

helped at least to focus attention on the key problem areas. The objective is to develop a system for financing the Enterprise in order to allow it the means of becoming a going concern roughly in phase with the corresponding mining activities of private corporations or state owned entities.

For the first time the Conference examined in some detail the financial obligations to be borne by deep seabed mining contractors. The specific types of financial obligations cited in the ICNT are an application fee, annual fixed charge for mining, royalties and sharing of net proceeds. Whether or not these obligations turn out to be overly onerous will depend to a large extent on the precise figures eventually incorporated in the draft text.

The discussions also dealt with some of the very complex issues respecting institutional matters, particularly the structure, powers and functions of the Assembly, the Council and the organs of the Council (the Economic Planning Commission, the Technical Commission and the Rules and Regulations Commission). With respect to the important question of the composition of the Council — which is the "executive organ" of the Authority — the ICNT incorporates membership eligibility criteria aimed at providing a balanced, representative membership. Canada is not satisfied that the categories as set out in new Article 159 are entirely acceptable: as the world's largest producer of nickel, it is important to Canada to have fairly certain assurances that it will have a seat on the Council.

Finally, the Sixth Session considered the question of privileges and immunities to be accorded to the Authority and the Enterprise under the treaty. In some ways, the ICNT is an advance over the RSNT provisions but in Canada's view there is much work needed to ensure that the Enterprise is not accorded undue advantages over commercial entities, by being given a range of privileges and immunities usually granted to international organizations and not appropriate for profit-making concerns.

Committee II

1. Definition of Continental Margin and Payments or Contributions

At the Sixth Session, the Group of Land-Locked and Geographically Disadvantaged States (LL/GDS) reiterated their opposition to the definition of the continental shelf contained