

LIMITS IN THE SEAS



No. 87

**TERRITORIAL SEA AND
CONTINENTAL SHELF
BOUNDARIES:**

**AUSTRALIA AND PAPUA
NEW GUINEA - INDONESIA**

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TERRITORIAL SEA AND CONTINENTAL SHELF BOUNDARIES:

AUSTRALIA AND PAPUA NEW GUINEA-INDONESIA

August 20, 1979

AUSTRALIA AND PAPUA NEW GUINEA-INDONESIA TERRITORIAL SEA AND CONTINENTAL SHELF BOUNDARIES

As a consequence of a series of three agreements, the Governments of Australia and Papua New Guinea, on the one hand, and Indonesia, on the other, have delimited territorial sea and continental shelf boundaries between the respective states. The agreements create, north of the island of New Guinea, a single-segment boundary extending northward from the shore for a distance of approximately 27 miles. The boundary terminates in water depths approaching 1,500 fathoms (2,743 meters). In the south, the boundary extends along the western reaches of the Torres Strait and the Arafura Sea and stops near the limits of the former Portuguese territory of Timor. After the Timor gap, an area currently undelimited, the maritime boundary resumes and is delimited southwestward through the Timor Sea.

The three multilateral agreements are as follows:

1. Agreement between the Government of the Republic of Indonesia and the Government of the Commonwealth of Australia establishing certain seabed boundaries, signed on May 18, 1971, with ratifications exchanged on November 8, 1973.
2. Agreement between the Government of the Republic of Indonesia and the Government of the Commonwealth of Australia establishing certain seabed boundaries in the area of the Timor and Arafura Seas supplementary to the agreement of May 18, 1971, signed on October 9, 1972, with ratifications exchanged on November 8, 1973.
3. Agreement between Indonesia and Australia concerning certain boundaries between Indonesia and Papua New Guinea, signed on February 12, 1973, with ratifications exchanged on November 26, 1974.

These three agreements constitute Annex I, II, and III, respectively, of this text. The geographic coordinate positions and designations of the maritime boundaries are depicted on the two attached reproductions of United States Defense Mapping Agency charts, which date from the period of these agreements. No effort has been made to update these charts to reflect the present normal baselines or the changed political situation. It should be noted, however, that Papua New Guinea became independent on September 16, 1975, after the signature of the three agreements and after their entry into force. The Government of the independent Papua New Guinea has accepted the validity of these agreements as they apply to Papua and New Guinea under the terms of the Papua New Guinea Treaty Succession Statement of September 16, 1975.

On December 18, 1978, Papua New Guinea and Australia signed a treaty at Sydney concerning sovereignty and maritime boundaries in the area between the two countries, including the area known as Torres Strait, and related matters. This treaty begins the territorial sea, continental shelf, and fishery boundary zone between Australia and Papua New Guinea at point A3, delimited by the previously cited treaties. Thus, the boundaries

created by connecting points C1 with C2 in the north and B3 with B2 and thence to B1, thence to A1, thence to A2, and thence to A3 in the south constitute the maritime boundaries between Indonesia and Papua New Guinea. Point A3 becomes the Australia-Indonesia-Papua New Guinea trijunction point for the respective continental shelf boundaries.

Australian and Indonesian delegations met in Canberra in February 1979 to begin negotiations to close the "gap" in the continental shelf boundary in the area of former Portuguese Timor. Additional negotiations were held in May 1979 to elaborate respective national positions. Further negotiations will be required to complete the maritime boundary in this "open" area.

For ease in analyzing the boundaries produced by these three treaties, the discussion below will follow a geographic rather than a chronological approach.

The boundary between Indonesia and Papua New Guinea, in the Pacific Ocean north of the island of New Guinea, extends nearly due north from the coastal terminus of the land boundary to a point approximately 27 miles¹ seaward. Because both states claim 12-mile territorial sea breadths, the single-segment boundary serves as both a territorial sea and, in part, a continental shelf boundary.² The geologic shelf north of the island, however, is very narrow; and within a few miles of the shoreline, water depths in excess of 6,000 feet (1,829 meters) are encountered. As a result, the terminus of the shelf boundary is in approximately 9,000 feet (2,743 meters) of water, well beyond existing limits of exploitability.

In the south, the maritime boundaries pass through the Arafura Sea in the east and the Timor Sea in the west. The Arafura Sea extends approximately from the limit of the Torres Strait westward to the island of Timor. The sea, which has an area of about 650,000 square kilometers, largely overlays a vast shallow bank of geologic continental shelf. The Arafura shelf, however, is limited to the eastern segment of the sea and comprises the common geologic shelf upon which New Guinea and Australia are situated. The depths of the Arafura shelf generally range between 50 and 80 meters. To the northwest, the Arafura Sea is separated from the Banda Sea by the deep Aru trough (3,650 meters). This depression constitutes a segment of a long zone of troughs extending from the Ceram Sea in central Indonesia, through the Aru and Timor troughs, onto the deep Java trench in the northeast Indian Ocean.

In the southwest, the Timor Sea is situated between the island of Timor and the mainland of Australia. The sea encompasses an area of approximately 450,000 square kilometers. Two major submarine morphologic provinces may be distinguished: the Timor trough in the northwest and the Sahul shelf in the southeast. The Timor trough is an elongated basin oriented approximately northwest-southwest; the maximum depth is approximately 3,200 meters. The trough is separated from the Aru trough by an extensive sill. The Sahul shelf southeastward of the trough, contains a large central depression, the Bonaparte Basin, which has a maximum depth of 140 meters. The Sahul shelf differs markedly from the flat,

gently seaward-sloping "plain" that characterizes the classical concept of a geological continental shelf.

ANALYSIS

As noted above, the boundary between Indonesia and Papua New Guinea in the north consists of a line connecting two points, C1 - situated at 2°35'37"S. and 141°E., and C2 - situated at 2°8'30"S. and 141°1'30"E. C1 marks the terminus of the land boundary. C2, situated 27.14 miles seaward, is approximately equidistant from the main cape north of Djajapura and an unnamed cape on the New Guinea coastline. Between points C1 and C2, the boundary is not equidistant from the respective national baselines.

In the south, the Indonesia-Papua New Guinea maritime boundary extends from point B3 through B2, B1, A1, A2, and terminates at A3. These turning points have the following coordinates:

<u>Point</u>	<u>Coordinates</u>	<u>Distance between points (miles)</u>
B3	9°8'8"S. , 141°1'10"E. Land terminus	17.45
B2	9°23'S. , 140°52'E.	2.89
B1	9°24'30"S, 140°49'30"E.	34.13
A1	9°52'S. , 140°29'E.	53.06
A2	10°24'S. , 139°36'E.	42.32
A3	10°50'S. , 139°12'E.	
Total		149.85

Thus, the Indonesia-Papua New Guinea territorial sea and continental shelf boundaries total 176.99 miles: 149.85 in the south and 27.14 in the north. Both boundaries were developed by the true equidistance method or a form of selective equidistance. We have been informed that because of the instability of the baseline near the point of Cregin on the southern coast of New Guinea, equidistant points were developed from the baseline depicted on aerial photography taken during a particular period of time. This accounts for the following statement in Article 4 of the 1973 Agreement:

"The point B3 referred to in Article 1(c) and 3 of this Agreement is the present location of the point of intersection of the meridian of the longitude 141°01'10"E., with a mean low water line on the southern coast of the island of Irian (New Guinea). If the point B3 ceases to be the point of such intersection, the land boundary referred to in Article 1(c) and the seabed boundary referred to in Article 3 shall meet and terminate at the point at which the straight lines connecting the points MM14, B3 and B2 shown on the chart annexed to this agreement intersect the mean low water on the southern coast."

Geographically, Indonesia and Papua New Guinea would logically be considered to be adjacent states throughout the entire boundary area.

The Australian sector of the Indonesian maritime boundary begins at the trijunction point A3 and extends through intermediate points to A16. The area divided by this part of the boundary has water depths of 200 meters or less.

Westward of A12 to A16, the boundary leaves the Ceram shelf and its location relates primarily to the geomorphologic provinces underlying the Arafura Sea.

The points are as follows:

<u>Point</u>	<u>Coordinates</u>	<u>Distance between points (miles)</u>
A3	10°50'S. , 139°12'E.	42.32
A4	10°24'S. , 138°38'E.	3.56
A5	10°22'S. , 138°35'E.	25.26
A6	10°9'S. , 138°13'E.	30.10
A7	9°57'S. , 137°45'E.	142.95
A8	9°08'S. , 135°29'E.	18.18
A9	9°17'S. , 135°13'E.	11.07
A10	9°22'S. , 135°03'E.	13.19
A11	9°25'S. , 134°50'E.	91.76
A12	8°53'S. , 133°23'E.	
	Subtotals	A 378.39
		B 528.24
		8.96
A13	8°54'S. , 133°14'E.	184.59
A14	9°25'S. , 133°10'E.	128.49
A15	9°25'S. , 128°00'E.	4.95

A16

9°28'S. , 127°56'E.

In this area the three states utilized the equidistance methodology for the delimitation out to the limit of the geological continental shelf, i.e., the 200 meter isobath. This point, A12, is situated equidistant from New Year Island (Australia), Cape Ngabordamlu (Indonesia-Trangan Island), and Pulau Enu (Indonesia). To the west, the boundary was negotiated so as to relate, in part, to the limit of then-existing Australian hydrocarbon concessions in the area adjacent to the northern territory of Australia and, in part, to the geomorphology of the ocean floor. The negotiated boundary is situated from 20 to 75 miles north of a true equidistant line and 20 to 65 miles south of the line of deepest water between the 200 meter isobath contiguous to Australia and the 200 meter isobaths situated about individual Indonesian islands. The treaty boundary obviously was negotiated between these two lines, although the enclosed area does not appear to have been divided equally.

In the section where the equidistant methodology was utilized the Indonesian system of claimed archipelagic straight baselines was not utilized as the baseline from which its equidistant boundary was developed. Rather, the normal, charted coastline was used.

The methodological basis for the delimitation of this section of the territorial sea and continental shelf boundaries of Indonesia with Australia and Papua New Guinea may be summarized as follows:

<u>Sector</u>	<u>Equidistance Length</u>	<u>Length</u>	<u>Special Circumstances Length</u>
Total	855.23 n.m.	528.24 n.m.	326.99 n.m.
Australia	705.38 n.m.	378.39 n.m.	326.99 n.m.
Papua New Guinea	149.85 n.m.	149.85 n.m.	0

Owing to the presence, at the time of the agreements, of Portuguese Timor, there is a "gap" in the Australian-Indonesian maritime boundary of approximately 129.04 nautical miles -- measured along the great circle connecting point A16 to point A17. The intervening boundary, when negotiated, will of necessity be longer unless the two states agree merely to connect the two specified points.

The western segment of the Australia-Indonesia continental shelf boundary begins at point A17 and extends to the present terminal point, A25. The specific points are as follows

<u>Point</u>	<u>Coordinates</u>	<u>Distance between points (miles)</u>
A17	10°28'S. , 126°00'E.	20.75
A18	10°37'S. , 125°41'E.	32.24
A19	11°01'S. , 125°19'E.	44.65
A20	11°07'S. , 124°34'E.	29.62
A21	11°25'S. , 124°10'E.	9.87
A22	11°26'S. , 124°00'E.	19.74
A23	11°28'S. , 123°40'E.	14.62
A24	11°23'S. , 123°26'E.	16.78
A25	11°35'S. , 123°14'E.	
	Total	188.27

The western segment of the Australia-Indonesia continental shelf boundary appears, as was the case west of point A12, to have been negotiated by the parties based upon equitable principles. The boundary relates, in part, to the limit of Australian petroleum concessions and, in part, to the geomorphology of the ocean bottom. Point A17, for example, is approximately 80 miles north of the true equidistant boundary and approximately 40 miles south of a deep water divide line. The median line and the deep water line eventually converge and cross as the boundary approaches the Australian Ashmore and Cartier Islands. The two lines appear to be within approximately 25 miles of each other at the terminal point of the continental shelf boundary. The final point, however, is closer to the Ashmore Islands (Australia) than to the island of Roti (Indonesia).

SUMMARY

The Indonesia-Papua New Guinea maritime boundary, covering both the territorial sea and the continental shelf, measure 27.14 miles in the north and 149.85 miles in the south -- a total length of 176.99 miles. The two boundaries appear to have been delimited on the basis of equidistance methodology.

The Australia-Indonesia continental shelf boundary is divided into two segments by the Timor gap. To the east, i.e., from point A3 through point A16, the boundary measures 705.38 miles. Of this total, 378.39 miles -- A3-A12 -- was delimited on the basis of the equidistance methodology for this area of common continental shelf. The second segment, point A13 through point A16, measures 326.99 miles and was negotiated on the basis of

equitable principles relating to the geomorphology of the seafloor and, in part, to existing Australian petroleum concessions. West of the Timor gap, the maritime boundary continues for an additional 188.27 nautical miles on the same bases. While normally closer to Indonesia than Australia, the final point is nearer to Australian territory.

The total length of the Australia-Indonesia continental shelf boundary is 893.65 miles. As noted, 378.39 miles were negotiated by use of an equidistance methodology and 515.26 nautical miles by reliance on equitable principles but not on equidistance methodology.

The total boundary length created by the three agreements measures approximately 1,070.64 miles, 1,043.5 miles of which are in the south. The total boundary length is nearly equally divided between an equidistant line (555.38 miles) and a negotiated geomorphological limit (515.26 miles). The Australian section of the boundary measures 893.65 miles, 515.26 miles of which have been negotiated with a relationship to the Aru and Timor trenches.

FOOTNOTES

1. All mileage figures are in nautical miles. One nautical mile equals 1,852 meters.
2. The United States does not recognize territorial sea breadths in excess of 3 nautical miles. It has agreed, within the context of a ratified comprehensive Law of the Sea treaty, to accept a territorial sea breadth of up to 12 n.m.

Annex I

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF INDONESIA AND THE GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA ESTABLISHING CERTAIN SEABED BOUNDARIES

THE GOVERNMENT OF THE REPUBLIC OF INDONESIA AND THE GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA,

Desiring to strengthen the bonds of friendship between the two countries; and

Desiring particularly to cooperate in delimiting by agreement the boundaries of certain areas of seabed in which the two countries respectively exercise sovereign rights for the exploration and exploitation of the natural resources,

HAVE AGREED AS FOLLOWS:

ARTICLE 1

In the Arafura Sea eastwards of Longitude 133°23' East, the boundary between the area of seabed that is adjacent to and appertains to the Republic of Indonesia and the area that is adjacent to and appertains to the Commonwealth of Australia shall be the straight lines shown on chart 'A' annexed to this Agreement, commencing at the point of latitude 9°52' South, Longitude 140° 29' East (Point A1), and thence connecting the points specified hereunder in the sequence so specified:

- A2. The Point of Latitude 10° 24' South,
Longitude 139° 46' East
- A3. The Point of Latitude 10° 50' South,
Longitude 139° 12' East
- A4. The Point of Latitude 10° 24' South,
Longitude 138° 38' East
- A5. The Point of Latitude 10° 22' South,
Longitude 138° 35' East
- A6. The Point of Latitude 10° 09' South,
Longitude 138° 13' East
- A7. The Point of Latitude 9° 57' South,
Longitude 137° 45' East
- A8. The Point of Latitude 9° 08' South,
Longitude 135° 29' East
- A9. The Point of Latitude 9° 17' South,

- Longitude 135° 13' East
 A10. The Point of Latitude 9° 22' South,
 Longitude 135° 03' East
 A11. The Point of Latitude 9° 25' South,
 Longitude 134° 50' East
 A12. The Point of Latitude 8° 53' South,
 Longitude 133° 23' East

ARTICLE 2.

The two Governments have not provided in the Agreement for the delimitation of the respective areas of adjacent seabed westward of Longitude 133° 23' East, and have left this question for discussion at further talks to be held at a mutually convenient date.

ARTICLE 3.

1. Off the southern coast of Irian (the island of New Guinea), westwards of Longitude 140° 49' 30" East, the boundary between the area of seabed that is adjacent to and appertains to the Republic of Indonesia and the area that is adjacent to and appertains to the Territory of Papua shall be the straight line shown on chart 'A' annexed to this Agreement, connecting the point of Latitude 9° 24' 30" South, Longitude 140° 49' 30" East (Point B1) with the point of Latitude 9° 52' South, Longitude 140° 29' East (Point A1).

2. The two Governments have not provided in this Agreement for the drawing of a boundary line between the point B1 referred to in paragraph 1 of this Article and the point at which the land boundary between West Irian and the Territory of Papua meets the southern coast of Irian (the island of New Guinea), and have left this question for further discussion as and when agreed.

ARTICLE 4.

1. Off the northern coast of Irian (the island of New Guinea), the boundary between the area of seabed that is adjacent to and appertains to the Republic of Indonesia and the area that is adjacent to the appertains to the Trust Territory of New Guinea shall lie along the straight line shown on Chart 'B' annexed to this Agreement, connecting the point at which the land boundary between West Irian and the Trust Territory meets the northern coast of Irian (the island of New Guinea) (Point C1) with the point of Latitude 2° 08' 30" South, Longitude 141° 01' 30" East (Point C2). If any lines are drawn extending this line northward, they shall be drawn on the same principle, that is to say the principle of equidistance.

2. The lines referred to in paragraph 1 of this Article are to be taken as indicating the direction in which the lateral boundary of the respective areas of seabed is agreed to lie.

3. This Article shall not in any way affect any agreement that may subsequently be made

between the two Governments delimiting the lateral boundary of the territorial sea as between the Republic of Indonesia and the Trust Territory of New Guinea.

ARTICLE 5.

For the purpose of the Agreement, "seabed" includes the subsoil thereof, except where the context otherwise requires.

ARTICLE 6.

1. The co-ordinates of the points specified in Articles 1, 3 and 4 of this Agreement are geographical coordinates, and the actual location of the points and the lines joining them shall be determined by a method to be agreed upon by the competent authorities of the two Governments.

2. For the purpose of paragraph 1 of this Article the competent authorities in relation to the Republic of Indonesia shall be the chief of the Co-ordinating Body for National Survey and Mapping (Ketuna Badan Koordinasi Survey Dan Pemetaan Nasional) and any person acting with his authority, and in relation to the Commonwealth of Australia shall be the Director of National Mapping and any person acting with his authority.

ARTICLE 7.

In any single accumulation of liquid hydrocarbons or natural gas, or if any other mineral deposit beneath the seabed, extends across any of the lines that are specified in Articles 1, 3 and 4 of this Agreement, and the part of such accumulation or deposit that is situated on one side of the line is recoverable in fluid form wholly or in part from the other side of the line, the two Governments will seek to reach agreement on the manner in which the accumulation or deposit shall be most effectively exploited and on the equitable sharing of the benefits arising from such exploitation.

ARTICLE 8.

Any dispute between the two Governments arising out of the interpretation or implementation of this Agreement shall be settled peacefully by consultation or negotiation.

ARTICLE 9.

This Agreement is subject to ratification in accordance with the constitutional requirements of each country, and shall enter into force on the day on which the Instruments of Ratification are exchanged.

In WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE IN DUPLICATE at Canberra this 18th day of May 1971 in the Indonesian and English languages.

Annex II

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF INDONESIA AND THE GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA ESTABLISHING CERTAIN SEABED BOUNDARIES IN THE AREA OF THE TIMOR AND ARAFURA SEAS, SUPPLEMENTARY TO THE AGREEMENT OF 18 MAY 1971

THE GOVERNMENT OF THE REPUBLIC OF INDONESIA AND THE GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA,

Recalling the Agreement between the two Governments, signed on the eighteenth day of May One thousand nine hundred and seventy-one, establishing seabed boundaries in the Arafura Sea and in certain areas off the coasts of the Irian (New Guinea),

Recalling further that in the aforesaid Agreement the two Governments left for later discussion the question of the delimitation of the respective areas of adjacent seabed in the Arafura and Timor Seas westward of Longitude 133° 23' East,

Resolving, as good neighbours and in a spirit of co-operation and friendship, to settle permanently the limits of the areas referred to in the preceeding paragraph within which the respective Governments shall exercise sovereign right with respect to the exploration of the seabed and the exploitation of its natural resources,

HAVE AGREED AS FOLLOWS:

ARTICLE 1

In the area to the south of the Tanimbar Islands, the boundary between the area of seabed that is adjacent to and appertains to the Republic of Indonesia and the area of seabed that is adjacent to and appertains to the Commonwealth of Australia shall be the straight lines shown on the Chart annexed to this Agreement commencing at the Point of Latitude 8° 53' South, Longitude 133° 23' East (Point A12, specified in the Agreement between the two countries dated the eighteenth day of May One thousand nine hundred and seventy-one), thence connecting in a westerly direction the points specified hereunder in the sequence so specified:

- A13. The Point of Latitude 8° 54' South,
Longitude 133° 14' East
- A14. The Point of Latitude 9° 25' South,
Longitude 130° 10' East
- A15. The Point of Latitude 9° 25' South,

Longitude 128° 00' East
 A16. The Point of Latitude 9° 28' South,
 Longitude 127° 56' East

ARTICLE 2

In the area south of Roti and Timor Islands, the boundary between the area of seabed that is adjacent to and appertains to the Commonwealth of Australia shall be the straight lines, shown on the Chart annexed to this Agreement commencing at the point of Latitude 10° 28' South, Longitude 126° 00' East (Point A17), and thence connecting in a westerly direction the points specified hereunder in the sequence so specified:

- A18. The Point of Latitude 10° 37' South,
 Longitude 125° 41' East
- A19. The Point of Latitude 11° 01' South,
 Longitude 125° 19' East
- A20. The Point of Latitude 11° 07' South,
 Longitude 124° 34' East
- A21. The Point of Latitude 11° 25' South,
 Longitude 124° 10' East
- A22. The Point of Latitude 11° 26' South,
 Longitude 124° 00' East
- A23. The Point of Latitude 11° 28' South,
 Longitude 123° 40' East
- A24. The Point of Latitude 11° 23' South,
 Longitude 123° 26' East
- A25. The Point of Latitude 11° 35' South,
 Longitude 123° 14' East

ARTICLE 3

The lines between Points A15 and A16 and between Points A17 and A18 referred to in Article 1 and Article 2 respectively, indicate the direction of those portions of the boundary. In the event of any further delimitation agreement or agreements being concluded between governments exercising sovereign rights with respect to the exploration of the seabed and the exploitation of its natural resources in the area of the Timor Sea, the Government of the Republic of Indonesia and the Government of the Commonwealth of Australia shall consult each other with a view to agreeing on such adjustment or adjustments, if any, as may be necessary in those portions of the boundary lines between Points A15 and A16 and between Points A17 and A18.

ARTICLE 4

The Government of the Republic of Indonesia and the Government of the Commonwealth of Australia mutually acknowledge the sovereign rights of the respective Governments in and

over the seabed areas within the limits established by this Agreement and that they will cease to claim or to exercise sovereign rights with respect to the exploration of the seabed and the exploitation of its natural resources beyond the boundaries so established.

ARTICLE 5

For the purpose of this Agreement, "seabed" includes the subsoil thereof, except where the context otherwise requires.

ARTICLE 6

1. The co-ordinates of the points specified in Articles 1 and 2 of this Agreement are geographical co-ordinates, and the actual location of these points and of the lines joining them shall be determined by a method to be agreed upon by the competent authorities of the two Governments.

2. For the purpose of paragraph 1 of this Article, the competent authorities in relation to the Republic of Indonesia shall be the Ketua Badan Koordinasi Survey Dan Pemetaan Nasional (Chief of the Co-ordinating Body for National Survey and Mapping) and any person acting with his authority, and in relation to the Commonwealth of Australia shall be the Director of National Mapping and any person acting with his authority.

ARTICLE 7

If any single accumulation of liquid hydrocarbons or natural gas, or if any other mineral deposit beneath the seabed, extends across any of the lines that are specified or described in Articles 1 and 2 of this Agreement, and the part of such accumulation or deposit that is situated on one side of the line is recoverable in fluid form wholly or in part from the other side of the line, the two Governments will seek to reach agreement on the manner in which the accumulation or deposit shall be most effectively exploited and on the equitable sharing of the benefits arising from such exploitation.

ARTICLE 8

1. Where the Government of the Commonwealth of Australia has granted an exploration permit for petroleum or a production license for petroleum under the petroleum (Submerged Lands) Acts of the Commonwealth of Australia over a part of the seabed over which the Government ceases to exercise sovereign rights by virtue of this Agreement, and that permit or licence is in force immediately prior to the entry into force of this Agreement, the Government of the Republic of Indonesia or its authorized agent shall, upon application by the registered holder of the permit or licence, or where there is more than one registered holder, by the registered holders acting jointly, be willing to offer and to negotiate a production sharing contract under Indonesian law to explore for and to produce oil and natural gas in respect of the same part of the seabed on terms that are not less favourable than those provided under Indonesian law in existing production sharing

contracts in other parts of the seabed under Indonesian jurisdiction.

2. An application for negotiation in accordance with paragraph 1 of this Article must be made by the registered holder or holders within nine months after the entry into force of this Agreement. If no application is made within this period, or if an offer made in accordance with paragraph 1 of this Article is, after negotiation, not accepted by the permittee or licensee, the Government of the Republic of Indonesia shall have no further obligation to the registered holder or holders of a permit or licence to which paragraph 1 of this Article applies.

3. For the purpose of this Article, "registered holder" means a company that was a registered holder of an exploration permit for petroleum or a production licence for petroleum, as the case may be, under the Petroleum (Submerged Lands) Acts of the Commonwealth of Australia immediately prior to the entry into force of this Agreement.

ARTICLE 9

Any dispute between the two Governments arising out of the interpretation or implementation of this Agreement shall be settled peacefully by consultation or negotiation.

ARTICLE 10

This Agreement is subject to ratification in accordance with the constitutional requirements of each country, and shall enter into force on the day on which the Instruments of Ratification are exchanged.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE IN DUPLICATE at Jakarta this ninth day of October 1972 in the Indonesian and English languages.

Annex III

AGREEMENT BETWEEN INDONESIA AND AUSTRALIA CONCERNING CERTAIN BOUNDARIES BETWEEN INDONESIA AND PAPUA NEW GUINEA

INDONESIA AND AUSTRALIA,

Recognizing the desirability of having boundaries of political and physical permanence between Indonesia and Papua New Guinea.

Considering the desirability of demarcating more precisely in certain respects the land boundaries on the island of Irian (New Guinea) as described in Articles I, II, III and IV of the Convention between Great Britain and the Netherlands dated the sixteenth day of May One thousand eight hundred and ninety-five.

Noting the steps taken since then in relation to the demarcation of the land boundaries on the island of Irian (New Guinea).

Noting in particular, with appreciation, the work of the Joint Survey by the Indonesian and Australian Survey Authorities (in this Agreement called 'the Joint Survey') in surveying boundaries on the island of Irian (New Guinea) as described in their final report dated the twelfth day of February One thousand nine hundred and seventy.

Recalling that in the Agreement between the Indonesian and Australian Governments dated the eighteenth day of May One thousand nine hundred and seventy-one (in this Agreement called "the 1971 Seabed Agreement") the two Governments left for further discussion the question of the seabed boundary line between the point of Latitude 9° 24' 30" South, Longitude 140° 49' 30" East (Point B1 shown on the chart annexed to this Agreement and on chart "A" annexed to the 1971 Seabed Agreement) and the point at which the land boundary between West Irian and the Territory of Papua meets the southern coast of the island of Irian (New Guinea),

As good neighbours and in a spirit of friendship and co-operation,

HAVE AGREED as follows:

....

ARTICLE 3

Immediately off the southern coast of the island of Irian (New Guinea), the boundary

between the area of seabed that is adjacent to and appertains to Indonesia and the area that is adjacent to and appertains to Papua New Guinea shall be the straight lines shown on the chart annexed to this Agreement commencing at the point of Latitude 9° 24' 30" South, Longitude 140° 49' 30" East (Point B1) and thence connecting the points specified hereunder in the sequence so specified:

B2. The point of Latitude 9° 23' South, Longitude 140° 52' East

B3. The point of Latitude 9° 08' 80" South, Longitude 141° 01' 10" East referred to in Article 1 (c) of this Agreement.

ARTICLE 4

The point B3 referred to Articles 1(c) and 3 of this Agreement is the present location of the point of intersection of the meridian of Longitude 141° 01' 10" East with the mean low water line on the southern coast of the island of Irian (New Guinea). If the point B3 ceases to be the point of such intersection the land boundary referred to in Article 1 (c) and the seabed boundary referred to in Article 3 shall meet and terminate at the point at which the straight lines connecting the points MM14, B3 and B2 shown on the chart annexed to this Agreement intersect the mean low water line on the southern coast.

....

ARTICLE 7

Off the northern and southern coasts of the island of Irian (New Guinea) the lateral boundaries of the respective territorial seas and exclusive fishing zones shall so far as they extend coincide with the seabed boundary lines referred to in Article 3 of this Agreement and in Article 4 of the 1971 Seabed Agreement.

....

ARTICLE 9

1. The co-ordinates of the points specified in this Agreement are geographical co-ordinates. The actual location of any points or lines referred to in this Agreement which have not yet been determined shall be determined by a method to be agreed upon by the competent authorities of the Government of Indonesia and the Government of Australia.

2. For the purpose of paragraph 1 of this Article the competent authorities shall be the Chief of the Co-ordinating Body for the National Survey and Mapping (Ketua Badan Koordinasi Survey Dan Pemetaan Nasional) of Indonesia and any person acting with his authority, and the Director of National Mapping of Australia and any person acting with his authority.

ARTICLE 10

Any dispute between the Governments of Indonesia and Australia arising out of the interpretation or implementation of this Agreement shall be settled peacefully in accordance with the procedures mentioned in Article 33 of the Charter of United Nations.

ARTICLE 11

1. This Agreement is subject to ratification in accordance with the constitutional requirement of each country, and shall enter into force on the day on which the Instruments of Ratification are exchanged.

2. It is understood that the approval of the House of Assembly of Papua New Guinea to this Agreement shall be obtained before Australian ratification of the Agreement.

IN WITNESS WHEREOF the undersigned, being duly authorized, have signed this Agreement.

DONE IN DUPLICATE at Jakarta this twelfth day of February One thousand nine hundred and seventy-three in the Indonesian and English languages.



