Treaty between the Kingdom of Norway and the Russian Federation concerning Maritime Delimitation and Cooperation in the Barents Sea and the Arctic Ocean

The Kingdom of Norway and the Russian Federation (hereinafter "The Parties"),

Desiring to maintain and strengthen the good neighbourly relations,

Bearing in mind the developments in the Arctic Ocean and the role of the Parties in this region,

Desiring to contribute to securing stability and strengthen the cooperation in the Barents Sea and the Arctic Ocean,

Referring to the provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 (hereinafter "the Convention"),

Referring to the Agreement between the Kingdom of Norway and the Russian Federation on the Maritime Delimitation in the Varangerfjord area of 11 July 2007 (hereinafter "the 2007 Agreement") and desiring to complete the maritime delimitation between the Parties,

Aware of the special economic significance of the living resources of the Barents Sea to Norway and the Russian Federation and to their coastal fishing communities and of the need to avoid economic dislocation in coastal regions whose inhabitants have habitually fished in the area.

Aware of the traditional Norwegian and Russian fisheries in the Barents Sea,

Recalling their primary interest and responsibility as coastal States for the conservation and rational management of the living resources of the Barents Sea and in the Arctic Ocean, in accordance with international law,

Underlining the importance of efficient and responsible management of their hydrocarbon resources,

Have agreed as follows:

Article 1

1. The maritime delimitation line between the Parties in the Barents Sea and the Arctic Ocean shall be defined as geodetic lines connecting points defined by the following coordinates:

32° 04' 23.00" E (This point corresponds to point 6 of the delimitation line as defined in the 2007

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Agreement.)				
2.	73° 41'	10.85" N		37° 00' 00.00" E
3.	75° 11'	41.00" N		37° 00' 00.00" E
4.	75° 48'	00.74" N		38° 00' 00.00" E
5.	78° 37'	29.50" N		38° 00' 00.00" E
6.	79° 17'	04.77" N		34° 59' 56.00" E
7.	83° 21'	07.00" N		35° 00' 00.29" E
8.	84° 41'	40.67" N		32° 03′ 51.36″ E

1.

70° 16' 28.95" N

The terminal point of the delimitation line is defined as the point of intersection of a geodetic line drawn through the points 7 and 8 and the geodetic line connecting the easternmost point of the outer limit of the continental shelf of Norway and the westernmost point of the outer limit of the continental shelf of the Russian Federation, as established in accordance with Article 76 and Annex II of the Convention.

- 2. The geographical coordinates of the points listed in paragraph 1 of this Article are defined in World Geodetic System 1984 (WGS84(G1150, at epoch 2001.0)).
- 3. By way of illustration, the delimitation line and the points listed in paragraph 1 of this Article have been drawn on the schematic chart annexed to the present Treaty. In case of difference between the description of the line as provided for in this Article and the drawing of the line on the schematic chart, the description of the line in this Article shall prevail.

Article 2

Each Party shall abide by the maritime delimitation line as defined in Article 1 and shall not claim or exercise any sovereign rights or coastal State jurisdiction in maritime areas beyond this line.

Article 3

- 1. In the area east of the maritime delimitation line that lies within 200 nautical miles of the baselines from which the breadth of the territorial sea of mainland Norway is measured but beyond 200 nautical miles of the baselines from which the breadth of the territorial sea of the Russian Federation is measured (hereinafter "the Special Area"), the Russian Federation shall, from the day of the entry into force of the present Treaty, be entitled to exercise such sovereign rights and jurisdiction derived from exclusive economic zone jurisdiction that Norway would otherwise be entitled to exercise under international law.
- 2. To the extent that the Russian Federation exercises the sovereign rights or jurisdiction in the Special Area as provided for in this Article, such exercise of sovereign rights or jurisdiction derives from the agreement of the Parties and does not constitute an extension of

its exclusive economic zone. To this end, the Russian Federation shall take the necessary steps to ensure that any exercise on its part of such sovereign rights or jurisdiction in the Special Area shall be so characterized in its relevant laws, regulations and charts.

Article 4

- 1. The fishing opportunities of either Party shall not be adversely affected by the conclusion of the present Treaty.
- 2. To this end, the Parties shall pursue close cooperation in the sphere of fisheries, with a view to maintain their existing respective shares of total allowable catch volumes and to ensure relative stability of their fishing activities for each of the stocks concerned.
- 3. The Parties shall apply the precautionary approach widely to conservation, management and exploitation of shared fish stocks, including straddling fish stocks, in order to protect the living marine resources and preserve the marine environment.
- 4. Except as provided for in this Article and in Annex I, nothing in this Treaty shall affect the application of agreements on fisheries cooperation between the Parties.

Article 5

- 1. If a hydrocarbon deposit extends across the delimitation line, the Parties shall apply the provisions in Annex II.
- 2. If the existence of a hydrocarbon deposit on the continental shelf of one of the Parties is established and the other Party is of the opinion that the said deposit extends to its continental shelf, the latter Party may notify the former Party and shall submit the data on which it bases its opinion.

If such an opinion is submitted, the Parties shall initiate discussions on the extent of the hydrocarbon deposit and the possibility for exploitation of the deposit as a unit. In the course of these discussions, the Party initiating them shall support its opinion with evidence from geophysical data and/or geological data, including any existing drilling data and both Parties shall make their best efforts to ensure that all relevant information is made available for the purposes of these discussions. If the hydrocarbon deposit extends to the continental shelf of each of the Parties and the deposit on the continental shelf of one Party can be exploited wholly or in part from the continental shelf of the other Party, or the exploitation of the hydrocarbon deposit on the continental shelf of one Party would affect the possibility of exploitation of the hydrocarbon deposit on the continental shelf of the other Party, agreement on the exploitation of the hydrocarbon deposit as a unit, including its apportionment between the Parties, shall be reached at the request of one of the Parties (hereinafter "the Unitisation Agreement") in accordance with Annex II.

- 3. Exploitation of any hydrocarbon deposit which extends to the continental shelf of the other Party may only begin as provided for in the Unitisation Agreement.
- 4. Any disagreement between the Parties concerning such deposits shall be resolved in accordance with Articles 2-4 of Annex II.

Article 6

The present Treaty shall not prejudice rights and obligations under other international treaties to which both the Kingdom of Norway and the Russian Federation are Parties, and which are in force at the date of the entry into force of the present Treaty.

Article 7

- 1. The Annexes to the present Treaty form an integral part of it. Unless expressly provided otherwise, a reference to this Treaty includes a reference to the Annexes.
- 2. Any amendments to the Annexes shall enter into force in the order and on the date provided for in the agreements introducing these amendments.

Article 8

This Treaty shall be subject to ratification and shall enter into force on the 30th day after the exchange of instruments of ratification.

DONE in duplicate in Murmansk on 15 September 2010, each in Norwegian and Russian languages, both texts being equally authentic.

For the Kingdom of Norway

For the Russian Federation

Annex I to the Treaty between the Kingdom of Norway and the Russian Federation concerning Maritime Delimitation and Cooperation in the Barents Sea and the Arctic Ocean

Fisheries matters

Article 1

The Agreement between the Government of the Kingdom of Norway and the Government of the Union of Soviet Socialist Republics on co-operation in the fishing industry of 11 April 1975 and the Agreement between the Government of the Kingdom of Norway and the Government of the Union of Soviet Socialist Republics concerning mutual relations in the field of fisheries of 15 October 1976 shall continue to stay in force for fifteen years after the entry into force of the present Treaty. After the expiry of this term each of these Agreements shall remain in force for successive six year terms, unless at least six months before the expiry of the six year term one Party notifies the other Party about its termination.

Article 2

In the previously disputed area within 200 nautical miles from the Norwegian or Russian mainland technical regulations concerning, in particular, mesh and minimum size of catches set by each of the Parties for their fishing vessels shall apply for a transitional period of two years from the day of entry into force of the present Treaty.

Article 3

Total allowable catches, mutual quotas of catches and other regulatory measures for fishing shall continue to be negotiated within the Norwegian-Russian Joint Fisheries Commission in accordance with the Agreements referred to in Article 1 of the present Annex.

Article 4

The Norwegian-Russian Joint Fisheries Commission shall continue to consider improved monitoring and control measures with respect to jointly managed fish stocks in accordance with the Agreements referred to in Article 1 of the present Annex.

Annex II to the Treaty between the Kingdom of Norway and the Russian Federation concerning Maritime Delimitation and Cooperation in the Barents Sea and the Arctic Ocean

Transboundary Hydrocarbon Deposits

Article 1

The Unitisation Agreement between the Parties concerning exploitation of a transboundary hydrocarbon deposit, referred to in Article 5 of the present Treaty, shall provide for the following:

- 1. Definition of the transboundary hydrocarbon deposit to be exploited as a unit (geographical coordinates normally shown in an annex to the Agreement).
- 2. The geographical, geophysical and geological characteristics of the transboundary hydrocarbon deposit and the methodology used for data classification. Any geological data used as a basis for such geological characterisation shall be the joint property of the legal persons holding rights under the Joint Operating Agreement, referred to in paragraph 6 a) of the present Article.
- 3. A statement of the total amount of the hydrocarbon reserves in place in the transboundary hydrocarbon deposit and the methodology used for such calculation, as well as the apportionment of the hydrocarbon reserves between the Parties.
- 4. The right of each Party to copies of all geological data, as well as all other data of relevance for the unitised deposit, which are gathered in connection with the exploitation of the deposit.
- 5. The obligation of the Parties to grant individually all necessary authorisations required by their respective national laws for the development and operation of the transboundary hydrocarbon deposit as a unit in accordance with the Unitisation Agreement.
- 6. The obligation of each Party
 - a) to require the relevant legal persons holding rights to explore for and exploit hydrocarbons on each respective side of the delimitation line to enter into a Joint Operating Agreement to regulate the exploitation of the transboundary hydrocarbon deposit as a unit in accordance with the Unitisation Agreement;
 - b) to require the submission of a Joint Operating Agreement for approval by both Parties, as well as to issue such approval with no undue delay and not to unduly withhold it;

- c) to ensure that the provisions contained in the Unitisation Agreement prevail over the provisions of the Joint Operating Agreement in case of any discrepancy between them;
- d) to require the legal persons holding the rights to exploit a transboundary hydrocarbon deposit as a unit to appoint a unit operator as their joint agent in accordance with the provisions set out in the Unitisation Agreement, such an appointment of, and any change of, the unit operator being subject to prior approval by the two Parties.
- 7. The obligation of each Party not to withhold, subject to its national laws, a permit for the drilling of wells by, or on account of, the legal persons holding rights to explore for and produce hydrocarbons on its respective side of the delimitation line for purposes related to the determination and apportionment of the transboundary hydrocarbon deposit.
- 8. Unless otherwise agreed by the Parties, the obligation of each Party not to permit the commencement of production from a transboundary hydrocarbon deposit unless the Parties have jointly approved such commencement in accordance with the Unitisation Agreement.
- 9. The obligation of the Parties to determine by mutual agreement in due time before the production of hydrocarbons from the transboundary hydrocarbon deposit is about to cease, the timing of cessation of the production from the transboundary hydrocarbon deposit.
- 10. The obligation of the Parties to consult each other with respect to applicable health, safety and environmental measures that are required by the national laws and regulations of each Party.
- 11. The obligation of each Party to ensure inspection of hydrocarbon installations located on its continental shelf and hydrocarbon activities carried out thereon in relation to the exploitation of a transboundary deposit, the obligation of each Party to ensure inspectors of the other Party access on request to such installations, and to relevant metering systems on the continental shelf or in the territory of either Party, as well as the obligation of each Party to ensure that relevant information is given to the other Party on a regular basis to enable it to safeguard its fundamental interests, including *inter alia* those related to health, safety, environment, hydrocarbon production and metering.
- 12. The obligation of each Party not to alter the right to explore for and produce hydrocarbons awarded by one Party, which applies to a field that is subject to unitisation in accordance with the Unitisation Agreement, nor to assign it to other legal persons, without prior consultation with the other Party.
- 13. The obligation of the Parties to establish a Joint Commission for consultations between the Parties on issues pertaining to any planned or existing unitised hydrocarbon deposits, providing a means for ensuring continuous consultation and exchange of information between the two Parties on such issues and a means for resolving issues through consultations.

Article 2

The Parties shall make every effort to resolve any disagreement as rapidly as possible. If, however, the Parties fail to agree, they shall jointly consider all options for resolving the impasse.

Article 3

- 1. If the Parties fail to reach the Unitisation Agreement referred to in Article 1 of the present Annex, the disagreement should as rapidly as possible be resolved by negotiations or by any other procedure agreed between the Parties. If the disagreement is not settled within six months following the date on which a Party first requested such negotiations with the other Party, either Party shall be entitled to submit the dispute to an ad hoc Arbitral Tribunal consisting of three members.
- 2. Each Party shall appoint one arbitrator, and the two arbitrators so appointed shall elect a third arbitrator, who shall be the Chairperson. The Chairperson shall not be a national of or habitually reside in Norway or the Russian Federation. If either Party fails to appoint an arbitrator within three months of a request to do so, either Party may request that the President of the International Court of Justice make the appointment. The same procedure shall apply if, within one month of the appointment of the second arbitrator, the third arbitrator has not been elected.
- 3. All decisions of the Arbitral Tribunal shall, in the absence of unanimity, be taken by a majority vote of its members. The Arbitral Tribunal shall in all other matters determine its own rules of procedure. The decisions of the Arbitral Tribunal shall be binding upon the Parties and the Unitisation Agreement referred to in Article 1 of the present Annex shall be concluded by them in accordance with these decisions.

Article 4

- 1. In the event that a failure to reach agreement concerns the apportionment of the hydrocarbon deposit between the Parties, they shall appoint an independent expert to decide upon such apportionment. The decision of the independent expert shall be binding upon the Parties.
- 2. Notwithstanding the provisions contained in paragraph 1 of this Article, the Parties may agree that the hydrocarbon deposit shall be reapportioned between them.