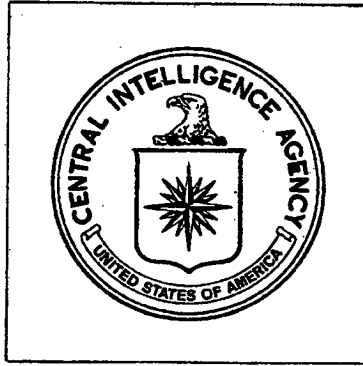


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*Papua New Guinea: More Boundary Stakes  
in the Seabed*

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## PAPUA NEW GUINEA: MORE BOUNDARY STAKES IN THE SEABED

Papua New Guinea is moving ahead to delimit its territorial seas and continental shelves to protect its interests against the claims of neighboring countries. Possessing potentially valuable fishery and offshore mineral resources, Papua New Guinea is one of the most active South Pacific nations in LOS matters:

- Negotiations conducted with Indonesia prior to independence settled sea boundary issues on terms favorable to Papua New Guinea.
- Negotiations with Australia over the strategic Torres Straits are under way.
- Although discussions with the Solomon Islands have not been initiated, prospective negotiations likely will be guided by a recently drafted National Seas Bill—a document that if adopted would significantly enlarge Papua New Guinea's territorial seas and establish an economic zone.

### Indonesia: The Arafura Sea Agreements

Preindependence negotiations with Indonesia in early 1973 settled long-unresolved problems of agreeing on a precise description of the point at which the land boundary meets the southern coast and of the seabed boundary off the coast in the Arafura Sea. With the aid of hard-bargaining Australians, Papua New Guinea obtained an advantageous seabed boundary. The treaty states that the boundary begins at the center of the mouth of the Bensbach River and juts out into the Arafura Sea to the southwest in a straight line at an angle of approximately 40 degrees (see Map A). Territorial waters coincide with the seabed boundary. By having the boundary angle to the southwest, rather than continue straight south from the river mouth before intersecting the Indonesia-Australia boundary, the Papua New Guineans gained approximately 300 square kilometers of additional seabed and territorial waters. This area is part of the Morehead Basin where preliminary surveying has indicated potential petroleum and natural gas deposits. The treaty should also facilitate further exploration activity by the development-minded Port Moresby officials. One section of the agreement states that the parties will cooperate in exploiting oil or other subsoil minerals

recoverable from both sides of the boundary. The gain in territorial waters also resulted in a larger Papua New Guinean fishing zone. Moreover, Papua New Guinean vessels plying the Bensbach River were given right of transit on the Indonesian side of the boundary.

### Australia: The Torres Strait

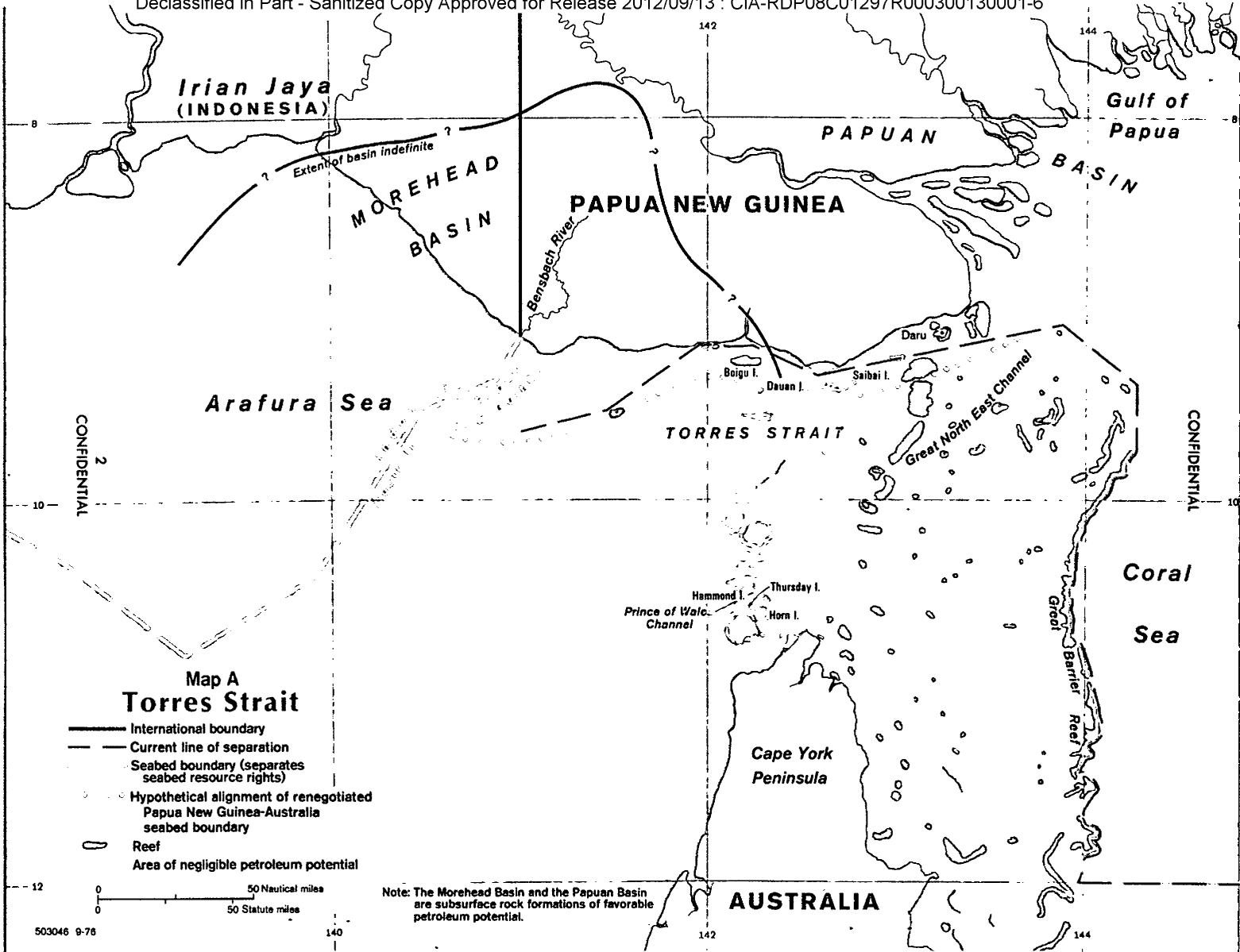
Australia and Papua New Guinea have agreed to delimit a new seabed boundary in the Torres Strait, an action that the latter has been actively pressing for in the last few years. The existing border through the waterway, which was established unilaterally by the Australians in 1879, comes to within several hundred yards of the Papua New Guinean coast in the vicinity of Boigu and Saibai Islands (see Map A). Negotiations are continuing, and the Foreign Ministers of the two countries recently issued a joint statement citing progress made thus far:

- Papua New Guinea has agreed that the seabed boundary will lie to the north of all Australian-inhabited islands except Boigu, Dauan, and Saibai.
- Papua New Guinea has accepted that Australia will retain all Australian-inhabited islands in the Strait (including Boigu, Dauan, and Saibai whose approximately 700 inhabitants will remain Australian citizens).
- Australia has accepted that the seabed boundary will be drawn in a location more southerly than the present line [Canberra has used the line since the 1950s to delimit offshore petroleum concessions]; that the present line does not represent the Australian view of the appropriate permanent location of the seabed boundary; that the seabed boundary will run to the south of Boigu, Dauan, and Saibai; and that it will be continuous.

NOTE: This paper was produced by the Office of Geographic and Cartographic Research and coordinated within the Directorate of Intelligence.

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—Boigu, Dauan, and Saibai will have their own 3-mile seabed zones and be recognized as Australian territorial waters.

—Both countries agreed that a protected zone will also be established in the strait to safeguard and preserve the traditional way of life and livelihood of the Torres Strait islanders and of residents on the adjacent coast of Papua New Guinea, including fishing and freedom of movement throughout such a zone, both to the north and south of the seabed boundary.

While both countries have stressed that these agreed upon points represent only a stage in the Torres Strait negotiations, it appears that Papua New Guinea—which originally wanted the boundary moved to about 10° S. latitude—will not receive any major economic or strategic advantages from the realigned boundary. Economic activity among the coastal Papua New Guineans and Torres Strait islanders traditionally has focused on small-scale pearling and subsistence fishing. While Port Moresby is actively encouraging the expansion and modernization of indigenous coastal fishing operations, particularly in the largely unexploited Gulf of Papua and Bismarck Sea, large-scale commercial activities are not likely to extend into the shallow Torres Strait. Many poorly charted reefs, submerged rocks, and cays are in the Strait. Sailing directions warn that safe navigation through most of the Torres Strait should be attempted only under the most favorable weather conditions and then only if the pilot has local knowledge of the waters.

An export-oriented activity that could be developed among coastal Papua New Guineans is the beche-de-mer (sea cucumber) industry. Off the Cape York Peninsula in the waters near Horn, Hammond, and Thursday Islands, the long-dormant industry is being revived with Australian aid. The Peoples Republic of China is the principal market and the activity is slowly attracting a growing number of Torres Strait islanders. A limited increase in commercial fishing of tropical spiny lobster, spanish mackerel, and barrimundi could also develop. Relatively large stocks exist in the western and northern reaches of the Gulf of Papua, and commercially exploitable quantities may extend into the waters south and southwest of Daru.

The petroleum potential of the Torres Strait is regarded as poor to fair. Geophysical surveys have indicated that the least favorable offshore area for petroleum prospects is a 40-mile-wide stretch of seabed that extends uninterrupted from the Cape York

Peninsula to the Papua New Guinean coast. Prospects improve somewhat both east and west, in the Papuan Basin and Morehead Basin, respectively. Even in the Gulf of Papua, however, where natural gas and minor petroleum discoveries have been made, reservoir rock structures generally are not thick and wide areas are highly faulted. Geologic information for the Morehead Basin is scanty, but conditions onshore appear to be more favorable than offshore.

A major point yet to be agreed on is the alignment of the boundary east of Saibai Island and the sovereignty status of the Great North East Channel. There are at least nine passages through the Torres Strait, but the Great North East Channel, along with the connecting Prince of Wales Channel on the north side of Thursday Island, is the widest, comparatively free of dangers, and of vital importance to cargo vessels bound from the large ports of eastern Australia to East and Southeast Asian ports. While Australia is committed to accepting a shift of the border southward of Saibai Island, Canberra is not likely to accept any final agreement that would threaten its sovereignty over the Great North East Channel. Australia will almost certainly demand that the border alignment east of the island remain basically unchanged.

#### Solomon Islands: The Solomon Sea

Port Moresby may be anxious to reach a territorial sea agreement with the Solomon Islands before the United Kingdom grants them full independence—now scheduled for early 1977—perhaps anticipating that a new government in Honiara would take a stronger bargaining position than the British. Warm relations of a year ago deteriorated sharply when Port Moresby learned that Bougainvillian secessionist leaders were receiving some limited support from the Solomons, particularly from Shortland islanders, for an independent Bougainville.

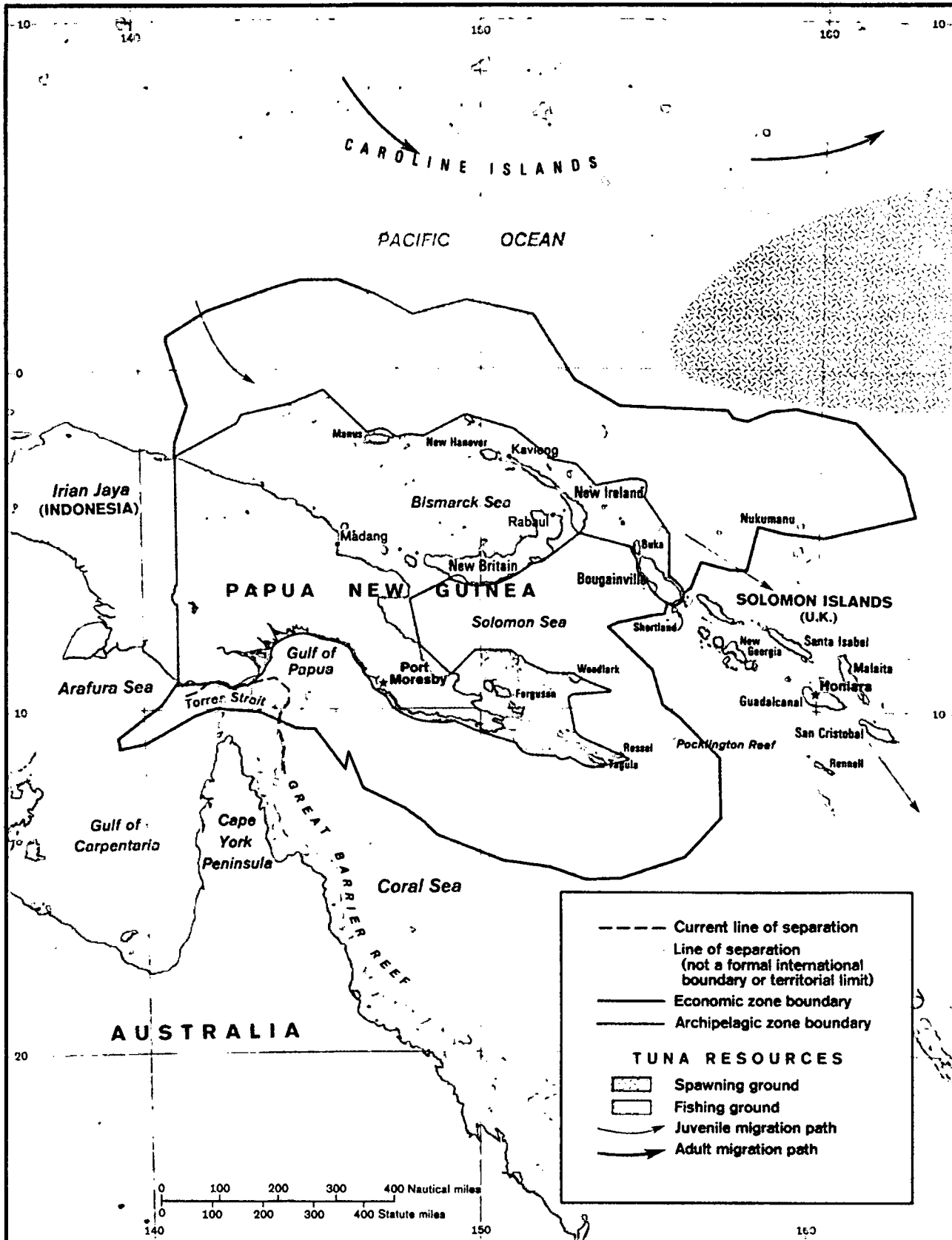
Papua New Guinea's negotiators will likely be guided by a recently drafted piece of legislation, the 1976 National Seas Bill. The bill has received the approval of the National Executive Council, and may soon be presented for consideration to the Papua New Guinea National Parliament. The essentials of the proposed bill call for:

- a 12-mile territorial sea (now only 3 miles)
- an "offshore sea" that roughly corresponds to a 200-mile economic zone
- archipelagic waters that would virtually encompass the Bismarck Sea (see Map B)

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# Papua New Guinea: Proposed Archipelagic Waters and Economic Zone

Map B



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According to Papua New Guinea's chief delegate to the spring 1976 LOS Conference in New York, Port Moresby does not intend to try to enforce all the provisions of the bill for the time being and will take a moderate position regarding rights of passage.

Should the bill be accepted by the National Parliament in its present form, dispute between Honiara and Port Moresby could occur over the large area east of the Nukumanu Islands and the waters around the Solomon's Pocklington Reef, which Papua New Guinea apparently is claiming as part of its offshore economic zone. The Solomon's economy is rudimentary even by South Pacific Island standards. Increased exploitation of fishery resources is seen as a major way to improve the Solomon islanders' standard of living, and Honiara officials are sure to object to any agreement that would threaten to reduce potential catches.

#### Bismarck Sea: Archipelagic Assets

The proposed National Seas Bill calls for archipelagic water to consist basically of boundary lines drawn from each end of the mainland border out to the major islands and to encompass all waters within these lines and 12 to 24 miles offshore. If the pending bill is accepted by the National Parliament and Papua New Guinea is judged an archipelago state, virtually the entire Bismarck Sea would be enclosed in archipelagic waters and some of the richest tuna fishing grounds in the South Pacific would fall under Port Moresby sovereignty.

Papua New Guinea has been actively developing tuna resources in waters adjacent to the north coast of the mainland and to its islands in the Bismarck Archipelago since 1969 when it commissioned the first of several full-scale surveys concentrating on skipjack and yellow fin tuna stocks. In the early 1970s, agreements were concluded with Australian, Japanese, and U.S. commercial interests on the exploitation of tuna resources and on the use of Papua New Guinean ports (Madang, Kavieng, and Rabaul) by Japanese tuna fishing vessels. Onshore freezing and processing

facilities, including a joint venture cannery at Madang, were also part of the agreement. Further provisions include expansion of local fishing fleets to the Papua New Guinea flag. The Japanese Government agreed to give technical assistance to Papua New Guinea's fishing industry.

As a commercial venture, tuna fishing in waters off Papua New Guinea is in its infancy, but, in terms of catch, it is already the third largest in the world and prospects are good for continued growth. The total fish catch recorded during FY74 was 40,000 tons, with a value of about \$17 million. The long-term promise for the industry is for an annual catch in the 100,000-ton range. Papua New Guinea's economic position will become substantially stronger if it qualifies for archipelagic status and gains sovereignty over large portions of the Bismarck Sea.

The likely extension of fishing rights to 200 miles will further enhance the country's fishery resources. Papua New Guinea's major islands in the Bismarck Archipelago—Manus, New Hanover, and New Ireland—lie along the southern edge of the migratory path of bigeye tuna. A 200-mile economic zone would cut across this path and also include portions of the main fishing and spawning grounds (see Map B).

A major potential legal benefit for Papua New Guinea in gaining sovereignty over large portions of the Bismarck Sea is that the government would be able to tighten its control over foreign fishing activities. Illegal fishing in Papua New Guinean waters, by Taiwanese fishing boats in particular, is an increasingly acute problem. Port Moresby officials claim that in recent years nearly 500 small Taiwanese vessels have been operating annually in or near Papua New Guinea's territorial waters. While the special status of archipelagic waters would obligate Papua New Guinea to protect traditional fishing rights, Port Moresby officials would likely claim that much of the foreign fishing in the Bismarck Sea is a relatively recent development and does not constitute traditional fishing.



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