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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

PROVISIONAL SUMMARY RECORD OF THE SEVENTY-FOURTH MEETING*/

held at the Palais des Nations, Geneva,
on Thursday, 9 August 1973, at 10.50 a.m.

Chairman:

Mr. ENGO

Cameroon

Rapporteur:

Mr. MOTT

Australia

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N.B. Participants wishing to submit corrections to this provisional summary record are requested to submit them in writing, preferably on a copy of the record itself, to the Official Records Editing Section, Room E.4121, Palais des Nations, Geneva, within three working days of receiving the provisional record in their working language.

*/ This provisional summary record, together with the corrections to be issued in consolidated form after the session, will constitute the final record of the meeting.

ORGANIZATION OF WORK

The CHAIRMAN pointed out that the Working Group had only six working days to complete its task and to draft the report which it would submit to Sub-Committee I. The Sub-Committee would then have to adopt the report and submit it to the Plenary Committee. He therefore expressed the hope that all members of the Sub-Committee would attend the final stage of the Working Group's deliberations, that of considering and adopting the report, and seek to reach agreement so that the Sub-Committee would merely have to give the report formal approval. With regard to meetings of the Sub-Committee itself, he appealed to delegations to refrain from making lengthy statements and engaging in debates.

Mr. ZEGERS (Chile) said that he had been greatly alarmed by an article entitled "Hughes ship sets out to mine ocean floor" which had appeared in the International Herald Tribune of 7 August 1973. That article showed how very urgent it was to convene the Conference on the Law of the Sea and to conclude a Convention. Although the Sub-Committee was operating usefully through its Working Group, that action should be supplemented by political negotiations, which had unfortunately not yet taken place. The urgency of those negotiations brought out the full value of the Secretariat's excellent study on the provisional application of multilateral treaties (A/AC.138/88), which showed, on the basis of the Vienna Convention on the Law of Treaties and of such important precedents as that set by the Provisional International Civil Aviation Organization (IC.ICA0), that the provisional application of a treaty was legally possible.

The Secretariat's report entitled "Economic significance, in terms of sea-bed mineral resources, of the various limits proposed for international jurisdiction" (A/AC.138/87) showed that it was difficult in the present stage of knowledge to evaluate the resources and reserves of the sea-bed. It was known that the sea-bed offered vast possibilities for exploitation, but the use of its resources ultimately depended on the technical progress still to be achieved.

The Secretariat's report (A/AC.138/87) further showed that hydrocarbon resources were recoverable at all depths. Although petroleum deposits were usually found in the area of the continental shelf, they were also present in certain parts of the abyssal plain, as soundings taken in the Gulf of Mexico had revealed. The richest

area in manganese nodules was the North Pacific, while nodules from that area had a high copper and nickel content. The region had been explored by certain States or by companies they had licensed. The nodules seemed to be concentrated in very small areas of the ocean. Very special attention would have to be paid to the study of that question during the negotiations, since it was important to determine who should exploit those areas and how that exploitation should be conducted. It could be dangerous to envisage a system of concessions or licences, since that might enable certain companies to exploit the most advantageous areas exclusively for their own profit. According to the report, deposits of nodules were mainly to be found at a long distance from continents, but they probably also existed within the 200-mile limit.

Whatever limits might be established for national jurisdiction - and a distance of 200 miles seemed more and more to be accepted - the national area contained a variety of known or hypothetical resources. It was therefore essential to continue to study the question of the economic importance of the sea-bed's mineral resources, in accordance with the General Assembly's request in resolution 2750 (XXV). The documents of the United Nations Secretariat and the UNCTAD study (TD/B/449) gave only brief indications of the impact of sea-bed mining on the economies of developing countries which were producers of earth-based minerals. The Conference should be provided with more detailed documents on the question.

The following passage appeared on page 9 of document A/AC.138/87: "Technological innovations may reduce costs and enable 'resources' to be promoted to reserves. For example, at the beginning of this century the average grade of commercial copper deposits being mined was about 3 per cent; today, deposits with less than 0.5 per cent copper are being mined successfully." It would therefore be seen that given the necessary technological means, all the minerals contained in manganese nodules could be recovered. But since many developing countries were producers of the minerals contained in manganese nodules, it was obvious that sea-bed production could have a particularly unfavourable effect on those countries, and that preventive measures should be taken to ensure that future activities did not prejudice producers of earth minerals.

The progress report entitled "Sea-bed mineral resources: recent developments" (A/AC.138/90) dealt with current activities on the sea-bed. That study confirmed a number of facts to which the Chilean delegation had already drawn attention at the preceding session of the Committee. It showed that certain countries, such as France and the USSR, had actively prospected nodule deposits, although they had not yet reached the stage of exploitation. Several companies, consortia and groups, especially in Australia, Canada, the United States, the Federal Republic of Germany and Japan, were studying the problems involved in locating, recovering and processing nodules. It was interesting to note that those enterprises had invested or were prepared to invest considerable sums in the pursuit of their work, which clearly showed the economic interest of those operations. Most of the companies were seeking to conclude international agreements which would enable them to exploit areas already explored without fear of competition, and thus guarantee the safety of their investments. Other companies had the necessary funds at their disposal and were already engaged in commercial mining of submarine deposits. The three operations comprised in submarine mining -- prospecting, extraction and processing of nodules -- were often carried out by different companies forming a consortium, an arrangement which allowed them to speed up the work.

It was clear from various resolutions of the General Assembly and of the third session of UNCTAD, and especially from the Declaration of Principles Governing the Sea-Bed and the Ocean Floor (General Assembly resolution 2749 (XXV)), that the exploitation of the common heritage of mankind could not continue in such a manner and should be regulated as soon as possible by an international convention.

He had therefore reached three conclusions. In the first place, the date of the Conference was drawing near and the Sub-Committee should speed up its work at two levels: it should prepare draft articles on the international régime and should draw up political agreements which would serve as a basis for the future convention. To that end, political negotiations should be undertaken as soon as possible, for it was indispensable that delegations should show their willingness to negotiate with a view to reaching agreement before the Conference. Secondly, it was essential to study the question of the provisional application of the future convention. Thirdly, in accordance with General Assembly resolution 2750 (XXV), the Secretariat should undertake, in co-operation with UNCTAD, a final and complete study of the economic impact that the exploitation of the sea-bed was bound to have on the economic situation of developing countries which were land-based producers. That study should be submitted far enough in advance to allow it to be examined carefully before the Conference opened.

Mr. DE SOTO (Peru) said that he shared the Chilean delegation's alarm over the article which had appeared in the International Herald Tribune of 7 August, announcing the launching of a project for mining manganese nodules on the ocean floor financed by the American billionaire Howard Hughes, who had had a specially-equipped ship built at Philadelphia. The contents of the article could not fail to create concern, and he hoped that the information it contained would prove somewhat exaggerated. Indeed, the United States delegation had announced during its session in March 1973 (A/AC.138/SC.I/SR.64) that the United States Government was opposed for the time being to the adoption of the proposal in Bill H.R.9, submitted to Congress, to the effect that guarantees should be offered to private enterprises which had decided to make large investments in the exploitation of sea-bed mineral resources. It had, however, stated that it would be difficult for the Government to maintain that position for long, and that it might be forced to reconsider it if the Committee's work did not develop along the lines desired by the United States, if the Conference were to be postponed, or if the entry into force of the future convention was unduly delayed.

Such an attitude was obviously incompatible with the General Assembly resolution proclaiming the suspension of activities involving the exploitation of sea-bed resources and with the Declaration of Principles Governing the Sea-bed and the Ocean Floor, especially with principles 4 and 14. He hoped that the Bill referred to in the article he had mentioned did not mean that the United States Government had reversed its position or that it considered that the negotiations proceeding in the preparatory Committee were not developing in the direction it wished to see. The Peruvian delegation, for its part, had serious misgivings concerning the future of the Committee's work.

Mr. STEVENSON (United States of America) said that his delegation was among those which emphasized the urgency of the task and the need to ensure that negotiations on the exploitation of sea-bed resources in the Committee proceeded rapidly enough to avoid being overtaken by technological advances. His delegation could only reaffirm the position it had set forth at the March 1973 session, concerning the provisional legislation to be applied to the mining of sea-bed deposits during the period preceding the entry into force of an international agreement. It hoped keenly that the work of the preparatory Committee would progress so that the commercial exploitation of sea-bed deposits, when it began, would be carried out in accordance with agreements concluded at the international level.

Mr. MOTT (Australia), Rapporteur, explained the methods he intended to follow in drawing up the report of Sub-Committee I. The report would be divided into three parts. The first would consist of a summary of the Sub-Committee's work in 1971 and 1972 and of the deliberations of the Working Group in 1972. That summary should not give rise to any controversy, since delegations were already in a position to peruse that part of the draft report and to submit their observations to the Rapporteur. The second part, a brief factual summary of the Sub-Committee's work in 1973, should be ready by Monday, 13 August. Finally, the third and major part of the report would relate to the deliberations of the Working Group; the form which that report would take was being studied by the Group itself. He hoped that delegations would convey to him their observations on the draft report before the meeting at which it would be presented for adoption, so that the concluding debates of the session did not take up an inordinate length of time.

Mr. YANKOV (Bulgaria) asked whether the Working Group's report would be incorporated in the report of the Sub-Committee, in which case it should first be approved, or whether it would simply be reproduced as an annex.

The CHAIRMAN said that the answer to that question would depend on the decision of the Working Group itself.

The meeting rose at 12 noon.