

Australia's International Maritime Boundaries

The outer edge of Australia's Exclusive Economic Zone (EEZ) is 200 nautical miles from Australia's territorial sea baseline, other than in areas subject to delimitation with neighbouring countries. In those areas, the location of the outer edge of the EEZ will depend on the EEZ boundary agreed in the treaty between Australia and the relevant country.

The continental shelf is the area of seabed and subsoil which extends beyond the territorial sea to a distance of 200 nautical miles from the territorial sea baseline and beyond that distance to the outer edge of the continental margin.¹ The continental shelf is largely coextensive with the EEZ within 200 nautical miles from the territorial sea baseline (there are certain areas between Australia and Indonesia and Papua New Guinea where they are not coextensive).

Australia has sovereign rights over the continental shelf for the purposes of exploring and exploiting the mineral and other non-living resources of the sea bed and subsoil.

In order to support any claim to delineation of the outer limit of the extended continental shelf beyond 200 nautical miles as measured from the territorial sea baseline, Australia has submitted details, together with supporting scientific information, to the United Nations Commission on the Limits of the Continental Shelf.

Australia has entered into maritime boundary treaties with Indonesia, Timor-Leste, Papua New Guinea, Solomon Islands, New Zealand and France (New Caledonia and Kerguelen).

Particularly relevant to offshore petroleum exploration are the treaties between Australia and Timor-Leste and Australia and Indonesia.

A map of [Australia's maritime boundaries](#) can be found on the Geoscience Australia website.

Australia–Timor-Leste maritime boundaries

2016 Conciliation between Australia and Timor-Leste

In 2016 Timor-Leste commenced conciliation proceedings under the UN Convention on the Law of the Sea to conciliate differences with Australia on maritime boundaries in the Timor Sea.

Australia and Timor-Leste have since reached agreement to delimit our maritime boundary and establish a regime to share the Greater Sunrise resource. On 6 March 2018, the two countries signed the *Treaty between Australia and the Democratic Republic of Timor-Leste Establishing Their Maritime Boundaries in the Timor Sea* (Maritime Boundaries Treaty) in New York.

Pending the Maritime Boundaries Treaty entering in to force Australia and Timor-Leste have agreed that the Timor Sea Treaty and the regulatory framework that it established for the joint management and development of hydrocarbon resources within the Joint Petroleum Development Area continues to apply. Similarly, the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* will continue to apply to those areas currently part of Australia's seabed, which will transfer to Timor-Leste's seabed upon entry into force of the Maritime Boundaries Treaty.

¹ Article 76, United Nations Convention on the Law of the Sea

Australia and Timor-Leste are progressing their respective domestic processes to ensure the Maritime Boundaries Treaty enters into force in a timely manner. It is anticipated that this will occur no earlier than September 2018.

2018 Maritime Boundaries Treaty

The new Maritime Boundaries Treaty delimits the maritime boundary between Timor-Leste and Australia in the Timor Sea. It encompasses the delimitation of both the continental shelf (which entails rights to exploit seabed resources, such as petroleum) and the exclusive economic zone. The Maritime Boundaries Treaty also establishes a Special Regime for Greater Sunrise and a pathway to the development of the resource.

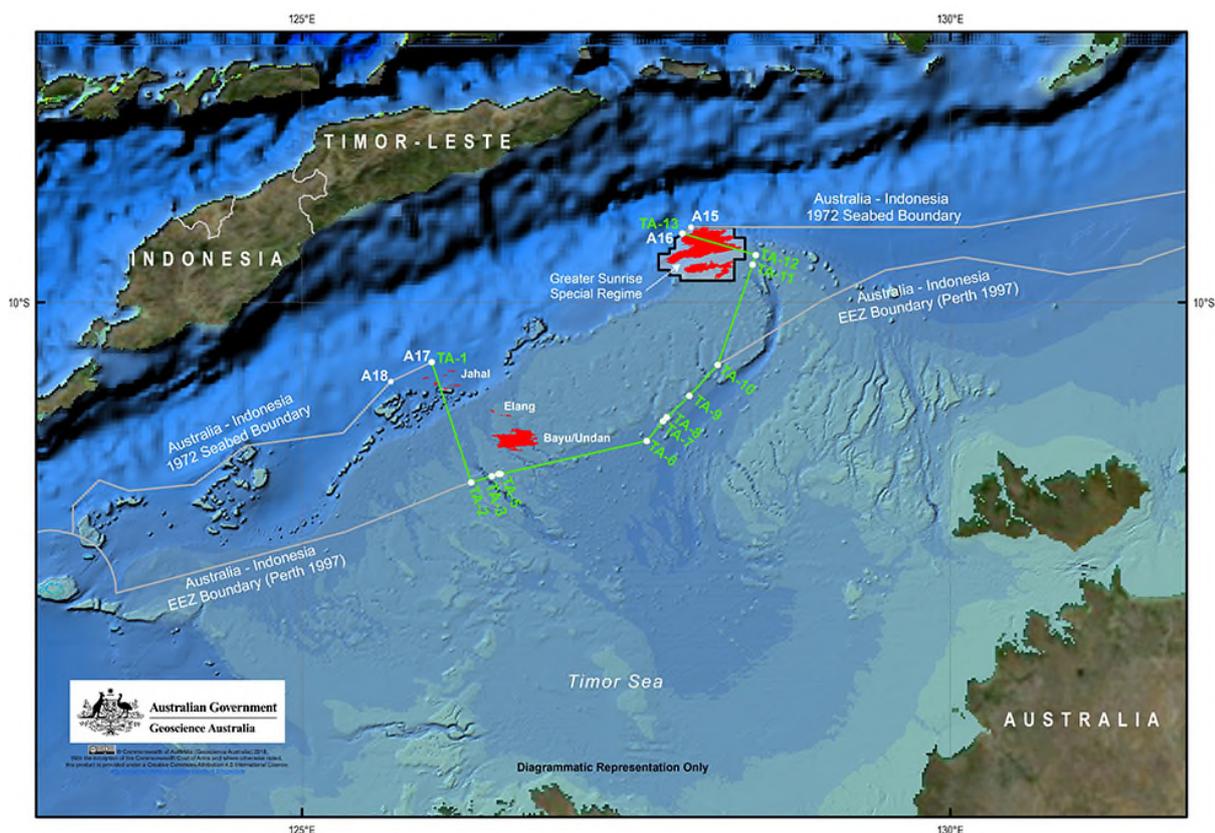


Figure 1: location of the boundaries as delimited in the Treaty between Australia and the Democratic Republic of Timor-Leste Establishing Their Maritime Boundaries in the Timor Sea.

Australia–Indonesia maritime boundaries

Australia and Indonesia have entered into a number of agreements and arrangements relating to the maritime area between Australia and Indonesia including the area between the Australian Territory of Christmas Island and the Indonesian island of Java, These include:

- [Agreement between the Government of the Commonwealth of Australia and the Government of the Republic of Indonesia establishing Certain Seabed Boundaries \[1973\] ATS 31 \(1971 Seabed Agreement\).](#)
- [Agreement between the Government of the Commonwealth of Australia and the Government of the Republic of Indonesia establishing Certain Seabed Boundaries in the Area of the Timor and Arafura Seas, supplementary to the Agreement of 18 May 1971 \[1973\] ATS 32 \(1972 Seabed Agreement\).](#)
- [Memorandum of Understanding between the Government of Australia and the Government of the Republic of Indonesia Regarding the Operations of Indonesian Traditional Fishermen in Areas of the Australian Exclusive Fishing Zone and Continental Shelf, 7 November 1974 \(the MOU\).](#)

- *Memorandum of Understanding on a Provisional Fisheries Surveillance and Enforcement Line, 29 October 1981* (the PFSEL)
- *Treaty between the Government of Australia and the Government of the Republic of Indonesia establishing an Exclusive Economic Zone Boundary and Certain Seabed Boundaries (Perth, 14 March 1997)* (1997 Perth Treaty) that has been signed but is not yet in force.

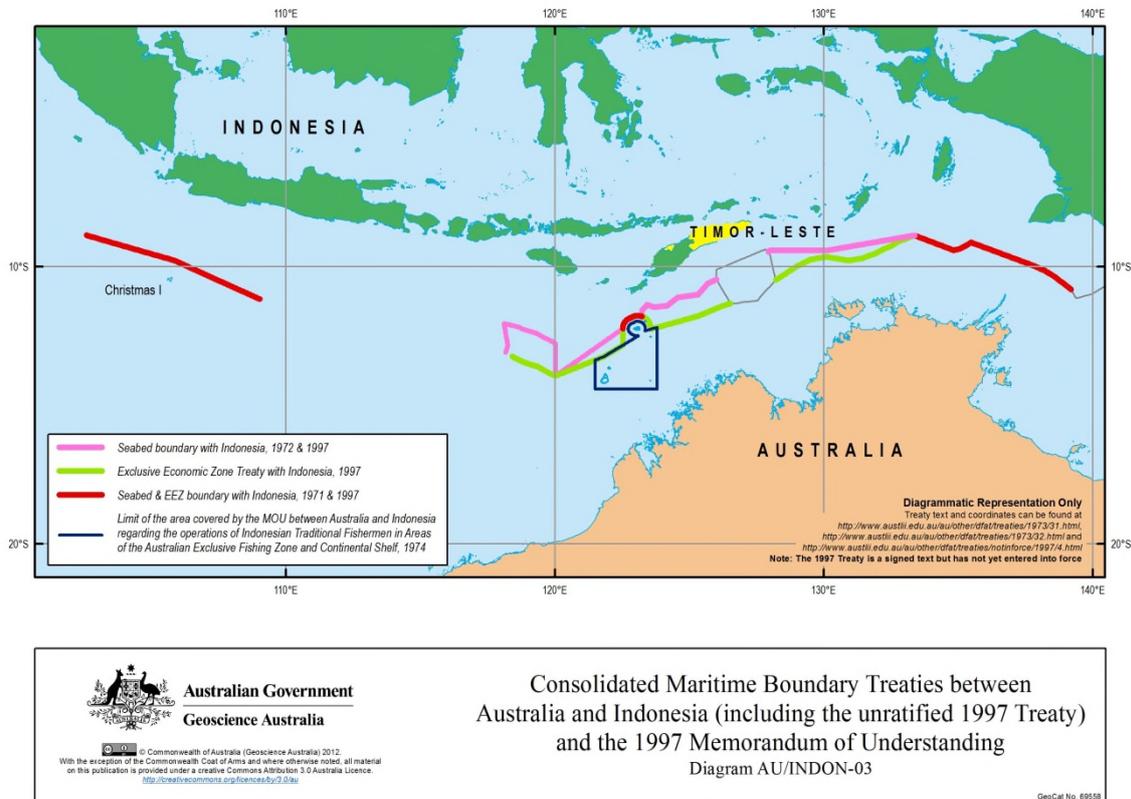


Figure 2: Consolidated Maritime Boundary Treaties between Australia and Indonesia and the 1974 MoU

Perth Treaty

The 1971 and 1972 seabed agreements that are in force, establish a seabed boundary between Australia and Indonesia across much of the Arafura and Timor Seas. The Perth Treaty, signed by Australia and Indonesia in 1997, establishes an EEZ boundary and certain seabed boundaries.

Under the 1997 Perth Treaty, there are areas of overlapping jurisdiction where Australia exercises seabed jurisdiction including to explore for petroleum, and Indonesia exercises water column jurisdiction including fishing rights (the Perth Treaty area).

While the Perth Treaty has yet to enter into force, the Australian Government acts consistently with its obligations under the Perth Treaty pending its entry into force. The Perth Treaty sets out a number of obligations, including:

- *Article 7 - Areas of overlapping jurisdiction:* requires that Australia give Indonesia three months' notice of 'the proposed grant of exploration or exploitation rights' in the Perth Treaty area.
- *Article 9 - Exploitation of certain seabed deposits:* directs the Parties to seek agreement on the most effective means of exploiting and equitably sharing any hydrocarbon deposit that straddles the maritime boundaries described in the treaty.

Under Article 7, notification to Indonesia is undertaken:

- At least three months prior to the proposed grant of exploration and exploitation rights in the Perth Treaty area.
- Prior to the construction of any installations or structures in the Perth Treaty area.

The notification process is conducted by the Australian Government Department of Industry, Innovation and Science through the Attorney-General's Department and the Department of Foreign Affairs and Trade, who liaise directly with the Indonesian Government in Jakarta. Explorers should familiarise themselves with the various treaties and understand any implications for investments.

Indonesian Traditional Fishing in the 'MoU Box'

The *1974 Australia-Indonesia Memorandum of Understanding regarding the Operations of Indonesian Traditional Fishermen in Areas of the Australian Exclusive Fishing Zone and Continental Shelf* (the MOU) provides a basis for traditional Indonesian fishing access to an area defined as the 'MOU Box' within Australia's north-western exclusive economic zone. Specifically, Australia agrees to refrain from applying its fisheries laws against traditional Indonesian fishermen who conduct their operations in accordance with the MOU.

Traditional fishers can be found in any part of the dedicated MOU Box and in adjacent Australian waters where they may stray from time to time. Their vessels are likely to have 'longlines' of 1-2 km long deployed and diving is also known to occur. The traditional fishermen may not carry communication equipment and they are not known to use navigation lights or radar reflectors. The vessels are not motorised which limits their capacity to take evasive action. The hulls are timber and present poor radar targets.

Indonesian fishermen target some species that are sedentary that at the harvestable stage, are either immobile on or under the seabed, or are unable to move except in constant physical contact with the seabed or the subsoil. This includes trochus, bêche de mer, abalone, green snail, sponges and molluscs.

Based on these facts, caution is recommended when operating in the MOU Box.