the limitation of the maritime border between the two countries and confirmed conciliation in the settlement of the issue related to sharing resources in the sea. Considering this, the conciliation process was taken after no reach agreement in the negotiation between the two countries. The conciliation process follows Article 298 and Annex V of the UNCLOS. This article provides the circumstances under which compulsory conciliation can be in work. Therefore, the TL and Australia maritime border dispute has three occasions. First, maritime boundary dispute arises after the entry into force of UNCLOS. Secondly, it can initiate if one party has withdrawn from the binding dispute settlement procedure (under Part XV, Section 2 of UNCLOS) related to sea border delimitation. Lastly, the process is triggered when no agreement has been reached within a reasonable time in negotiation between the parties. However, regarding this dispute process, all these three conditions are present.

Following the end of the consultation, the Government of the TL returned to the drawing board. Both parties follow the rules adopted by the Conciliation Commission (See Fig 4 below). Through its chief negotiator, Mr. Xanana Gusmão, the Maritime Border Council of TL officially notified Australia on 11 April 2016<sup>26</sup>. The notice consists of the nomination of the member for

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<sup>24</sup> (MBO, 2018, pp. 2–3)

<sup>25</sup> (MBO, 2018, p. 33)

<sup>26</sup> Annex 3-Notice of Conciliation

the Conciliation Commission. It included Judge Abdul Koroma of Sierra Leone, a former judge of the ICJ, and Judge Rüdiger Wolfrum of Germany, a Judge of the International Tribunal for the Law of the Sea. This notification institutes conciliation under section 2 of Annex V of UNCLOS. The statement provided by the TL in this proceeding demonstrates its commitment to reaching an agreement with Australia through the assistance of the Conciliation Commission under UNCLOS, which ensures the rights and interests of both countries all over territorial waters and EEZ.

On 2 May 2016, Australia responded to participate in a process in good faith and possibly with international obligations, including those under UNCLOS<sup>27</sup>. However, Australia also expresses reservations regarding the jurisdiction competence of the Conciliation Commission in the matter. Australia also nominated two members to the Commission, Dr. Rosalie Balkin, an Australian former Legal Adviser to the International Maritime Organization and Secretary-General of the Committee Maritime International, and Professor Donald McRae, a New Zealand-Canadian international lawyer with extensive arbitration. The appointed members then chose His Excellency Peter Taksøe Jensen, Danish Ambassador to India and a former Assistant Secretary-General for Legal Affairs at the UN, as the Chair of the Conciliation Commission<sup>28</sup>. The conciliators appointed by both parties are empowered and competent to make any recommendation based on the nature of the statement hearing presented. Still, they are not legally binding on the government. The proceeding related to the dispute settlement between the two countries is confidential and follows the rules adopted by the Conciliation Commission.

On 11 May 2016, the parties sent a letter to the Permanent Court of Arbitration. Both parties propose that the Permanent Court of Arbitration (PCA) act as the Registry for the Conciliation Proceeding<sup>29</sup>. However, on the same day, both parties also sent a letter to the Commissioners that the parties appointed conciliators in the Conciliation Proceedings<sup>30</sup>. On 28 July 2016, the first procedural meeting occurred at the Peace Palace in the Hague. During the event, the Commission established the rule that would dominate the conciliation process<sup>31</sup>. On 22 August 2016, the Commission decided, with the Parties' agreement, that a hearing on competence followed the opening session. On 29 August 2016, a public hearing at the Peace

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<sup>27</sup> Annex 4-Australia's response to the notice of conciliation

<sup>28</sup> (MBO, 2018, p. 51)

<sup>29</sup> Annex 5-In accordance with Annex V, Article 3 (d) of UNCLOS

<sup>30</sup> Annex 6-Letter from the Parties to the Commissioners

<sup>31</sup> Annex 7: Press Releases Nos.1 to 3

Palace in the Hague, TL presented the legal implications of the existing petroleum treaties and standard approaches under modern international law. It is the principle of equidistance. However, TL argued all over the right overlapping claims within 400 nm. Thus, TL argued that a median line should be drawn equidistant from the opposing coastlines of the two countries. TL disagreed with the position of Australia, which advocated grounded on natural prolongation. It is the historical stance that Australia is based on. Even though Australia did not consent and emphasized that there was no legitimate foundation for TL's pursuit of the conciliation claims. Australia portrayed the situation as TL's attempt to use the conciliation process to move away from the existing resource-sharing arrangements.

Moreover, Australia highlighted its contribution to TL's development. It pointed out that the 50/50 revenue split from the GS development under CMATS was a significant benefit for TL, as well as Australia's six objections to the competence and the scope of the decision<sup>32</sup>. TL's legal position is the importance of reaching a final resolution that is fair and just based on international law. While TL contests each of Australia's objections, TL rejects the dichotomy Australia presents between dispute resolution under UNCLOS and CMATS. On 16 September 2016, in a hearing on jurisdiction, the Commission issued its decision, and it unanimously ruled that it possessed the authority to continue with the conciliation process<sup>33</sup>. The Commission also affirmed the twelve-month deadline issue, starting from the decision on competence to assist in finding a solution between the Parties<sup>34</sup>. Furthermore, the decision made by the Commission concerns the compulsory conciliation to engage outstanding TL's notification instituting conciliation under Section 2 of Annex V of UNCLOS of 11 2016<sup>35</sup>. A press release from Australian Foreign Minister Julie Bishop stated that Australia is willing to accept and engage in the Commission's decision with a commitment to good faith<sup>36</sup>.

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<sup>32</sup> Annex 9: Decision and Competence (Page 3-5).

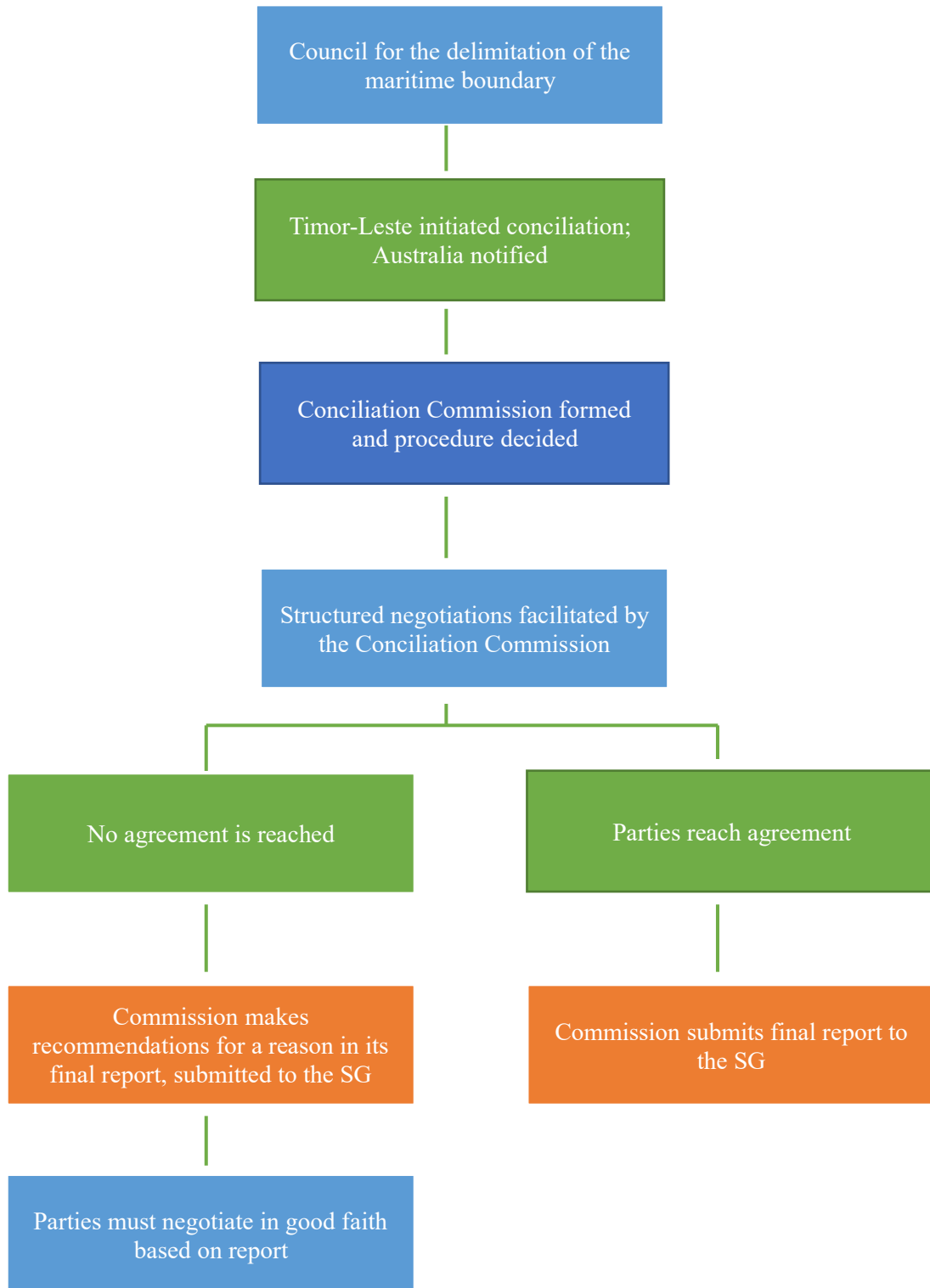
<sup>33</sup> Annex 9: decision and competence. Australia presents a series of argument, which includes statements for moratorium on the dispute settlement, and challenging the competence of the Commission in the conciliation proceeding and demonstrate that the Commission lacks the authority to proceeding with the conciliation. Australia argued that TL had not met the precondition in the Convention to submit a dispute to compulsory conciliation.

<sup>34</sup> Pursuant article 7 (1) of Annex V of the UNCLOS.

<sup>35</sup> Annex 11: Press Releases Nos. 4 and 5.

<sup>36</sup> The response from the Australian Government brought hopes that the conciliation process could lead to a maritime boundary agreement.

**Fig 3: State of the compulsory conciliation process.**



**Sources: MBO's Report (Fix by author)**



### 4.3.3. Negotiation

After hearing the Timor Sea Conciliation Report, two parties met in Singapore. It was very crucial that TL and Australia finally agreed on their commitment to negotiate on the maritime border. Therefore, both sides expressed their commitment to negotiate permanent maritime boundaries and were willing to compromise all over the conciliation process with the constructivism engagement. However, the commission engaged actively in the exchange of opinions of the parties. At the same time, the commission was offering a proposal called “*an integrated package of confidence-building measures*”<sup>37</sup>. The commission declared that Australia and TL had accepted this proposal. As a result, TL would independently terminate the CMATS Treaty, an obstacle to the conciliation process. Thus, Australia would acknowledge that TL had the right to do so. Instead, TST remains in operation. This process is contrary to the previous enduring stance, and it has expressed that it would come to the negotiation mandate. In the letter to the parties, the Commission ensures stability in the relationship as “flexible and open-minded,” indicating that the Parties are not bound to litigation statements and maintain a confrontation (Tamada, 2020, p. 335). Australia has raised many complicated legal questions in its objections (Gao, 2018, pp. 210–212). With the bilateral negotiation, the Commission offered to the parties the following steps building measure: (i) through mutual consent to terminate the CMATS Treaty by 8 December, considering each country’s domestic legal procedure, and as well as TL’s right to initiate termination unilaterally CMATS by 15 January 2017 and Australia recognizing TL’s right. The TST remains applied in its original form before amendment by CMATS, which means it no longer uses the CMATS Treaty. Both parties agreed that Article 12 (3 and 4) no longer be in effect. Australia’s confirmation to continue and demonstrate its willingness to engage in negotiating with TL in the context of the conciliation process<sup>38</sup>; (ii) the commission set out to both TL and Australia to commit to engaging in negotiation for permanent maritime boundaries, including the proposal of sharing Greater Sunrise resources<sup>39</sup>; (iii) both parties to coordinate the suspension and eventually termination of the arbitration proceeding and following the commission oversight authority, decided to start the process of engagement with the joint communication to the perspective to the Tribunal by October 21, 2016,<sup>40</sup> and TL to withdraw claim termination and write to the respective Tribunal by January 20, 2017, as well

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<sup>37</sup> Annex 12: Commission’s Proposal on Confidence-Building Measure of 14 October 2016.

<sup>38</sup> Pursuant article 12 (3) and 12 (4) of CMATS.

<sup>39</sup> TSCR, para.124.

<sup>40</sup> Annex 13: Joint letter from the parties to the Commission of October 2016.

as TL agreed to withdraw the arbitration case against Australia, including espionage case; (iv) to be taken concerning petroleum exploration in the Timor Sea. (Tab. 2).

**Table 2-Confidence-Building Measure between Australia and TL.**

Steps	Date	Event
<b>The parties’ commitment to negotiate</b>	8 to 20 December 2016	Both Parties committed to negotiating permanent maritime borders.
<b>Public communications</b>	9-01-2017	Both Parties issued a joint statement regarding an integrated package of measures and a decision to terminate the CMATS Treaty.
<b>CMATS termination</b>	10-01-2017	TL officially declares unilateral termination of the CMATS
<b>Withdrawing the other legal cases</b>	16 to 20 January 2017	TL agreed to withdraw the espionage and arbitration cases.

*Source: Annex 12 of Procedural and Award Document (fixed by author)*

At the beginning of the structured meeting, two countries, namely TL and Australia, met in Singapore from 16-20 January 2017 and came up with the agenda that the Parties submit the legal submission to the Commission regarding the Parties’ position on the maritime border. Thus, the meeting opened with a press release statement. As part of a structured dialogue between TL and Australia, meeting in Washington DC from 26-31 March 2017, Parties continued to discuss efforts to settle the maritime border. In this meeting, the Commission provided the Parties to explore their negotiation position and seek to identify possible lines of agreement<sup>41</sup>. Therefore, the Commission tested the legal basis of the State’s arguments and identified grounds they claimed without crossing the “bottom line.”

Moreover, the meeting in Copenhagen on 12 June 2017, with the agenda that the Parties reaffirmed their commitments to cooperate toward the conclusion of an agreement on maritime

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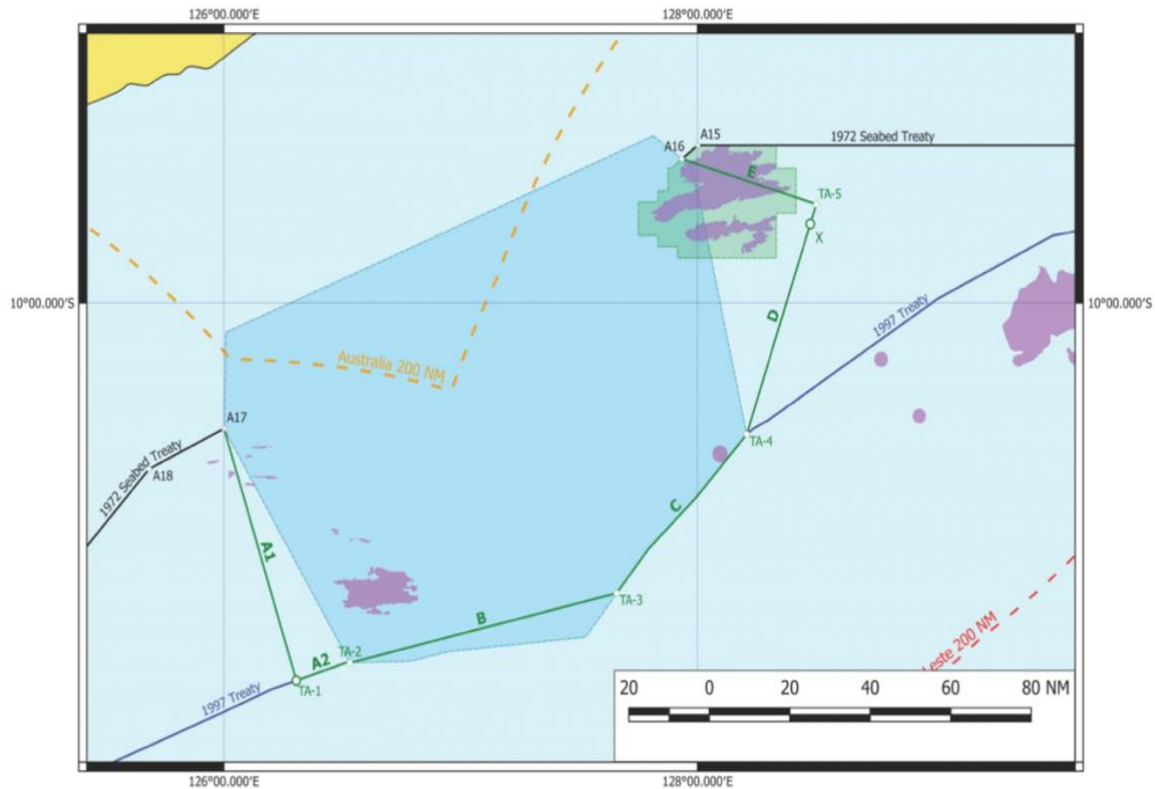
<sup>41</sup> Commission Non-Paper of 31 March 2017: this paper indicates all line descriptions from the western, southern, and eastern areas, including Greater Sunrise Special Regime which is considered as part of a comprehensive agreement.

boundaries. In another meeting in Singapore, from 24-28 July 2017, the Chairman of the Commission noted good progress on both sides, even though complex issues remain regarding the location and resources of Timor Seabed borders. The commission stood as a mediator and did not play by the rigid rule of a court. The Commission tested the close-held assumption of the negotiator and their flexibility and resilience. These strategies of flexibility, strength, and fluid meetings dissolve stand-offs and breakthrough gridlocked positions. From July 29 to August 1, 2017, the Chairmen and Judge Abdul Koroma, along with registry members from the PCA, visited Dili-TL. During this visit, they met with the Chief of Negotiator, as well as Timorese official leaders, including President Francisco Guterres, former Prime Minister Mari Alkatiri, TL Agent Minister Agio Pereira, the Prime Minister Rui Maria de Araujo, the Minister of Petroleum and Mineral Resources Alfredo Pires, and former President Dr. José Ramos Horta. After the forward conciliation process, the parties confirmed their acceptance of the “*Comprehensive Package Agreement*” on 30 August 2017. This agreement played a significant role in the maritime boundary treaty. On 1 September 2017 meeting in Copenhagen, PCA came up with a press release that announced the following key features of the agreement: (1) Delimits the permanent comprehensive border in the south, covering both seabed and water column that primarily based on a median line, makes minor adjustments in specific areas within limits of 10 nm beyond a precise median line to reach an equitable solution; (2) Creates a special zone called the Greater Sunrise Special Regime, where both Australia and TL jointly exercise their rights as coastal States following the Convention; (3) Both parties will share arrangement of upstream revenue from the GS, with two options of the allocation of the pipeline’s pathway development: it’s allocated to Timor LNG than TL will receive 70 % if 80 % pipelined to Darwin LNG; (4) All forthcoming proceeds generated by the Bayu-Undan, Kitan and Buffalo zones will be conveyed to TL <sup>42</sup> (See figure 4 below).

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<sup>42</sup> Overall, this agreement was formalized into a draft treaty and initiated by the agent of both parties’ government in October 2017 in the Hague.

**Fig 4-Sketch Map of the comprehensive package agreement**



**(Source: Annex 21 of Procedural and Award Document).**

After that, the Conciliation Commission was initiated. Following the agreement, TL and Australia formed a Joint Venture and were informed of the decision regarding the “Development Concept” of the Greater Sunrise<sup>43</sup>. Following this, on 25 September, the commission requested the parties to send the details and information to complete the agreement. On the following day, the commission formalized engagement with the Joint Venture. Therefore, the parties agreed with the commission that they could disclose the package agreement to the Joint Venture to complete the commission’s Action Plan. While the Conciliation Commission conducted the parties and helped to develop an action plan and timeline to resolve the outstanding issues, these issues are outside the conciliation process. Therefore, the case could be determined between the Greater Sunrise contractors and the parties. When both parties and contractors agreed on all detailed information, later on October 15, the Parties took a series of meetings to find common ground in assumption and build up the development concept of the Greater Sunrise. That ensures all proposals are judged and have the

<sup>43</sup> Annex B from the part of Annex 21: Approach on the Greater Sunrise Development Concept.

same set of standards. Once proposals are viable for both parties, the final decision on the development concept rests with States as a sovereignty matter. Hereinafter, the negotiation process took eight months before its breakthrough to an agreement on the maritime boundary.

Finally, on 19 February 2018, the Conciliation Commission held several meetings in Kuala Lumpur. Therefore, the commission provided decision engagement regarding the development concept of GS and sharing resources. The Commission also turned to preparing its report on the proceeding under the UNCLOS. A meeting in Kuala Lumpur in February 2018 was a final conciliation session between TL and Australia. TL and Australia signed the Permanent Maritime Boundary Treaty on 6 March 2018 at the United Nations Headquarters in New York, in the presence of the UN Secretary-General and the Chairman of the Conciliation Commission, Peter Taksoe-Jensen, as well as members of the Conciliation Commission such as Dr. Rosalie Balkin, Judge Abdul G. Koroma, Professor Donald McRae, and Judge R. Wolfrum. It was signed on behalf of TL by Minister Agio Pereira, and Australia signed by Minister of Foreign Affairs Julie Bishop. On 30 August 2019, in Dili, the Prime Minister of TL and Australia ratified exchanged notes and established maritime boundaries for the first time.

#### **4.3.4. Treaty of 2018 and Implementation of the JDGS.**

The permanent maritime boundary has a designated special status in Annex B of the Treaty 2018. It is permanent and irrevocable. Unlike CMATS, that might allow any unilateral right of denunciation, withdrawal, or suspension. The treaty's signing marks the compulsory conciliation process under UNCLOS, initiated by TL in 2016. Establishing a permanent maritime boundaries treaty is a very crucial milestone toward completing that long-term standing to become an independent sovereign nation and independent.

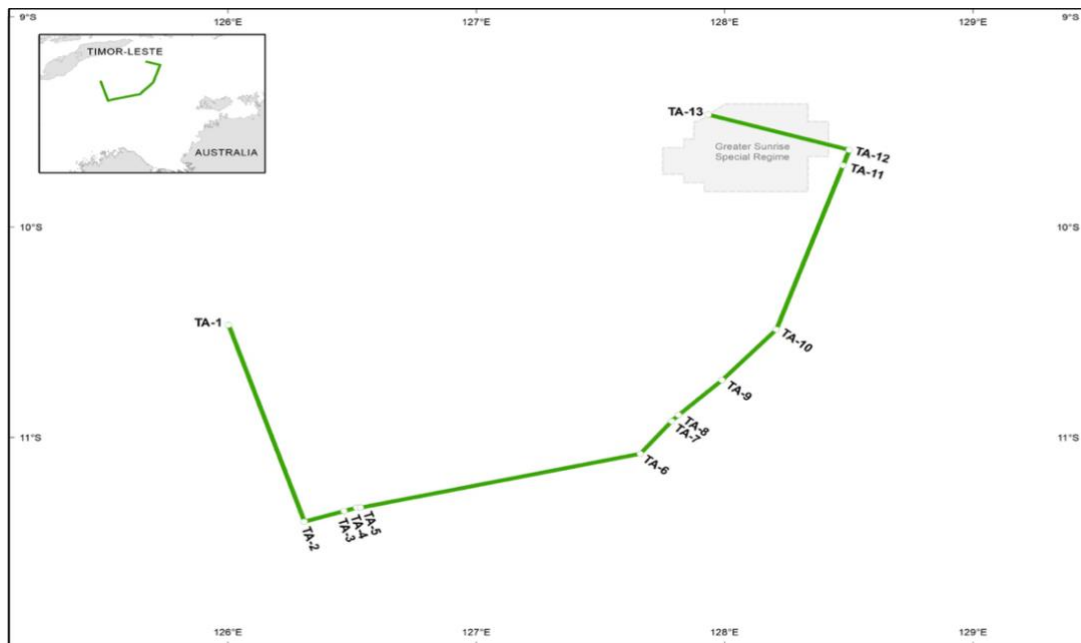
The settlement of the maritime boundary follows the principle of equity. In this context, the treaty secures only a slight adjustment, which defines a medial line with the purpose of the Art. 2-5 of the Treaty 2018 (Figure 5). Following Art. 4 of Maritime boundary purposes related to these points, TA-5 to TA-10 is the exclusive economic area that requires the right to exploit resources in the water column, like fisheries. Even Art.2, for the line from point TA-1 to TA-13, encompasses continental shelf boundary and the right to exploit resources, such as petroleum. The treaty on the maritime border is comprehensive and final, which defined both EEA and Continental Shelf as part of the provisional and covered from the west of point TA-1

to TA-2 and TA-11 to TA-13 from the East. Once TL and Indonesia fix the maritime boundary, provisional west and east will become permanent.

When parties are convinced to agree to a comprehensive agreement, they compromise in managing the natural resources, particularly upstream revenue sharing. Regarding revenue, the split recognizes the economic benefits, activities, and investments that would flow from the downstream operation and distribution, such as in public infrastructure development, associated industries, hospitality, and so on. As is evident here, TL and Australia were accepted all over the delimitation line, which the commission proposed. Furthermore, the GSSR is jointly managed by the TL and Australia, and a two-tiered regulatory structure in both designated authority and board of governance as stated in Art.5 of Annex B. By articles 6 and 7 of Annex B, two central bodies have competence over all the management, regulation, providing strategic and plan.

Following the approach, the GS development concept required contractors' agreement and cooperation to implement the decision to go forward with a development concept. The contractors involve major oil and gas companies such as Woodside Petroleum, ConocoPhillips, Royal Dutch Shell, and Osaka Gas. These four companies had entered a Joint Venture to develop the GS. Moreover, two models' projects are considered based on creating a pipeline to connect the GS field to an existing LNG plant in Darwin, Australia. Secondly, the Timor LNG concept proposes building a pipeline to the south coast, Beaço Suai. However, Joint Venture and TL are requested to provide a full copy of their economic model for Darwin LNG. From the perspective of the sovereignty decision of how to develop those resources, therefore, the development consideration to both governments (TL and Australia), and particularly TL, will derive from the resources. The development concise comparison of the two concepts set out in Annex B of the treaty which clearly states: (1) Investment for capital committed to the construction, including the employment of Timorese nationals and local supplies, effect of the economic multiplier of Gas and Oil activities, and facilitate the future development of other gas field; (2) The Darwin-LNG concept leverage existing Joint Venture committed to support operation for the GS project in TL, including funding for domestic gas pipeline and all industrial development.

**Fig.5-Depiction of Maritime Boundary Map under Articles 2 to 5.**



**Source: Annex A of Maritime Boundary Treaty 2018.**

#### **4.4. Internal issues-FRETILIN versus CNRT**

##### **4.4.1. Introduction**

The FRETILIN is also known as the Revolutionary Front an Independent East Timor. It was founded in 1974 during the Portuguese colonial and played a significant role in the country's struggle for self-determination. During Indonesia's brutal occupation that lasted 24 years, it conducted the country's strategy and operated as a resistance movement. Subsequently, TL gained independence on May 20, 2002. Since then, FRETILIN became a political party and the first political force in the constitutional government. Even so, it had great power that occupied 56 representatives in the National Parliament. In early April 2006, TL was revealed as a failed country (Moxham, 2008). The internal military disputed its consequences, the large-scale collapse of society in Dili City, which affected and devastated many residents. It criticized the government for failing and enquired about the resignation of Prime Minister Mari Alkatiri. This crisis concerned national security and was a significant issue for the people of TL. Therefore, decision-making by the political elite deals with international forces for peacekeepers. After the crisis recovery in 2007, former Prime Minister Mr. Xanana Gusmão established the CNRT party.

Alongside political party conjuncture, another issue that caused political conflict to arise was after changing coalition parties in 2015. Therefore, Gusmão's resignation as Prime Minister is his primary political strategy to focus on the struggling maritime border issues (Molnar, 2015). Gusmão appointed a member of FRETILIN, Dr. Rui Maria de Araujo, as his preferred successor and designated as Prime Minister (Molnar, 2015, pp. 228–230). This existence is an extended part of the discussion on two significant issues: Rui's nomination for Prime Minister is not legitimate<sup>44</sup>. Second, CNRT coalition parties such as CNRT, PD, and Fretil Mudansa (40 seats in the National Parliament) broke down. Therefore, FRETILIN and CNRT formed the fifth government constitutional until 2017<sup>45</sup>. During this period, they tried to consolidate peace and stability.

Timor-Leste's fourth presidential election in March 2017 involved consolidating parties where Gusmão and his party made a joint nomination to Lú-Olo as the presidential candidate (Feijó, 2018, pp. 208–211). As a result, Lú-Olo won after taking the second round, which was held on April 20, 2017.

In the 2017 legislative election, FRETILIN won most of the simple votes. However, the PD and FRETILIN agreed to form the seventh government following negotiation. Therefore, the President of the Republic nominated Alkatiri as Prime Minister. As in public and academic debate regarding the government led by Alkatiri, there was a minority that supported him in the national parliament by 30 seats. However, the opposition parties (CNRT, PLP, and KHUNTO) have majority seats. It means a loss of political plurality under TL's constitutional law. The majority parties, such as CNRT, PLP, and KHUNTO, later agreed on a treaty called AMP (Parliamentary Majority Alliance); they have 35 seats in the National Parliament. This alliance announced its position to file a motion to reject the government program in October (Kingsbury, 2018). While the government presented its program, the AMP was voted down twice<sup>46</sup>.

Furthermore, this political alliance claims that Alkatiri's government is unconstitutional, and to do so, they asked President Guterres to make them the government instead<sup>47</sup>. President

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<sup>44</sup> TL's constitution allows only a President that has the right to nominate Prime Minister, this is based on Art. 106.

<sup>45</sup> TL passed 21 years of Independence: currently TL consist of ninth government and 6 legislature.

<sup>46</sup> The first was in October and the second was in April 2018 with an associated budget. According to the (Art. 86° and Art. 100°) constitution of the TL.

<sup>47</sup> It happened for the first time in the history of TL. In 2017, Alkatiri stated in his interview with the RTTL: Xanana Gusmão respected the decision of his party, as they had previously promised to join the opposition. As a result, CNRT made no effort to maintain their compromise, which affected the rejection of the government's program and national budget.



Guterres recommended three options to the opposition parties and Alkatiri's governments to resolve this issue. Political movement, parliament incidence, and an early election. After all, the President is head of state and must guarantee national unity and peace and take the country forward; therefore, Guterres called all national leaders or so-called "Jerasaun Tuan/75 generation" such as Alkatiri, Gusmão, Matan Ruak, and Lere Anan Timur to give their opinion to resolve the political crisis. In this meeting among the national leaders, Gusmão was not present. As President, Lú-Olo tried to convince Alkatiri, Matan Ruak, and Gusmão but failed (Feijó, 2018, pp. 210–211). After Guterres heard, all national leaders, such as academics, civil society, and religious representation, including national and international organizations, announced the dissolution of the National Parliament on 26 January 2018<sup>48</sup>. In this context, the leadership battle between Xanana Gusmão (President of his party, CNRT) and Mari Alkatiri (Secretary General of Fretilin), who led the countries' two major political parties, is influential in Timorese politics and brought the country to a political crisis; this includes the situation in 2006 and changing political conjecture in 2015.

#### **4.4.2. FRETILIN versus CNRT**

As explained above (4.1.1), two major parties have historically played significant roles in the country's political landscape since 2007. During that period, disagreements and differences regarding maritime boundaries and treaties that Alkatiri's government signed (as mentioned in the introduction) have significant issues that CNRT's and FRETILIN's leaders and voters of both parties launched in the public media and official debate. In the latest election in 2018, AMP coalitions decided to work together in the election campaign. This campaign has a different situation than 2007, 2012, and 2017. During the campaign, AMP and FRETILIN challenged each other on two main issues: the crisis of 2006 and the issue of the maritime border itself. Among the AMP, no declaration was made by KHUNTO regarding the maritime border case. PLP and CNRT confronted FRETILIN<sup>49</sup>. The AMP alliance strategy used maritime boundaries and the Timor Sea as an electoral compromise. Matan Ruak stated during AMP's political campaign in Baucau that Alkatiri sold sovereignty to Australia. AMP frequently used

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<sup>48</sup> The President of the Republic trusts the people, as the people trusted him. The President calls on all people to vote in early parliamentary elections.

<sup>49</sup> Declaration made by AMP in their campaign in Baucau and in Tasi-Tolu.

this to condemn FRETILIN and Alkatiri personalities. Another argument advanced by AMP concerns the maritime treaty, claiming that the 50-year TL has no right to discuss maritime borders. However, FRETILIN responded to this political argument that Gusmão and Ramos Horta accompanied all the processes of Treaty signature, and the Constituent Assembly approved the law of this Treaty. However, AMP won the early election and secured 34 seats in the National Parliament, compared to FRETILIN's 23 seats. Therefore, the AMP coalition proposed Taur Matan Ruak (President of the PLP) as Prime Minister (Feijó, 2019, pp. 215–221).

The political conjuncture changed after President Lú-Olo rejected the 12-member nominee proposed by Matan Ruak<sup>50</sup>. While Matan Ruak presented the government's plan to the national parliament, no ministers were functioning as essential ministers. The impact of Lú-Olo's rejection of the 12 members of the government affects two main risks. First, CNRT voted against and abstained from their government's program presented by Prime Minister Matan Ruak. Second, the AMP alliance blocked Lú-Olo's foreign official visits to Portugal, the Vatican, and Japan and participation in the 45<sup>th</sup> UN General Assembly. While the program of the 8<sup>th</sup> government failed, Matan Ruak declared the end of the AMP coalition, and the alliance was effectively dead. This context, considering that the Matan Ruak Government is in the same situation as Alkatiri's in 2017-2018. Why did Guterres not do the same thing to Matan Ruak? There are two main reasons: no national budget and because of the COVID-19 pandemic and state of emergency. Therefore, FRETILIN projected its national interest and made a constitutional grant to the 8<sup>th</sup> government.

All the processes for forming the 9<sup>th</sup> government failed, and FRETILIN's grant is considered unconstitutional. Until then, Prime Minister Matan Ruak remains in office. Nevertheless, Arão Noe's dismissal from the presidency of the National Parliament. He is one of the CNRT members who dramatically made political parties engage in critical debate. CNRT has accused President Lú-Olo and FRETILIN of acting unconstitutionally and illegally by seizing the post of parliament speaker.

As stated previously, after Lú-Olo conflict with the CNRT and members of the parliament, one of the major criticisms of the CNRT toward FRETILIN came after the FRETILIN parliamentary group voted against the ratification of the permanent maritime boundary resolution proposal on July 23, 2019. This resolution proposal includes laws and regulations for

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<sup>50</sup> This includes ministers, vice-minister, and state secretaries.

the future development of Greater Sunrise. The resolution was approved by 42 deputies of AMP and voted against by 23 by the FRETILIN bench. Due to this, FRETILIN criticized the fact that CNRT gives much power to Australia to share TL's resources. The following are the main arguments of the FRETILIN that voted against the resolution of the Maritime Boundary<sup>51</sup>:

The position of FRETILIN is clear: on the 16 of July 2019, the FRETILIN Parliamentary Group declared to the media and public that they would vote against all proposed legislation that aimed to amend laws related to the Maritime Border Treaty<sup>52</sup>. These representatives perceived that this action demonstrated the AMP Government's desire to lead TL into a dictatorship. Nevertheless, FRETILIN also argued that the Government is to weaken and completely disregard the laws and Constitution. Overall, the argumentation of the FRETILIN needs more attestation and clarification by the government on how one legislative act makes two amendments to Petroleum Activities. They argued that a law cannot undergo more than one amendment in a single legislative session. To be altered, the law must have been conducted with proper, planned studies and analysis. The Petroleum Fund Law, being structural, cannot be changed merely without any breakdowns. All laws must be agreed upon through agreement, dialogue, and consulting with all relevant parties, including the Consultative Council for the Petroleum Fund (CCPF) and all civil society organizations. As FRETILIN argued, there are two different things: the Petroleum Fund Law should not be part of the legislative package amended immediately to ratify the Maritime Border Treaty. Two other things are not connected. FRETILIN Group does not agree to mix internal law, such as Petroleum Fund Law, with Maritime Border Treaty Law.

As Gusmão criticized FRETILIN in his letter sent to President Lú-Olo in March 2018, he did not recognize the Government of FRETILIN, which a minority party led, and he considered it unconstitutional. Therefore, FRETILIN challenged Gusmão, and he should have also deemed any agreement made by the government, including the Maritime Border Treaty, unconstitutional. FRETILIN also proved that CNRT used its majority position to force the National Parliament to urgently discuss the law of maritime treaties, even though the President of Parliament also considered it unnecessary. Therefore, FRETILIN thought this act to

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<sup>51</sup> Official statement presented by the chairman of the FRETILIN bench Mr. Aniceto Guterres at the press conference after voting against the resolution of the Maritime Boundary in the National Parliament on 23 July 2019. The statement was originally in Tetum and translated by the author.

<sup>52</sup> The changes of Diplomas mainly: the Petroleum Fund Law, the Petroleum Activities Law, the Tax Law, and Timor Gap Law.

demonstrate the violation of the Constitution and indicate that parties persistently seek to lead TL into the tyranny of the majority and dictatorships. Since TL and Australia signed an exchange of diplomatic relations for the ratification of the Treaty Establishing a Maritime Boundary in the Timor Sea<sup>53</sup>, TL's government continues to make efforts to negotiate with Australia and other operators regarding the future development of the Greater Sunrise.

The maritime border will continue to be an issue in the national debate during the legislative campaign in 2023. FRETILIN and CNRT exchange accusations and criticism about the maritime border; they are seeking to push each other<sup>54</sup>. One of the most prominent themes was the criticism by Gusmão and the CNRT related to FRETILIN's vote against the permanent maritime boundary and Ró Haksolok<sup>55</sup>. For CNRT, the vote is considered a traitor and a betrayal of TL's national sovereignty. On the other hand, FRETILIN, led by Alkatiri, who is also prominent, figured out and justified their decision to vote against it by arguing that the agreement did not go against the maritime border, FRETILIN against the law of Greater Sunrise that allows Australia to share TL's sovereignty; FRETILIN considered this law not favorable for TL's interests and economic development; and FRETILIN believed that the two aspects should have been vote separately. To be clear on that issue, Alkatiri expressed opinions on which topic should be addressed in debates. As he stated, in a democracy, the leader should bring the truth to the people, and debate is an excellent way to prove who is telling the truth and who is defending it.

Furthermore, in April 2023, Alkatiri requested a debate and proposed to the CNE to debate with Gusmão. As a result, Gusmão confirms the rejection of the request; Gusmão apologizes and says nothing is appropriate to discuss during the campaign period. However, this topic extraction can be highly complex and politically charged, with different stances on that matter, and the debate can lead to public disagreement, as in the case of CNRT and FRETILIN itself. All in all, there is no doubt related to the position of the CNRT/Xanana. The CNRT party has full support and trust and gives maximum support to Gusmão in his struggle for national liberation, specifically maritime sovereignty. CNRT's legacy is prioritizing the South Coast

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<sup>53</sup> (Lusa, 2019)

<sup>54</sup> (Timor-Leste: Fretilin e CNRT Trocam Acusações e Críticas | e-Global, 2023).

<sup>55</sup> Haksolok Ship was constructed in Portugal, which is already 8 years behind. The amount for the project is around 20 million. 14.3 million already paid from the first allocation of 16 million, and more required 14 million. The issue of Ró Haksolok is often prominent in the public debate in which both parties CNRT and FRETILIN claim each other, the reason why construction is not yet finished, and how TL can pay more if the company is bankrupt.

Project or *Projetu Tasi Mane*. As for securing Xanana's endorsement, President Ramos Horta also affirmed his support for all relevant developments. However, the project was paused during the period of the 8<sup>th</sup> government constitution. However, political upheaval, the placement of top petroleum officials, and the resignation of Gusmão as chief Maritime Boundary Negotiator and petroleum responsibility raise concerns about the stability and continuity of the country's petroleum development and other relevant sectors.

Indeed, worrying about TL's ongoing issues, such as the land and maritime borders with Indonesia, may be a risk. Note that the popularity between both parties considered Gusmão a kingmaker of national politics, as seen four times for his successful presidential candidate support, such as in 2007, 2012, 2017, and 2022. All this history makes Gusmão powerful and puts him in a strong position, as does his leadership victory, which battles maritime disputes with Australia. Even though Alkatiri has less influence, his party, FRETILIN, makes him more substantial and influential.

To conclude this section, as seen in the legislative elections conducted in the latter part of this year, Gusmão claimed 31 seats in the house, defeating FRETILIN from 23 to 19 seats. Thus, the CNRT has formed a ninth government constitution, including a coalition with the PD with 39 representatives. Even the PLP, KHUNTO, and FRETILIN have returned to opposition. This majority in the house, along with the support of President Horta, who is a member of CNRT's candidate, and House President Fernanda (first woman president), also a member of CNRT, gives the party a significant advantage in advancing its legislative agenda without facing vetoes. Furthermore, the declaration made by all opposition parties to support the Gusmão government indicates a degree of political stability and cooperation, which can ensure normality in politics.

## CONCLUSION

The maritime boundary dispute between states is disagreement over boundaries and the right to resources in maritime zones. However, it involves several reasons. First, the country seeks to assert its jurisdiction over oil and gas reserves and fisheries. Another reason is for political, economic, and geopolitical potentials.

The maritime boundary dispute between Timor-Leste and Australia is the persistent territorial dispute over maritime territories in the Timor Sea. It was merely a complex and sensitive issue that took many years. It began with periods of colonial invasion until the latest independence of the country.

The main issue that Timor-Leste is concerned with within the Timor Sea is a division of resources in the borders, in which both states have different perspectives and interpretations. However, Australia's principle is based on the CMATS agreement and continental shelf principle, which favor the EEA claims. Even though Timor-Leste preferred a median line that follows UNCLOS, right for the jurisdiction and should determine a permanent maritime boundary, and disagreed with the CMATS Treaty because it does not favor Timor-Leste's right to a sovereign country.

This dispute ended after Timor-Leste proposed the issue to the ICJ, known as conciliation proceedings. The conciliation process occurred after no agreement was reached in the negotiation between both countries. The overall conciliation process under the United National Convention of the Law of the Sea with Article 298 and Annex V. The UNCLOS defines the state's rights and responsibilities. The peaceful settlement of this maritime dispute proved that Australia and TL have a more substantial relationship and are considered the most critical needed to reduce the tension between them.

In the negotiation process, both countries faced challenges and obstacles, including disagreement and interest in natural resources in the Timor Sea. Considering this process presumes that, though this research allows us to understand the primary research objective with all efforts taken by both countries to settle its maritime border dispute, as attempted to answer the research question "How did the government of Timor-Leste conduct the negotiation process to resolve the maritime border dispute in the Timor Sea? Thus, the methodology adopted a case study of qualitative, and it applied a constructivism approach, trying to investigate and understand literature based on scientific publications, historical documents, legal agreements, press release statements, treaties, and reports summarized in the research design.

Timor-Leste remarkable efforts to resolve this maritime conflict are based on Australia's intelligence practice during the CMATS negotiation. On the other hand, state fairness of the international law, precise value, and credibility of UNCLOS are vital and provide state's rights.

An integrated package of confidence-building measures is a suitable agreement that Australia and TL reached in the negotiation process. This deal makes parties' commitment to negotiate a permanent border, a decision to terminate the CMATS treaty, and withdraw the espionage and arbitration case.

The permanent maritime boundary between both countries was signed in New York on 6 March 2018 with high-level UN Secretary-General António Guterres.

Before signing the permanent maritime border, Timor-Leste had signed critical aspects of cooperation agreements with Australia, such as the Timor Sea Treaty, Sunrise International Unitization Agreement, and Treaty on Certain Maritime Arrangements in the Timor Sea.

The achievement of these permanent maritime boundaries has designated special status with the forever hold and significant position.

However, at the national level, political parties are concerned with this maritime boundary treaty; it cannot make any change because of its permanent status and irrevocability.

Establishing a permanent maritime boundary is essential in achieving that long-term standing to become an independent sovereign nation.

The settlement of the maritime boundary is based on the equitable principle and with the provisional settlement. Furthermore, TL and Australia agreed to a comprehensive agreement and compromised on managing the natural resources, particularly sharing upstreaming revenue of the Greater Sunrise. This deal established joint development of the pipelines agreed to by Darwin LNG, with 20%-80% of revenue going to TL. If offshoring is visible to TL, 30%-70% of revenue favors Australia.

With the treaty of 2018, Timor-Leste determined their median line and right of the EEA.

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## **LAWS AND TREATIES**

1. Constitution of the RDTL
2. CMATS Treaty
3. Geneva Convention
4. Statute of ICJ
5. Statute of ITLOS
6. Timor Gap Treaty
7. TST Treaty
8. UNCLOS
9. UN Charter