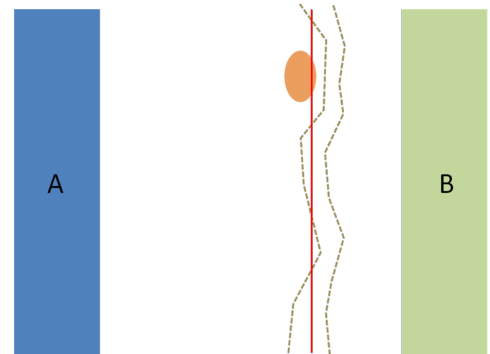


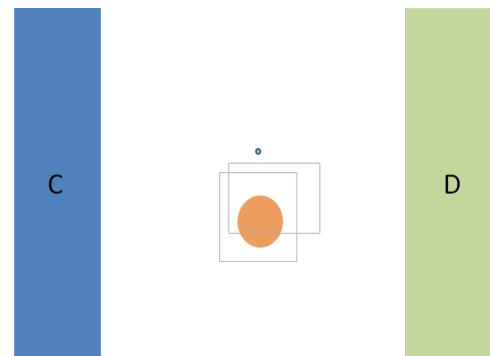
## Transboundary energy resource management exercise

**Working in groups, consider the five scenarios outlined below and, for each scenario, explore the options available to the states involved in terms of resource exploitation and management. You should discuss what each state would be likely to propose in negotiations, and identify what would represent a reasonable and practical compromise arrangement.**

1. States A & B are two developed states with straight coastlines facing each other approximately 220 nautical miles (M) apart. They agreed a continental shelf boundary in the early 1970s which is located about 60 M from the coastline of State B, roughly reflecting the location of a deep trench which separates the physical continental shelves of the two states. However, at the time that the boundary was agreed the geomorphology of the seabed was not perfectly understood, and in a few areas the boundary leaves part of the shelf on State A's side of the trench under the jurisdiction of State B. In one of these areas a gas field has recently been discovered, 85% of which lies on State A's side of the boundary and 15% on State B's side of the boundary. The boundary agreement contained no provisions for dealing with straddling hydrocarbon deposits.

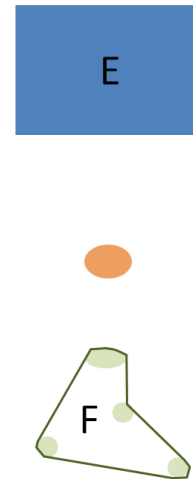


2. States C and D are developing states with few energy reserves of their own, and fisheries-dependent economies. They have not been able to agree a maritime boundary because they both claim sovereignty over a small, uninhabited island (about 1 km<sup>2</sup> in area) that lies almost exactly midway between their mainland coasts, which are about 150 M apart. The island has been occupied by State C for nearly 50 years but the occupation has been consistently protested by State D, and each state is convinced that it has historical title to the island dating back at least 300 years. Fishing communities from both States fish in the shallow waters around the disputed island on a seasonal basis, and sometimes stay on the island during bad weather.

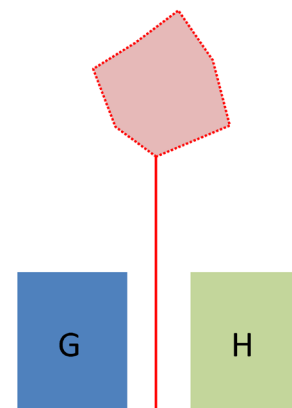


Oil companies have expressed an interest in exploring a 400 km<sup>2</sup> area about 20 M to the south of the disputed island – an area in which the two states have established overlapping exploration blocks. To date, no oil company has taken up an exploration licence from either government.

3. State E is a large and powerful state with considerable energy resources and an established oil industry. State F is an archipelagic state with a population of 20,000 spread over four islands with a combined area of just 600 km<sup>2</sup>. It has no industry of any size and its population is poor (60% are subsistence fisherfolk and farmers). The nearest island belonging to state F lies about 80 nautical miles to the south of State E. The section of State E's coastline that faces State F is around 70 km long, about five times longer than the north-facing coastline of the nearest island belonging to State F. A prospective basin has been discovered between 30 and 40 M due north of State F's northernmost island, which has prompted the two governments to enter into boundary negotiations for the first time. The two states have excellent political relations, and State E is State F's primary source of development aid.



4. States G and H concluded an agreement in 1998 which established an equidistance line continental shelf boundary through the 30 M wide strait between their two coastlines and 50 M northwards of the strait, and a 3,000 M<sup>2</sup> joint development zone in an area of overlapping claims between 50 and 100 M to the north. The joint development agreement – which simply specified that the two states would share the revenue from any resources in the zone equally – had a duration of 25 years and expired three months ago. The absence of an agreed management regime for the zone prevented any oil and gas exploration activities from taking place, but the area covered by the zone is not considered highly prospective and there has been limited interest in it from the energy industry. Both states are investing heavily in developing renewable energy sources, including offshore wind farms about 20 M south of the joint development zone. State G's energy minister has proposed that the existing joint development arrangement should be extended for a further 25 years. As yet there has been no response from the government of State H.



5. States I and J are adjacent states with abundant onshore oil resources. They have yet to delimit a maritime boundary beyond the territorial sea, but there are no obvious geographical circumstances that would make an equidistance line boundary inequitable, and both states' EEZ legislation indicates that the equidistance line will be respected as a working boundary until a delimitation agreement is concluded.

Both governments have defined exploration blocks which extend up to the equidistance line, although until recently there has been little offshore exploration activity. In early 2023, however, an oil company licensed by State I announced the discovery of a small oil field close to the equidistance line about 80 M offshore, and three weeks ago it began drilling just 300 metres from the equidistance line. State J protested immediately, claiming that it was highly likely that the field extended into its own EEZ, and calling for all drilling activities to be suspended. State I authorised the oil company to continue drilling as long as the drilling rig does not cross the equidistance line. Diplomatic relations between the two states are now very tense, and earlier this week the foreign minister of State J warned that his country is prepared to use force to prevent the illegal exploitation of its natural resources.

