

Third United Nations Conference on the Law of the Sea

1973-1982

Concluded at Montego Bay, Jamaica on 10 December 1982

Document:-
A/CONF.62/L.94

Proposals made by the President of the Conference, the Chairmen of the Committees, the Chairman of the Drafting Committee and the Rapporteur General, in accordance with the decision of the Collegium in document A/CONF.62/L.93

Extract from the Official Records of the Third United Nations Conference on the Law of the Sea, Volume XVI (Summary Records, Plenary, First and Second Committees, as well as Documents of the Conference, Eleventh Session)

member States Party to the Convention, for the purposes of applying article 316, paragraphs 1, 2 and 3;

- (iii) With regard to all other amendments, the instrument of formal confirmation or accession of the international organization shall not be taken into account when applying article 316, paragraphs 1 and 2;
- (c)(i) In respect of article 317, an international organization may not denounce this Convention if any of its member States is a Party to the Convention and if it continues to fulfil the qualifications specified in article 1;
- (ii) The international organization shall denounce the Convention when none of its member States is a Party to the Convention or if the international organization no longer fulfils the qualifications specified in article 1. Such denunciation shall take effect immediately.

ANNEX II

Article 60, paragraph 3

Replace the second sentence by the following:

Any installations or structures which are abandoned or disused shall be removed to ensure safety of navigation, taking account of any generally accepted international standards established in this regard by the competent international organization. Such removal shall also have due regard to fishing, the protection of the marine environment and the rights and duties of other States. Appropriate publicity shall be given to the depth, position and dimensions of any installations or structures not entirely removed.

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[Original: English]
[2 April 1982]

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

The Third United Nations Conference on the Law of the Sea in the City of Caracas,

Having this day adopted the Convention on the Law of the Sea which provides for the establishment of the International Sea-Bed Authority, and the International Tribunal for the Law of the Sea,

Having decided to take all possible measures to ensure the entry into effective operation without undue delay of the Authority and the Tribunal and to make the necessary arrangements for the commencement of their functions,

Having decided that a Preparatory Commission should be established for the fulfilment of these purposes,

Decides as follows:

1. There is hereby established the Preparatory Commission for the International Sea-Bed Authority and the International Tribunal for the Law of the Sea. The Commission shall be convened upon signature of or accession to the Convention by 50 States by the Secretary-General of the United Nations to meet no sooner than 60 days and no later than 90 days thereafter;

2. The Commission shall consist of the representatives of States which have signed the Convention or acceded to it. The representatives of signatories to the Final Act may participate fully in the deliberations of the Commission as observers but shall not be entitled to participate in the taking of decisions;

3. The Commission shall elect its Chairman and other officers;

4. The rules of procedure of the Third United Nations Conference on the Law of the Sea shall apply *mutatis mutandis* with respect to the adoption of the rules of procedure of the Commission;

5. The Commission shall:

(a) prepare the provisional agenda for the first session of the Assembly and of the Council, and, as appropriate, recommendations relating to items thereon;

(b) prepare draft rules of procedure for the Assembly and the Council;

(c) make recommendations concerning the budget for the first financial period of the Authority;

(d) make recommendations concerning relationships between the Authority and the United Nations and other international organizations;

(e) make recommendations concerning the Secretariat of the Authority in accordance with the relevant provisions of the Convention;

(f) make studies as necessary, concerning the establishment of the headquarters of the Authority, and prepare recommendations relating thereto;

(g) prepare such draft rules, regulations and procedures as it deems necessary to enable the Authority to commence its functions, including draft regulations concerning the financial management and internal administration of the Authority;

(h) exercise the powers and functions assigned to it with regard to the treatment of preparatory investments under resolution II of this date;

(i) undertake studies on the problems which would be encountered by developing land-based producers likely to be most seriously affected by the production of the Area with a view to minimizing their difficulties and helping them to make the necessary economic adjustment, including the establishment of a compensation fund and submit recommendations to the Authority thereon;

6. The Commission shall have such legal capacity as is necessary for the performance of its functions and fulfilment of its purposes as set forth in this resolution;

7. The Commission may establish such subsidiary bodies as it deems necessary for the performance of its functions and shall determine their functions and rules of procedure. It may also make use of, as appropriate, outside sources of expertise in accordance with United Nations practices to facilitate the work of any technical or specialized bodies so established;

8. The Commission shall establish a special commission for the Enterprise and entrust to it the functions referred to in paragraph 11 of resolution II. The special commission shall take all necessary measures for the early entry into effective operation of the Enterprise;

9. The Commission shall prepare a report containing recommendations for submission to the meeting of the States Parties to be convened in accordance with annex VI, article 4 regarding practical arrangements for the establishment of the International Tribunal for the Law of the Sea;

10. The Commission shall prepare a final report on all matters within its mandate, except as provided in paragraph 9, for presentation to the Assembly at its first session. Any action which may be taken on any part of the report must be in strict conformity with the powers and functions entrusted to the respective organs in accordance with provisions of the Convention;

11. The Commission shall meet at the seat of the Authority if facilities are available, and as often as necessary for the expeditious performance of its functions;

12. The Commission shall remain in existence until the conclusion of the first session of the Assembly, at which time its property and records shall be transferred to the Authority;

13. The expenses of the Preparatory Commission shall be met from the regular budget of the United Nations, subject to the approval of the General Assembly of the United Nations;

14. The Secretary-General of the United Nations shall make available to the Preparatory Commission such secretariat services as may be required;

15. The Secretary-General of the United Nations shall bring this resolution, in particular paragraphs 13 and 14, to the attention of the General Assembly for necessary action.

DRAFT RESOLUTION II GOVERNING PREPARATORY INVESTMENT IN PIONEER ACTIVITIES RELATING TO POLYMETALLIC NODULES

The Third United Nations Conference on the Law of the Sea,

Having this day adopted the Convention on the Law of the Sea (the "Convention"),

Having this day also established by resolution the Preparatory Commission for the International Sea-Bed Authority and the International Tribunal for the Law of the Sea (the "Commission") and directed it to prepare such draft rules, regulations and procedures as it deems necessary to enable the authority to commence its functions, as well as to make recommendations for the early entry into effective operation of the Enterprise,

Desirous of making provision for investments by States and other entities made in a manner compatible with the international régime set forth in Part XI of the Convention and the annexes relating thereto, prior to the entry into force of the Convention,

Recognizing the need to ensure that the Enterprise will be provided with the funds, technology and expertise necessary to enable it to keep pace with the States and other entities referred to in the preceding paragraph, with respect to activities in the Area,

Decides as follows:

1. For the purposes of this resolution:

(a) "Pioneer investor" means a signatory of the Convention or any State entity or natural or juridical person which possesses the nationality of such State or is effectively controlled by it or its nationals, or any group of the foregoing which, prior to 1 January 1983, has expended at least \$US 30 million (United States dollars calculated in constant dollars relative to 1982), or, relative to a developing State, such smaller amount as the Preparatory Commission shall determine to be substantial, in pioneer activities and has spent no less than 10 per cent of that amount in the location, surveying and evaluation of a specific portion of the Area;

(b) "Pioneer activities" means undertakings, commitments of resources, investigations, findings, research, engineering development, and other activities relevant to the identification, discovery, and systematic analysis and evaluation of polymetallic nodules and to the determination of the technical and economic feasibility of exploitation. Pioneer activities include:

(i) Any at-sea observation and evaluation activity which has as its objective the establishment and documentation of:

a. The nature, shape, concentration, location and grade of polymetallic nodules;

b. The environmental, technical, and other appropriate factors which must be taken into account prior to exploitation;

(ii) The taking from the deep sea-bed of polymetallic nodules with a view to the designing, fabricating, and testing of equipment which is intended to be used in the exploitation of polymetallic nodules;

(c) "Certifying State" means a signatory of the Convention standing in the same relation to a pioneer investor as would a sponsoring State pursuant to annex III, article 4, and which certifies the level of investment specified in subparagraph (a);

(d) "Polymetallic nodules" means one of the resources of the Area, consisting of any deposit or accretion on or just below the surface of the deep sea-bed consisting of nodules which contain manganese, nickel, cobalt and copper;

(e) "Pioneer area" means an area allocated by the Commission to a pioneer investor for pioneer activities pursuant to this resolution. It shall not exceed 150,000 square kilometres;

(f) "Area", "Authority", "activities in the Area" and "resources" shall have the meanings assigned to those terms under the Convention;

2. As soon as the Preparatory Commission begins to function, any signatory of the Convention may apply to the Commission on its own behalf or on behalf of any entity specified in subparagraph 1 (a) hereof, for registration as a pioneer investor and for allocation to it of the pioneer area specified in the application. The Commission shall register the applicant as a pioneer investor and allocate to it the pioneer area if the application:

(a) In the case of a signatory, is accompanied by a statement certifying the level of expenditure made in accordance with subparagraph 1 (a); and, in the case of any other entity specified in subparagraph 1 (a), a certificate concerning such level of expenditure issued by the signatory of which it is a national; and

(b) Is otherwise in conformity with the provisions of this resolution. The Commission shall notify the applicant forthwith of such registration;

3. (a) Every application shall cover a total area, which need not be a single continuous area, sufficiently large and of sufficient estimated commercial value to allow two mining operations. The application shall indicate the co-ordinates of the area, defining the total area and dividing it into two parts of equal estimated commercial value and contain all the data available to the applicant with respect to both parts of the area. Such data shall include, *inter alia*, information relating to mapping, sampling, the density of nodules and the composition of metals in them;

(b) Within 45 days of receiving the data required by paragraph 3 above, the Commission shall designate the part of the area to be reserved in accordance with the Convention for the conduct of activities by the Authority through the Enterprise or in association with developing States. This designation may be deferred for a further period of 45 days if the Commission requests an independent expert to assess whether all data required has been submitted to it. The other part of the area shall be allocated by the Commission to the pioneer investor as a pioneer area;

4. No pioneer investor may be registered in respect of more than one pioneer area;

5. (a) Certifying States shall ensure that areas in respect of which applications are made do not overlap with one

another or with areas previously allocated as pioneer areas. The certifying States concerned shall keep the Commission currently and fully informed of any efforts to resolve conflicts with respect to overlapping claims, and the results thereof;

(b) Certifying States shall ensure that pioneer activities are conducted in a manner compatible with the Convention prior to its entry into force;

6. A pioneer investor registered pursuant to this resolution shall, as from the date of such registration, have the exclusive right to carry out pioneer activities in the pioneer area allocated to him;

7. (a) Every applicant for registration as a pioneer investor shall pay to the Commission a fee of \$US 500,000;

(b) Every registered pioneer investor shall agree to incur expenditures of not less than \$US 1 million each year with respect to the pioneer area allocated to it, until approval of its plan of work pursuant to paragraph 8. The financial arrangements undertaken pursuant to such plan of work shall be adjusted to take account of payments made pursuant to this paragraph;

8. (a) After the entry into force of the Convention and certification by the Commission in accordance with paragraph 11 hereof of compliance with the provisions of this resolution, the pioneer investor so registered may apply to the Authority for a plan of work for exploration and exploitation in accordance with the Convention. The authority shall approve such application;

(b) When an application is made by an entity other than a State, pursuant to subparagraph (a), the certifying State shall be deemed to be the sponsoring State for the purpose of annex III, article 4 of the Convention, and shall thereupon assume such obligations;

9. In the allocation of production authorization, in accordance with article 151 of the Convention and annex III, article 7, the pioneer investors who have obtained approval of plans of work for exploration and exploitation shall have priority over all applicants other than the Enterprise as contained in paragraph 2 (c) of article 151. In the event of a competition between two or more pioneer investors for production authorization, the provisions of annex III, article 7 shall apply unless they agree to some other arrangement;

10. (a) Notwithstanding the provisions of paragraph 8, the Authority may not deal with any application for approval of a plan of work made, or deemed to be sponsored by, a State which, at the time the application is taken up for consideration has not ratified the Convention. If such State fails to ratify the Convention within six months after it has received a notification from the Authority that an application by it, or sponsored by it, is pending, its status as a pioneer investor or certifying State as the case may be, shall terminate, unless the Council, by a majority of three quarters of its members present and voting shall decide to postpone the terminal date by a period not exceeding six months;

(b) Nothing in this resolution shall preclude a pioneer investor from altering its nationality and sponsorship from that prevailing at the time of its registration as a pioneer investor. The pioneer investor shall give the Authority six months' notice in writing of any such alteration;

(c) Alteration of nationality and sponsorship pursuant to this paragraph shall not affect any right or priority conferred on a pioneer investor pursuant to paragraphs 6 and 8 of this resolution;

11. The Commission shall:

(a) Provide pioneer investors with the certificates of compliance with the provisions of this resolution referred to in paragraph 8 hereof; and

(b) Incorporate in its final report provided for in paragraph 10 of resolution I of the Conference, details of all regis-

trations of pioneer investors and allocation of pioneer areas pursuant to this resolution;

12. In order to ensure that the Enterprise is able to carry out activities in the Area in such a manner as to remain in step with States and other entities, any registered pioneer investor shall:

(a) carry out exploration at the request of the Commission in the area reserved pursuant to paragraph 3 of this resolution in connection with its application for activities by the Authority through the Enterprise or in association with developing States, on a cost-re-imbursable basis;

(b) provide training at all levels for personnel designated by the Commission;

(c) be prepared, prior to the entry into force of the Convention, to perform the obligations prescribed in the provisions of the Convention relating to transfer of technology;

(d) ensure that the necessary funds are made available to the Enterprise in a timely manner in accordance with the provisions of the Convention;

13. The Authority and its organs shall act in accordance with the provisions of this resolution and the decisions of the Preparatory Commission taken pursuant to it;

14. This resolution shall have effect until the entry into force of the Convention.

DRAFT RESOLUTION III

The Third United Nations Conference on the Law of the Sea, Having regard to the Convention on the Law of the Sea, opened for signature today at Caracas,

Bearing in mind the Charter of the United Nations, in particular article 73,

Declares

1. In the case of a territory whose people have not attained either full independence or some other self-governing status recognized by the United Nations, or a territory under colonial domination, provisions concerning rights and interests under this Convention shall be implemented for the benefit of the people of the territory with a view to promoting their well-being and development;

2. Where a dispute exists between States over the sovereignty of a territory to which this declaration applies, in respect of which the United Nations has recommended specific means of settlement, there shall be consultations between the parties to that dispute regarding the exercise of the rights referred to in paragraph 1. In such consultations the interests of the people of the territory concerned shall be a fundamental consideration. Any exercise of those rights shall take into account the relevant resolutions of the United Nations and shall be without prejudice to the position of either Party to the dispute. The States concerned shall make every effort to enter into provisional arrangements of a practical nature and shall not jeopardize or hamper the reaching of a final settlement of the dispute.

3. *Requests* the Secretary-General of the United Nations to bring this resolution to the attention of all member States and the other participants in the Conference, as well as the principal organs of the United Nations and to request their compliance with it.

DRAFT DECISION OF THE CONFERENCE

National liberation movements

The Conference decides that the national liberation movements, which have been participating in the Third United Nations Conference on the Law of the Sea, shall be entitled to sign the Final Act of the Conference, in their capacity as observers.