

The Revenue Sharing Scheme under Article 82 of the United Nations Convention on the Law of the Sea

-A Plethora of Entangling Issues-

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Paragraphs 1 and 2 of Article 82

- 1. The coastal state shall make payments or contributions in kind in respect of the exploitation of the non-living resources of the continental shelf beyond 200 nautical miles from the baselines from which the breadth of the territorial sea is measured.
- 2. The payments and contributions shall be made annually with respect to all production at a site after five years of production at that site. For the sixth year, the rate of payment or contribution shall be 1 per cent of the value or volume of production at the site. The rate shall increase by 1 per cent for each subsequent year until the twelfth year and shall remain at 7 per cent thereafter. Production does not include resources used in connection with exploitation.

Paragraphs 3 and 4 of Article 82

- 3. A developing states which is a net importer of a mineral resource produced from its continental shelf is exempt from making such payments or contributions in respect of that mineral resource.
- 4. The payments or contributions shall be made through the Authority, which shall distribute them to states parties to this Convention, on the basis of equitable sharing criteria, taking into account the interests and needs of developing states, particularly the least developed and the land-locked among them.

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- Thank you for your attention and patience!