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COMMITTEE ON THE PEACEFUL USES OF THE SEA-BED AND THE OCEAN FLOOR BEYOND THE LIMITS OF NATIONAL JURISDICTION

SUB-COMMITTEE I

SUMMARY RECORDS OF THE FIRST TO THE FOURTH MEETINGS

Held at the Palais des Nations, Geneva,
from 12 to 25 March 1971

Acting Chairman:	Mr. AMERASINGHE	Ceylon
Chairman:	Mr. SEATON	United Republic of Tanzania
Rapporteur:	Mr. PROHASKA	Austria

Note. The list of representatives is to be found in documents A/AC.138/INF.4 and Corr.1 and INF.4/Add.1-3.

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ABBREVIATIONS

UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme

SUMMARY RECORD OF THE FIRST MEETING

Held on Friday, 12 March 1971, at 11.45 a.m.

Acting Chairman: Mr. AMERASINGHE Ceylon

Chairman: Mr. SEATON United Republic of Tanzania

ELECTION OF OFFICERS

The ACTING CHAIRMAN declared the meeting open and said that, in their informal discussions, the various groups had agreed on the choice of Mr. Seaton (United Republic of Tanzania) as Chairman of Sub-Committee I.

Mr. Seaton (United Republic of Tanzania) was unanimously elected Chairman and took the Chair.

The CHAIRMAN expressed his deep appreciation of the honour done to him and to his country in electing him Chairman.

In their informal consultations, the various regional groups had agreed to propose Mr. Ranganathan (India), Mr. Thompson-Flores (Brazil) and Mr. Fekete (Hungary) as the three Vice-Chairmen and Mr. Prohaska (Austria) as the Rapporteur of Sub-Committee I. If there were no objection, he would take it that the Sub-Committee accepted those proposals.

It was so agreed.

Mr. PROHASKA (Austria), Rapporteur, thanked the Sub-Committee for his election and said it could rest assured that he would discharge his duties faithfully.

The meeting rose at 11.55 a.m.

SUMMARY RECORD OF THE SECOND MEETING

Held on Wednesday, 17 March 1971, at 3.50 p.m.

Chairman: Mr. SEATON United Republic of Tanzania

ADOPTION OF THE AGENDA (A/AC.138/SC.I/L.1)

The agenda (A/AC.138/SC.I/L.1) was adopted.

PROGRAMME OF WORK FOR 1971 (A/AC.138/SC.I/L.2)

The CHAIRMAN said that the programme of work he was proposing (A/AC.138/SC.I/L.2 applied both to the current session and to that of July/August 1971.

Mr. IDZUMBUIR (Democratic Republic of the Congo), referring to the agreement on the organization of work adopted by the main Committee,[1/] said that a number of questions were still pending, including that of the priority to be given to the problem of the economic implications of the exploitation of sea-bed resources, and he thought that it should be clearly indicated that the Sub-Committee might also be required to consider any topic which the Committee might refer to it.

Mr. POLIARD (Guyana) said he wondered why there was a reference to "subjects" in paragraph 4 of the Chairman's note on the programme of work (A/AC.138/SC.I/L.2) since, for the moment, the Sub-Committee had only one subject before it: the preparation of treaty articles embodying the international régime, including an international machinery.

The CHAIRMAN said that his note was, perhaps, rather too concisely worded. The Sub-Committee would, in fact, be asked to consider several distinct though related subjects: preparation of the draft treaty articles, the study of the economic implications of the exploitation of the resources of the area, the methods and criteria for sharing the benefits of such exploitation, the special needs of the developing countries, including the needs and problems of the land-locked countries, and, possibly, the unfavourable economic consequences of fluctuations in commodity prices resulting from the exploration and exploitation of the resources of the area.

The Sub-Committee might hold an exchange of views on that subject during the next two or three working days and then decide whether or not to establish one or more working parties to deal with those subjects.

Mr. ZEGERS (Chile) said that the treaty defining the international régime would have to include provisions concerning the possible economic implications of the exploitation of the sea-bed for the world economy.

1/ See A/AC.138/SR.45.

Mr. POLLARD (Guyana) said that he had understood from the first part of the second sentence of paragraph 1 in the Chairman's note that the various questions, including that of the economic implications of the exploitation of the sea-bed and ocean floor, would simply be studied in the content of the international régime.

The CHAIRMAN said that the Sub-Committee had an extremely complex task. Some delegations thought that the treaty embodying the international régime should contain provisions to minimize the economic implications for the world market of exploitation of the resources of the sea-bed and ocean floor; others wished to include provisions relating to land-locked countries. On the other hand, the General Assembly had requested that reports should be prepared on particular topics. The Sub-Committee would have to choose a method. It might, for instance, decide to include a detailed study on those subjects in its report to the next session of the General Assembly and not to prepare the draft articles on the international régime until the following year.

Mr. ARIAS SCHREIBER (Peru) said that, before embarking on the study of any particular question or establishing working parties, the Sub-Committee should ask the Committee itself for some clarification about the questions pending so that it would know exactly what approach to adopt to its work on the international régime. That view had, incidentally, been expressed by many delegations both at the earlier official meetings and during recent consultations.

The CHAIRMAN said that the three reports by the Secretary-General which the Sub-Committee had to consider would not be ready until the beginning of the July session. In the circumstances, the Sub-Committee might perhaps begin preparing the draft treaty articles on the international régime with the help of the working papers and draft texts already available.

Mr. ZEGERS (Chile) said that his delegation was prepared to agree to that course provided that delegations were entitled to deal, in their statements, with the three questions which would form the subject of the Secretary-General's reports, without waiting for those reports to be distributed. The international régime could not be dissociated either from the question of equitable sharing in the benefits to be derived from exploitation of the sea-bed, or from that of possible consequent fluctuations in commodity prices.

Mr. ALLOUANE (Algeria) said he entirely agreed with the representative of Chile. In his view, it was impossible to begin drafting the articles on the international régime until all the relevant documentation was available, including the reports on the implications for the world economy of the exploitation of the sea-bed.

Mr. KHANACHET (Kuwait) said it might be helpful if the Sub-Committee were to use the little time at its disposal to start a general discussion to allow delegations to state the positions of their governments on the items which the Committee had already decided to entrust to it. Such a general debate could be held without taking any decision on the question of priorities, and each delegation could indicate its Government's position on that point also.

The CHAIRMAN proposed that, at the two or three meetings it could still hold, the Sub-Committee should have a general exchange of views on the subjects within its terms of reference. Since the reports requested from the Secretary-General were not yet ready, members of the Sub-Committee would not be able to go deeply into the questions to be reported on by the Secretary-General, but they could refer to them in their statements since such questions had a bearing on the draft articles to be prepared. If a general discussion of that kind were begun at the next meeting, the exchange of views on questions of principle could be completed at the current session and working parties could be set up and ready to start work at the beginning of the next session.

The Chairman's proposal was adopted.

The meeting rose at 4.40 p.m.

SUMMARY RECORD OF THE THIRD MEETING

Held on Thursday, 25 March 1971, at 11.45 a.m.

Chairman: Mr. SEATON United Republic of Tanzania

PROGRAMME OF WORK FOR 1971 (A/AC.138/SC.I/L.2)(continued)

Mr. PINTO (Ceylon) said that paragraph 9 of the Declaration of Principles Governing the Sea-Bed and the Ocean Floor, and the Subsoil Thereof [General Assembly resolution 2749 (XXV)] was of particular importance because it set out, in concise terms, the nature, functions and modalities of establishing the international régime for the sea-bed. In the view of his delegation, the most appropriate means of establishing that régime would be by multilateral treaty. In keeping with its Government's policies and the recognized status of the sea-bed and its resources as the common heritage of mankind, his delegation would seek to ensure the widest possible participation by all States in the establishment and operation of the régime.

His delegation would wish to see a new international organization established, which he would refer to as the "Authority", with full international legal personality and comprehensive functions and powers. In accordance with the economy-minded approach to be favoured in those matters, it would not expect the Authority to exercise the full range of its functions right from the start; for instance, while the Authority should clearly be empowered by its constituent instruments to undertake exploitation on its own initiative, the high risk, as well as the probable lack of expertise, might rule out such activities at the beginning and it might be better for it to work through private contractors or confine itself to issuing exploitation licences.

The Authority should possess all the necessary powers to ensure the orderly and safe development and rational management of the area and its resources, as well as the equitable sharing of benefits. Among those powers might be the power to authorize exploration and exploitation activities in the international area, and to perform such related functions as the registration and inspection of activities; to carry out exploration and exploitation activities through its own resources or through contractors; to act as a clearing-house for the collection and dissemination of information relating to sea-bed activities; to promote an organized training programme for scientists from developing countries; to collect and share all monetary and other benefits accruing to participating States; to take measures, either on its own or in co-operation with such institutions as UNCTAD, to redress any adverse economic effects caused by exploitation activities such as fluctuations in the price of raw materials mined on land; to take measures for the preservation of the marine environment, including pollution control;

to promote new uses of the sea-bed, such as communications, transportation, buildings; and finally, to settle disputes and impose sanctions in the event of non-compliance with obligations.

For the institutional framework necessary for the efficient performance of those functions, he envisaged a fairly classical pattern comprising first, a plenary organ of the entire membership, meeting annually or at some other prescribed interval; secondly, an executive organ of limited membership but representative composition - perhaps twenty-five members - organized to meet at short intervals or remain in permanent session, and to be responsible for day-to-day policy within the broad lines laid down by the plenary organ; thirdly, a tribunal for the settlement of disputes, which were likely to be of a somewhat specialized order; and fourthly, a secretariat. At the present stage, his reference to a tribunal was without prejudice to any position his Government might take on the question of whether or not its jurisdictions should be consensual or compulsory. Representation on the executive organ would be broadly on a geographical basis but it might also be necessary to provide for the representation of certain groups of special interests, such as those of land-locked or shelf-locked countries, countries with extensive continental shelves, and the like.

His Government would not wish decisions of the plenary or the executive organ of the machinery to be made subject to the application of any system of preferential voting rights, in other words, the principle of "one State, one vote" should apply in the deliberations of both organs, and there should not be any veto system either open or disguised. It should be recognized, however, that certain developed countries whose technological capacity or financial assistance would be essential for the success or viability of the organization might seek a greater role in the direction of its affairs and the formation of policy. It might be necessary, therefore, to devise some method that would attract the support of those countries, without at the same time sacrificing the "one State, one vote" principle.

Tentatively he envisaged that the president of the executive organ should be at the same time the chief executive and legal representative of the organization and the head of the secretariat. As the head of an essentially operational organization, he could not be chosen from among the members of the executive organ, but should be recruited from outside on the basis of outstanding technical competence and administrative ability.

In addition to the principal organs he had mentioned, the Authority should possess such subsidiary bodies as might be necessary for the performance of certain functions of a technical nature. Those bodies might be charged with such functions as the establishment of sound operational rules and practices, the inspection of operations to ensure

compliance with those rules and practices, the administration of a system of benefit-sharing approved by the plenary organ, and measures to deal with price fluctuations.

With regard to the nature of the licensing system to be applied by the Authority, it should be such as to engage directly or indirectly the responsibility of the State of the operator. That might be accomplished by issuing a licence for exploration or exploitation only to States or groups of States, or to natural or juridical persons, under conditions whereby the person's State should stand behind him, guarantee compliance with the terms of the licence, and accept ultimate responsibility for any damage caused as a result of such activities. Detailed rules for determining nationality and fixing liability would have to be worked out.

Perhaps most important of all was the question of distributing the benefits derived from sea-bed activities. Such benefits might include, first, funds received as revenue, or from the sale of raw materials by the Authority, or from other sources; secondly, the raw materials themselves; and thirdly, information that might become available to the Authority through scientific research programmes or other means. A scheme for the distribution of funds received by the Authority would have to be worked out in collaboration with the economists. In devising such a scheme, it should be remembered, first, that those funds would be the property of the members and that it would be wrong to subject the transfer of such finds to any of the conditions frequently associated with so-called "foreign aid" operations. For example, it would clearly be inappropriate for the transfer of funds to be made subject to criteria based on the "economic performance" of a country or the success of a country's development efforts. The members were entitled to receive those funds, although in varying proportions, and the funds should not be regarded in any sense as "foreign aid". For that reason, it would seem advisable that the Authority itself - perhaps through a subsidiary organ established for the purpose - should undertake the sharing or distribution of benefits to participating States, rather than that the funds should be transferred through one or more of the existing international or regional financial institutions. Since each of those institutions would be bound to apply its own regulations and operational policies, that would inevitably result in the subjection of the transfer of those funds to conditions which might be considered inappropriate. In order to avoid that situation, it might be necessary to amend the charters of those organizations, and that would hardly seem worthwhile.

A second essential point to remember would be the principles relating to sharing of benefits contained in the Declaration of Principles [General Assembly resolution 2749 (XXV)], according to which the international sea-bed area and its resources were the "common

heritage of mankind". In other words, each State in the world community possessed rights to an individual share of the area and its resources. One function of the Authority would be to ensure the equitable sharing by States in the benefits derived from that area, taking into particular consideration the interests and needs of the developing countries, whether land-locked or coastal.

In his opinion, the spirit of the Declaration could best be implemented if the sharing of benefits were related to the needs of the countries concerned and based on an agreed scale whereby the least developed would receive the most and the most developed would receive the least. The idea of listing countries according to their degree of need had been the subject of considerable study over the last two years both by the UNCTAD Group of Experts on special measures in favour of the least developed among the developing countries and by a working group of the Committee for Development Planning of the Economic and Social Council.[1/]

In both studies, the groups of experts had set themselves the initial task of trying to determine which in fact were the least developed countries of the world. In doing so, they had arrived at a list of countries classified in ascending order according to their standard of development. The starting point for the UNCTAD classification had been per capita income expressed in a common monetary unit - United States dollars. That method had the advantage of permitting countries to be classified, but was open to criticism because per capita income level alone did not cover all the aspects of development. There were, for example, countries which, despite their high per capita income, were regarded as "developing" because of the limited diversification of their production and relatively unskilled labour force, or the precarious level of living of their inhabitants.

For those reasons, the experts had sought to add other indicators which would make it possible to represent the standard of development more satisfactorily. Analysis of data on the economic and social structure of many countries had revealed interrelations between certain indicators. Notwithstanding the many different forms which the country's

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1/ For the relevant UNCTAD documents, see Official Records of the Trade and Development Board, Ninth Session, First and second parts, Annexes, agenda item 15, document TD/B/269; ibid., Ninth Session, Third part, Annexes, agenda item 15, document TD/B/288; ibid., Tenth Session, First, second and third parts, Annexes, agenda item 12, document TD/B/316. See also TD/B/292 (mimeographed).
For the documents of the Committee for Development Planning, see E/AC.54/L.36 and E/AC.54/L.40 (both mimeographed).

development process might take, it had been found, for example, that a given degree of industrialization was linked with a particular structure of employment, which in turn bore a relation to a certain level of education. Using a combination of those other indicators together with the indicator of per capita of income level, it had proved possible to produce a composite index in which the contribution of each indicator to ascertainment of the level of development was predetermined, as well as a classification of countries according to a scale which reflected all the different aspects of development represented by the economic and social indicators.

It was not his intention to advocate one set of indicators rather than another or to include a specific proposal as to how benefits were to be shared, since it was far too early to think in those terms. However, his delegation maintained its preference for sharing according to the needs of countries as the most equitable method. And those "needs", he suggested, might be agreed upon on the basis of a scale reflecting standards of development, although a scale established, of course, would have to be reviewed as a State ascended or descended the development ladder.

The sharing of raw materials would present special problems that would need the most careful investigation. The raw materials might be obtained by the Authority through its own operations, or the Authority might establish stockpiles of raw materials obtained elsewhere. He would suggest that raw materials coming under the control of the Authority should be subject to special conditions to ensure that they were used exclusively for peaceful purposes. The question of how such raw materials might be made available to participating States was one with which the Sub-Committee would have to come to grips very soon.

On the question of the sharing of information derived from sea-bed activities, the Sub-Committee could proceed on the basis of paragraph 10 of the Declaration of Principles, which required that States should promote international co-operation and scientific research by participation in international programmes and by encouraging co-operation in scientific research by personnel of different countries, through the publication of research programmes and the dissemination of the results of such researching through international channels, and by co-operation in measures to strengthen the research capabilities of developing countries. That was a matter of the first importance for developing countries like his own, since it was only through the accumulation of expertise and the development of its own technology that it could eventually equip itself to take full advantage of the benefits accruing to it from the common heritage of mankind.

Perhaps the most crucial problem of all was that of the limits of national jurisdiction over the sea-bed. Obviously, the limits of that jurisdiction had implications

for the viability of the new international machinery to be established. At present, his delegation's views on that subject were necessarily of a very general nature, since it believed that a decision on the question of limits should be taken only after the basic elements of a régime had been agreed upon, and that a final recommendation on that question should be formulated in Sub-Committee II.

With regard to the limits of jurisdiction, several suggestions had been put forward. It had been suggested, for example, that the limits might be established at a fixed distance from the baseline for the territorial sea of the coastal State, or if a rule on the breadth of the territorial sea were adopted, at a fixed distance from the outer limit of that sea. Other criteria suggested included a fixed depth seawards from the coastal State, a combination of distance and depth criteria at the choice of the coastal State, a criterion based on geological, geographical and economic factors, a criterion based on regional considerations, an arbitrarily determined point on the continental margin; or possibly the limits of national jurisdiction might be fixed by determining first the limits of the international area universally admitted to be outside the jurisdiction of the coastal States.

His Government had not yet fully considered the implications of the various proposed methods but certain basic considerations were likely to influence its final decision. First, it envisaged an international machinery with comprehensive powers and functions that would ensure that the developing countries received their due share of wealth of the sea-bed. Secondly, the machinery should be able to collect sufficient revenue to make its establishment worthwhile to participating States. Thirdly, the machinery should be empowered to collect the substantial revenues from resource exploitation in areas that were already exploitable, or would be profitably exploitable in the immediate future. Fourthly, the limit of national jurisdiction to be established should have a rational basis and should be equitable towards the coastal State. His delegation could not accept some arbitrary depth or distance as having any rational basis; it would need to be convinced of the equity of any given solution.

The idea of an intermediate zone in which the coastal State would receive preferential treatment should be examined by Sub-Committee I. Such an idea, however, would amount to acknowledging that a State had rights in the natural prolongation of its coastline under the sea to virtually any depth. It thus went beyond the terms of the definition of the continental shelf contained in article 1 of the 1958 Convention on the Continental Shelf;[2/] it appeared to assume that the entire continental margin, whether

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2/ See United Nations, Treaty Series, vol. 499, p. 312.

exploitable by the coastal State or not, was somehow the preserve of that State, whose special position must be recognized by the International community. If that approach proved to be the only practical one, the international community should perhaps seek acceptance of the idea that the sea-bed authority rather than the coastal State should administer the intermediate zone. His Government had not, however, yet reached any conclusion on the question of an intermediate zone.

Mr. THOMPSON-FLORES (Brazil) said that drafting a treaty on the international régime was not only a juridical task; it also had a political and technical character.

The important question of the economic implications of the exploitation of the international area of the sea-bed deserved thorough study. Although the lack of available figures on exploitation activities and on the resources available made any comprehensive study at that stage difficult, certain basic principles should be taken into account when drafting the régime.

The international instruments setting forth the functions of the international organization should contain provisions guaranteeing their universal character. In dealing with what was now recognized as the common heritage of mankind, all the main trends of opinion should be respected.

The régime should apply to all kinds of activities. Adequate provisions already existed with regard to submarine cable laying, for example, but the sea-bed organization should exercise some form of technical control over such activities because of their close relationship with other uses of the area. Even the military uses of the sea-bed could not be ignored by the international machinery, although concrete proposals on that subject clearly fell within the competence of the Committee on Disarmament.

Although it would not be possible in the initial stages for the organization to engage directly in exploration or exploitation, it should be able to carry on such activities effectively in the future. Meanwhile, it might grant licences to States or groups of States which would in turn extend those licences to national companies or international joint ventures of a regional character. The organization would thus deal directly with member States, which would be vested with total responsibility for their companies vis-à-vis the international community.

Licences should be issued only after careful study of known resources. That would allow for the rational management and conservation of resources and the control of raw material prices, and ensure that developing countries and the organization itself had access to the best possible areas in which to undertake exploitation once they had acquired the technical ability to do so.

The benefits accruing from sea-bed activities should in the first stages consist of fees charged for licences and royalties on production. The idea of a tax on the

profits of operating companies was unacceptable because profits were difficult to assess and control. Any system based on that idea would lead to the bulk of the profits being channelled to the companies and thus to the industrially developed countries rather than to the international organization and the developing nations, as provided for in General Assembly resolution 2749 (XXV). Moreover, benefits should be distributed direct to member States, with special priority for developing countries, both land-locked and coastal, after making provision for the expenses of the international organization and for technical assistance programmes. The idea of turning over the benefits to an existing international organization to finance programmes for the benefit of developing nations was in flat contradiction with the principle of the common heritage of mankind; the benefits belonged to the world community and could not become a substitute for the financing of programmes which were a moral responsibility of the developed countries. It would be useful if, in that connexion, the Secretariat could now bring up to date its preliminary note on the sharing of benefits.3/

The organization should have the responsibility for co-ordinating and providing technical assistance programmes to developing countries in matters concerned with the exploration and exploitation of sea-bed resources, paying special attention to the problems and needs of the recipient States and, particularly, the land-locked States.

Without prejudice to the rights of coastal States, the organization should also be empowered to formulate and enforce international standards for the control of pollution resulting from sea-bed activities. The treaty should define the right of coastal States to take measures to protect areas under their jurisdiction from potentially harmful activities undertaken beyond those limits.

The organization should license, supervise and promote scientific research in the international sea-bed area; it should also ensure the dissemination of the results of all research activities directly undertaken by States.

With regard to the settlement of disputes, provision should be made for a flexible system based on voluntary arbitration by ad hoc groups.

One of the main tasks of the organization would be to implement such measures as the regulation and control of production in order to minimize the effects of fluctuations of raw material prices which might adversely affect developing countries. The system of providing compensation for loss of revenue was unjust; it would mean diverting funds which belonged to the developing countries to the sole benefit of the operators engaged in exploitation and the developed nations to which they belonged.

3/ Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 21 (A/8021), annex IV.

The régime should contain a provision to ensure that countries did not discriminate in their domestic legislation in favour of the products of their own operators in the international sea-bed area. Developing countries would thus be guaranteed the possibility of exporting their products to the world's largest consumer markets. An adequate escape clause would of course be necessary to safeguard the economies of the developing nations.

The international machinery for the administration of what constituted the common heritage of mankind should be equitable and pay due regard to the interests of all countries, particularly the developing countries. It appeared to be unanimously agreed that general policy and guidelines should be entrusted to a body consisting of all member States and meeting from time to time. A council would also be necessary to deal with all questions entrusted to the machinery. The council should be sufficiently small to ensure efficiency but large enough to ensure a properly representative character, and its members should be elected by the General Assembly strictly on the basis of equitable geographical distribution.

His delegation favoured some kind of a regional approach to the question of the administration of the sea-bed area and its resources, licensing, and possibly collection and distribution of benefits.

The question of the limits of national sovereignty over the sea-bed was indissolubly linked to that of the boundaries of the coastal State's jurisdiction over the continental shelf and over the seas adjacent to its shores and closely connected with such questions as security, fishing rights and pollution. Those were simply different aspects of one problem, the delimination of national jurisdiction over the area extending seawards from the coastline of a State, both the air space, the waters and the ocean floor. The only practical criterion for defining those areas was that of distance from the coast; a system based on depth would be difficult to implement in practice but the situation of certain countries endowed with broad continental shelves and shallow waters round their coasts should be taken into account. Any depth figure which might be advanced should be considered in the light of the geographical configuration of the different continental shelves.

The need for a strong régime and machinery did not necessarily imply narrow limits of national jurisdiction; a strong organization could not impair the right of a coastal State to exercise its natural vocation to exploit the resources of the sea-bed and superjacent waters off its shores within a reasonable distance. The Committee should proceed carefully and methodically and not feel compelled to reach an agreement quickly merely for the sake of reaching agreement.

Mr. KRISHNAN (India) said that his delegation endorsed the statement by the USSR representative at the 56th meeting of the main Committee that the provisions relating to the international machinery for the area should form an integral part of the international treaty embodying the international régime.[4] That was a corollary of the Declaration of Principles in General Assembly resolution 2749 (XXV).

As he himself had pointed out at the 48th meeting of the Committee,[5] there were a few matters of principle relating to the régime and machinery which needed further clarification in the Sub-Committee. They included the nature and scope of the functions of the international machinery, the nature of the control to be exercised by the international machinery over the area and its resources, and the nature of the decision-making processes within the international machinery; other questions were the basis for sharing among the international community the benefits arising from exploiting the resources; and the mitigation of any adverse economic consequences of exploiting the resources in the international area. By elucidating those problems it should be possible to move on to the problem of negotiating precise draft treaty articles. Obviously the differing national interests would have to be reconciled.

If it was agreed that the régime referred to in paragraph 9 of the Declaration of Principles was to be established to give effect to all the provisions of the Declaration, the scope of the international machinery would have to be comprehensive. Only through international machinery with broad scope and functions could the provisions of the Declaration, which embodied political decisions by the international community, be given effect. Those political decisions provided the foundation for the structure of the international régime and were based on the economic, scientific and technical realities - so ably described by the representative of Malta[6] - of an area encompassing a large portion of the planet.

Another aspect of the international régime was that, according to paragraph 9 of the Declaration of Principles, it was to apply to the sea-bed and ocean floor and the subsoil thereof beyond the limits of national jurisdiction - i.e. what was known as "the area" - and not merely to the area's resources. In the Secretary-General's Study on International Machinery reference was made to the possible range of functions and

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4/ See A/AC.138/SR.56.

5/ See A/AC.138/SR.48.

6/ See A/AC.138/SR.56 and 57.

powers concerning the peaceful uses of the sea-bed, other than exploration and exploitation of resources.7/ His delegation was not in a position to pronounce categorically on the precise range of such functions and powers, but it had read with interest the provisions contained in the draft convention submitted by the United States of America.8/

In order to have the necessary scope to conform with the basic principles referred to in the Declaration of Principles, the structure of the machinery would have to be so devised as to have an economic, technical and commercial wing concerned with exploration and exploitation of resources, allowing for the equitable sharing by all States of the benefits to be derived therefrom and bearing in mind the special interests and needs of developing countries - whether coastal or land-locked; and a general or political wing concerned with other functions concerning the international area. The former would deal with the regulation and co-ordination of all activities relating to exploration and exploitation while the latter would deal with other aspects of the international area, such as co-ordination with other international organizations concerned with the marine environment and with questions relating to the use of the area exclusively for peaceful purposes. More important, it could take action, in co-operation with other agencies, to minimize the adverse consequences of exploiting the resources of the international area as well as to meet the particular requirements of land-locked countries.

The representative of Ceylon had made the interesting suggestion that the authority should be empowered to explore the international sea-bed and exploit its resources for peaceful purposes, using either its own facilities, or facilities procured by it for the purpose. The international machinery would not be able to participate directly in the exploration and exploitation of the sea-bed area immediately it was created, but a provision of that kind would give it the authority to do so once the necessary skills had been developed, direct capital investment had become possible and the economic aspects of direct participation had been proved.

For the decision-making processes within the international machinery to be politically acceptable, all nations must be able to participate in them. It would be neither desirable nor practicable to leave decision-making to the most developed or industrially advanced countries, while a system of weighted voting would violate the principle of the sovereign equality of nations. The principle of democratization of international relations contained in the Lusaka Declaration of September 1970 should be embodied in any future provision concerning the régime and the machinery.

7/ See Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 21 (A/8021), annex III, paras. 106-140.

8/ Ibid., annex V.

Two other aspects of interest were the question of the equitable distribution of benefits and the question of the economic implications of exploiting the resources. The representative of Ceylon had made a valuable suggestion concerning the method and basis of benefit sharing. At the 35th meeting of the Economic and Technical Sub-Committee the Under-Secretary-General for Economic and Social Affairs had stressed the need for the whole range of economic and financial aspects of sea-bed resource exploitation to be carefully studied, since there would be little point in distributing the benefits of such exploitation under an international régime to all developing countries if they were thereby deprived of some of the benefits they now enjoyed from exploiting their own natural resources which constituted one of their few advantages in a competitive world.[9] In his delegation's view, the international régime should not disregard such problems as the provision of regulations covering imports and taxation as well as a degree of planning, in relation to the actual exploitation of marine resources and in the context of a global development strategy.

As he had stated to the Committee,[10] he was in favour of a stage-by-stage approach to the international régime so that agreement could be reached on some of the less controversial aspects, such as machinery. The establishment of working groups on precise subjects should follow rather than precede discussion on some of the general issues which he had outlined.

The meeting rose at 1 p.m.

9/ See A/AC.138/SC.2/L.9

10/ See A/AC.138/SR.48.

SUMMARY RECORD OF THE FOURTH MEETING

Held on Thursday, 25 March 1971, at 5.00 p.m.

Chairman: Mr. SEATON United Republic of Tanzania

PROGRAMME OF WORK FOR 1971 (A/AC.138/SC.I/L.2) (concluded)

Mr. WILLIAMS (United Kingdom), noting that the Sub-Committee had before it certain texts which should help to provide a basis for its work - including the draft convention proposed by the United States of America[1] and the working papers submitted by France[2] and the United Kingdom[3] -, expressed the hope that other texts would be submitted to the Sub-Committee at its summer session, since it was only by comparing and discussing various concrete proposals that the Sub-Committee would be able to make progress.

At its forthcoming session, the first aim should be to seek some common ground in a general discussion of the principal components of the future régime. It would not, however, be possible to make much progress in a general debate of the traditional kind. Some kind of framework must be imposed on the discussion. After the present general exchange of views, the next step should be to arrange a series of more specific exchanges on the basis of an agenda which might be made up of the following items: the structure of the international authority; the range of its functions; types and methods of licensing; arrangements for participation by all States parties in activities in the international area; the distribution to States parties and to the international community of the benefits to be expected from operations in the international area; the settlement of disputes, and so forth. The Sub-Committee might thus find a middle way between too general a discussion and the premature remission to working groups of questions which had not been sufficiently discussed. If that approach was acceptable, the Chairman, with the assistance of the Secretariat, could perhaps prepare such an agenda for the summer session.

1/ See Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 21 (A/8021), annex V.

2/ Ibid., annex VII.

3/ Ibid., annex VI.

His delegation considered it essential to set up working groups, since the formulation of precise recommendations and the drafting of articles could be accomplish more easily in relatively small informal groups, but it was vital that all delegations should have confidence in such groups and that the latter should work with a sufficiently precise mandate and on the basis of a sufficiently close approximation of views. Otherwise, it was likely that their recommendations would be challenged when they came before the Sub-Committee and the resulting confusion would be even worse than at the outset.

His delegation had an open mind on the question of whether the working groups should be established on a semi-permanent basis or should be more ephemeral bodies, with instructions to work on a specific text or recommendation and report back to the Sub-Committee a few days later. In his delegation's view, it would be premature to discuss such questions at the present stage; it would be preferable for the Sub-Committee to continue its debate on the basis of a specific agenda and to decide in the light of that debate what subsidiary organs should be established.

In view of the great importance of its tasks, the Committee must proceed by a method which commanded general confidence. It should be remembered, however, that there was nothing the Committee could do to affect the pace of technological advances. Many developed countries did not benefit from such advances, but there were many developing countries that did. It was a question of geology, not industrialization. However, any hesitation reduced the prospects for genuine co-operation for the benefit of the international community as a whole.

The United Kingdom wished to express its satisfaction that the agreement reached on the organization of work[4/] would enable all the Sub-Committees to consider the question of the extent of the international sea-bed area in connexion with the other items before them. Nothing could impede the Sub-Committee's work more than the exclusion of that issue from its province. It was obvious that the resources of the sea-bed varied vastly from one part of the ocean to another, according to geological circumstances, and it would be impossible to develop views on the detailed provisions of the régime for the international area except on the basis of a hypothesis about the extent of that area. Similarly, it would be meaningless to take up the question

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4/ See A/AC.138/SR.45.

of the economic implications of the exploitation of the area, as so many delegations had urged, except on the basis of some working hypothesis or a series of hypotheses about the area and the resources which would compete with the minerals produced on land or offshore within the limits of national jurisdiction.

Mr. STEVENSON (United States of America) thought that it would be useful to have a common basis of discussion, in view of the intensive work to be done at the summer session. It might be useful therefore for the Rapporteur to identify issues on which members of the Sub-Committee might wish to give their views. Such a compilation would, of course, be exclusively for the convenience of delegations and would in no way prejudice their positions on the substance of the issues or on the programme of work.

In that spirit, his delegation wished to recall that in 1969 it had circulated to members of the Committee certain maps of the sea-beds prepared by experts of the United States Geological Survey. Should any delegation desire additional copies, the United States delegation would be happy to forward them upon its return to Washington. In addition, it would do its utmost to circulate other relevant technical material available to it.

On 23 May 1970, the President of the United States of America had issued a statement on United States ocean policy, devoted in large measure to matters now before the Sub-Committee. Pursuant to that statement, the United States delegation had submitted a draft convention on the international sea-bed area.[5/] It was now circulating to all delegations documents containing the President's statement and the draft convention, in order to enable them to understand the United States point of view in connexion with the process of negotiation and mutual accommodation which was now beginning.

He had already stated in the Committee[6/] that the process of accommodation should be distinguished from superficial or arbitrary compromises. He now wished to outline some of the ways in which the draft convention sought to achieve such an accommodation.

For example, there was no doubt that there was a direct relationship between the powers and the structure of international machinery. If the powers were to be extensive and were to apply to areas of vital interest to States, then it was necessary to have a structure which would inspire confidence in States and would ensure responsibility,

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5/ See Official Records of the General Assembly, Twenty-fifth Session, Supplement No. 21 (A/8021), annex V.

6/ See A/AC.138/SR.51

efficiency and expertise. If that was achieved, the desire of many countries, including the United States, for a machinery with extensive powers could be accommodated with their understandable concern about the possible harmful effects of such machinery on their interests, a concern which his country also shared.

The problem of responsibility was one of the most difficult to resolve whenever a new organization was being created. Every country understandably wished to ensure that the organization would not disregard its interests and wished to have a voice in its affairs. In other words, it was essential to have a plenary body. The draft convention submitted by the United States therefore provided for an assembly of all contracting parties. However, a plenary body would be too large to deal with the current business of the organization and its decisions, made by a simple or two-thirds majority, might not necessarily reflect the broad spectrum of opinion in terms of total population or other relevant criteria. In other words, while meeting the needs of some States regarding responsibility, it might not meet the needs of others - indeed, of those whose interests might be most directly affected by many of the decisions taken.

Consequently, a representative body was required. The draft convention provided for a council of twenty-four States to meet as often as necessary. Eighteen of those States, at least twelve of which would be developing countries, would be elected by the assembly every three years. The remaining six seats would be assigned to countries regarded as the most industrially advanced, in accordance with specified criteria. Decisions by the council would require a majority of each group, thus ensuring the necessary balance. Furthermore, at least two members of the council must be land-locked or shelf-locked States. While the specific details of the council's structure required further discussion, it was essential to preserve the underlying principle that there should be a broad spectrum of support for its decisions.

It was of particular importance that the revenues from sea-bed resources should not be wasted on needless administrative expenses. At the same time, the organization must have the necessary expertise. That could be achieved by establishing small functional commissions, composed of persons with the necessary skills to carry out certain important functions. Those persons need not be full-time employees of the authority and their number should be proportional to the work to be performed.

The experience of national administrations showed that, while administrative functions were in theory subordinate to higher policy decisions, in fact political organs were not equipped to provide the necessary check on the detailed exercise of administrative or regulatory power. Accordingly, a system for review of administrative and regulatory actions would be needed. His country proposed that an independent tribunal should be established not only for the settlement of disputes between States but also for the settlement of disputes between the authority, on the one hand, and an interested State or individual, on the other. Thus, a State which felt that its rights under the convention were being infringed by the authority could bring the matter before the tribunal.

A related problem was the degree to which issues would be decided in the treaty or left for later decision by the authority, since there was clearly a need for some degree of flexibility. All delegations would prefer to simplify the drafting of the treaty as much as possible, but the Committee's mandate was to prepare a régime as well as machinery. Even if that were not the case, States might feel understandably hesitant about entering into a treaty without some fairly detailed idea of how it would operate. In other words, detailed provisions might facilitate rather than delay agreement on the treaty. The United States Government had therefore sought to resolve the problem by establishing, in the appendices, the general outlines of the system and specifying minimum and maximum limits for future decisions by the authority, by way of example only, since a great deal of additional consultation would be required in order to determine what was economically feasible.

By far the most difficult problem was the precise definition of the area of the sea-bed beyond the limits of national jurisdiction. The problem was how to reconcile the benefits which many nations might derive from the international régime with those which coastal States felt they would gain from exclusive jurisdiction. The former would like the régime to apply to the broadest practicable area; the latter would prefer it to be applicable to a smaller area of the sea-bed. If States were free to fix their own limits, very little would soon be left of the common heritage of the international area.

In view of the provisions of the Convention on the Continental Shelf,[7/] the issue was whether the international régime should apply to the entire sea-bed area beyond twelve miles and beyond a depth of 200 metres or whether it should apply to a smaller area. The decision had not been an easy one for his Government to take, any more than it would be for many other countries. It was believed that there were substantial resources in the continental margin off the coast of the United States beyond a depth of 200 metres. It would be a mistake to believe that resources of interest beyond 200 metres lay only off the coast of developing countries. It would also be a mistake to believe that the resources of the sea-bed beyond a depth of 200 metres were incapable of being exploited. The question was whether the benefits from such exploitation should be enjoyed exclusively by the coastal State and by States like the United States whose nationals were capable of exploiting such resources under concessions granted by the coastal State, or by the international community as a whole.

As a number of delegations had asked for some indication of the magnitude of future exploitation, he would like to give the floor to an expert from the United States Geological Survey to speak on that subject.

Mr. McKELVEY (United States of America) said that experts agreed that there were enormous quantities of petroleum and mineral ores in the sea-bed beyond the 200-metre isobath. Opinions were very divided, however, on the rate at which those resources could be exploited, some forecasting considerable production in the near future while others expected a delay of several decades. In any event, there were too many uncertainties to justify forecasts of the amount of revenue that might be derived from exploitation of the area in question.

Nevertheless, current advances in exploitation techniques indicated that the production of petroleum and the mining of manganese nodules beyond the 200-metre isobath would be feasible within a few years. It was also known that several firms were planning to begin such operations within the next few years.

For the moment, the deepest water depth for a producing oil well was only 114 metres. However, an American company had already drilled a "dry" well in a water depth of 455 metres and had found oil in other wells drilled in the same area in water depths

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7/ See United Nations, Treaty Series, vol. 499, p. 311.

of up to 321 metres. In order to continue prospecting and to begin oil production from that field, it planned to install a platform in 214 metres of water. The firm in question and some of its competitors were currently studying the possibility of petroleum production in water depths of as much as 600 metres.

For its part, the National Science Foundation had developed methods of drilling core holes at abyssal depths as great as 6,140 metres and had recently developed the hole re-entry capability required for exploratory drilling at such depths. Deep water drilling was thus becoming technically feasible.

The rate of development of petroleum exploitation beyond the 200-metre isobath depended on many factors, particularly the production of hydrocarbons from other sources such as oil or gas from land or shallow off-shore wells, shale, tar sand or coal. Developments were difficult to predict and would, of course, depend on the respective production costs. The cost of underwater petroleum exploitation increased sharply with depth. However, technological breakthroughs could completely change the competitive position of the various products considered vis-à-vis each other and vis-à-vis other sources of energy which might affect the hydrocarbon market.

Petroleum exploitation beyond the 200-metre isobath was encouraged, however, by the interest of consumers in securing sources of supply close to the point of consumption. In addition, the relative costs of exploitation dropped sharply in giant fields and prospects for the discovery of giant fields beyond the 200-metre depth were good. If petroleum companies were currently spending substantial sums on geophysical exploration in that area, it was undoubtedly because they expected an economic return in the relatively near future.

Projections of petroleum demand indicated that annual consumption would rise from about 17,000 million barrels at present to about 26,000 million barrels in 1980, of which 8,000 to 10,000 million, or 30 to 40 per cent, would be supplied by off-shore wells. Although it was impossible to forecast how much of that would come from the exploitation of deposits at depths greater than 200 metres it could be said that, even if it were only a few per cent, the resultant revenues would be appreciable, whether in the form of royalties of various kinds or even in terms of advance cash payments. Under the United States proposal for an international trusteeship area, coastal States would decide on the conditions for issuing exploitation rights. If those rights were sold by competitive bidding, as was done in the United States for the sale of leases on the outer continental shelf, cash payments would be made in advance of production and of exploratory drilling. Since 1954, leases sold by the United States had brought in some

$4,400 million, and at least as much again would be paid in the form of royalties. Needless to say, the bids made reflected both anticipated costs and the degree of certainty that the area explored would be productive. Where economic production was feasible, competition between companies to secure leases on neighbouring areas was likely to increase substantially. It was, of course, difficult to predict the magnitude of possible revenues but it should not be forgotten that, as previously mentioned, revenue might be received before drilling or production began.

While there were indications that most off-shore petroleum resources were located in the continental margins, the richest manganese oxide deposits mainly lay beyond the margins on the deep ocean floor.

It was estimated from experience on land and from total consumer demand that revenues derived from petroleum production on the continental margins beyond a depth of 200 metres would be far greater than those that could be expected from the mining of nodules or other mineral ores. It was possible, however, that nodule production might begin first. The nodules were commercially interesting at the moment largely because of the nickel, copper and cobalt they contained, although at least one company was considering recovery of manganese also.

Despite pessimistic forecasts that profitable production of those metals from deep-sea nodules would not be possible in the immediate future, nineteen organizations in five countries, mainly private companies but including some government institutions, were engaged in developing the techniques required for such production. Over the last few years, several firms had been spending several million dollars a year on such work. Experiments had been carried out in the summer of 1970 by a United States firm, while the Japanese had been experimenting with a continuous line bucket dredge. Encouraging results had been obtained in both cases. Two United States firms were planning to begin commercial production by 1975 and believed it might amount to about 15,000 tons of nodules a day by 1980. Of course, even if that objective were achieved, it was difficult to forecast how much revenue would be derived from the operations, but it was clear that the companies involved expected exploitation to become profitable. At the present stage it was important to recognize that, by the end of the decade, production would undoubtedly have reached substantial proportions and would have begun to generate revenue.

Some people had stated that the prospective revenues from the mining of manganese nodules were not an economic justification for the establishment of a strong international régime to govern sea-bed resource development. However, if that régime applied to the continental margin beyond the 200-metre isobath, it would also govern the exploitation of petroleum reserves with a far greater potential value. Moreover, before production could begin, it was necessary to create a favourable investment climate, and that might not be possible in the absence of an internationally agreed régime. Furthermore, even if it were possible, it was still necessary to establish the régime since an international regulation reflecting the interests of all and equitable sharing of the benefits derived from exploitation of the sea-bed could not be achieved without it.

Some people had also claimed that revenues from the sea-bed area beyond the 200-metre isobath would be insignificant, but the progress already achieved and potential future progress would seem, on the contrary, to point to positive results.

Mr. STEVENSON (United States of America) said that petroleum and natural gas deposits, which, as his delegation's expert had point out, were usually situated in the continental margins, would probably be exploited first in the shallower parts of those margins. That meant, if it was agreed that national jurisdiction should have wide limits, that most of those deposits would be excluded from the international régime in the years to come. The United States expert had also pointed out that the cost of oil production would increase substantially with depth. Consequently, the further the limits of national jurisdiction were extended beyond the 200 metre isobath, the smaller would be the international revenue from oil production. If the 200-mile limit was adopted, most of the continental margins would be excluded from the international régime.

The United States had therefore proposed, on the one hand, that the international régime should apply to the broadest practicable area and, on the other, that coastal States should be given substantial but carefully defined rights under the international régime in respect of the licensing of exploration and exploitation in the continental margins beyond a depth of 200 metres or a distance of twelve miles. According to the United States proposal, each coast State acted as "trustee" for the international community, the purpose of the system being to ensure a balance of advantages as between the coastal State and the international community.

Mr. KHANACHET (Kuwait) said that the international régime, if it was to be fair, should be based on the principles set forth in the Declaration contained in General Assembly resolution 2749 (XXV), the chief of which was that the area in question was the common heritage of all mankind. It followed that that area was not subject to appropriation by any States or persons, natural or juridical, in their own interests.

His delegation thought that the area should be as wide as was possible without encroaching on the legitimate and traditional rights of coastal States, and that the régime to which it was subject, which should be as powerful as possible, should be applied by a body having complete jurisdiction over the area in question and power to manage, administer, supervise, control, explore and exploit the resources it contained. The régime would be universal and should be established by an international treaty which was also universal. In accordance with article 19 of the Vienna Convention on the Law of Treaties,[8/] the treaty should forbid any reservation incompatible with the object and purpose of the treaty establishing the régime.

Another important principle in the Declaration was that of the equitable sharing of the benefits derived from exploiting the area's resources among all Powers and countries in the world, taking into particular consideration the needs and rights of the developing countries, whether coastal or land-locked.

Subject to such equitable sharing and to the recognition of the international area as the common heritage of mankind, and bearing in mind the present role of the United Nations in development questions and the more important part it was required to play in that field, his delegation urged that some of the resources derived from the exploitation of the sea-bed should be allocated to the United Nations, a portion of the proceeds being devoted to strengthening the Organization itself and the remainder to development programmes implemented either directly by UNDP or by UNDP acting in co-operation with the specialized agencies, each of which contributed within its sphere of competence.

Reference had been made to the interests and needs of developing countries. Those countries should be protected against the abusive exploitation of the sea-bed, which could be dangerous for their economies. His delegation, in agreement with a number of others, therefore intended to request the Secretary-General to undertake a study of the problem which would serve in the future as a basis for the protection of the legitimate interests of the developing countries. In that respect, he could not agree with the United Kingdom representative, who had said that it would be pointless to tackle the question of the economic implications of the exploitation of the international area of the sea-bed and the ocean floor. As the representative of a developing country whose economy was based on the exploitation of a specific product and whose very survival

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8/ See Official Records of the United Nations Conference on the Law of Treaties, Documents of the Conference (United Nations publication, Sales No.: E.70.V.5), p. 291.

might be threatened by the exploitation of the reserves of that product existing in the sea-bed, he protested against any attempt to prevent countries from defending their interests. His attitude found support, moreover, in the idea embodied in the last preambular paragraph of General Assembly resolution 2749(XXV).

With regard to the international machinery to be set up, it was absolutely essential to make it a powerful body. It should include an assembly composed of all the countries in the world; the assembly would be the political organ responsible in future for controlling and supervising the exploitation of the sea-bed. Parallel to the assembly there should be an executive council whose composition, based on the equal representation of all participating States, would be defined later. In that connexion, his delegation could not agree with the attitude of the United States of America as reflected in its draft convention and in the statement just made by the United States representative. In particular, it was totally opposed to the idea of any preferential voting rights. Moreover, equal representation on the executive council would be neither just or fair to the developing countries, since it would correspond neither to the number of such countries in the United Nations nor to their population, which constituted more than two-thirds of total world population.

In addition, the proposed international machinery should have absolute jurisdiction over the international sea-bed area and be empowered to manage, supervise, control and administer all activities undertaken on the sea-bed and the ocean floor and in the subsoil thereof, on the understanding that the equitable exploitation of the resources they contained would not be possible without the due application of the principle that those resources were the common heritage of all mankind.

On that point, it was worth examining the United States proposal for the establishment of an "international trusteeship area". In fact, as presented in the draft convention, the proposal was not for international trusteeship in the true meaning of the words, but for a juxtaposition of national jurisdictions. His delegation mistrusted that proposal, because the trusteeship area would cover the most accessible part of the sea-bed, the exploitation of which would be least costly. In that way, the internatinal area would be reduced to the very lowest terms. The experience of the oil-producing countries (including Kuwait) with the concession-holding companies revealed only too clearly the dangers of that course. For many decades, the companies had kept the lion's share for themselves, until political pressure had compelled them to accept what was called a "fifty-fifty" share, although it was far from being so. The system recommended

by the United States of America amounted to giving the rich countries, which possessed the necessary technical resources, the chance of becoming the partners - theoretically on an equal footing, but in fact to an extent which would amount to two-thirds or more - of any coastal country which wished to exploit its mineral resources but was not in a position to do so.

It was worth recalling, in that respect, the crisis experienced by Iran when it had been forced, for lack of the necessary resources, to stop oil production at the time of its dispute with the concession-holding companies. The question was whether the third world was prepared to accept a new form of exploitation of its resources or whether, in the establishment of an international machinery, it would find a way of defending its interests.

It was thus essential to establish very powerful international machinery which would directly exploit the resources of international ocean space for the developing countries through private or mixed, governmental or inter-governmental bodies, irrespective of their economic, social or political system.

Attention had been drawn to the importance of scientific research. His delegation thought that it should be absolutely unrestricted, on condition, of course, that no such activity could form the legal basis for any claims with respect to the international sea-bed area or its resources, as in fact was laid down in operative paragraph 10 of the Declaration of Principles [General Assembly resolution 2749 (XXV)]. If the fullest advantage was to be taken of scientific research, its findings should be automatically disseminated to all States, it must not remain the private preserve of the developed countries and its benefits must be made available to all countries. In short, coastal States must be able to participate in scientific research activities and any other operations carried out in the neighbourhood of their shores.

The question of scientific research was linked with that of the training of personnel from the developing countries. Only a powerful international machinery could ensure the training of the technical personnel those countries needed. In fact, it was lack of qualified technical personnel that had obliged Iran to stop production during the crisis he had mentioned, and even now the developing countries did not have technicians capable of taking in hand the exploitation of their resources.

The Canadian representative had suggested in the Committee[9] the establishment of a transitional régime. The developing countries had learnt to mistrust that type of procedure. That was why they wanted a strong international régime, administered by a powerful machinery, which would defend them from unjust and unfair exploitation.

His delegation insisted that priority should be given to the establishment of the régime and the setting-up of the international machinery, as well as to the study of the economic implications of the exploitation of the sea-bed and the steps to be taken to protect the interests of the developing countries.

Mr. WILLIAMS (United Kingdom), exercising his right of reply, said that by quoting his words out of their context, the Kuwaiti representative had distorted their meaning. The United Kingdom delegation's intention was to express its satisfaction at the agreement concerning the organization of work, which would greatly facilitate the Committee's task. It had never wished to suggest that the question of the possible economic implications of the exploitation of the sea-bed was unimportant.

Mr. ROSSIDES (Cyprus) thanked the United States delegation for the information it had given on progress in the exploitation of the sea-bed.

Activities in that field were bound to expand in a way that would affect the area it was proposed to reserve for the international community. That trend became increasingly difficult to arrest. Moreover, as the Maltese representative had pointed out to the Committee,[10] there was a danger that the coastal States would decide unilaterally to extend the breadth of the area within their national jurisdiction. Until an international régime was established, that tendency would continue and the mineral resources of the sea-bed would be increasingly exploited by private companies or by countries.

In the circumstances, there was good reason to adopt interim measures. The General Assembly, in resolution 2574 D (XXIV), had called for a moratorium, but that move had had no effect, since no-one knew the limits of national jurisdictions. His delegation therefore considered that at its July session the Committee should consider ways of imposing an effective moratorium under which States and persons, physical or juridical,

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9/ See A/AC.138/SR.58

10/ See A/AC.138/SR.57

would be bound to abstain from all activities of exploitation beyond the 200-metre isobath or a twelve miles' breadth, whichever was more distant. Moreover, during the moratorium, no claim should be recognized to any part of the area under consideration or its resources, as provided for in General Assembly resolution 2574 D (XXIV).

In addition, the General Assembly, proceeding on the basis of the proposals which had been made with respect to a future régime, should set up a body to be responsible for the exploration and exploitation of the sea-bed and the ocean floor pending a definitive decision on the limits of the ocean space to be subject to international jurisdiction. The establishment of the régime would thus precede the definition of the area to which it would apply.

Those suggestions were, of course, open to revision and his delegation was prepare to consider any proposals which might be made on the subject. What was important, however, was to take a decision which would ensure that the effort expended so far would not be wasted.

Mr. STEVENSON (United States of America) referred to his suggestion that the Rapporteur should be asked to draw up, for the July session, a list of topics and questions to be submitted to the conference on the law of the sea, on which members of the Sub-Committee would be asked to give an opinion in the light of the statements made at the present session.

Mr. PROHASKA (Austria), Rapporteur, said that, if the Sub-Committee wished, he was prepared to draw up a draft list with the aid of the Secretariat.

Mr. KHLESTOV (Union of Soviet Socialist Republics) considered that a clear picture of the statements made was furnished by the summary records of the meetings, from which delegations could ascertain the various proposals which had been put forward It was therefore unnecessary to submit further documents to the Committee. The list of questions to be presented to the conference on the law of the sea could be drawn up in July.

Mr. SOLOMON (Trinidad and Tobago) agreed with the Soviet Union representative Moreover, the preparation of the list requested by the General Assembly was outsid the Rapporteur's competence, and it should be drawn up either by the Committee or by a working group appointed by the Committee. The Sub-Committee should not unburden its responsibilities onto the Rapporteur. In July, the Sub-Committee should tackle three questions: the economic consequences of the explcitation of the resources of the international area of ocean space, the sharing of the benefits to be derived therefrom

and the access of land-locked countries to the area in question. The preparation of draft treaty articles should be left to the very last. In any case, the general discussion was not yet over, and also the Group of 77 intended to prepare a working paper explaining its members' position with regard to the international régime contemplated.

In view of those various considerations, the only rational procedure was to wait until the July-August session to decide on methods of work.

Mr. STEVENSON (United States of America) withdrew his suggestion.

The CHAIRMAN, summing up the discussion, said that all delegations apparently preferred the Sub-Committee not to begin work until its summer session.

The United States representative had attempted to narrow the range of issues requiring discussion in order to enable work to progress more speedily. The United Kingdom representative had offered suggestions which it seemed would enable the Sub-Committee, in the preliminary general debate, to decide which questions it would refer to drafting groups or to groups responsible for studying other questions within its terms of reference.

One or two working papers would probably be placed before the Sub-Committee in July in addition to those from France, the United Kingdom and the United States of America and the Secretary-General's reports. The Sub-Committee might decide to examine those questions in general terms and establish working groups whose membership it would determine in due course. It would subsequently prepare a report for submission to the General Assembly together with the draft treaty articles drawn up.

The Chairman's summary was approved.

The meeting rose at 6.40 p.m.