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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-FIFTH MEETING\*/

held at the Palais des Nations, Geneva,  
on Friday, 16 August 1973, at 11.10 a.m.

<u>Chairman:</u>	Mr. ENGO	Cameroon
<u>Rapporteur:</u>	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.

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## ADOPTION OF THE REPORT OF THE SUB-COMMITTEE (A/AC.138/SC.I/L.27)

Mr. MOTT (Australia), Rapporteur, introducing the first part of the report of Sub-Committee I (A/AC.138/SC.I/L.27) said that the document contained two sections, the first summarizing the work of the Sub-Committee in 1971 and 1972, and the second its work in 1973. Both were concise and factual and would, he hoped, present few problems.

The second part of the Sub-Committee's report would contain the report of the Working Group. It had been the subject of broad consultations and he thanked the many representatives who had commented on the advance copies of the draft circulated. Many of the suggestions made had been accommodated in the document and had improved it.

He suggested that since Sections A and B (paras. 1-19) of document A/AC.138/SC.I/L.27, summarizing the formal sections of the reports for 1971 and 1972 had already been approved, the Committee might adopt those sections together. The second section might then be taken up paragraph by paragraph.

It was so agreed.

Paragraphs 1-19 were adopted.

Paragraph 20

Mr. MARTINEZ SIMAHAM (Colombia) suggested a drafting change in the Spanish text.

The CHAIRMAN said that the Secretariat would make the necessary change, and would also fill in the dates left blank.

Paragraph 20 was adopted.

Paragraphs 21 and 22

Paragraphs 21 and 22 were adopted.

Paragraph 23

Mr. MOTT (Australia), Rapporteur, said that the paragraph would have to be filled in by the addition of the title of the Italian draft articles mentioned in sub-paragraph (d), which had not been available when the draft was prepared, and by the inclusion under a new sub-paragraph (e) of a proposal submitted by the USSR (A/AC.138/SC.I/L.28) circulated that morning.

Mr. HSIA PU (China) said that since his delegation had not yet received the USSR proposal, a decision on whether to include a mention of it should be deferred until the document was available.

After an exchange of views between the CHAIRMAN, Mr. IVANOV (Union of Soviet Socialist Republics) and Mr. HSIA PU (China), the latter said that he did not object to the mention of the Soviet proposal in the Sub-Committee's report, but wished to record his objections to the substance of that text. The preamble did not fall within the terms of reference of the Working Group, and the Sub-Committee must not prejudge whether there should be one or more conventions.

Paragraph 23 was adopted.

Paragraphs 24 and 25

Paragraphs 24 and 25 were adopted.

Paragraph 26

The CHAIRMAN indicated that the necessary dates would be filled in by the Secretariat.

Paragraph 26 was adopted.

Paragraphs 27-35

Paragraphs 27-35 were adopted.

Paragraph 36

Mr. DE SOTO (Peru) proposed the insertion of the following words after the words "and to hold the Conference" in the eighth line of the paragraph: "and that stemming from principles 4 and 14 of the Declaration of Principles contained in resolution 2749 (XXV), all the activities in the area should be subject to the régime to be established, and the States were obliged to ensure that their nationals would comply with the aforesaid régime."

The amendment was adopted.

Paragraph 36, as amended, was adopted.

Paragraph 37

Paragraph 37 was adopted.

The CHAIRMAN suggested that the Sub-Committee should adjourn for a short time in order to enable the Working Group to complete its report, which would become part of the Sub-Committee's report.

It was so decided.

The meeting was suspended at 11.40 a.m. and resumed at 12.25 p.m.

Mr. PINTO (Sri Lanka), Chairman of the Working Group, said that, since his last oral report, made at the Sub-Committee's 73rd meeting (A/AC.138/SC.I/SR.73), the Working Group had continued its preliminary review of its principal working paper (Working Group I, Document 4, dated 23 April 1973) and had taken up the composition of the various organs, the powers and functions of which had been discussed earlier. In the Working Group's view, the "Planning Commission" (p. 72) should be a subsidiary organ, which the Assembly would be empowered to create and not one called into existence directly by the Treaty. That view would be reflected in the article dealing with the powers and functions of the Assembly. In addition to the Commissions mentioned in his previous report, the Working Group had since received a proposal for an "Inspections and Conservation Commission", which would be the organ of the Authority responsible for reviewing, approving and inspecting all work programmes carried out in the international area, whether undertaken by an appropriate organ of the Authority itself, or under arrangements authorized by it. Each proposal for a "Commission" had been accompanied by an alternative proposal for its omission, based either on the grounds that some other organs of the Authority might better perform the functions contemplated for it or that the Authority should not have such functions at all.

The Working Group had also received two additional texts as alternative provisions to article XXXIV on the "Enterprise", entitled "The Exploration and Exploitation Commission" and "The Exploitation Commission". Still another proposal had suggested that the Council should itself be given powers in connexion with the regulation of exploration and exploitation but not the power to exploit the area directly. The existence of eight different proposals designed to establish an arm of the Authority dealing with the operational aspects of sea-bed exploration and exploitation should not necessarily be regarded as an indication of failure on the part of the Working Group, since they dealt with what many delegations considered to be the central issue concerning the régime for the area and its relationship to article IX. He himself thought it would eventually be possible to reduce the number of texts to three and perhaps even to two, but the Working Group had been unable to do so for lack of time.

Consultations on the review of the powers and functions of the "Enterprise" referred to in his preceding statement had shown that it might be desirable to allow the original text of the Enterprise proposal, article XXXV of Working Group document DP.1, to continue as a basis of discussion, pending further consideration by the sponsors of the full implications of most of the modifications proposed.

The sponsors of that text had been unable to accept the position taken by the authors of the seven other preliminary proposals that those proposals were alternatives to the Enterprise concept. The proposals would be accompanied by a note indicating the differing views in that respect. It had finally been decided to present those texts for the next stage of the work by numbering them from XXXIV to XL, without the word "or" in between, so as not to prejudge a relationship of one text to the other or the order of their eventual consideration. In the revised document, of course, those texts would have Arabic numerals which might well be different from the Roman.

The Working Group had also received a new proposal for a general provision on the settlement of disputes, which had been placed at the beginning of article XXXIII, the title of which had been changed accordingly to read "Settlement of disputes [including the Tribunal]", and the latter part of the article now contained specific machinery for the settlement of disputes, i.e. reference to a permanent tribunal; reference to an ad hoc tribunal chosen by the Parties from a panel of persons maintained by the Authority; reference of disputes to the International Court of Justice; and a further proposal, at present in preparation, which would take into account the Enterprise concept as elaborated in the new text, so that the only disputes dealt with would be those between the Enterprise on the one hand and entities that had entered into service contracts or joint ventures with it on the other. The new general provisions had two alternatives: one designed to introduce the concept of a tribunal with exclusive and compulsory jurisdiction to settle disputes and make binding decisions, and the other contemplating a choice by the Parties to the dispute as to the means of settling it. Failing agreement, the dispute might be brought before the Council, either on the initiative of one Party or by agreement between them. After the Council had endeavoured to settle the dispute and had made a report and recommendations thereon, if in fact no settlement had been achieved, the dispute might be brought before the tribunal by the Council itself, again either by unilateral application by one Party or by agreement between the Parties concerned. The decisions of the tribunal would be binding. In the second alternative, provision was also made for the submission of a dispute direct to the tribunal in urgent cases and all disputes between a Contracting Party and the Authority itself would always be submitted directly to the tribunal.

In connexion with the procedure which advocated submission of disputes to the Council prior to their submission to the tribunal, various views had been expressed. The first was that the disputes should be limited to those relating to the area and its resources or to the interpretation and application of the articles. Others had preferred the formulation "relating to the exploration of the area and the exploitation of its resources". Some had preferred those provisions to be so drafted as to enable a State not a Contracting Party to submit a dispute relating to the area and its resources to the Council, while others had felt that States not Contracting Parties should have no access to any organ of the Authority.

Several texts of proposals relating to the tribunal had reflected differences of views on its availability as a forum to nationals of a State; the tribunal's role in relation to national courts; the role of technical organs of the Authority in relation to the functions of the tribunal and the method by which the tribunal would take decisions. Some delegations had considered the institutionalization of the concept of a tribunal to be premature.

Several new proposals had been received concerning the secretariat. The following new functions had been suggested for the chief officer of the secretariat: first, that he should act in an advisory capacity to the "Enterprise"; secondly, that he should prepare draft budget proposals; thirdly, that he should supervise the inspection of activities in the area; fourthly, that he should facilitate and promote scientific research in the area or the exercise of the freedom of scientific research in the area; fifthly, that he should issue notices to mariners concerning dangers to navigation of which he had been notified; sixthly, that he should maintain a register of the disposal of radioactive and toxic materials in the area that had been notified to him and bring such notification to the attention of the Council; seventhly, that he should maintain a register of persons recognized by the Authority for the purpose of conducting scientific research in the area; and eighthly, that he should receive from States maps showing the seaward boundaries of national jurisdiction which States might be required to transmit, for example, under a possible second paragraph of article I. The second proposed function had met with no opposition, but transfer to another organ of the Authority or omission had been proposed for each of the other additional functions, on the grounds that they were inappropriate to the office of chief of the secretariat. If the fifth, sixth, seventh and eighth functions were retained, explicit provisions must be made for

corresponding duties of Contracting Parties regarding the transmission of such information to the secretariat. The Group had eventually decided to use the term "Secretary-General" tentatively in referring to the chief of the secretariat, without, however, prejudging the choice of another term.

In addition to the secrecy in relation to industrial secrets or other confidential information coming to the knowledge of members of staff by reason of their official duties referred to in paragraph 3 of article XXXV, it was now also provided that breach of that rule was to be considered "a grave offence". Some considered that such disclosure should entail not merely action by the organization but also personal liability for damages, as being the only real deterrent. It had been pointed out that such a provision might raise certain questions relating to the forum in which proceedings might be brought, the applicable law and the privileges and immunities to which staff members might normally be entitled.

The Sub-Committee's attention was invited to new provisions relating to conflict of interest in relation to the chief officer of the secretariat and his staff. It was contemplated that a staff member's association with and financial interest in any enterprise concerned with the exploration of the area and the exploitation of its resources, and possibly his trading in resources which might be extracted from the area, should be prohibited during his period of service with the organization. Such association and interest would also be prohibited for a period after separation from the organization. The view had been expressed that such a provision should apply in respect of a similar period immediately preceding appointment to the staff, but others had felt that such a provision might preclude the recruitment of staff members whose current involvement in those fields might enable them to make a valuable contribution to the work of the organization. Both positions were reflected in the text. All had agreed on the basic principles of staff recruitment - equitable geographical distribution, the highest standards of efficiency and integrity, and economy - but representatives had placed a different emphasis on each of those principles.

The text on the secretariat also contained provisions on an "inspectorate", conceived by some as a department of the secretariat. Procedures were contemplated for the selection of inspectors in particular instances to minimize embarrassment to the operator concerned while maintaining efficiency. Some preferred the inspection function to be performed through the Council while the supporters

of the "Enterprise" and "Operations Commission" approaches preferred that function to be performed by the Enterprise or the Commission. Others wanted the Treaty to establish an "Inspection and Conservation Commission", and the Sub-Committee's attention was invited to provisions dealing with that proposal in the revised document containing the result of the Group's work. Others felt that the inspection function could be performed by a subsidiary organ of the Council.

The revised version of alternative A of article XXIII, on the nature of the Authority, would appear in the new document annexed to the report. Article XXIV, on privileges and immunities, had been revised in the light of the discussion and was now divided into two parts, the first covering the Authority itself and the second dealing with the privileges and immunities of representatives and officials. The view had been expressed that if the Authority were to engage in activities of a commercial nature, it should not be entitled to immunities with respect to such activities. The document still contained the basic choice: whether to incorporate the Convention on the Privileges and Immunities of the Specialized Agencies (if the Authority were to become a specialized agency), or to draw up a new convention on the privileges and immunities of the Authority. An alternative version, which contemplated the application of the former Convention, made provision through a saving clause for the possibility - foreseen in the provisions enjoining secrecy on the staff - that officials of the Authority would not be able to invoke protection under that Convention if they were found to have acted in breach of that provision and had become liable for damages. Similarly, article XXV on relationships with other organizations had been revised in the light of the discussion and attention was invited to the new note accompanying that provision.

Paragraphs 1 and 2 also of article XXVI had been restructured, but still covered the principles of sovereign equality and protection of the legitimate interests of all States. Paragraph 4 of that article had been deleted as it had been considered superfluous in view of article 6.

A completely new provision had been added as a new paragraph 4 which would seem to be a denial of the possibility that the organization might have implied powers or functions.



Another provision placed under the title "Fundamental principles" had been taken from its original position as paragraph 3 of article XXVIII, on the powers and functions of the authority.

Article XXVII, on the purposes of the Authority, had been considered superfluous by some delegations, since all the matters covered by it were dealt with under other articles. Accordingly, a proposal had been made to omit it, and cross references to the relevant provisions concerning some other organ would be given with the various paragraphs of that article. A number of delegations had however, been reluctant to omit it at the present stage. A new sub-paragraph 1 had been proposed reading: "The Authority shall work for the benefit of the people of all countries". It was accompanied by a proposal to omit it on the grounds that it was covered in article 7.

Article XXVIII, on the powers and functions of the Authority, was maintained as a heading for the time being. Some wished to omit that article altogether, while others wanted to maintain the title with a view to elaborating certain general provisions at a later stage. It should be noted that articles XXII to XXVII of Document 4, in their present form, were the result of a preliminary review by the Working Group and had not been subjected to detailed study.

After the Working Group had carried out a preliminary review of the provisions dealing with the powers and functions of the various organs, it had proceeded to examine their composition. With regard to the Assembly, various changes might be noted. In paragraph 3 of article XXIX, referring to the election of the officers, the duration of their office and the adoption of the Assembly's rules of procedure, had been omitted since those matters had been covered in the provisions dealing with the powers and functions of the Council. Two changes had been made to paragraph 1, the first being that the Assembly was to meet in regular session at a frequency still to be decided. If it met less often than every year, arrangements might have to be made for the adoption of an annual budget. The second change was that the term "member States" was placed next to the term "Contracting Parties" in paragraph 1 to reflect the view of some representatives that the former term should be used throughout the text if a concept of associate membership were to be admitted. Under the concept of associate membership, States with a small population - to be specified in the Treaty - which might find the responsibilities of full membership too burdensome could enter into a special relationship under the Treaty, whereby they

would exercise most rights of membership but would be relieved of some of its financial obligations. The Sub-Committee's attention was invited to a new alternative provision on membership and the decision-making process whereby States members were classified under three categories on the basis of certain criteria, and decisions were made on the basis of a specified combination of majorities in each such category.

Two alternative versions of a new first paragraph for article XXXI, on the composition of the Council, had been proposed. The first would read: "The composition of the Council shall be in conformity with the principles of the sovereign equality of States, rational geographical representation and the rotation of offices by election". The second would read: "The composition of the Council shall reflect adequately the interests of all [groups of] Contracting Parties in the area". The reference to the existence of "groups of" Contracting Parties had been unacceptable to some representatives who could otherwise have supported that alternative. It had therefore been included between square brackets.

While there had been little discussion on the substance of the proposals set out in article XXXI, certain clarifications and corrections had been made by the supporters of each proposal, as well as some changes in presentation. Since some sponsors of proposals had wished to present their texts in their original form, it had been thought best to leave a blank for the number of members of the Council and to state the actual number proposed in each case in the footnote, which also contained a further proposal, not made with specific reference to a particular alternative, that the number of members should be 54.

Attention was invited to corrections made by the supporters of alternatives (A) and (C) to reflect their positions more accurately and to certain modifications made by the supporters of alternative (B) to record possible variants of their system. Two new proposals (E) and (F) had also been made in the course of the discussion.

After discussing the composition of the various organs of the Authority, the Working Group had given preliminary consideration to certain other texts placed before it, including proposals on the limits of the Area, on installations within the Area and a proposal regarding a preamble. The report of the Working Group would indicate how those matters had been dealt with. The Group also gave preliminary consideration to a proposal to include articles on "miscellaneous provisions", which would initially contain a proposal regarding the convening of the first session of the Assembly and notes expressing views on subjects to be included at a later stage.

After completing that stage of its work, the Working Group had decided to pass immediately onto the second stage, a further review of those texts to ensure that all views were fully and correctly reflected. Unfortunately, it had been unable in the time available to complete that second reading of the text. Good progress had however been made and the following texts had been dealt with: the Assembly; the powers and functions of the Assembly; the Council; the powers and functions of the Council; system of settlements of disputes [including the Tribunal]; the Enterprise; the Operations Commission; the Permanent Board; the Management and Development Commission; the International Sea-bed Operations Organization; the Exploitation and Production Agency; the Exploitation Commission. The Working Group's intention was that a choice would be made from among the organs mentioned so that the new organization would have some two to four principal organs, including the Assembly and the Council.

During the second stage of the work, several changes in presentation had inevitably been made as well as in the numbering of articles. —The presentation of the second and third paragraphs of the powers and functions of the Council was so designed that, if the serial order in which items were presented was interpreted in error as conveying the idea of precedence or priority, the competing proposals would not have an advantage over each other.

The new substantive proposals received following the Group's preliminary review of the text of document A included texts on the operation of vessels by the Authority under its flag, for inclusion under the powers and functions of the Council, accompanied by a proposal for its omission; a proposal on regulation of production, for inclusion in the Assembly's powers and functions, accompanied by a proposal for

its omission; a proposal on power for the Council to examine the plans and recommendations of the proposed Planning Commission with a view to making recommendations for preventing any fluctuations in the prices of raw materials that might adversely affect the economies of the developing countries; proposed additional criteria as a basis for benefit-sharing, under the Assembly's powers and functions; and a proposal of two identical texts for inclusion under the Assembly's powers and functions and the Council's powers and functions dealing with the composition of subsidiary organs, reading as follows: "In the composition of such organs due regard shall be paid to the need for reflecting adequately the interests of different groups of States members of the Authority; in principle the composition of subsidiary organs shall follow the pattern of the composition of the Council".

He now wished to present to the Sub-Committee the report of the Working Group, which was the result of hard-won compromise. The text had just been approved by the Working Group and would be available later in the day. The texts reviewed by the Working Group would be annexed to the text of the report as indicated. Articles would be presented in serial order. The explanatory note to accompany the text would read as follows:

"Part I of this document contains draft articles relating to item 1 of the Sub-Committee's programme of work, entitled: 'Status, scope and basic provisions of the régime, based on the Declaration of Principles (General Assembly resolution 2749(XXV))'. Part II contains draft articles relating to item 2 of the Sub-Committee's programme of work, 'Status, scope, functions and powers of the International machinery'.

Draft articles with Arabic numerals have received a second reading by the Working Group, while draft articles with Roman numerals and draft article 'O' on '[interpretation] [definition]', have only been the subject of a first reading. After their first reading, certain modifications were made, but, as presently drafted, have not been considered by the Working Group.

A footnote to each of the draft articles will indicate its status in this regard."

Every effort would be made to produce the revised version of document 4 as an official document before the end of the current session. A few editorial changes might become necessary. It had already been agreed, following consultations with the interested delegations, that all footnotes which at present contained words such as "one delegation felt ..." would merely read "the view was expressed ...". No effort would be spared accurately to reflect the views of representatives who had shown such an admirable spirit of conciliation and co-operation throughout the discussions.

The CHAIRMAN said that, since all delegations had been able to attend the meetings of the Working Group and in the absence of any objection, he would take it that the Sub-Committee wished to adopt the Working Group's report as a whole. The report of the Working Group, to be issued as document A/AC.138/SC.I/L.27/Add.1, would be incorporated in the report of the Sub-Committee and the texts of draft articles forwarded by the Working Group would be reproduced in an annex to the report.

It was so agreed.

The report of the Sub-Committee (A/AC.138/SC.I/L.27 and Add.1), as amended, was adopted.

#### STATEMENT BY THE REPRESENTATIVE OF ITALY

Mr. de ROSSI (Italy) said that the preliminary draft articles submitted by his delegation concerning the basic principles of the régime of the international area of the sea-bed and the sub-soil thereof and regulations for the granting and administration of licences for the exploration and exploitation of minerals (A/AC.138/SC.I/L.26), were guided by several principles.

The first was the need to give all States, irrespective of their level of development, access to the mineral resources of the international area, by means of licences delivered to the High Contracting Parties to the agreement or to physical or juridical persons sponsored by them (section "A", article 3).

The second principle was the intervention of the State either as exclusive economic operator or as sponsor, so as to ensure the maximum guarantee for the International Authority representing the international community.

The third principle was the need to prevent the emergence of monopolistic or oligopolistic situations in the international area, by means of an equitable distribution of search and exploration licences among High Contracting Parties or among economic operators sponsored by them. Such distribution should be made on the basis of objective criteria to be carefully worked out so as to avoid the possibility of one or more States having too many licences in the international area.

The Italian draft articles also provided for the equitable distribution of extracted minerals among the States or economic operators on the one hand and the International Authority on the other. In that connexion, article 5 of section "B" laid it down that the holder of an exclusive exploitation licence would be entitled to receive annually a percentage of the minerals extracted corresponding in value to the annual costs of operating the deposit and also to an annual percentage of the minerals extracted by way of reimbursement for costs incurred as a result of any operations carried out in the area covered by the initial exclusive exploration licences, or for related interest charges. That provision had the advantage of giving the International Authority the possibility of a share in the minerals extracted from the outset. Finally article 5 of section "B" provided for an annual indemnity for "mining risk".

The remainder of the production would go to the International Authority, which could either take it in kind or request the licensee to market it.

The Authority would thus be able to obviate or attenuate possible repercussions on world markets from the exploitation of the mineral resources of the sea-bed in the area beyond the limits of national jurisdiction and take into account the requirements of countries which had no raw materials or which were in the course of development.

In addition, the Italian proposal provided for the International Authority to receive payment for non-exclusive prospecting licences (section "B", article 1) and registration fees and annual rentals for exclusive exploration licences (section "B", article 2) and exclusive exploitation licences (section "B", article 4).

Since the Italian proposals contained no tax element such as the cash bonus, there would be no discrimination between rich and poor countries.

In order to make the International Authority more effective, the Italian draft laid down a particularly elaborate procedure for accepting competitive bids from those seeking to take out licences in the same area. The Italian draft had not adopted the "first come first served" principle proposed by other delegations but provided for the issue of licences on the basis of a thorough examination of the work programmes sent with the requests (section "B", article 3). That procedure would ensure the selection of the would-be licensee presenting the best guarantees of rapid and effective development of the mineral resources of the area. That would be an advantage for the international community and particularly for the developing countries.

The Italian draft was realistic, for it would ensure the establishment of a functional and operational régime ensuring the necessary collaboration between the International Authority, the States and the economic operators.

It was difficult to say as much of the working document put forward by the 13 Latin American countries, which proposed the establishment of an International Authority responsible for all technical, industrial and commercial activities concerning exploration and exploitation of the international area. Although attractive, that proposal had not been clearly defined and it appeared difficult to carry out.

An International Authority responsible for research and exploitation could in fact be set up if it were operated in accordance with the provisions of the international régime; thus it would also be possible to provide for the creation of joint ventures by the International Authority and the States or economic operators. The developing countries would benefit from such a scheme and be able to make an effective contribution to activities in the international area.

The draft articles proposed did not represent the final position of the Italian Government, and they were open to improvement.

STATEMENT BY THE OBSERVER FOR IRELAND

Mr. HAYES (Observer for Ireland), speaking at the invitation of the Chairman, said that, while his country's approach to the question might be more detached than that of the more technologically advanced countries on the one hand and of the developing countries on the other, the establishment of a régime applicable to an international area of the sea-bed and of international machinery to control that area and its exploitation was in the direct interest of all countries.

His delegation had expressed its views on the extent of the area in the appropriate Sub-Committee. Referring to the closely related issues of whether the international régime should be confined to the sea-bed or should apply also to superjacent waters and whether it should cover not only mineral but also living resources, he said that, in his delegation's view, it should not extend to superjacent waters but it should apply to living resources. That idea accorded with the distinction made between those questions in many of the proposals on the nature of the rights of coastal States in the area of national jurisdiction which would come before the Sea-bed Committee. His delegation realized the need for ensuring that the non-extension of the régime to superjacent waters did not unduly hinder the work of exploration and exploitation and

that the convention included appropriate provisions to that end while adequately protecting other rights in those waters. It understood that there were no significant living resources beyond a certain depth; accordingly, depending on the solution finally adopted on limits, the question of application to living resources might be irrelevant.

His delegation supported the idea that the General Assembly, as the most comprehensively representative organ, should be the supreme authority. That approach would facilitate the establishment of the respective rules of the General Assembly and the Council. More extensive executive functions could be conferred on the Council in the knowledge that it would ultimately be answerable to the higher authority. To make the less representative body responsible for important practical decisions would mean that the technologically advanced countries would tend to have an undue influence. One of the drafts submitted would give a group of those countries a virtual veto over Council decisions. In his delegation's view, the controlling power should rest with representatives of the intended beneficiaries of the régime, namely, mankind as a whole and the developing and land-locked countries in particular.

Mr. IVANOV (Union of Soviet Socialist Republics), speaking on a point of order, asked the Chairman to appeal to the observer for Ireland to refrain from commenting on drafts submitted by delegations and from going into the substance of the Sub-Committee's work, on which discussion had been concluded.

The CHAIRMAN said that he hoped the observer for Ireland would heed the Soviet representative's appeal and make his statement as brief as possible. He would have an opportunity to make a fuller statement in the main Committee if he so wished.

Mr. HAYES (Observer for Ireland) said that his statement was intended to be a statement of his delegation's reactions to the fundamental issues which had been considered in the Sub-Committee. Some of those fundamental issues were referred to in drafts which had been considered by the Working Group and were now before the Sub-Committee, but he did not intend to go into the drafts themselves beyond the passing reference which he had made to one of them.



The CHAIRMAN invited the observer for Ireland to continue his statement in as brief a manner as possible, avoiding any detailed comment which might give rise to further discussion.

Mr. HAYES (Observer for Ireland), referring to benefit-sharing, said that the vague terms which had been used to refer to that subject in General Assembly resolutions could not be used in the convention, which had to include a clear benefit-sharing scheme if the organs of the Authority entrusted with the distribution of benefits were not to be engaged in interminable wrangles on the subject, to the detriment of their other functions and of their prestige. It had rightly been suggested that distribution should be on the basis of "to each according to his needs". The question of how those needs should be assessed could be settled at a later stage.

A further fundamental issue to which he wished to refer was the question of how the Authority should be enabled to arrange for exploitation of the sea-bed. The methods generally proposed were licensing, joint ventures, service contracts and exploitation by the Authority itself. In his delegation's view, the best method of exploitation might vary from case to case and the Authority should be able to use any method it thought fit. The objective should be to ensure that the economic means were available for obtaining the maximum value from the resources and that there was real competition between potential licensees or contractors. His delegation doubted the value of the suggestion that the Authority should enter into arrangements only with nominees of States, since it might lead to a monopolistic situation or to reduced competition. It might be necessary to consider at a later stage whether firm criteria for selection of licensees or contractors should be incorporated in the convention in order to avoid time-consuming and unproductive disputes on choices.

He had intended to refer to the legal difficulties which might arise on relationships between the authority and physical or juridical persons if a scheme of contracting or licensing were established, but in view of the Chairman's appeal for brevity, he would reserve his comments in that connexion until a later stage.

After the customary exchange of courtesies, the Chairman declared the session closed.

The meeting rose at 2.10 p.m.