

## DOCUMENT A/CONF.62/L.119

Belgium: amendment

[Original: French]  
[13 April 1982]

Annex IX, article 4: delete paragraph 6 and renumber paragraph 7 accordingly.

## DOCUMENT A/CONF.62/L.120

Turkey: amendment to article 309

[Original: English]  
[13 April 1982]

Delete article 309.

## DOCUMENT A/CONF.62/L.121

**Belgium, France, Germany, Federal Republic of, Italy, Japan, United Kingdom of Great Britain and Northern Ireland and United States of America: amendments \***[Original: English]  
[13 April 1982]

Article 137, paragraph 2: after “these resources are not subject to alienation”, delete the rest of the paragraph.<sup>28</sup>

Article 138: add a paragraph 2 reading as follows:

“2. Signatories to this treaty agree to enforce internationally recognized labour standards regarding working conditions and maritime safety. Internationally recognized labor standards are defined as those standards specified in the conventions and the recommendations of the International Labour Organisation, with special reference to the Minimum Standards in the Merchant Ships Convention (Number 147) and safety standards established by the Intergovernmental Maritime Consultative Organization.”

Article 140, paragraph 1: after “taking into particular consideration the interests and needs of the developing States,” delete the rest of the paragraph.<sup>29</sup>

Article 150, subparagraph (d): delete “as needed in conjunction with minerals produced from other sources”.

Article 150, subparagraph (e): redraft the text to read as follows:

“(e) the promotion of just and stable prices remunerative to producers and fair to consumers for minerals produced from the resources of the Area and promotion of long-term equilibrium between supply and demand;”

Add a new article 150 (bis), reading as follows:

“In the interpretation and exercise of its powers and functions the Authority shall at all times be guided by the objective of facilitating the development of the resources of the Area, without prejudice to the provisions of Article 151, paragraph 2.”

Article 151, paragraph 1: redraft the text to read as follows:

“1. Without prejudice to the objectives set forth in article 150 and for the purpose of implementing the provisions of article 150, subparagraph (g), the Authority, acting through existing forums or such new arrangements or agreements as may be appropriate, in which all [interested] affected parties, including both producers and consumers, participate, may take measures necessary to promote the growth, efficiency and stability of markets for those commodities produced from the resources of the Area, at prices remunerative to producers and fair to consumers. All States Parties shall co-operate to this end. The Authority shall have the right to participate in any commodity conference dealing with those commodities and in which all affected parties including both producers and consumers participate. The Authority shall have the right to become a party to any such arrangement or agreement resulting from such conferences as are referred to above. The participation by the Authority in any organs established under the arrangements or agreements referred to above shall be in respect of Enterprise production in the Area and in accordance with the rules of procedure established for such organs. The Authority shall carry out its obligations under such arrangements or agreements in a manner which assures a uniform and non-discriminatory implementation in respect of all production in the Area of the minerals concerned. In doing so, the Authority shall act in a manner consistent with the terms of existing contracts and approved plans of work of the Enterprise.”

Article 151, paragraph 2 (b) (ii): at the end of the subparagraph add the following text:

“After the first five years of commercial production and for the following ten years the percentage of the difference between the trend line value for nickel consumption referred to above, which begins at 60 per cent, shall be increased by 2 per cent per year.”

Article 151, paragraph 2 (e): for “An operator may in any year produce less than or up to 8 per cent” read “An operator may in any year produce up to 8 per cent”.

Article 151, paragraph 4: redraft the text as follows:

\*These amendments refer to the text contained in document A/CONF.62/L.78 but do not take into account the modifications made therein on the basis of the recommendations of the Drafting Committee referred to in the memorandum by the Collegium (A/CONF.62/L.93).

<sup>28</sup> See also article 1 of annex III.

<sup>29</sup> Consequential changes will be needed to articles 160 (2) (f) (i) and 162 (2) (n) (i).

"4. Following the recommendations from the Council on the basis of advice from the Economic Planning Commission, the Assembly shall establish a system of measures of economic adjustment assistance including co-operation with specialized agencies and other international organizations to assist developing countries . . . ."

Article 151: add a paragraph 5 reading as follows:

"5. The Authority shall ensure that all of the entities referred to in paragraph 1 (a) of the [PIP Resolution] receive production authorizations when they apply for them under annex III, article 7, notwithstanding the provisions of paragraph 2 of this Article. In the event the requirements of this paragraph create a temporary excess over the allowable ceiling in any one year or years, the Authority shall delay the issuance of production authorizations for subsequent applicants until the ceiling allows for new production."

Article 152, paragraph 2: redraft the paragraph to read as follows:

"2. Nevertheless, special consideration for developing States Parties, including particular consideration for the land-locked and geographically disadvantaged among them, shall be permitted, as specifically provided for in article 140, paragraph 2; article 143; article 144; article 148; article 151, paragraph 2; annex III, article 9; article 13, paragraph 14; article 15; annex IV, article 11 (*bis*), paragraph 4."

Article 153, paragraph 2 (*b*): delete the phrase "in association with the Authority".

Article 153, paragraph 4: number paragraph 4 as 4 (*a*) and add a new subparagraph 4 (*b*) reading as follows:

"(*b*) In order to provide such assistance a State Party which sponsors an entity referred to in paragraph 2 (*b*) shall take necessary measures to ensure that activities in the Area carried out by such entities comply with the relevant provisions of this Part, the rules, regulations and procedures of the Authority, and plans of work approved in accordance with paragraph 3. In the first instance, the Authority shall rely on the obligations of the Sponsoring State Party under this paragraph. The Council may take action under article 162, paragraph 2 (*k*), if it determines that such measures are not adequate."<sup>30</sup>

Article 153, paragraph 5: redraft as follows:

"5. The Authority shall have the right to take at any time any measures provided for under this Part to ensure compliance with its terms. The Authority shall have the right to inspect all installations in the Area used for the conduct of activities in the Area."

Article 155, paragraphs 3 and 4: replace paragraphs 3 and 4 by the following text:

"3. The Review Conference shall establish its own rules of procedure. The decision-making procedure applicable at the Review Conference shall be the same as that applicable at the Third United Nations Conference on the Law of the Sea unless otherwise decided by the Conference. The Conference shall make every effort to reach agreement on any amendments by way of consensus and there should be no voting on such matters until all efforts at consensus have been exhausted.

"4. (*a*) If, five years after its commencement, the Review Conference has not reached agreement on the system of exploration and exploitation of the resources of the Area, it may decide during the ensuing twelve months to adopt and submit to the States Parties for ratification or accession such amendments changing or modifying the system as it determines necessary and appropriate taking into

account the experience gained as to the effectiveness and the viability of the system laid down in article 153, paragraph 2.

"(*b*) The amendments shall enter into force twelve months after the date of deposit of instruments of ratification or accession by all States Parties. Exploration and exploitation of the resources of the Area shall thereafter be governed by this Part and the relevant annexes as amended."

Article 158, paragraph 4: replace the paragraph by the following text:

"4. Each organ shall be responsible for exercising the powers and functions which have been conferred upon it. No organ shall take any action that derogates from or impedes the exercise of specific powers and functions conferred upon another organ."

Article 160, paragraph 1: at the end of the paragraph add the following text: "Nothing in this paragraph shall derogate from the provisions of article 158, paragraph 4."

Article 160, paragraph 2: delete "In addition" at the beginning of the paragraph.

Article 160, paragraph 2 (*g*): at the end of the paragraph, add the following text: "If the Assembly does not approve the proposed annual budget of the Authority, the Assembly shall return it, together with the Assembly's recommendations thereon, to the Council for reconsideration and resubmission to the Assembly."

Article 161, paragraph 1 (*a*): redraft the text to read as follows:

"(*a*) four members from among the eight States Parties which have the largest investments in preparation for and in the conduct of activities in the Area, being those among the said eight States Parties which account for the largest proportion of assessments based upon the scale used for the regular budget of the United Nations. This group shall at all times include the State Party which is the largest consumer of the commodities produced from the categories of minerals to be derived from the Area, and shall include at least one State from the Eastern (Socialist) European region;"

Article 161, paragraph 1 (*b*): at the end of the paragraph add the following text: "and two States from among the eight States Parties specified in paragraph (*a*) which account for the largest proportion of assessments based upon the scale used for the regular budget of the United Nations".

Article 161, paragraph 1 (*c*): add a paragraph reading as follows:

"(*c*) (*bis*) Decisions on questions of substance arising under the following provisions shall be taken by a three-fourths majority of the members present and voting provided that such majority shall also include a majority of each of the categories enumerated in paragraphs 1 (*a*) to (*d*) and a majority in each geographical region enumerated in paragraph 1 (*e*): article 162, paragraphs 2 (*i*), (*k*), (*l*), (*m*), (*q*), (*r*), (*s*), (*u*), (*v*), (*w*), 2 (*aa*) and (*bb*);"

Article 161, paragraph 7 (*b*): for "article 162, paragraphs 2 (*i*) and (*u*)" read "article 162, paragraph 2 (*cc*)."

Article 161, paragraph 7 (*c*): delete the following references: "article 162, (*k*), (*l*), (*m*), (*q*), (*r*), (*s*), (*v*) and (*w*)."

Article 161, paragraph 7 (*d*): redraft the text to read as follows:

"7. (*d*) Decisions on questions of substance arising under the following provisions shall be decided by consensus: article 162, paragraph 1 and paragraph 2 (*n*); adoption of amendments to Part XI."

Article 162, paragraph 2: for "In addition, the Council shall" read "The powers and functions of the Council shall be:"

<sup>30</sup>Consequential drafting changes may be required in annex III.

Article 162, paragraph 2 (i): redraft the text to read as follows:

“(i) to approve the schedule of requirements for funding of the Enterprise recommended by the Governing Board of the Enterprise in accordance with annex IV, article 11, paragraph 3 (d);”.

Article 162, paragraph 2 (k): redraft the text to read as follows:

“(k) to investigate the adequacy of State Party enforcement practices pursuant to article 153, paragraph 4 (b), with a view to considering whether the Council should institute proceedings in accordance with subparagraph (i);”.

Article 162, paragraph 2 (m): redraft the text to read as follows:

“(m) to adopt on the basis of the report of the Economic Planning Commission for programs of adjustment assistance as provided in article 151, paragraph 4.”.

Article 162, paragraph 2 (p): redraft the text to read as follows:

“(p) to award production authorizations pursuant to annex III, article 7;”.

Article 162, paragraph 2 (q): redraft the text to read as follows:

“(q) submit the budget of the Authority to the Assembly for its approval and, as necessary, reconsider the budget in light of the Assembly’s recommendations and resubmit it;”.

Article 162, paragraph 2 (z): redraft the text to read as follows:

“(z) to exercise control over activities in the Area carried out by the Enterprise, in accordance with article 153, paragraph 4, and the rules, regulations and procedures of the Authority.”.

Article 162, paragraph 2: add the three following subparagraphs:

“(aa) to take decisions pursuant to article 151, paragraph 1;

“(bb) to exercise the borrowing power of the Authority in accordance with article 174;

“(cc) to take decisions pursuant to annex III, article 9.”.

Article 163, paragraph 2: redraft the text to read as follows:

“2. Each Commission shall be composed of 15 members elected by the Council upon nomination by the States Parties. Each category of the Council specified in article 161, paragraph 1, shall elect three members of the Commission.”.

Article 163, paragraph 4: delete the paragraph and renumber as required.

Article 165, paragraph 1: redraft the text to read as follows:

“1. (a) Members of the Legal and Technical Commission shall be qualified and competent in the fields of exploration for, and exploitation and processing of mineral resources, of the economics of mineral resources and of the protection of the marine environment.

“(b) In carrying out the functions described in paragraph 2 of this Article the Commission shall utilize the legal staff of the Secretary-General to the maximum extent practicable but its decisions and recommendations shall be its own.”.

Article 178: redraft the text to read as follows:

“The Authority, its property and assets, shall enjoy immunity from legal process except with respect to the enforcement of judgements of the Sea-Bed Disputes Chamber or to the extent that the Authority shall have expressly waived such immunity in a particular case.”.

Article 188, paragraph 1: redraft the text to read as follows:

“1. Disputes referred to in article 187, subparagraphs (a) and (b) may be submitted:

“(a) at the request of any party to the dispute, to a special chamber of the International Tribunal for the Law of the Sea to be formed in accordance with annex VI, articles 15 and 17; or

“(b) at the request of the parties to the dispute, to an *ad hoc* chamber of the Sea-Bed Disputes Chamber to be formed in accordance with annex VI, article 37.”.

Article 189: delete the second sentence and at the end of the paragraph add the text as follows:

“It shall have jurisdiction, however, to determine whether the application of any rules, regulations and procedures to individual cases would be in conflict with the contractual and Conventional rights or obligations of the parties to the dispute (in which case it shall not apply such rules, regulations or procedures in such cases), and to determine claims concerning a lack of competence or misuse of power, as well as claims for damages to be paid or other remedy to be given to the party concerned for the failure of the other party to comply with its Conventional or contractual obligations.”.

### ANNEX III

#### BASIC CONDITIONS OF PROSPECTING, EXPLORATION AND EXPLOITATION

Article 1: redraft the text to read as follows:

“Title to minerals shall pass to the operator upon recovery of the minerals from the Area in accordance with this Convention.”.

Article 3, paragraph 1: at the end of the paragraph add the following text:

“Upon approval of a plan of work, any such entity shall be referred to as an ‘operator’ for the purposes of this Convention.”.

Article 3, paragraph 4 (a) and (b): replace the text by the following:

“(a) be in strict conformity with this Convention and the rules, regulations and procedures of the Authority;

“(b) include the following undertakings by the applicant:

“(i) to accept as enforceable and comply with the applicable obligations created by the provisions of Part XI, the rules, regulations, and procedures of the Authority in force at the time its plan of work is approved, decisions of the organs of the Authority directed to the operator, and the terms of his contract;

“(ii) to accept control by the Authority of activities in the Area, as authorized by this Convention;

“(iii) to provide the Authority with a written assurance that his obligations under the contract will be fulfilled in good faith;

“(iv) to comply with the provisions on the transfer of technology set forth in article 5.”.

Article 3, paragraph 5: redraft as follows:

“5. Each approved plan of work shall take the form of a contract to be signed by the Authority and the operator or operators.”.

Article 4, paragraph 1: redraft the text as follows:

“1. Applicants, other than the Enterprise, shall be qualified if they have the nationality or control and sponsorship required in article 153, paragraph 2 (b), of this Convention and if they follow the procedures established by the

Authority by means of rules, regulations and procedures and meet the following qualification standards:

“(a) the capacity to generate internally or to raise funds necessary to comply with the minimum annual expenditures for exploration established in the rules, regulations and procedures of the Authority;

“(b) except for the Enterprise and State Party applicants, the provision of a financial guarantee to assure performance of the obligations under the proposed plan of work in the amount of 50 per cent of the minimum annual expenditures for the first three years of exploration;

“(c) in the case of an applicant that has previously held a plan of work, certification that the plan of work was not terminated in accordance with article 18.”

Article 4, paragraphs 4, 5 and 6: delete these paragraphs.

Add a new article 4 (*bis*) reading as follows:

“*Certification of applicants*

“1. A State Party or States Parties which sponsor an applicant in accordance with article 153, paragraph 2, or in the case of the Enterprise, the Authority, shall provide the Legal and Technical Commission with a certification that the applicant is in full compliance with article 4 and the rules, regulations and procedures of the Authority.

“2. A State Party shall not be subject to certification requirements but shall comply with article 4 and the rules, regulations, and procedures of the Authority.”

Article 5, paragraph 3: replace “undertakings by the operator” by “undertakings by the contractor”.

Article 5, paragraph 3: delete subparagraphs (a), (b), (c) and (d) and add the text as follows:

“(a) to co-operate with the Authority in the acquisition by the Enterprise on fair and reasonable commercial terms and conditions of the technology necessary for the carrying out of its activities in the Area;

“(b) to make available to the Enterprise, if and when the Authority shall so request, the technology which he uses in carrying out activities in the Area, which he is legally entitled to transfer and which he has made available or is willing to make available to third parties for use in carrying out activities in the Area. This should be done by means of a licence or other appropriate arrangements which the contractor shall negotiate with the Enterprise and shall be on terms and conditions no less favourable than the terms and conditions under which the contractor has made or is willing to make the technology available to third parties under similar circumstances;

“(c) to acquire, if and when requested to do so by the Enterprise whenever it is possible to do so and without cost to the contractor, a right to transfer to the Enterprise any technology which he uses in carrying out activities in the Area under the contract which he is not legally entitled to transfer and which he is willing to make available to third parties for use in carrying out activities in the Area on terms and conditions no less favourable than the terms and conditions under which the contractor is willing to make the technology available to third parties under similar circumstances;

“(d) to assist, if and when the Authority so requests, the Enterprise in obtaining on the free market efficient and useful technology through purchase, licensing, leasing or other appropriate agreement or arrangement on fair and reasonable commercial terms and conditions. Such assistance shall consist of:

“(i) identification of potential developers and suppliers of such technology known to the contractor;

“(ii) advice and evaluation of the terms and conditions upon which such technology is offered; and

“(iii) advice in the course of the Enterprise’s negotiations with potential suppliers of technology, concerning methods by which the Enterprise can obtain this technology on the commercial terms and conditions most favourable to the Enterprise.”

Article 5, paragraph 3 (e): redraft the text as follows:

“(e) to take the same measures as those prescribed in subparagraphs (a), (b), (c) and (d) for the benefit of a developing State or group of developing States which has applied for a contract under article 9, provided that these measures shall be limited to the exploitation of the part of the Area proposed by the contractor which has been reserved pursuant to article 8 and provided that activities under the contract sought by the developing State or group of developing States would not involve transfer of technology to a third State or the nationals of a third State. Obligations under this provision shall only apply with respect to any given contractor when technology has not been requested or transferred by him to the Enterprise.”

Article 5, paragraphs 4 and 5: delete paragraphs 4 and 5 and add the following text:

“4. Disputes concerning the undertakings required by paragraph 3 between the contractor and the Authority and between States Parties and the Authority shall be subject to compulsory dispute settlement in accordance with Part XI as appropriate. Disputes arising under subparagraphs (b) or (c) may be submitted by either party to commercial arbitration in accordance with the United Nations Commission on International Trade Law Arbitration Rules or other arbitration rules as may be prescribed in the rules, regulations and procedures of the Authority.

“5. The States Parties undertake to assist the Enterprise to become a viable commercial entity and to engage successfully in the operations referred to in article 170. To this end, States Parties which engage in activities in the Area or which sponsor an entity referred to in article 153, paragraph (2), subparagraph (b), shall take effective measures to ensure that the provisions of paragraph 3 are brought into effect and shall take appropriate measures consistent with national law to prevent persons subject to their jurisdiction from engaging in a concerted refusal to supply technology to the Enterprise on commercial terms and conditions. The Authority shall rely on such States Parties for the enforcement of the undertakings in this article.”

Article 5, paragraph 8: delete paragraph 8.

Article 6: the title should read: “Approval of plans of work”. Replace article 6 by the following text:

“1. Except as otherwise provided for in paragraph 4 (b), (c), and (d) of this article, the Authority shall approve an application for a plan of work in accordance with this article and article 162 (2) (j), if the plan of work conforms to the requirements of article 4 of this annex and the rules, regulations, and procedures of the Authority.

“2. The Legal and Technical Commission shall take up for consideration and recommendation to the Council proposed plans of work in the order in which they are received.

“3. When considering an application for approval of a plan of work with respect to activities in the Area, the Commission shall presume that the requirements of article 4 have been met in the case of applicants which have been certified pursuant to article 4 (*bis*) unless the Commission decides otherwise by a three-fourths majority of its members. In such a case, or in the absence of any of the commitments and assurances referred to in article 3, the applicant shall be given 45 days to remedy any deficiencies.

"4. The Commission shall within 120 days of taking up a plan of work for consideration recommend to the Council for approval the plans of work submitted by the Enterprise, State Party applicants and applicants which have been certified by States Parties pursuant to article 4 (*bis*) and whose applications have not been rejected pursuant to paragraph 3, unless:

"(a) it determines by a three-fourths majority of its members that the plan of work does not conform to articles 4 and 6 of this annex;

"(b) part or all of the proposed area is included in a previously approved plan of work or a previously submitted proposed plan of work which has not yet been finally acted on by the Authority; or

"(c) part or all of the proposed area is disapproved by the Authority pursuant to article 162, paragraph 2 (*w*), of this Convention;

"(d) the proposed plan of work has been submitted or sponsored by a State Party which already holds:

"(i) plans of work for exploration and exploitation of polymetallic nodules in non-reserved sites that, together with either part of the proposed site, would exceed in size 30 per cent of a circular area of 400,000 square kilometres surrounding the centre of either part of the area covered by the proposed plan of work;

"(ii) plans of work for the exploration and exploitation of polymetallic nodules in non-reserved sites which in aggregate size constitute 2 per cent of the total sea-bed area which is not reserved or otherwise withdrawn by the Authority from eligibility for exploitation pursuant to article 162, paragraph 2 (*w*), of this Convention.

"5. For the purpose of the standard set forth in paragraph 4 (*d*), a plan of work proposed by a partnership or consortium shall be counted on a *pro rata* basis among the sponsoring States Parties involved according to article 4, paragraph 2. The Authority may approve plans of work covered by paragraph 4 (*d*) if it determines that such approval would not permit a State Party or persons sponsored by it to monopolize the conduct of activities in the Area or to preclude other States Parties from activities in the Area.

"6. Notwithstanding the provisions of paragraph 4 (*b*), after the end of the interim period as defined in article 151 of this Convention, the Authority may adopt by means of rules, regulations and procedures other procedures and criteria consistent with this Convention for deciding which applicants shall have plans of work approved in cases of selection among applicants for a proposed area. These procedures and criteria shall ensure approval of plans of work on an equitable and non-discriminatory basis."

Article 7, paragraph 1: replace the paragraph by the following text:

"1. The Authority shall take up applications for production authorizations in the order they are received and issue authorizations in the same order provided the applicant certifies that it intends to commence commercial production within 5 years. Authorizations shall be issued within 30 days. These authorizations shall entitle the applicant to commence production at any time within the period referred to above. Such period shall be extended for a reasonable period of time by the Legal and Technical Commission if the applicant offers evidence that, for reasons beyond its control, production cannot begin on an economically viable basis at the time originally planned. Once production begins, the applicant shall be entitled to engage in commercial production according to its stated production requirements."

Article 8: redraft the text to read as follows:

"Each application, other than those proposed by the Enterprise or by any others for reserved sites, shall cover a total area, which need not be a single continuous area, sufficient for two areas of equivalent size and comparable value. The applicant shall indicate the co-ordinates dividing the area into two parts of equal estimated commercial value. The Enterprise and the applicant may agree on which site is to be reserved for exploration and exploitation in accordance with article 9. If the Enterprise and the applicant have not so agreed by the time that the application is taken up by the Legal and Technical Commission, the Legal and Technical Commission shall allocate the two sites at random. The site which is allocated to the Enterprise either by agreement or by random selection shall become a reserved site as soon as the plan of work for the non-reserved area is approved and the contract is signed. When the contract is signed, the contractor shall submit all the data obtained by it with respect to the reserved site. Without prejudice to the powers of the Authority pursuant to article 17, the data to be submitted concerning polymetallic nodules will relate to mapping, sampling, the density of nodules, and the composition of metals in them."

Article 9: add a paragraph 5, reading as follows:

"5. (*a*) If after 10 years from the date an area is designated as a reserved area pursuant to article 8, commercial production has not commenced in the area, the area, together with any data related thereto, shall be made available to any entity which indicates its willingness to propose a plan of work for it in a joint venture with a developing country or group of developing countries;

"(*b*) If within twelve months, no plan of work has been submitted and approved in accordance with paragraph (*a*), the area, together with any data related thereto, shall be made available to the entity which originally applied for approval of the plan of work under which the area was reserved pursuant to article 8 of this annex. If such entity has not proposed a plan of work which is approved within a further period of six months then the area and data shall be made available to any entity referred to in article 153, paragraph 2;

"(*c*) Plans of work submitted in accordance with this article shall be exempt from the requirements of article 8 of this annex;

"(*d*) The Council shall establish competitive procedures in conformity with the provisions of this Convention, its annexes, and the rules, regulations, and procedures adopted thereunder for the award of contracts pursuant to paragraphs (*a*) and (*b*);

"(*e*) The 10-year time period referred to in paragraph (*a*) shall be extended for any time period during which prevailing market prices for the commodities to be produced from the minerals to be derived from the site indicate that the site could not be exploited profitably."

Article 12: replace paragraphs 1 and 2 by the following text:

"This Convention, the rules, regulations and procedures for the Authority, and the decisions of any organ of the Authority shall apply to the Enterprise in the same manner as they would to any other operator except in those cases where the Convention expressly provides otherwise."

Article 17, paragraph 1: redraft the text to read as follows:

"1. The Authority shall adopt and uniformly apply rules, regulations and procedures in accordance with article 160, paragraph 2 (*f*), article 162, paragraph 2 (*n*), and article 165, paragraph 2 (*f*) in Part XI of this Convention, for the implementation of its functions as prescribed in Part XI. Rules and regulations shall address the following matters:"

Article 17, paragraph 1 (b): add a new clause (xv) reading as follows:

“(xv) exploration for and exploitation of resources of the Area other than polymetallic nodules.”

#### ANNEX IV

##### STATUTE OF THE ENTERPRISE

Article 5, paragraph 1: redraft the text to read as follows:

“1. The Governing Board shall be composed of 15 members elected by the Assembly in accordance with article 160, paragraph 2 (c) of this Convention. Until the Enterprise has repaid all debt obligations incurred pursuant to article 11, paragraph 1, the Assembly shall ensure that members of the Governing Board include members nominated by States Parties that account for at least one half of the total amount of such obligations outstanding. Consistent with the foregoing requirement, due regard shall be paid to the principle of equitable geographic distribution. In submitting nominations of candidates for election to the Board, members of the Authority shall bear in mind the need to nominate candidates of the highest standard of competence, with qualifications in relevant fields, so as to ensure the viability and success of the Enterprise.”

Article 5, paragraph 4: redraft the text to read as follows:

“4. Each member of the Board shall receive remuneration to be paid out of the funds of the Enterprise.”

Article 5, paragraph 6: redraft the text to read as follows:

“6. Members of the Board shall continue in office until their successors are elected. If the office of a member of the Board becomes vacant, the Assembly shall, upon the recommendation of the Council, elect another member for the remainder of the unexpired term in accordance with the requirements of paragraph 1.”

Article 11, paragraph 3 (b): redraft the text to read as follows:

“3. (b) All States Parties shall make available to the Enterprise in three equal annual installments an amount equivalent to one half of the funds referred to in subparagraph (a) by way of long-term, interest-free loans in accordance with the scale of assessments for the United Nations regular budget in force at the time when the contributions are made, adjusted to take into account the States which are not members of the United Nations. Debts incurred by the Enterprise in raising the other half of the funds shall be guaranteed by all States Parties in accordance with the same scale: Provided that no state shall be required to assume in any one year any new guarantee obligation

exceeding one third of its total obligations under this subparagraph.”

Article 11, paragraph 3 (d) (i): at the end of the subparagraph add the following text: “and shall submit the proposed schedule to the Council for approval.”

Article 11, paragraph 3: add a new subparagraph 3 (i) reading as follows:

“(i) The rules, regulations and procedures of the Authority shall specify default procedures, including receivership provisions, for defaults on the repayment of loans referred to in subparagraph 3 (f) above.”

##### DRAFT RESOLUTION I ESTABLISHING THE PREPARATORY COMMISSION FOR THE INTERNATIONAL SEA-BED AUTHORITY AND THE INTERNATIONAL TRIBUNAL FOR THE LAW OF THE SEA\*

Paragraph 2: redraft the text to read as follows:

“2. The Commission shall consist of the representatives of signatories to the Final Act which are eligible to sign or accede to the Convention. The representatives of signatories to the Final Act which are not eligible to sign or accede to the Convention may participate fully in the deliberations of the Commission as observers but shall not be entitled to participate in the taking of decisions.”

Paragraph 4: add a new paragraph 4 (bis) reading as follows:

“4. (bis) (a) Decisions on matters of substance shall be taken by a two-thirds majority of the 36 States which were elected by the Conference at its final session in accordance with the provisions of article 161, paragraph 1. If any of the 36 States so elected does not sign the Convention within six months of the adoption of this resolution the remainder of the 36 States may proceed to take decisions on matters of substance by the same voting majority.

“(b) The decisions relating to the powers and functions to be exercised under paragraphs 5 (g) and (h) of this resolution shall be taken by a consensus of the States referred to in subparagraph (a). If there is no consensus within 18 months of the adoption of this resolution, however, these decisions and the exercise of these functions may be taken by a majority of the States who have signed the Convention and whose nationals or state entities are within the scope of paragraph 1 of resolution II.”

Paragraph 5 (g): at the end of the subparagraph add the following text: “including rules, regulations and procedures for the conduct of activities in the area related to all of the resources referred to in article 133, paragraph 5 (a) of the Convention.”

\*These amendments refer to the text contained in document A/CONF.62/L.94.

#### DOCUMENT A/CONF.62/L.122

Belgium, Germany, Federal Republic of, Italy, United Kingdom of Great Britain and Northern Ireland and United States of America: amendments

[Original: English]  
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##### DRAFT RESOLUTION II GOVERNING PREPARATORY INVESTMENT IN PIONEER ACTIVITIES RELATING TO POLYMETALLIC NODULES

Paragraph 1 (a): replace the paragraph by the following text:

“(a) ‘pioneer investor’ means a signatory of the Convention or any State entity or natural or juridical person which possesses the nationality of such State or is effectively

controlled by it or its nationals, or any group of the foregoing which, prior to 1 January 1983, has expended at least \$US 30 million (United States dollars calculated in constant dollars relative to 1982), and has spent no less than 10 per cent of that amount in the location, surveying and evaluation of a specific portion of the Area, or, relative to a developing State . . .”

Paragraph 3 (a): at the end of the subparagraph add the following: