



Submission No 49

Inquiry into Australia's Relationship with Timor-Leste

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Organisation: Department of Infrastructure and Transport



Australian Government

Department of Infrastructure and Transport

Secretary

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Mr Jerome Brown
Secretary
Joint Standing Committee on Foreign Affairs, Defence and Trade
Parliament House
CANBERRA ACT 2600

Dear Mr Brown

Subject: Inquiry into Australia's relationship with Timor-Leste

Thank you for inviting the Department of Infrastructure and Transport to make a submission to the Joint Standing Committee on Foreign Affairs, Defence and Trade in relation to its Inquiry into Australia's relationship with Timor-Leste.

The Department's engagement with Timor-Leste, and that of portfolio agencies, is primarily focussed on aviation links, with an emphasis on capacity building and technical assistance activities. These activities are closely coordinated with the Australian Embassy in Dili. The Department's sound working relationship with relevant Timor-Leste agencies has been facilitated to a large extent by the positive and ongoing assistance extended to the Department by the Embassy.

Current air links between Australia and Timor-Leste

Airline services between Australia and Timor-Leste are currently provided by Airnorth, a Darwin-based Australian airline. The airline operates eight flights per week in each direction between Darwin and Dili. These services are operated under fixed period non-scheduled (charter) flight permissions issued by the Department as there are currently no formal air services arrangements in place with Timor-Leste.

Negotiation of air services arrangements

The Department held bilateral air services negotiations with Timor-Leste on 5-6 March 2012 to discuss the establishment of bilateral air services arrangements between Australia and Timor-Leste. The English language text of the treaty-level air services agreement, a legal framework governing the operation of air services between two countries, has recently been finalised and the Department is now progressing arrangements to have the text considered by the Federal Executive Council. Approval by the Federal Executive Council will enable the inaugural air services agreement to be signed by a relevant representative of each Government. The treaty will enter into legal force once Australia and Timor-Leste have completed their respective domestic treaty processes and exchanged diplomatic notes.

The air services talks in March 2012 also discussed draft commercial entitlements for airlines of each country, with some elements still to be settled. Once finalised, the commercial entitlements will be effective from the date the air services agreement comes into force.

The establishment of formal air services arrangements between Australia and Timor-Leste will enable airlines, such as Airnorth, to transition from charters to scheduled services, providing greater certainty for airlines in relation to capacity allocations, market access and regulatory approvals.

Transport Security

Since formally establishing a transport security relationship with Timor-Leste in 2007, the Department has undertaken a number of transport-security engagement activities including regular meetings with Timor-Leste on transport security issues, delivery of capacity building projects and Last Port of Call (LPOC) transport security assessments (see below). Capacity building projects are funded through a combination of Departmental and AusAID resources and primarily seek to enhance Timor-Leste's transport security regime.

While Departmental officials are not resident in Dili, delivery of the capacity building program ensures the Department has ease of access to, and a cooperative working relationship with, senior transport officials and the responsible Ministers of the Government of Timor-Leste. Timor-Leste's officials have demonstrated an ongoing willingness to engage cooperatively with the Department on transport security issues and work together to address transport security challenges and policy priorities.

As the transport security relationship with Timor-Leste matures, the Department will continue to review and adapt its engagement, with an increasing focus on mentoring to enhance transport security through regulatory reform and governance. Skills-based capacity building activities will continue to feature in our program which is developed in close consultation with the Government of Timor-Leste.

The joint development and delivery of our transport security capacity building program further strengthens this relationship and creates a valuable and effective platform for a sustainable partnership between both countries on transport security matters. The Department's capacity building program with Timor-Leste, valued at over \$400,000 (since 2009), has included targeted training and mentoring activities designed to strengthen capability within the Timor-Leste Civil Aviation Division to effectively plan, implement and regulate aviation security at Dili's Presidente Nicolau Lobato International Airport (PNLIA) to a level consistent with International Civil Aviation Organization (ICAO) standards.

Currently, the Department is working closely with Timor-Leste to deliver a suite of activities designed to build skills in designing and conducting emergency management exercises; strengthen training in crisis management to improve airport contingency planning and develop emergency response capability at PNLIA.

The Department also undertakes an international program of aviation security assessments of airports and airlines with direct flights to Australia – known as our LPOC Program. Under this program, the Department has conducted six aviation security assessments at Dili's PNLIA, with the first conducted in November 2002 and the most recent in August 2012. Annual

assessments have been conducted since 2009. These assessments have provided the Department with a sound understanding of the Timorese aviation security environment against Australian and international benchmarks, as well as assisting in identifying Timorese aviation security capacity needs. A number of these assessments have been conducted with the involvement of Timorese aviation security staff, as a means to assist in developing their capacity to review their own aviation security arrangements.

Australia has significant interests in offshore oil and gas production in the Joint Petroleum Development Area (JPDA). The Australian offshore oil and gas industry is security regulated by the Department under the *Maritime Transport and Offshore Facilities Security Act 2003* and associated Regulations. However, facilities in the JPDA, which is subject to overlapping claims by both Australia and Timor-Leste, are managed under the terms of a number of treaties and inter-governmental agreements between the two countries. Under these agreements, primary responsibility for the security of these facilities lies with the Autoridade Nacional do Petróleo (ANP) at the direction of the Joint Commission (composed of two Timor-Leste commissioners and one Australian commissioner).

Aviation safety

The Civil Aviation Safety Authority (CASA) has been engaged with its counterpart agency in Timor-Leste on matters related to capacity building and technical assistance for aviation safety oversight activities. While no programs are currently underway, CASA is committed to assisting Timor-Leste where possible and is considering means by which it could provide support for an initial safety inspection regime and longer-term technical training for aviation safety officers from Timor-Leste.

Transport safety investigation

As part of the Australian Transport Safety Bureau's (ATSB's) program of regional engagement, there is close cooperation between Australia and Timor-Leste in matters of transport safety investigation.

The ATSB has a Memorandum of Understanding (MOU) with the Timor-Leste Ministry of infrastructure, Secretary of State of Transports, Equipments and Communications on *Cooperation Relating to Aviation Investigation*. The MOU follows the principles of Annex 13 of the Convention on International Civil Aviation for independent *Aircraft Accident and Incident Investigation*, and provides a framework for cooperation between Australia and Timor-Leste in civil aviation safety investigation.

The main areas of cooperation covered by the MOU are activities such as investigation assistance and the provision of training. Like many States in the region, Timor-Leste does not have the capacity to carry out the investigation of a major aviation or maritime accident, and would require outside assistance if a significant accident was to occur.

An example of ATSB assistance to Timor-Leste involves the investigation into the air accident involving an Ilyushin IL-76 aircraft at Baucau, Timor-Leste, on 31 January 2003. The aircraft was on an international non-scheduled cargo flight when it crashed on approach to land, with the loss of all six crew members. Within hours of the crash, the Government of Timor-Leste sought Australia's assistance to conduct the accident investigation. The ATSB

completed the investigation and prepared the Final Report which was then released by the Government of Timor-Leste.

Aeronautical services

Airservices, which manages air traffic control operations and provides aeronautical information services, currently engages with five neighbouring States, including Timor-Leste, on a project aimed at providing these States with the ability to send ICAO compliant flight plan messages. The project includes providing access to the Comsoft Aeronautical Data Access System that sends and receives ICAO compliant messages such as Notices to Airmen (NOTAMs), operational weather information and flight plans. Airservices is also currently contracted to issue NOTAMs on behalf of Timor-Leste and has had previous agreements with Timor-Leste for facilities maintenance and procedures design.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mike Mrdak', with a long horizontal stroke extending to the right.

Mike Mrdak

29 March 2013