The two sides in Sudan's last civil war have accepted a landmark ruling on the boundaries of Abyei, a flashpoint region where tensions had threatened to derail a fragile peace process, in a move that elicited widespread optimism, as well as caution.

 "What we have seen today is a good compromise," said Abdelbagi Gailaini, a leading member of the National Congress Party, the ruling power in Khartoum.

 "Everybody is committed, and everyone is standing by what this ruling has reflected," he added, speaking from the town of Abyei.

 Gailaini was speaking after a tribunal in The Hague redefined the borders of Abyei, considerably reducing its size from a previous panel decision in 2005. Oil fields formally inside Abyei - jointly administered by Northern and Southern Sudan - now lie in the north.

However, most of Sudan's oil fields are still located in Southern Sudan.

 Abyei town was calm following the ruling, which was broadcast live inside a large thatch hut in the compound of the UN Mission in Sudan (UNMIS).

 "I don't expect [violence], but if it happens it will be in a very limited area, and we are ready to contain it," said Gailaini.

 The Permanent Court of Arbitration (PCA) ruled that the size of Abyei was somewhere between the tiny strip of land Khartoum said it covered and the much larger expanse of territory Southern Sudan claimed it included. In a 2011 referendum, residents of the region are likely to vote to join Southern Sudan.

 The Sudan Peoples' Liberation Movement (SPLM), the former rebel group in Southern Sudan, which draws many senior leaders from Abyei, also accepted the ruling.

 "The PCA decision is binding on the parties: the SPLM and the people of this area will respect this decision," said SPLM's Deng Alor, who is also Foreign Minister in Sudan's Government of National Unity.

 He said the ruling deprived the Ngok Dinka - Abyei's historical residents - of some of their land, but that they would abide by the decision.

 "All in all the decision of the court is acceptable and we will implement it."

 The top UN official in Sudan, Ashraf Qazi, said the ruling would benefit both the Ngok Dinka and the Misseriya, Arab pastoralists. "I think it's going to work out just fine," he said, adding that the ruling would give new impetus to implementing the 2005 peace deal.

 "The rights of both communities have been guaranteed as a matter of international law now, and so even if someone is not 100 percent satisfied I do believe this has been a win-win decision for both sides," said Qazi.

 "I've got to tell you, I'm very optimistic," said US Special Envoy Scott Gration, reflecting on recent meetings with leaders from both sides.

 "The commitments that these folks have made in words, I'm convinced that they will be carried out in deed, and that this arbitration decision will be fully implemented, the border will be demarcated, and the Dinka and the Misseriya will live for a long time in peace."

 However, Sudan scholar Douglas Johnson was somewhat less optimistic.

 "To a certain extent the focus of attention on Abyei has been able to mask the fact that there has been a failure to actually come to grips with the whole of the [2,000km] border issue. Other disagreements have been overshadowed and therefore not resolved," he told IRIN.

 Another Sudan analyst, John Ryle, also urged caution. "It's one thing to accept or not explicitly challenge a ruling, but it's another to implement it. I think that is probably the next challenge in Abyei."