The economic zone should, in Canada's view, also include coastal state jurisdiction for the purpose of preserving the marine environment. Unfortunately, the negotiating text does not clearly accord to coastal states the rights to set national standards in the economic zone area, but only within the territorial sea, with respect to vessel discharges and operations. As to the enforcement of rules for the prevention of pollution from ships, the negotiating text does not go as far as we would have wanted in according a role to coastal states as well as to flag states. However, insofar as the rights to establish vessel construction, manning and equipment standards in Arctic waters are concerned, the language of the negotiating text makes it clear that the exercise of such rights is in no way contrary to the draft convention and that there is no restriction on such regulatory power in those areas.

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That is another, I believe, important point from the Canadian point of view.

The single text has adopted the basic concept of transit passage, as advocated by the major maritime powers, as the regime applicable to navigation through international straits. Canada would have preferred to see passage through such straits subject to stricter controls on the part of the coastal states involved. However, the provisions define the straits as only those which are used for international navigation and exclude straits lying within the internal waters of a state. As Canada's Northwest Passage is not used for international navigation and since Arctic waters are considered by Canada as being internal waters, the regime of transit does not apply to the Arctic and we are therefore able to continue to enact and enforce pollution control regulations in that area.

Canada's long-standing position that it exercises sovereign rights over the continental margin both within and beyond 200 miles is fully reflected in the negotiating text. At the same time we are conscious of the need to work out equitable arrangements with respect to those countries which either are landlocked or do not have a continental shelf.

Consequently, we are prepared to explore prior to and at the next session of the conference the possibility of financial contributions related to the resources of the continental shelf between 200 miles from shore and the seaward edge of the continental margin.

This idea is also reflected in the negotiating text. This, of course, has reference to the concept of revenue sharing that has been raised at the conference and at one stage the Canadian delegation was authorized by the government to consider and explore this question of financial contributions.