

24 September 1970) the Trade and Development Board considered the report submitted by the Group of Experts and, on the basis of the report, adopted resolution 69 (X). The resolution invited the land-locked developing countries and their transit neighbours to take note of the recommendations made by the Group of Experts in evolving mutually acceptable solution (operative paragraph 1), and affirmed the need to take effective remedial steps to solve the problems of land-locked developing countries within the context of the international development strategy (operative paragraph 2). The Board also recommended that the Governments of land-locked developing countries and their transit neighbours should continue their joint efforts to make arrangements to review administrative and other measures governing the flow of transit trade and trade between land-locked and transit States, with a view to facilitating that trade, curbing smuggling and diversion of trade, and arranging for regular intergovernmental consultations (operative paragraph 3). The Governments concerned were also recommended to co-operate in the elaboration and promotion of projects for the development of road, rail, water and other transport systems, for their mutual benefit (operative paragraph 4). In further provisions of the resolution the Board

- invited the United Nations Development Programme, the specialized agencies, international financial institutions and the Governments of developed countries members of UNCTAD to take into account the appropriate recommendations of the Group of Experts and the special needs of land-locked developing countries and their transit neighbours, particularly in the field of transport, and to give favourable consideration to requests from these countries for financial and technical assistance, including, where appropriate, financial assistance on soft terms, to achieve the objectives of the present resolution and therefore requests the Secretary-General of UNCTAD to transmit the report of the

Group of Experts and the present resolution to the above-mentioned organizations for appropriate action ; (operative paragraph 7)

- instructed the Committee on Shipping and the Committee on Invisibles and Financing related to Trade to study and make proposals designed to assist land-locked developing countries, including proposals regarding reduction of their balance of payments burden in respect of transit trade and insurance costs ; (operative paragraph 8)

- invited the United Nations Development Programme, specialized financial institutions and the Governments of developed countries to assist transit developing countries to improve their port installations and facilities which should help to meet the transshipments of land-locked countries ; (operative paragraph 9) and

- invited the Intergovernmental Group on trade expansion, economic co-operation and regional integration among developing countries, to include in its agenda a review and analysis of the special problems of the land-locked developing countries, with a view to giving special consideration to need for their greater participation in the regional and international trade. (operative paragraph 10)

196. The resolution also requested the appropriate organs of UNCTAD to recommend specific practical measures for alleviating the special problems of land-locked developing countries within the context of the international strategy. The resolution requested the Secretary-General of UNCTAD to submit to the Board at its eleventh session and to the third session of the United Nations Conference on Trade and Development a progress report on the actions taken pursuant to the resolution.

B. General Assembly resolution 2626 (XXV) of 24 October 1970 on international development strategy for the Second United Nations Development Decade

197. Following consideration of the subject by the Preparatory Committee for the Second United Nations Development Decade, which made use of various relevant documents, including those of UNCTAD bodies, the General Assembly adopted, without vote, resolution 2626 (XXV) proclaiming the Second United Nations Development Decade, starting from 1 January 1971, and adopting the international development strategy to be followed. Part C of the Strategy, listing policy measures, contained headings dealing with "special measures in favour of the least developed among the developing countries" and "special measures in favour of the land-locked developing countries". The paragraph under the last-mentioned heading provides :

"National and international financial institutions will accord appropriate attention to the special needs of land-locked developing countries in extending adequate financial and technical assistance to projects designed for the development and improvement of the transport and communications infrastructure needed by these countries, in particular of the transport modes and facilities most convenient to them and mutually acceptable to the transit and land-locked developing countries concerned. All States invited to become parties to the Convention on Transit Trade of Land-locked States of 8 July 1965 which have not already done so, will investigate the possibility of ratifying or acceding to it at the earliest possible date. Implementation of measures designed to assist the land-locked countries in overcoming the handicaps of their land-locked position should take into account the relevant decisions and resolutions which have been or may be adopted in the United Nations Conference on

Trade and Development."

C. Economic Commission for Africa

198. In addition to its efforts directed towards measures of regional and subregional co-operation, which have been designed to benefit land-locked as well as coastal States, ECA has also taken a number of more specific steps to assist land-locked countries in Africa. ECA submitted a study dealing with the transit problems of African land-locked States to the Committee on Preparation of a Draft Convention relating to Transit Trade of Land-locked countries, which met in 1964. References to the problems of land-locked countries have also been made in the context of the Commission's work relating to transport, customs administration, and trade and development. ECA has, in addition, adopted two resolutions on land-locked countries. In resolution 167 (VIII) of 24 February 1967, the Commission invited the Executive Secretary to take the necessary steps with a view to the signature of the Convention on Transit Trade of Land-locked States by all member States and effective implementation of its recommendations by the Governments of African States.

199. Resolution 218 (X), on the question of Africa's strategy for development in the 1970s, adopted on 13 February 1971 at Commission's tenth session (the first meeting of the Conference of Ministers of ECA), also included a provision on land-locked countries. The relevant passages of paragraph 8 of the resolution, which sets out the strategy for development, read as follows :

"(42) Thirteen out of a total of eighteen land-locked countries can be found in Africa. The position of these countries, in particular because of the high costs of transportation, the poor development of their infrastructure ; inadequate and inconvenient transport, storage and port facilities ; the lack of opportunity to use their own transport equipment and to establish their

own transport facilities ; and the unfavourable trend of transport tariffs and charges, is a factor seriously inhibiting the expansion of their trade and economic development.

“(43) The solution of the special problems of the land-locked and island countries require special measures to be taken in their favour within the region and in the broader framework of the Second United Nations Development Decade. The various elements of such a strategy would include the following :

- (i) detailed studies identifying their most serious bottlenecks to rapid economic development ;
- (ii) effective recognition of their right to, and facilitation of, free access to the sea ;
- (iii) priority attention to their financial and technical assistance needs, including the granting of soft-term loans and the provision of funds designed to subsidize their additional transport costs ;
- (iv) application of special measures in their favour along the lines of those accorded to the least developed among the developing countries.

200. The following developments should also be mentioned : (a) the United Nations Development Programme has completed a feasibility study of a trans-Saharan route. Algeria has already initiated action domestically and submitted an application to UNDP ; (b) ECA is following up road network development among the *Entente* countries, namely, Ivory Coast, Togo, Dahomy, Niger and Upper Volta, with links to Ghana ; (c) a meeting of six African countries and prospective donors is due to start on 14 June to examine arrangements for initiating a trans-Central African highway involving Kenya, Uganda, the Democratic Republic of the Congo, the Central African Republic, Cameroon and Nigeria ; (d) ECA is following up the activities of

rural development projects which include trade outlets *vis-a-vis* neighbours and exports ; (e) under the leadership of Mauritania, the Senegal River basin States are supporting a road from Mauritania to the West African coast to be known as Unity Road. Development of the Senegal basin might extend port facilities for relatively large boats up to Gouina in Mali.

D. Economic Commission for Asia and the Far East

201. As regards more recent actions, a meeting of government experts on trade expansion was convened by ECAFE in August 1968, to examine various aspects of regional trade expansion policy and payments arrangements, including problems of land-locked countries. The meeting recognized the geographical handicaps of such countries, which had resulted in high transportation costs for their external trade, and felt that improved transportation methods and facilities should be found to reduce such costs.

202. Since the land-locked as well as the transit countries in the ECAFE region were developing countries with limited resources, the meeting recommended that the developed countries should give special consideration to extending technical and financial assistance to both the land-locked and transit countries, with a view to overcoming the former's special difficulties. International and regional financial institutions were also urged to extend loans with specially favourable terms for such purposes. Full exploration of the possibility of modernizing transportation methods, such as by the use of roll-on and roll-off facilities, palletization and containerization should be made with the expert assistance of the developed countries. In this connexion, the meeting drew the attention of Governments and international financial institutions to UNCTAD resolution 11 (II).

203. The meeting also discussed a proposal to establish a standing intergovernmental consultative committee on

transit trade of land-locked countries, consisting of land-locked countries, transit countries and others interested in the trade expansion and economic development of the land-locked countries in Asia. It felt that, although ultimately the transit problems faced by both the land-locked and transit countries required solution on a bilateral basis in the context of the circumstances pertaining to each particular case, consultations at the regional level could supplement the measures for dealing with the transit trade problems of the land-locked countries and assist in finding suitable solutions thereto. While this proposal was supported by several experts at the meeting, it was felt that consideration of any such proposal should await the results of the special study of the Group of Experts constituted by the Secretary-General of UNCTAD in accordance with UNCTAD resolution 11 (II).

204. Pursuant to a recommendation of the meeting, ECAFE secured the services of the trade expert from a developed land-locked country, who prepared a study on the export promotion problems and needs of three Asian land-locked countries. Follow-up action on the recommendations made has already been taken by some countries.

205. In February 1970 the ECAFE Committee on Trade agreed that there was an urgent need for introducing special measures to assist the land-locked countries in overcoming the impediments they faced in their efforts to expand their international trade. It welcomed a suggestion that the Executive Secretary create a unit in the ECAFE International Trade Division to deal with the special problems of the land-locked countries and the least developed among the developing countries of the region. It was also suggested that the ECAFE secretariat undertake studies on the effects of the freight structure in the over-all trade of land-locked countries, with a view to ensuring favourable freight rates for those countries, as well as a study of the possibility of improving the present international railway and highway systems so as to provide better communications

between the land-locked countries and the nearest seaports.

206. In resolution 107 (XXVI) of 23 April 1970, on transit problems of land-locked countries, the Commission requested the Executive Secretary to assist in promoting and continuing the institutional arrangements required for a smooth implementation of the recommendation concerning the transit problems of the land-locked countries in the region, and to prepare a long-term plan for solving their problems, for implementation during the Second Development Decade. The Commission also urged the member countries concerned which had not yet ratified or acceded to the 1965 United Nations Convention on Transit Trade of Land-locked States to give favourable consideration to the possibility of doing so at an early date, so as to facilitate the development of intra-regional and world trade. At that session, the representative of the Republic of Viet-Nam made an offer to provide access to the sea for Laotian traffic on the completion of the necessary infrastructural requisites in the country.

207. Pursuant to the decision of the Committee on Trade and the Commission, a unit was created in the ECAFE International Trade Division in 1970 to give continuous attention to the problems of land-locked and less developed countries of the region with a view to providing suitable solutions thereto, and in order to co-ordinate the activities of other substantive divisions of the secretariat. The unit is also responsible for maintaining close co-operation with the UNCTAD secretariat and other United Nations bodies dealing with the subject.

208. The Council of Ministers on Asian Economic Co-operation, at its fourth session held at Kabul in December 1970, in considering proposed schemes of regional trade and monetary co-operation as well as related supporting projects, adopted the "Kabul Declaration on Asian Economic Co-operation and Development" in which, recognising the need for adequate transit facilities for the land-locked countries

and the difficulties encountered in promoting the economic development of the least developed among developing countries of the region, the Council urged the member and associate member countries of the region, in co-operation with the ECAFE secretariat, *inter alia*, to render every possible assistance to the land-locked countries of the region to enable them to enjoy the right of free access to the sea ; to provide port and transport facilities, minimum and simple customs formalities, reasonable transport charges and transit by air and overland routes ; and to accord specially favourable treatment to imports from the least developed among the developing countries in respect of tariff and non-tariff barriers. It was also agreed in this context that disputes between two countries in the region should not be allowed to affect adversely the interests of third countries in the region.

209. Under the programme of work and priorities in the field of trade for 1971 and 1972, ECAFE has given high priority to subjects relating to the special problems of land-locked and least developed among developing countries of the region. In accordance with the recommendation of the Committee on Trade, which was endorsed by the Commission at its twenty-seventh session held in April 1971, the ECAFE secretariat proposes to work out a plan to organise a mission of experts, in 1971/1972, to visit the land-locked countries of the region in order to identify their trade and economic problems and evolve suitable solutions thereto. The mission will comprise experts in the fields of transport and communications, trade promotion and policy, and industrial development. The ECAFE secretariat also proposes to organize in the land-locked and least developed among developing countries of the region, roving seminars and training courses in trade promotion and policy in 1971 and 1972, with the co-operation of the UNCTAD/GATT International Trade Centre.

210. Finally, at its twenty-seventh session held in April 1971, the Commission adopted resolution 114 (XXVII),

on the special problems of land-locked countries, in which it requested the Executive Secretary to establish a special body to make recommendations for the purpose of implementing the provisions of the Kabul Declaration in regard to the land-locked countries, as well as the 1965 United Nations Convention on Transit Trade of Land-locked States. A report on the work of the special body is to be submitted to the Commission at its next session.

CHAPTER V

LAND-LOCKED COUNTRIES AND THE EXPLORATION AND EXPLOITATION OF THE RESOURCES OF THE SEA-BED AND THE OCEAN FLOOR AND THE SUB-SOIL THEREOF, BEYOND THE LIMITS OF NATIONAL JURISDICTION

Since the 1958 Law of the Sea Conference by which the High Seas Convention and the Convention on the Continental Shelf, among other things, were adopted, major events have occurred both in the legal as well as technical fields. Under the provisions of the Continental Shelf Convention, coastal States were given exclusive rights with respect to the resources of the continental shelf. But during the decade after 1958, technological and scientific progress proves that exploitation and exploration could proceed at depths considerably greater than the 200 metres which the International Law Commission and the Law of the Sea Conference in 1958 considered to be sufficient.

Therefore, in the light of these new developments and following upon the work of the *Ad Hoc* Committee in 1968 the Committee on the Peaceful Uses of the Sea-Bed and the Ocean Floor beyond the Limits of National Jurisdiction was set up to consider the new factors raised. The Declaration of Principles adopted by the General Assembly on

17 December 1970, on the basis of the Committee's deliberations, includes the following provisions :

- "1. The sea-bed and ocean floor, and the subsoil thereof, beyond the limits of national jurisdiction (hereinafter referred to as the area), as well as the resources of the area, are the common heritage of mankind.
 2. The area shall not be subject to appropriation by any means by States or persons, natural or juridical, and no State shall claim or exercise sovereignty or sovereign rights over any part thereof.
 3. No State or person, natural or juridical, shall claim, exercise or acquire rights with respect to the area or its resources incompatible with the international regime to be established and the principles of this Declaration.
 4. All activities regarding the exploration and exploitation of the resources of the area and other related activities shall be governed by the international regime to be established.
 5. The area shall be open to use exclusively for peaceful purposes by all States whether coastal or land-locked, without discrimination, in accordance with the international regime to be established.
- × × ×
7. The exploration of the area and the exploitation of its resources shall be carried out for the benefit of mankind as a whole, irrespective of the geographical location of States, whether land-locked or coastal, and taking into particular consideration the interests and needs of the developing countries.

- × × ×
9. On the basis of the principles of this declaration, an international regime applying to the area and its resources and including appropriate international machinery to give effect to its provisions shall be established by an international treaty of a universal character, generally agreed upon. The regime shall, *inter alia*, provide for the orderly and safe development and rational management of the area and its resources and for expanding opportunities in the use thereof and ensure the equitable sharing by States in the benefits derived therefrom, taking into particular consideration the interests and needs of the developing countries, whether land-locked or coastal.

× × ×"

It was particularly under the provisions of paragraphs 5 and 9 that the General Assembly declared that in any international regime the land-locked countries will participate on the same footing as coastal States and will benefit from the sea-bed exploitation.

In the course of deliberations on this question in the Sea-Bed Committee, at its session held in March during the Summer of 1971, the right of sharing of benefits from exploration and exploitation by the land-locked countries as the least developed countries was reaffirmed. Therefore, in any international machinery, representation of land-locked countries should be fully recognised and likewise, they must take part on a equal footing with the coastal States, in the direct exploration and exploitation of sea-bed resources.

In issuing licences for exploration and exploitation of the sea-bed, the economic needs and requirements of the land-locked countries, as the least developed countries should be taken into account. Now that it is considered as an established legal regime that opportunities for engaging in sea-bed activities are open to all, whether land-locked or

coastal States, the co-operation of coastal States with their land-locked neighbours on matters of transit and use of its equipment and other facilities, if they wish to engage in sea-bed activities, is essential; and indeed this co-operation and recognition of mutual interests is based on the fundamental principles of free access to the sea. To exploit the resources of the sea, the land-locked countries particularly those who are the least developed, are in disadvantageous position which makes it necessary for their neighbours as well as the international community as a whole to initiate appropriate arrangements to overcome the geographical disadvantages of the land-locked countries. In this respect the principles contained in the 1958 High Seas Convention and the Convention on Territorial Sea, relating to innocent passage, as well as the Convention on Transit Trade of Land-locked States, adopted in New York on July 8, 1965 could be applied along with other general principles of international law. By the application of these principles and on the basis of the most-favoured-nation treatment, the problems of the land-locked countries, and the disadvantages which they suffer from, may find a solution. The Declaration of Principles governing the Sea-Bed and Ocean Floor and the Subsoil thereof, beyond the limits of National Jurisdiction, adopted at the twenty-fifth Session of the General Assembly provides for a rational management of the area and its resources by the international regime to be established. It is in this regime that arrangements ought to be made for the land-locked States to benefit along with coastal States without discrimination or disadvantage. Since the majority of the land-locked States of the world, who happen to be the least developed nations, are in Asia and Africa, particular attention is required by our own region to recognise a just regime not only to benefit the coastal but the land-locked countries as well.

(V) A SHORT NOTE ON THE ACTIVITIES OF THE COMMITTEE
FOR CO-ORDINATION OF JOINT PROSPECTING FOR
MINERAL RESOURCES IN ASIAN OFF-SHORE
AREAS*

Prepared by
the A.A.L.C.C. Secretariat

The Committee for Co-ordination of Joint Prospecting for Mineral Resources in Asian off-shore Areas (CCOP), is an intergovernmental body established under the sponsorship of the United Nations Economic Commission for Asia and the Far East (ECAFE). At the first session of the Committee held in June 1966 only four States, Republic of China, Japan, Republic of Korea and the Philippines, participated as full members. Later, Republic of Vietnam, Thailand, Cambodia, Malaysia and Indonesia also joined and today membership in CCOP comprise all nine ECAFE member countries having substantial areas of off-shore territory in Eastern Asia.

Participation by other countries in the activities of CCOP and extension of its facilities to other member countries of the ECAFE region was discussed by the Technical Advisory Group of CCOP and its special advisers. After due consideration it was felt that logistic difficulties would arise by extending the activities of CCOP in the Indian Ocean area. And therefore, it would be in the best interest of the countries concerned in the Indian Ocean area if they could establish a similar organisation with the same objectives as those of CCOP. However, the Committee was of the opinion that if a separate organisation for the countries of the Indian Ocean area were formed, it would be useful for both

* This summary has been prepared from the Reports of the Sessions of CCOP and its Technical Bulletins.

organisations to maintain liaison by exchanging information and holding joint meetings.

Some typical geological features in Eastern Asia

The land and the sea floor off Southern Asia contains a series of swells or ridges separated by basins. Westernmost of the swells is the Malay Peninsula, whose side slopes bound the Gulf of Thailand Basin. At the south end of the Basin is an area of truncated shallow basement extending from Singapore to Natuna Island and Borneo. The Gulf of Thailand basin is about 1100 kilometres long and average of 200 kilometres wide.

The territory of Republic of Singapore and the adjacent waters form part of the Sunda Shelf, which includes the Gulf of Siam, part of the South China Sea and the waters between Borneo, Java and Sumatra in western Indonesia.

The Korean Peninsula separates the Yellow Sea on its western side from the Japan Sea on its eastern side. The east coast of the Peninsula is a steep shoreline of emergence whereas the western and southern coasts have an extremely irregular shoreline indicative of submergence. The waters of the Pacific Ocean are drawn by the tide into the nearly land-locked Yellow Sea, thus causing exceptionally high tidal fluctuation (8 or 9 metres), as a result, the western shore is characterized by broad tidal mud, flat rather than sandy beaches. The southern shore is a typically submerged shoreline with drowned fjords like valleys and many islands.

Taiwan Strait has been classified as a marginal semi-enclosed sea. The floor of the strait, forming part of the continental shelf of Eastern Asia, is about 500 kilometres long and 150 kilometres wide, with water depths ranging down to 150 metres. The shallowest part in the area is the Taiwan Bank, situated southwest of the Penghu Island, and is about 90 kilometres wide and 210 kilometres long with axis trends east-west. The Taichung Bank is a small bank northwest of Penghu Islands and west of Taichung. There are two categories of

faunal gradations, one is related to the distribution of the ocean water masses comprising the cold current, the Kuroshio current, along the mainland coast and the other deep water masses related to submarine topography of the area.

Finally, is the Indonesian archipelago comprising the border areas of the partly submerged northern extension of the Australian continent, and the belt of deep sea basins and island festoons separating those two shelf areas. The vast area of shallow marine shelves is generally less than 100 metres deep. A typical feature of the Indonesian archipelago is the arrangement of most islands into arc systems, of which a non-volcanic outer arc and a volcanic inner arc can be distinguished. The outer row of islands runs through Sumatra, Java, the Nusa Teuggara (lesser Sunda Islands) and the inner around the Banda Sea.

Review of the activities of CCOP

The exploration for mineral resources under the sea is a long term process requiring a high level of technical skill and substantial finance. Besides, ventures of this sort cannot be undertaken without adequate basic geological data for efficient planning of survey projects. The efforts of CCOP, with the help and advice given by the special advisers from the advanced countries and international organisations, have led to discovery and development of the vast potential resources of mineral wealth in the Eastern Asia.

During the short span of five years since its inception the offshore survey programmes undertaken recently through the medium of CCOP had already attracted considerable interest in the mineral potentials, including petroleum, of marine shelves of Eastern Asia. With the discovery of oil fields into substantial productive capacity, a revolutionary change in the pattern of sources of supply of crude oil for the member countries of CCOP would take place, similar to that which had occurred in the early post-war years when the Middle East had begun to develop as a major source of

supply for the world's crude oil, including the ECAFE Region. That would bestow great economic benefits on the countries in whose territories new oil fields might be found, and would reduce substantially the transportation costs for shipping crude oil to other countries of Eastern Asia.

The fourth symposium on the development of petroleum resources of Asia and the Far East, held at Canberra, in Australia in October/November 1969, had placed great stress on offshore operations and had recognised the important role that CCOP was playing in attracting interest to the petroleum potential of the marine shelves of Eastern Asia. It noted that by mobilising both bilateral and multilateral assistance, a substantial number of offshore surveys and investigations had been undertaken through the medium of CCOP and had already yielded concrete results.

The symposium attributed the success of CCOP to : a sound concept, good coordination, valuable assistance received from developed countries both within and outside the region and the co-operation of CCOP member countries in the joint projects, and the establishment of a high degree of co-operation between the member countries themselves.

With regard to longer-range planning and possible new fields of activity that might be considered in addition to work programme, it was noted that the projects in the work programme on which most of the action had been taken had been mainly directed towards revealing new areas with hydrocarbon potential on the shelf areas and investigations of coastal deposits of detrital heavy minerals as a preliminary to investigating the near shore potential. A few projects were aimed at discovering offshore extensions of coal seams and near shore sources of geothermal energy, but planning for these had only recently begun.

It was felt that some part of the CCOP's efforts could be extended to investigation of the continental slopes and

enclosed oceanic basins which existed in some parts of Eastern Asia where other minerals such as manganese and phosphosite might be present ; although economic exploitation of these resources was not feasible at that time, a knowledge of their location might be useful for the future.

It was noted that CCOP surveys had recently revealed that salt domes might exist in the Gulf of Thailand, thus opening up the possibility that deposits of sulphur and potash, in which ECAFE region was notably deficient in sources of supply for fertilizer manufacture, might be associated with them. Further investigation of that possibility would open up a new field of endeavour and the search for similar geologic conditions might be extended to other parts of the marine shelves. Apart from activities aimed directly at discovery of mineral resources, there was the question whether CCOP should also consider sponsoring and encouraging more fundamental and basic research projects in a long-term programme which might eventually lead to some as yet unforeseeable economic application.

A geophysical survey conducted in the East China Sea and Yellow Sea had indicated that the shallow sea floor between Japan and Taiwan might contain one of the most prolific oil and gas reservoirs in the world, possibly comparing favourably with the Persian Gulf area.

Geological investigation of the sea bottom in Korea Strait and vicinity

A programme of sea bottom sampling in the area of Korea Strait and to the south of Cheju Island, was commenced on 23rd September, 1967. The objective of this programme is to obtain geological data bearing on the potentialities for oil and gas on the continental shelf of the Republic of Korea.

Through the medium of technical co-operation between the Republic of China and the Republic of Korea, test drill-