

effective coordination amongst the various divisions of the Office as well direct and manage the Executive Office. . . .

- *Defended the role of the Secretary General.* Maintained the Secretary General's existing authorities to govern the United Nations effectively and protected his prerogative to manage the overall envelope of resources at his disposal despite efforts to condemn proposed reductions by the Secretary General and curtail his authority. Further secured a pledge by the Secretary General to continue to work to bring costs down over the next two years.²

INTERNATIONAL OCEANS, ENVIRONMENT, HEALTH, AND AVIATION LAW

United States–Mexico Agreement on Development of Transboundary Hydrocarbon Reservoirs in the Gulf of Mexico

In February 2012, the U.S. Department of State announced signature of an agreement between the United States and Mexico on cooperative measures to regulate development of deepwater oil and gas deposits in the area of their international maritime boundary in the Gulf of Mexico. If approved by U.S. and Mexican authorities and brought into force, the agreement will end a moratorium on oil exploration and production in the Western Gap portion of the Gulf. This area runs east from the U.S.–Mexico border to a point over 200 miles south of the mouth of the Mississippi River. It includes deepwater areas with water depths of nearly 11,000 feet.¹

The agreement will open large areas to deepwater drilling on Mexico's continental shelf by *Petróleos Mexicanos* (PEMEX) and on the U.S. outer continental shelf by companies licensed by the U.S. Department of the Interior.² According to the Department of the Interior,

As a result of this Agreement, nearly 1.5 million acres of the U.S. Outer Continental Shelf will now be made more accessible for exploration and production activities. Estimates by the Department of Interior's Bureau of Ocean Energy Management (BOEM) indicate this area contains as much as 172 million barrels of oil and 304 billion cubic feet of natural gas.³

The agreement establishes a legal framework for U.S. companies to develop offshore projects with PEMEX. It also provides for joint U.S.–Mexican inspection teams to ensure compliance with applicable laws and regulations and for review of development plans by authorities of both countries. Excerpts from a U.S. Department of State press release describing the agreement follow:

² U.S. Mission to the United Nations Press Release No. 2011/323, Fact Sheet: Passage of the Fifth Committee Regular Budget for the 2012–2013 Biennium (Dec. 29, 2011), at <http://usun.state.gov/briefing/statements/2011/179785.htm>.

¹ Tom Fowler, *U.S., Mexico Sign Deal on Oil Drilling in Gulf*, WALL ST. J., Feb. 21, 2012, at <http://online.wsj.com/article/SB10001424052970204131004577235501591753554.html>.

² John M. Broder & Clifford Krauss, *U.S. in Accord with Mexico on Drilling*, N.Y. TIMES, Feb. 21, 2012, at A4.

³ U.S. Dep't of the Interior Press Release, Sec. Salazar Joins Mexican President Calderon, Sec. Clinton, Mexican Officials to Announce Agreement Providing Access to Nearly 1.5 Million Acres of the U.S. Outer Continental Shelf (Feb. 20, 2012), at <http://www.doi.gov/news/pressreleases/Sec-Salazar-Joins-Mexican-President-Calderon-Sec-Clinton-Mexican-Officials-to-Announce-Agreement-Providing-Access-to-Nearly-1-point-5-Million-Acres-of-the-US-Outer-Continental-Shelf.cfm>.

The United States and Mexico today signed an agreement concerning the development of oil and gas reservoirs that cross the international maritime boundary between the two countries in the Gulf of Mexico. The Agreement is designed to enhance energy security in North America and support our shared duty to exercise responsible stewardship of the Gulf of Mexico. It is built on a commitment to the safe, efficient, and equitable exploitation of transboundary reservoirs with the highest degree of safety and environmental standards.

Elements of the Agreement

- The United States and Mexico jointly announced their intention to negotiate a transboundary hydrocarbons agreement on June 23, 2010, following the Joint Statement adopted by Presidents Obama and Calderon at the conclusion of President Calderon's State Visit to Washington on May 19, 2010.
- Upon entry into force, the current moratorium on oil exploration and production in the Western Gap portion of the Gulf of Mexico will end.
- The Agreement establishes a cooperative process for managing the maritime boundary region that promotes joint utilization of transboundary reservoirs.
- The Agreement provides a legal framework for possible commercial activities at the maritime boundary and sets clear guidelines for transboundary developments. It establishes incentives for oil and gas companies to voluntarily enter into arrangements to jointly develop any transboundary reservoirs. In the event such an arrangement is not achieved, the Agreement establishes a process by which U.S. companies and PEMEX can individually develop the resources on each side of the border while protecting each nation's interests and resources.
- The legal certainty created by the Agreement will enable U.S. companies to explore new business opportunities and carry out collaborative projects with PEMEX.
- The Agreement also provides for joint inspections teams to ensure compliance with applicable laws and regulations. Both governments will review all plans for the development of any transboundary reservoirs.

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Further Growth in the Bilateral Energy Relationship

- Mexico is consistently one of the top three exporters of petroleum to the United States. It ranked second behind Canada in 2010 with exports to the United States of 1.3 million barrels per day.⁴

The U.S. Department of the Interior press release gives additional details. Excerpts follow:

The Transboundary Agreement establishes a framework for U.S. offshore oil and gas companies and Mexico's Petroleos Mexicanos (PEMEX) to jointly develop transboundary reservoirs. The agreement also opens up resources in the Western Gap that were off limits to both countries under a previous treaty that imposed a moratorium along the boundary through 2014.

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⁴ U.S. Dep't of State Press Release No. 2012/255, U.S.-Mexico Transboundary Hydrocarbons Agreement (Feb. 20, 2012), at <http://www.state.gov/r/pa/prs/ps/2012/02/184235.htm>.

In May 2010, Presidents Obama and Calderon committed to reaching an agreement to jointly develop reservoirs that were determined to be transboundary. Since that time, representatives from the U.S. Department of State, the U.S. Department of the Interior, and Mexico's Foreign Ministry and Ministry of Energy worked to negotiate an agreement that can be implemented while respecting each nation's legal framework.

The Transboundary Agreement sets clear guidelines for the development of oil and natural gas reservoirs that cross the maritime boundary. Under the Agreement U.S. companies and PEMEX will be able to voluntarily enter into agreements to jointly develop those reservoirs. In the event that consensus cannot be reached, the Transboundary Agreement establishes the process through which U.S. companies and PEMEX can individually develop the resources on each side of the border while protecting each nation's interests and resources.

The Transboundary Agreement also provides for joint inspection teams from the Bureau of Safety and Environmental Enforcement and the Mexican Government to ensure compliance with applicable laws and regulations. Relevant agencies on both sides of the boundary will review all plans for the development of transboundary reservoirs, and additional requirements may be set before development activities are allowed to begin.

After signing both countries will work through their domestic systems to bring the Agreement into force.⁵

United States to Join Negotiations on International Code of Conduct for Space Activities

In January 2012, Secretary of State Hillary Clinton announced that the United States will enter into negotiations with the European Union and others on an "International Code of Conduct for Outer Space Activities," addressing issues such as space congestion and debris.¹ The U.S. Department of Defense, which relies heavily on secure access to space for communications, navigation, intelligence gathering, and many other functions, endorsed this effort.²

The United States led in negotiating the 1967 Outer Space Treaty³ and other early space law instruments but in recent years has sometimes resisted space-related negotiations, viewing them as threats to U.S. freedom of action in pursuing U.S. security and other interests.⁴ U.S. policy has evolved,⁵ not least because the number of states and nonstate entities operating satellites has grown dramatically, as have the resulting risks of debris from satellite launches and failed satellites.⁶ (The U.S. Department of Defense tracks over 22,000 man-made space objects; many other pieces of space debris are too small to track.) Secretary Clinton's statement follows:

⁵ U.S. Dep't of Interior Press Release, *supra* note 3.

¹ Tejinder Singh, *U.S. Rushes to Endorse International Code of Conduct for Outer Space* (Feb. 8, 2012), at <http://www.wall-street.com/2012/02/08/u-s-rushes-to-endorse-international-code-of-conduct-for-outer-space/>.

² Lisa Daniel, *Defense, State Agree to Pursue Conduct Code for Outer Space* (Jan. 18, 2012), at http://www.defense.gov/home/features/2011/0111_nsss/docs/FINAL_DoD_Fact_Sheet_International_Code-2012_1-17-12.pdf.

³ Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies, Oct. 10, 1967, 18 UST 2410, 610 UNTS 205.

⁴ John R. Crook, *Contemporary Practice of the United States*, 101 AJIL 185, 204 (2007); 102 AJIL 635, 667 (2008).

⁵ John R. Crook, *Contemporary Practice of the United States*, 104 AJIL 654, 666 (2010).

⁶ For discussion of the operational and security challenges of the current space environment, see U.S. Dep't of State Press Release, *Space Security—An American Perspective*, Remarks by Frank A. Rose, Deputy Ass't Secretary of State (Jan. 29, 2012), at <http://www.state.gov/t/avc/rls/182703.htm>.