

SHARED NATURAL RESOURCES

[Agenda item 4]

DOCUMENT A/CN.4/633

Comments and observations received from Governments

[Original: English]
[7 July 2010]

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	<i>Source</i>
Kuwait Regional Convention for co-operation on the protection of the marine environment from pollution (Kuwait, 24 April 1978)	United Nations, <i>Treaty Series</i> , vol. 1140, No. 17898, p. 133.
Protocol concerning regional co-operation in combating pollution by oil and other harmful substances in cases of emergency	<i>Ibid.</i>
United Nations Convention on the Law of the Sea (Montego Bay, 10 December 1982)	<i>Ibid.</i> , vol. 1834, No. 31363, p. 396.
International Convention on oil pollution preparedness, response and cooperation, 1990 (London, 30 November 1990)	<i>Ibid.</i> , vol. 1891, No. 32194, p. 77.

Introduction

1. At its sixty-first session, in 2009, the International Law Commission requested that the Secretariat circulate once more to Governments the 2007 questionnaire, prepared by the Working Group on Shared Natural Resources, seeking information on State practice, in particular treaties or other existing arrangements, regarding

oil and gas.¹ The Commission also encouraged Governments to provide comments and information on any other matter concerning oil and gas, including, in particular, whether the Commission should address the subject. In

¹ See *Yearbook ... 2009*, vol. II (Part Two), p. 16, para. 30.

a circular note dated 9 November 2009, the Secretariat transmitted the questionnaire to Governments.

2. As at 31 March 2010, responses to the questionnaire had been received from the following 19 States: Bahrain, Bolivia (Plurinational State of), Bulgaria, Cyprus, Denmark, Ecuador, El Salvador, Guyana, Indonesia, Iraq, Lebanon,

Lithuania, Netherlands, New Zealand, Oman, Portugal, Romania, South Africa and Switzerland. The responses are contained in the present report and are organized, to the extent possible, on the basis of the questions contained in the questionnaire. Comments by Governments made previously on the subject are contained in *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1.

Comments and observations on the questionnaire on oil and gas received from Governments

A. General comments

BULGARIA

1. Bulgaria shares the view that the complexity of the issue of the legal regulation of the exploration and the exploitation of transboundary oil and gas resources, covering different fields ranging from environmental aspects to commercial implications, predetermines the understanding that the work of the Commission would be more productive if, instead of codification efforts, the endeavour focused on drafting common principles, best practices and lessons learned through a study and review of the State practice, to be used by States negotiating agreements on the partition of oil and gas deposits. Therefore, it would be useful if the Commission could, on the basis of existing practice, elaborate on the application of common elements that go beyond the general principles of international law and legal principles in general.

2. This position is without prejudice to the understanding that, in a number of cases, considerations related to oil and gas resources are linked to questions of maritime delimitation, the latter being regulated by the provisions of the United Nations Convention on the Law of the Sea as a matter of principle for the States concerned. In this view, in some cases the application of regional regimes might be more effective than a universal approach.

GUYANA¹

Guyana does not produce oil or gas. Exploration has not yielded a petroleum discovery in the maritime area within Guyana's exclusive economic zone. There is, however, a petroleum discovery in the Takutu Basin, Rupununi, which borders Brazil. No commercial production has been derived from operations in the Takutu.

¹ For comments by Guyana made previously, see *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1.

PORTUGAL¹

1. According to the step-by-step approach suggested by the Commission, the time has now come to decide on the future work on this topic. It should be recalled that the syllabus on shared natural resources, prepared by Mr. Robert Rosenstock and adopted by the Commission during its fifty-second session, in 2000, clearly stated that such work

¹ For comments by Portugal made previously, see *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1.

should "focus exclusively on water, particularly confined groundwater, and such other single geological structures as oil and gas".² The document "Shared natural resources: Paper on oil and gas, prepared by Mr. Chusei Yamada, Special Rapporteur on shared natural resources", highlighted a lack of consensus among States on how to proceed.³

2. The question of the sharing of oil and gas is extremely relevant and particularly complex in the modern world. There is a potential for conflict inherent in shared oil and gas, as well as economic, political and environmental issues related to these natural resources. Portugal strongly supports the development of this work and believes that there are similarities between groundwater and oil and gas, not only from a legal point of view, but also from a geological point of view. In fact, even if a cautious approach is taken, the general legal principles at stake seem to apply in both cases.

² *Yearbook ... 2000*, vol. II (Part Two), p. 141.

³ *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/608.

B. Question 1

Do you have any agreement(s), arrangement(s) or practice with your neighbouring State(s) regarding the exploration and exploitation of transboundary oil and gas resources or for any other cooperation for such oil or gas?

Such agreements or arrangements should include, as appropriate, maritime boundary delimitation agreements, as well as unitization and joint development agreements or other arrangements.

Please provide a copy of the agreement(s) or arrangement(s) or describe the practice.

BAHRAIN

1. There is an agreement with Saudi Arabia to exploit the oil output of one offshore oil field in the territorial waters. In accordance with the agreement signed in the 1950s, the two countries are sharing the production of the field on an equal basis.

2. In 2001, Bahrain and Qatar also signed a memorandum of understanding as a framework for a gas supply agreement that includes all necessary technical and financial aspects.

BOLIVIA (PLURINATIONAL STATE OF)

There is currently no form of cooperation, treaty or agreement with neighbouring States regarding the exploration and exploitation of transboundary oil and gas resources; consequently, there is no mechanism or association in place to conduct any of these activities.

BULGARIA

Bulgaria does not have any agreement, arrangement or practice with its neighbouring States regarding the exploration and exploitation of transboundary oil or gas resources. There are no such arrangements in the existing maritime boundary delimitation agreements.

CYPRUS

Cyprus submitted information similar to that provided in *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1; however, the agreement between Cyprus and Lebanon on the Delimitation of the Exclusive Economic Zone has since been ratified by the House of Representatives.¹

¹ A copy of the agreement is available for consultation at the Codification Division of the Office of Legal Affairs.

DENMARK

Currently there are no known transboundary deposits within the realm of Denmark. Accordingly, Denmark has no agreements or other arrangements regarding shared natural resources that are relevant for the Commission's consideration.

ECUADOR

In the past, agreements have been signed with the State-owned companies of neighbouring countries; however, Petroecuador, a State institution, knows of no specific agreements containing commitments regarding joint and transboundary activities to explore for and extract oil or gas resources.

EL SALVADOR

El Salvador has not signed any specific agreements with regard to prospecting for or exploitation of transboundary oil or gas resources, nor has it agreed to any other type of cooperation with regard to such resources.

GUYANA

There are no arrangements or practice with neighbouring States regarding the exploration and exploitation of transboundary oil and gas resources. There are no co-operation arrangements, unitization or joint development agreements or other arrangements.

INDONESIA

No.

LEBANON¹

No. To date, Lebanon does not have an agreement or arrangement with any neighbouring State regarding the exploration and exploitation of transboundary oil and gas resources.

¹ For comments by Lebanon made previously, see *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1.

LITHUANIA

No, there are no agreements or arrangements between Lithuania and neighbouring States or between the competent State institutions for the exploration or exploitation of transboundary oil or gas fields. There are geological prospects of finding such resources, but there has been no exploratory work done to date.

NETHERLANDS¹

There is an additional bilateral agreement concluded by the Netherlands with a third country, namely the Boundary Treaty between the Republic of Venezuela and the Kingdom of the Netherlands.²

¹ For comments by the Netherlands made previously, see *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1.

² Signed at Willemstad, 31 March 1978 (United Nations, *Treaty Series*, vol. 1140, No. 17901, p. 311).

NEW ZEALAND

1. New Zealand has a maritime boundary delimitation agreement with Australia, the Treaty between the Government of Australia and the Government of New Zealand establishing certain exclusive economic zone boundaries and continental shelf boundaries.¹

2. Article 4 of that agreement provides for the possibility of the discovery of transboundary natural resources:

If any single accumulation of petroleum, whether in a gaseous, liquid or solid state, or if any other mineral deposit beneath the seabed, extends across the lines described in [the] Treaty, and the part of such accumulation or deposit that is situated on one side of the line is recoverable wholly or in part from the other side of the line, the two Parties 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.

3. New Zealand's continental shelf overlaps in the north with the continental shelves of Fiji and Tonga. New Zealand, Fiji and Tonga will therefore need to conclude maritime boundary delimitation agreements. New Zealand's continental shelf may also overlap with that of France (in respect of New Caledonia). If appropriate, the resulting delimitation agreements may include an article similar to article 4 of the agreement between Australia and New Zealand referred to above.

¹ Signed at Adelaide, 25 July 2004 (United Nations, *Treaty Series*, vol. 2441, No. 43985, p. 235).

OMAN¹

Oman signed on 25 July 1974 an agreement with the Islamic Republic of Iran for the boundary delimitation of the continental shelf in the Strait of Hormuz. In 2000, the Sultanate signed the Muscat Agreement on the delimitation of the maritime boundary between the Islamic Republic of Pakistan and the Sultanate of Oman,² and in 2003 the Sultanate signed the Agreement on the delimitation of the maritime boundary between the Sultanate of Oman and the Republic of Yemen.³

¹ For comments by Oman made previously, see *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1.

² Signed in Muscat, 12 June 2000 (United Nations, *Treaty Series*, vol. 2183, No. 38455, p. 3).

³ Signed in Muscat, 14 December 2003 (*ibid.*, vol. 2309, No. 41170, p. 249).

PORTUGAL

No.

ROMANIA

Romania does not have any agreement, arrangement or practice with its neighbouring States regarding the exploration and exploitation of transboundary oil, gas or other mineral resources. In the absence of any such form of cooperation, the exploration and exploitation of oil and mineral resources is limited to the spaces under the sovereignty or sovereign rights of Romania, and these activities take place in accordance with Romanian laws and regulations.

SOUTH AFRICA

The answer is yes with regard to gas and no with regard to oil. South Africa does have an agreement with a neighbouring State, Mozambique, concerning natural gas trade, which was signed in 2001.¹ By its terms, the parties take such measures as they deem necessary to facilitate trade between them in natural gas. There is recognition that the development in South Africa of an open and competitive market for natural gas and a competitive environment for the exploration and development of natural gas reserves and the production and supply of natural gas contribute to the facilitation of trade.

¹ A copy of the agreement is available for consultation at the Codification Division of the Office of Legal Affairs.

SWITZERLAND

1. Switzerland currently has no agreement, arrangement, practice or any other form of cooperation with its neighbouring States regarding the exploration or exploitation of transboundary oil or gas resources.

2. In Switzerland, the cantons have sovereign rights over the exploration and exploitation of subsoil resources. It is the cantons that grant concessions and charge royalties to companies that wish to explore for oil. To date, the federal Government has had no reason to intervene.

In the event of a discovery, the cantons would collect the royalties. In order to harmonize their policies concerning concessions, the cantons concerned signed an agreement in 1955 concerning oil exploration and exploitation. Subsequently, natural gas was subsumed into that agreement.

3. In Switzerland, oil and gas exploration began in the late nineteenth century. To date, more than 40 wells have been drilled. Only one, in Finsterwald in the Canton of Lucerne, produced (at a loss) some 73 million cubic metres of gas between 1985 and 1994. Specialists continue to believe that the Swiss subsoil is likely to contain oil and gas fields, because the geology has some similarities to that of other regions of the world where hydrocarbons have been found. Moreover, natural gas fields are being exploited in the neighbouring countries, not far from the Swiss border.

4. In 1994, Swisspetrol, which had been a leading oil and gas exploration company for three decades, was liquidated. One of its subsidiaries, SEAG (Schweizerische Erdöl AG), resumed exploration activities in 1997 and hired non-Swiss companies to analyse the abundant geological data using the most up-to-date methods. Those analyses are ongoing.

5. There is another company that is currently very active in oil and gas exploration in Switzerland: Petrosvibri. Petrosvibri has been authorized by the Council of State of the Canton of Vaud to carry out exploratory drilling in the municipality of Noville. Petrosvibri hopes to discover gas under Lake Geneva, at a depth of approximately 3,000 metres. Drilling has begun, starting from the shore located in the Canton of Vaud, which is why only that canton was asked to approve the project. Should it prove successful, and depending on the location of the resources under their respective territories, the following would share the royalties: the Canton of Vaud, the Canton of Valais and France. In order for exploitation to proceed, terms and conditions would need to be agreed to, and the Swiss federal authorities would represent the two cantons in question during the negotiation of an agreement with France. The likelihood of discovering oil or gas at that location is considered to be less than 20 per cent.

C. Question 2

Are there any joint bodies, mechanisms or partnerships (public or private) involving exploration, exploitation or management of the transboundary oil or gas? Please provide information describing the nature and functioning of such arrangements, including governing principles.

BAHRAIN

There are no joint bodies, mechanisms or partnerships regarding the exploration, exploitation or management of the transboundary oil or gas.

BULGARIA

Bulgaria does not have joint bodies, mechanisms or partnerships (public or private) involving exploration, exploitation or management of the transboundary oil or gas.

CYPRUS

Cyprus submitted information similar to that provided in *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1.

ECUADOR

The commitments and mechanisms for possible agreements or joint actions are established by the regional organizations of which Ecuador, or specifically Petroecuador, is a member. The constitutions or statutes of those specialized bodies refer in general terms to the possibility of joint actions. Those bodies are the Latin American Energy Organization (OLADE) and the Regional Association of Oil and Natural Gas Companies in Latin America and the Caribbean (ARPEL).

EL SALVADOR

1. At present, El Salvador has no joint body, mechanism or partnership with neighbouring States on prospecting for, or exploitation of, shared oil and/or gas resources. Nevertheless, the Act on Hydrocarbons¹ is designed to regulate the promotion, development and control of the exploration and exploitation of hydrocarbon deposits. Although there are no known deposits of that type on Salvadoran territory, a regulatory mechanism does exist should any be discovered.

2. The body responsible for carrying out exploration and exploitation of hydrocarbon deposits is the Executive Hydroelectrical Commission of Rio Lempa, which has been given the authority to carry out such activities on its own or through operating contracts with other entities.

3. The Act on Hydrocarbons specifies that all substances linked to hydrocarbons belong to the State and that management of such resources is the responsibility of the Commission. Furthermore, the Act states that activities linked with the Ministry of the Economy, which has the executive power, are the following: to approve operating contracts; to authorize the Commission to decide on how to transport hydrocarbons by pipeline; and to set prices for petroleum and gas products intended for domestic and industrial consumption.

¹ Published in the *Official Gazette* on 17 March 1981.

GUYANA

There are no joint bodies, mechanisms or partnerships (public or private) involving exploration, exploitation or management of transboundary oil or gas.

INDONESIA

No.

IRAQ¹

There are two cross-border oil committees:

(a) The Cross-Border Oil Fields Technical Committee with Kuwait. The Committee has held many meetings with the Kuwaiti side in order to exploit those fields using optimum unitization methods. The two parties (Iraq and Kuwait) shall nominate a third party to study those fields;

(b) The Cross-Border Oil Fields Technical Committee with the Islamic Republic of Iran. The two parties (Iraq and the Islamic Republic of Iran) agreed to study those fields without a third party, Kuwait.

¹ For comments by Iraq made previously, see *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1.

LEBANON

There is a natural gas purchase agreement with Egypt, and a gas transportation agreement among Egypt, Jordan, the Syrian Arab Republic and Lebanon. These agreements were sent to the Parliament for final approval but are not yet finalized.

LITHUANIA

No.

NETHERLANDS

No.

NEW ZEALAND

New Zealand has no known transboundary oil or gas resources and, accordingly, does not have any joint bodies, mechanisms or partnerships.

PORTUGAL

No.

ROMANIA

Romania does not have joint bodies, mechanisms or partnerships related to the exploration, exploitation or management of transboundary oil or gas.

SOUTH AFRICA

Under the terms of the agreement between South Africa and Mozambique, the parties accept the principle that third parties should have access to the uncommitted capacity of transmission pipelines on non-discriminatory and commercially reasonable terms. In the application of this principle, due consideration is given to commercial viability. With regard to the transmission of natural gas from Mozambique to customers in South Africa, the provision of access to gas pipelines, the terms of such access and the tariff for transportation of natural gas by pipeline for cross-border sales are determined by agreement between transportation customers and pipeline owners. If they fail to reach an agreement within a time period fixed by the Government, then the determination of uncommitted capacity, the terms of access thereto and such tariff are referred to the relevant Government for resolution.

SWITZERLAND

To date, no body or partnership has been created for the exploration, exploitation or management of transboundary

oil and gas. With regard to the drilling project under Lake Geneva, Petrosvibri (see Switzerland's response to question 1 above) is acting alone and at its own risk, without financial support from the authorities.

D. Question 3

If the answer to question 1 is yes, please answer the following questions on the content of the agreements or arrangements and regarding the practice:

(a) Are there any specific principles, arrangements or understandings regarding allocation or appropriation of oil and gas, or other forms of cooperation? Please provide a description of the principles, provisions, arrangements or understandings;

(b) Are there any arrangements or understandings or is there any practice regarding prevention and control of pollution or regarding other environmental concerns, including mitigation of accidents? Please provide further description.

BAHRAIN

1. In relation to (a), in accordance with the usual practice in such cases, there are certain arrangements in this regard between Bahrain and Saudi Arabia.

2. With respect to (b), there are some arrangements between Bahrain and Saudi Arabia aimed at protecting the environment in accordance and in compliance with the international rules and regulations in this regard.

3. Bahrain is also a member of the Regional Organization for the Protection of the Marine Environment, which was established in Kuwait in 1978. Bahrain is also a founding member of the Marine Emergency Mutual Aid Centre, which is a regional international organization concerned with marine pollution issues. The Centre was established in Bahrain in 1982 within the framework of the Kuwait Regional Convention for Cooperation on the Protection of the Marine Environment from Pollution, together with its Protocol concerning Regional Cooperation in Combating Pollution by Oil and Other Harmful Substances in Cases of Emergency.

BULGARIA

Not applicable.

CYPRUS

Cyprus submitted information similar to that provided in *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1.

ECUADOR

The commitments and mechanisms referred to in Ecuador's response to question 2 above include a general reference to the subject. The understandings are contained in the proceedings of the expert meetings held by the bodies referred to in that response.

EL SALVADOR

This question does not apply.

GUYANA

Not applicable.

LEBANON

Not applicable.

NETHERLANDS

With respect to (a), articles 5 to 8 of the Boundary Treaty with the Republic of Venezuela¹. With respect to (b), article 9 of the same treaty.

¹ Signed at Willemstad, 31 March 1978 (United Nations, *Treaty Series*, vol. 1140, No. 17901, p. 311).

NEW ZEALAND

1. In New Zealand's only delimitation agreement (with Australia)¹, article 4 makes it clear that, for any trans-boundary petroleum resource found, the two parties are to seek to reach agreement on the manner in which the resource is to be most effectively exploited and on the equitable sharing of the benefits arising from such exploitation.

2. Maritime New Zealand is a Crown entity, and is responsible, under delegated authority from the Ministry of Transport, for maritime security, marine environment protection and maritime search and rescue in New Zealand. Maritime New Zealand has a complete preparedness and response system for marine oil spills based on the International Maritime Organization (IMO) International Convention on Oil Pollution Preparedness, Response and Cooperation. As a direct result of obligations under that Convention, there is a memorandum of understanding with Australia, specifically the Australian Maritime Safety Authority and the industry-funded Australian Marine Oil Spill Centre. Through this relationship, there is access to the global spill response network operated by the industry. An attempt has also been made to create a memorandum of understanding with New Caledonia for spill response. Maritime New Zealand is also a cooperative partner with the Pacific Regional Environment Programme, based in Apia, Samoa.

¹ Treaty between the Government of Australia and the Government of New Zealand establishing certain exclusive economic zone boundaries and continental shelf boundaries (with annexes), signed at Adelaide, 25 July 2004 (United Nations, *Treaty Series*, vol. 2441, No. 43985, p. 235).

OMAN

1. With respect to (b), oil and natural gas reserves are often located in the bed of the territorial sea, its subsoil and the continental shelf, and pollution may result from the exploration and exploitation thereof or from offshore mining activities or from other sources, such as pollution from land-based sources, ships (international and as a result of accidents), dumping and pollution from other human activities. Therefore, Oman attempts to review the international and regional conventions and agreements adhered to by Oman, and to deal with pollution control

from all sources, as these sources will definitely have an effect on the shared natural resources (living or non-living). The United Nations Convention on the Law of the Sea is the framework for marine environment protection and conservation. Oman is a party to the Convention, which it ratified by virtue of Royal decree No. 67/89.

2. In addition, Oman provided a list of IMO marine pollution-related conventions and other regional instruments and arrangements to which it was party.¹

¹ The list provided by Oman is available for consultation at the Codification Division of the Office of Legal Affairs.

PORTUGAL

Not applicable.

ROMANIA

Since the answer to the first question is in the negative, there is no information to be provided with respect to the present question.

SOUTH AFRICA

1. With respect to (a), the principles relating to metering and measurement are determined in the context of each gas trade project. There should be a technically and fiscally acceptable method of determining the quantity and quality of natural gas crossing the border.

2. As regards (b), in the agreement between South Africa and Mozambique, the parties cooperate with each other with respect to the gas trade projects in the areas of health, safety and protection of the environment. With regard to any gas trade project, the parties must ensure that the pipeline owners in their territories enter into an agreement that the responsibility for preventive and remedial actions in the case of an event, possible event or possible impact that has or will have an adverse health, safety or environmental effect, rests with the pipeline owner whose pipeline is the origin of such event or impact.

E. Question 4

Please provide any further comments or information, including legislation and judicial decisions, which you consider to be relevant or useful to the Commission in the consideration of issues regarding oil and gas.

BULGARIA

Not applicable.

CYPRUS

Cyprus submitted information similar to that provided in *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1. In addition, the Hydrocarbons (Prospecting, Exploration and Exploitation) Regulations of 2009 (Regulatory Administrative Act 113/2009) had been promulgated.

ECUADOR

In the past, there had been no bilateral commitments with neighbouring State-owned oil or gas companies because transboundary oil and gas fields had been neither discovered nor technically established.

EL SALVADOR

1. The Act on Hydrocarbons aims to regulate the promotion, development and control of the exploitation of hydrocarbon deposits, as well as their transportation by pipeline. The Act stipulates that any hydrocarbons, whatever their physical state or form, discovered in the territory of the Republic, are the property of the State. Furthermore, their exploitation must be carried out in conformity with the social and economic policy of the State, with the aim of ensuring that any income they generate serves to benefit and promote the comprehensive development of the country.

2. El Salvador has additional relevant acts, namely the Act Regulating Deposits, Transportation and Distribution of Oil Products and the Act on Natural Gas.

GUYANA

New maritime boundary legislation is being prepared which should be consistent with obligations under the United Nations Convention on the Law of the Sea.

LEBANON

No comments.

LITHUANIA

Lithuania, like all EU member countries, implemented into national legislation Directive 94/22/EC of the European Parliament and the Council of 30 May 1994 on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons.¹

¹ *Official Journal of the European Communities*, No. L 164/3, 30 June 1994, p. 3.

NETHERLANDS

The Kingdom of the Netherlands does not have any further comments or information at this stage.

NEW ZEALAND

None applicable.

ROMANIA

1. The legislative framework relevant in respect of natural resources, including the transboundary oil and gas resources, includes the following: (a) law on oil resources; (b) law on mines; and (c) law establishing the National Authority of Mineral Resources.

2. In the case of adjoining perimeters involving different licensees, the relevant norms (see Law No. 238/2004 on oil resources) require the undertaking of common studies concerning the estimation of the quantity of the resources and reserves, as well as the production quotas attributable to each beneficiary and the establishment of common exploration and exploitation programmes. If the concerned parties are unable to agree, these elements are decided by independent experts. Romania believes that similar principles could be applied to transboundary deposits.

SOUTH AFRICA

Scarcity and the growing demand for oil and gas require that sufficient rules be established to avoid transboundary conflict. The question of sharing oil and gas is extremely complex in the modern world. The potential conflict inherent in shared oil and gas, its economic and political importance, as well as environmental issues associated with these natural resources, attest to that. While issues of oil and gas should be managed so as to ensure respect for international law and to avoid conflict, the promotion of sustainable development should also be at the core of attempts to regulate shared oil and gas resources.

F. Question 5

Are there any aspects in this area that may benefit from further elaboration in the context of the Commission's work? Please indicate those aspects.

CYPRUS

Cyprus submitted information similar to that provided in *Yearbook ... 2009*, vol. II (Part One), document A/CN.4/607 and Add.1.

ECUADOR

Given the current interest, Petroecuador would be interested in sharing with the Commission a presentation of its strategic map and its projects for activities in all aspects of the industry.

EL SALVADOR

There are no additional observations.

GUYANA

There are no aspects in this area that may benefit from further elaboration in the context of the Commission's work.

INDONESIA

Harmonization of laws and regulations governing the exploration and production of resources, taxation issues, sharing liability in case of major accidents and profit-sharing mechanisms.

LEBANON

No comments.

NETHERLANDS

The Netherlands believes that the following aspects in particular would benefit from further elaboration in the context of the Commission's work on shared natural resources:

(a) The right to use transboundary oil and gas resources, taking into account the rights of other States and future generations;

(b) The prevention and abatement of significant harm as a result of the use of transboundary oil and gas reserves, including the management of risks involved in such use;

(c) The management of transboundary oil and gas resources;

(d) The planning of activities to use transboundary oil and gas resources;

(e) The response to emergency situations arising out of the use of transboundary oil and gas resources.

NEW ZEALAND

New Zealand looks forward to the study by Mr. Shinya Murase on shared natural resources: feasibility of future work on oil and gas, which will be submitted to the Working Group on Shared Natural Resources that may be established at the sixty-second session of the Commission, in 2010. While New Zealand wishes to reserve judgement until after consideration of that study, New Zealand supports the cautious approach that the Commission is taking, and tends towards the view that the topic is not one that is ripe for codification, and not a topic that is appropriate for the Commission to deal with.

SOUTH AFRICA

The sensitive nature and scarcity of oil and gas resources should encourage continued cooperation and support for the Commission's work. The issues of shared oil and gas resources ought not to be taken lightly.