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REPORT OF THE SPECIAL COMMITTEE ON THE SITUATION WITH REGARD  
TO THE IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF  
INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES

(covering its work during 1968)

Rapporteur: Mr. Abdul Samad GHAUS (Afghanistan)

CHAPTER XVII

OMAN

1. The Special Committee considered the question of Oman at its 592nd to 593rd, 596th and 646th meetings, between 20 March and 31 October 1968.
2. In its consideration of the question, the Special Committee was guided by the provisions of General Assembly resolution 2302 (XXII) of 12 December 1967, by operative paragraph 10 of which the General Assembly requested the Committee "to continue its examination of the situation in the Territory and to consider the establishment of a sub-committee on Oman". The Committee also had before it the working paper prepared by the Secretariat (see annex) containing information on action previously taken by the Special Committee as well as by the General Assembly, and on the latest developments concerning the Territory.
3. Statements concerning the item were made at the 592nd meeting on 20 March by the representatives of Syria, the United Republic of Tanzania, Tunisia, the Union of Soviet Socialist Republics, the United States of America, Australia,

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\* This document contains chapter XVII of the Special Committee's report to the General Assembly. The general introductory chapter will be issued subsequently under the symbol A/7200. Other chapters of the report will be issued under the same symbol (A/7200) or as addenda.

Iran, Iraq, Italy, Finland and Honduras (A/AC.109/SR.592), and at the 593rd meeting on 29 March by the representative of Iran as well as by the Chairman. (A/AC.109/SR.593).

4. At the same meeting, the Special Committee decided to establish a Sub-Committee on Oman and to request the Chairman, after consultations, to submit nominations for approval by the Committee.

5. At its 596th meeting, on 11 April, the Special Committee, on the proposal of the Chairman, decided that the Sub-Committee on Oman should be composed of the following delegations: Iran, Iraq, Mali, United Republic of Tanzania and Venezuela.

6. At its 646th meeting, on 31 October, the representatives of Australia and the United States of America made statements concerning the item (A/AC.109/SR.646).

7. At the same meeting, the Special Committee, following a statement by the Chairman (A/AC.109/SR.646), decided to transmit to the General Assembly the working paper prepared by the Secretariat in order to facilitate the Fourth Committee's consideration of the item, and, subject to any directives the General Assembly might wish to give in that connexion, to give consideration to the item at its next session, it being understood that the reservations expressed by certain members would be reflected in the record of that meeting.

ANNEX\*

OMAN

Working paper prepared by the Secretariat

I. ACTION PREVIOUSLY TAKEN BY THE SPECIAL COMMITTEE AND THE  
GENERAL ASSEMBLY

1. The question of Oman was included in the agenda of the General Assembly at its fifteenth, sixteenth and seventeenth sessions and was referred to the Special Political Committee for consideration. At the fifteenth session, the Special Political Committee considered the question, but decided, owing to lack of time, to postpone further consideration of the question until the sixteenth session. At the sixteenth and seventeenth sessions, the Special Political Committee approved resolutions whereby the General Assembly, recalling its resolution 1514 (XV), would recognize the right of the people of Oman to self-determination and independence, call for the withdrawal of foreign forces from Oman, and invite the parties concerned to settle their differences peacefully with a view to restoring normal conditions in Oman.<sup>a/</sup> The General Assembly, however, did not adopt these resolutions at its plenary meetings because they failed to receive the necessary two-thirds majority.

2. At the 1191st plenary meeting of the General Assembly at its seventeenth session, the representative of the United Kingdom of Great Britain and Northern Ireland, on behalf of the Sultan of Muscat and Oman, extended an invitation to a representative of the Secretary-General of the United Nations to visit the Sultanate on a personal basis to obtain first-hand information on the situation there. Subsequently, the Secretary-General appointed Mr. Herbert de Ribbing, Swedish Ambassador to Spain, as his Special Representative to undertake that task.

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\* Previously reproduced under the symbol A/AC.109/L.442 and Add.1

a/ Official Records of the General Assembly, Sixteenth Session, Annexes, agenda item 23, document A/5010, para. 10; *ibid.*, Seventeenth Session, Annexes, agenda item 79, document A/5325, para. 20.

Mr. de Ribbing visited Oman in June 1963 and submitted a report which was made available to the General Assembly at its eighteenth session.<sup>b/</sup>

3. At the eighteenth session, the question of Oman was again included in the agenda of the General Assembly and referred to the Fourth Committee for consideration. A draft resolution recommended by the Fourth Committee was adopted by the General Assembly on 11 December 1963, as resolution 1948 (XVIII). By this resolution, the Assembly took note of the report of the Special Representative of the Secretary-General and decided to establish an Ad Hoc Committee to examine the question of Oman and to report to it at its nineteenth session. The Ad Hoc Committee submitted its report to the General Assembly on 8 January 1965.<sup>c/</sup>

4. The question of Oman was one of the many items included in the provisional agenda of the General Assembly which it was unable to consider at its nineteenth session. At the twentieth session, the item was referred to the Fourth Committee for consideration. A draft resolution recommended by the Fourth Committee was adopted by the General Assembly at its 1399th plenary meeting on 17 December 1965 as resolution 2073 (XX). By this resolution, the General Assembly took note of the report of the Ad Hoc Committee on Oman and recognized the inalienable right of the people of the Territory as a whole<sup>d/</sup> to self-determination and independence. It considered that the colonial presence of the United Kingdom in its various forms prevented the people of the Territory from exercising their rights to self-determination and independence. The General Assembly also called upon the Government of the United Kingdom to implement a number of measures in the Territory and invited the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples to examine the situation in the Territory.

5. The Special Committee considered the question of Oman at its meetings in 1966 and heard a number of petitioners from Oman. On 17 November 1966, the Special

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b/ Ibid., Eighteenth Session, Annexes, Agenda item 78, document A/5562.

c/ Ibid., Nineteenth Session, Annex No. 16, document A/5846.

d/ In reply to a question as to the meaning of the expression "the whole of the Territory", it was stated on behalf of the co-sponsors of the draft resolution that the Territory of Oman should comprise the whole geographical area, and should include the Trucial Sheikhdoms as well as the Sultanate of Muscat and Oman (see Official Records of the General Assembly, Twenty-first Session, Annexes, addendum to agenda item 23 (A/6300/Rev.1), chapter XIII, paras. 6-7. /...)

Committee decided that it would report to the General Assembly that owing to the lack of time it had not been able to complete its consideration of the item. The Special Committee also decided that, subject to any further directives the General Assembly might wish to give during its twenty-first session, it would consider the question at its meetings in 1967 with a view to the implementation of General Assembly resolution 2073 (XX).

6. At its twenty-first session, the General Assembly considered the chapter of the report of the Special Committee concerning Oman, (A/6300/Rev.1, chapter XIII) and adopted resolution 2238 (XXI) of 20 December 1966. By this resolution, the General Assembly approved the chapter of the report of the Special Committee relating to the Territory of Oman and reaffirmed the inalienable right of the people of the Territory as a whole to self-determination and independence. It also recognized the legitimacy of the struggle of the people of the Territory to achieve the rights laid down in the Charter of the United Nations, the Universal Declaration of Human Rights and the Declaration on the Granting of Independence to Colonial Countries and Peoples. It deplored the refusal of the United Kingdom to implement General Assembly resolutions 1514 (XV) and 2073 (XX) and the policies of the United Kingdom in installing and supporting any unrepresentative régime in the Territory. By the same resolution, the General Assembly recognized that the natural resources of the Territory belonged to the people of Oman and that the concessions given to the foreign monopolies without their consent constituted a violation of the rights of the people of the Territory. It considered that the maintenance of military bases, depots and troops in the Territory constituted a major hindrance to the exercise by the people of their right to self-determination and independence and was prejudicial to the peace and security of the region. The General Assembly also called upon the Government of the United Kingdom to implement a number of measures in the Territory and requested the Special Committee to continue its examination of the situation in the Territory.

7. The Special Committee considered the question of Oman at its 564th meeting on 27 September 1967 and decided to report to the General Assembly that, in view of the limited time available to it, it had not been able to complete its consideration

of the item and that, subject to any further directives the General Assembly might wish to give during its twenty-second session, it would consider the question at its meetings in 1968 with a view to the implementation of General Assembly resolution 2238 (XXI).

8. At its twenty-second session, the General Assembly considered the chapter of the report of the Special Committee concerning Oman<sup>e/</sup> and adopted resolution 2302 (XXII) of 12 December 1967, which reads as follows:

"The General Assembly,

"Having considered the question of Oman,

"Having considered the chapter of the report of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples relating to the Territory of Oman,<sup>f/</sup>

"Having also considered the report of the Secretary-General,<sup>g/</sup>

"Having heard the statement of the petitioner,

"Recalling its resolution 1514 (XV) of 14 December 1960,

"Recalling further its resolutions 2073 (XX) of 17 December 1965 and 2238 (XXI) of 20 December 1966,

"Deeply concerned at the serious and critical situation arising from the colonial policies pursued by the Government of the United Kingdom of Great Britain and Northern Ireland in the Territory,

"1. Endorses the chapter of the report of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples relating to the Territory of Oman;

"2. Reaffirms the inalienable right of the people of the Territory as a whole to self-determination and independence and recognizes the legitimacy of their struggle to obtain the rights proclaimed in the Charter of the United Nations, the Universal Declaration of Human Rights and the Declaration on the Granting of Independence to Colonial Countries and Peoples;

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e/ Official Records of the General Assembly, Twenty-second Session, Annexes, addendum to agenda item 23 (A/6700/Rev.1), chapter XIII.

f/ Ibid.

g/ Ibid., agenda item 70, document A/6909.

"3. Deplores the refusal of the United Kingdom of Great Britain and Northern Ireland to implement with regard to Oman the provisions of resolution 1514 (XV) and of resolutions 2073 (XX) and 2238 (XXI) of the General Assembly;

"4. Further deplores the policies of the United Kingdom, which, by installing and strengthening unrepresentative régimes in the Territory without regard for the basic rights of the people, is contravening the relevant General Assembly resolutions;

"5. Reaffirms that the natural resources of the Territory of Oman belong to the indigenous population and that the concessions granted to foreign enterprises without the consent of the people constitute a violation of the rights of the people of the Territory;

"6. Considers that the military presence of the United Kingdom and the existence of military bases in the Territory constitute a major hindrance to the exercise by the people of their right to self-determination and independence and are prejudicial to peace and security in the region;

"7. Calls upon the Government of the United Kingdom to take the necessary measures to implement without delay the provisions of resolution 1514 (XV) and all other relevant General Assembly resolutions;

"8. Further calls upon the Government of the United Kingdom to give immediate effect in the Territory to the following measures:

(a) The removal of British troops and military bases;

(b) The cessation of all repressive action against the people of the Territory;

(c) The release of political prisoners and political detainees and the return of political exiles to the Territory;

"9. Appeals to all Member States to render all necessary assistance to the people of the Territory in their struggle to obtain freedom and independence;

"10. Requests the Special Committee to continue its examination of the situation in the Territory and to consider the establishment of a sub-committee on Oman;

"11. Requests the Secretary-General to take, in consultation with the Special Committee, appropriate measures for the implementation of the relevant General Assembly resolutions and to report thereon to the Assembly at its twenty-third session."

## II. INFORMATION ON THE TERRITORY<sup>h/</sup>

### Introduction

9. Detailed information on the Territory is contained in the chapter on Oman in the report of the Special Committee to the General Assembly at its twenty-first session. A/6300/Rev.1, chapter XIII. This paper contains a summary of that information, together with supplementary information concerning recent developments.

### A. SULTANATE OF MUSCAT AND OMAN

#### General

10. The Sultanate of Muscat and Oman lies at the extreme south-east of the Arabian peninsula, east of the Rub-al-Khali desert. It has a total area of approximately 82,000 square miles (212,000 square kilometres). The total population of Muscat and Oman is estimated at over 750,000.

11. Muscat and Oman has, in the past, been under two different political institutions. From the eighth century onwards, it was an independent State ruled by an Imam who exercised both spiritual and temporal authority. About 1775, with the death of Imam Ahmed bin Said, the first Sultanate was established in Muscat on the coast. Early in the nineteenth century the predominant institution was the Sultanate, but the Imamate was revived in the interior of the country once, in 1868, and again in 1913. According to the Ad Hoc Committee on Oman, the interior of Oman was an autonomous political entity under two successive Imams, Salim bin Rashid al-Kharusi and Mohamed bin Abdullah al-Khalili, from 1913 until 1955, when it was occupied by the Sultan's forces with British assistance. Although the boundaries of the Imamate were not clearly defined, it included the Jabal al Akhdar, the Dhahirah, the Sharqiyah and the Ja'lan. The Imamate seemed to have had the normal attributes of a State, with a Head of State, a Higher Council, an Assembly and its own system of administration.

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<sup>h/</sup> The information presented in this section has been derived from published reports.

12. The Ad Hoc Committee stated that the Imam was considered by his followers as the Head of State and was elected by "the leaders, elders and notables of the people from various levels and tribes" in consultation with religious figures. The Imam's authority was exercised in all fields - religious, political and judicial - in accordance with Islamic law. He was bound to consult the Higher Council in all major problems. The Assembly was composed of the members of the Higher Council, walis and tribal leaders and met whenever the Imam decided to convene it.

13. The present Imam, Ghalib bin Ali, was elected in 1954. He lives in exile in Saudi Arabia. He has a Higher Council which includes several sheikhs from the leading tribes in the area, and a Revolutionary Council whose aims are "to direct the struggle of the people to regain their independence, and to educate and train them, both inside and outside the country" (A/5846, para. 549). The Revolutionary Council has a Military Committee, a Financial Committee, a Cultural Committee and a Secretariat. It has appointed representatives to the Arab League and to several Arab States.

14. The present Sultan has maintained that all the people of Oman are his subjects, that there have never been two States, and that his family has been in power in Muscat and Oman for over 220 years.

#### Relationship with the United Kingdom

15. British association with Muscat dates back to 1798, when a treaty was signed between Muscat and the East India Company. The written instruments on which the present relationship between the Sultanate and the United Kingdom is based, namely, the Treaty of Friendship, Commerce and Navigation and Exchange of Letters of 1951 and the Exchange of Letters of 1958, were reproduced in full in the Special Committee's previous report to the General Assembly (A/6300/Add.8, chapter XIII, annex I).

16. There is a British Consul-General in Muscat who is responsible to the British Political Resident in the Persian Gulf, whose headquarters is in Bahrain. The latter is responsible to the Secretary of State for Foreign Affairs in London.

17. The administration of air fields which have been established in Oman under the 1934 Civil Air Agreement<sup>i/</sup> falls within the jurisdiction of the Political

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<sup>i/</sup> The Agreement was reconfirmed in the Exchange of Letters of 1958.

Resident. By this Agreement the United Kingdom received permission to establish air fields in the Sultanate. The United Kingdom acts as the agent of the Sultan in all aviation matters at the air fields at Masirah Island and Salalah. The United Kingdom is authorized to grant to British aircraft on behalf of the Sultan the right to land at Masirah Island and Salalah for non-traffic purposes and make flights across the Sultanate when not engaged in scheduled international services. The Sultan retains control over and administers other air fields and traffic rights. Use of the air fields by the Royal Air Force is governed by a separate agreement between the Sultan and the United Kingdom.

18. Until 30 April 1966, postal services were operated by the British Postal Administration. Since then they have been operated by the Sultan. Telegraphic communications between the Sultanate and other countries are provided by the British Company, Cable and Wireless Ltd., in accordance with the terms of a licence granted by the Sultan. The Sultanate is in the sterling area and the controls applied to exchange transactions between the sterling and other currency areas are applied to the Sultanate. Exchange transactions between the Sultanate and the remainder of the sterling area are controlled by the Sultan.

19. By an order in Council which came into operation on 1 January 1967,<sup>j/</sup> the United Kingdom Government ceased to exercise extraterritorial jurisdiction in the Territory of the Sultan of Muscat and Oman. The order provided for the transfer of pending cases before the consular courts to the courts of the Sultan. The revocation of previous orders, rules and regulations relating to British jurisdiction and British courts, does not have a retroactive effect over past cases settled by the courts.

#### Sultan

20. The Sultan is a traditional ruler who exercises supreme authority over his subjects. His authority is based on customs and understandings which have their origin in the tribal system prevailing in most of the country. There is no constitution or elected representative institution. The present Sultan, Said bin Taimur, has ruled Muscat and Oman since the abdication of his father in 1932.

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<sup>j/</sup> Statutory Instruments, the Muscat (Revoking) Order 1966, No. 1598.

21. The capital of the Sultanate is Muscat, although the Sultan's normal residence is at Salalah in Dhofar. The administration of the provinces and main centres of population is in the hands of walis (governors), who are responsible to the Sultan through the Minister of the Interior.

#### Security

22. There have been reports of attacks on United Kingdom military units in Oman, mine explosions, and raids against military convoys and installations. Omani organizations abroad, particularly the Dhofar Liberation Front and the Omani Revolutionary Council, have issued communiqués on the operations carried out by "commandos of the Omani Liberation Army" in areas such as Salalah, Taqah, Bahlah Uqbat Hamrus, Muscat, Al-Fuhud, Ubaylah, As-Suwayq, Nazwa and Rastaq. According to some reports, demonstrations have been held against oil companies in Oman. On 27 December 1966, the Omani Revolutionary Council announced that it would not recognize agreements concluded by the Shell Oil Company with any party other than the Government led by the Imam of Oman.

23. In April 1966, an attempt was made on the life of the Sultan of Muscat and Oman at a military parade in Salalah. The Sultan escaped unhurt, but five other persons were reported killed, including the commanding officer of the Sultan's forces in Dhofar, and several were wounded.

#### Economic conditions

24. In general, the economy of the Sultanate is mainly pastoral and agricultural. The chief products are dates, fish and cereals (the latter being grown for local consumption), as well as limes and other fruit. Breeding of livestock, particularly camels, is widely practised.

25. The chief exports of Muscat and Oman are dates, dried limes, dried fish, tobacco leaf, hides, goat hair and vegetables. Imports include rice, wheat, flour, sugar, cement, vehicles and accessories, cotton piece goods and other consumer goods. A part of these imports is financed by the oil companies for their exploratory and other operations.

26. In 1964, the value of total imports to the Sultanate was £2.4 million, excluding £500,000 of imports for Government use. Exports were valued at £480,000. In 1965, trade with the United Kingdom was as follows:

	<u>(thousand pounds sterling)</u>
Exports to the United Kingdom	9
Imports from the United Kingdom	2,207
Re-exports from the United Kingdom	26

Imports from the United Kingdom included dutiable goods valued at £482,000; the balance, valued at £1,725,000, consisted of duty-free imports for the Government or for the petroleum companies.

27. The revenue of the Sultanate is derived mainly from customs receipts and annual payments by the oil companies. In 1965, total revenue was estimated at 11 million rupees.

28. Oil. The first oil concession was obtained by a foreign company in 1937, when a subsidiary of the Iraq Petroleum Company, Petroleum Development (Oman) Ltd., was granted a seventy-five-year concession extending over the whole area except Dhofar. In 1953, a concession covering Dhofar was granted to the Philips Corporation which assigned it to Dhofar Cities Service Petroleum Corporation, a subsidiary of Cities Service with 50 per cent interest held by the Richfield Oil Corporation. In 1960, Petroleum Development (Oman) Ltd., was acquired by Royal Dutch Shell and Partex. In 1962, the Dhofar concession was assigned to John Mecon and the Pure Oil. In 1965, Continental Oil Company entered the Dhofar concession as a third partner with the Union Oil Company, taking over the Pure Oil Company's share with John Mecon as the operator. In the same year, an off-shore concession extending from the high-water mark out to the depth of a thousand feet covering approximately 300 miles of coast-line from Khatmat Milalah to Ras al-Hadd was granted to Wendell Phillips. This concession was assigned on 12 December 1965 to Wintershall Aktiengesellschaft of Kassel, the Federal Republic of Germany. A second off-shore concession covering approximately 450 miles from Ras al-Hadd to Ras Minji was also granted in December 1965 to Wendell Phillips. In 1967, the French Company, Compagnie Française de Pétrole, acquired a share in Petroleum Development (Oman) Ltd.

29. In 1964, Petroleum Development (Oman) Ltd., announced that drilling had proved the existence of sufficient reserves to go into production, which was started in the summer of 1967. The oil field consists of two parts, one at Natic and the other at Fahud. A thirty-inch pipeline has been built and carries the crude oil 174 miles across the Oman mountains down to the tanker harbour at Miha al Fahal a few miles from Muscat. Production started at about 7 million tons a year and is expected to rise to 10 million tons annually. Muscat and Oman has applied for membership in the Organization of Petroleum Exporting Countries (OPEC).

30. Development. Subsidies are paid by the United Kingdom Government towards development. Under the agreement concluded between the Sultan and the United Kingdom in 1958, the latter agreed to assist in carrying out "a civil development programme which will include the improvement of roads, medical and educational facilities and an agricultural research programme".

31. In September 1966, a United Kingdom firm of architects and planners, John R. Harris, was commissioned by the Sultan to prepare a development plan for the region of Muscat and Matrah. The plan would include main transport services, a fresh-water distribution system, electrical supply and drainage. The Sultan was reported to have asked the firm to begin construction work towards the end of 1967, the plan to be progressively carried out as the export of oil increased from the autumn of 1967. At a press conference held in London on 15 February 1968, Dr. Wendell Phillips, the Sultan's Economic Adviser, stated that the Sultan would shortly announce the formation of a Reconstruction Board to carry out development projects in the Sultanate.

## B. TRUCIAL SHEIKHDOMS

### General

32. The Trucial Sheikhdoms lie north of the Rub-Al-Khali, between the Kingdom of Saudi Arabia and the Sultanate of Muscat and Oman; the area, also known as Trucial Oman or the Trucial Coast, extends for nearly 400 miles from the south-eastern end of the peninsula of Qatar along the souther coast of the Persian Gulf to the Gulf of Oman. The boundaries of the Trucial Coast have not been clearly demarcated and in several places have been the subject of disputes with neighbouring countries. The total area is estimated roughly at 32,000 square miles (83,000 square kilometres).

33. No census has ever been taken of the population: the estimated total is 110,000, of whom about one tenth are nomads.

34. The Sheikhdoms consist of seven separate political entities each headed by a Sheikh or Ruler. They are (from west to east): Abu Dhabi, Dubai, Ajman, Sharjah, Umm al Qaiwain, Ras al Khaimah and Fujairah.

#### Relationship with the United Kingdom

35. Contacts between the East India Company and the rulers of the Sheikhdoms date back to the seventeenth century, but it was not until 1806 that the first agreement was signed with the Sheikh of the Qasimi (Ja'simi) tribe. In 1820, following hostilities between a British naval expedition and local Sheikhs at Ras al Khaimah and other points of the Oman coast, a general "Treaty of Peace" was concluded between the Sheikhs and the British Government. In 1835, a "Maritime Truce" was signed by the Sheikhs providing for a temporary cessation of hostilities between them. The Truce was renewed several times in subsequent years until, in 1853, a "Treaty of Peace in Perpetuity" was concluded, whereby the United Kingdom acquired the right to watch over the maintenance of the peace and to take steps to enforce the Treaty at all times.

36. In 1892, the Sheikhs signed identical "Exclusive Agreements" with the Political Resident in the Persian Gulf, whereby they undertook "not to cede, sell, lease, mortgage or otherwise give for occupation" any part of their territory except to the British Government. The United Kingdom was also to become responsible for the conduct of their foreign relations. These agreements constitute the basis of the present relationship between the United Kingdom and the Trucial Sheikhdoms. In 1911 and 1922, further agreements were concluded whereby the granting of pearling and oil concessions respectively became subject to the approval of the United Kingdom Government. The full texts of these documents were reproduced in the Special Committee's report to the twenty-first session of the General Assembly (A/6300/Add.8, chapter XIII, annex II). The Rulers have also undertaken to recognize the right of the United Kingdom to fix their State boundaries and to settle disputes between them.

37. There is a British Political Agent in Dubai and another in Abu Dhabi; both are responsible to the Political Resident in Bahrein. In addition to the conduct

of the Trucial Sheikhdoms' foreign relations, the functions of the Political Resident include over-all supervision in certain administrative fields with international aspects or matters chiefly affecting foreigners and the implementation of international conventions such as the Sanitary Convention and the Dangerous Drugs Convention. These fields are mainly exchange transactions, control of immigration, imports of arms and narcotics and civil aviation.

38. Advice is given to the Rulers in the administration and development of their Sheikhdoms by the Political Agents. Relations between the oil companies and the Rulers are usually conducted through, or with the knowledge of, the Political Agents. Company officials are required to keep the British Political Agents or officers informed of important developments in their dealings with the Rulers.

39. The United Kingdom enjoys extra-territorial jurisdiction in the Trucial Sheikhdoms. The scope and machinery used in the exercise of this jurisdiction has been described in the Special Committee's report to the twenty-first session of the General Assembly (A/6300/Add.8, chapter XIII, paras. 49 to 52).

#### Rulers

40. The Sheikh (or Ruler) is essentially a tribal leader and a descendant of a ruling family which has had the ascendancy among the tribes for several generations. On the death of a Sheikh, succession is decided according to custom by a meeting of the senior members of the ruling family. In recent times, the tendency has been to allow succession to pass from father to son. The Political Resident usually extends the recognition of the United Kingdom Government to the new Ruler at a formal ceremony.

41. The Rulers exercise authority over their subjects in conformity with local customs and traditions. Their rule is entirely personal and there are no constitutions or elected representatives of the people.

42. On 6 August 1966, Sheikh Shakbut of Abu Dhabi was deposed by leading members of his family and replaced as Ruler by his brother - Sheikh Zaid bin Sultan. The new Ruler was immediately recognized by the United Kingdom Government. A statement by the British Political Resident in Bahrein reported that the family decision had been taken "in the public interest because of Sheikh Shakbut's manifest inability, despite all their advice, to govern Abu Dhabi State properly or use the country's increasing wealth in the interests of the people".

43. A Rulers' Council, consisting of the Rulers of the seven Trucial States, meets several times a year under the chairmanship of one of the Rulers. The Political Agent attends as an observer. The Council discusses matters of general concern, has powers to approve common internal legislation, and considers the budget of the Trucial States Development Office.

Armed forces

44. In 1952, the United Kingdom established a joint Arab Force in the Sheikdoms - the Trucial Oman Levies - now called the Trucial Oman Scouts. In 1953, the Scouts were expanded from 100 to 500 men, and in 1958 to 1,000 men; there are about 25 British officers and 86 non-commissioned officers in the Scouts, and 18 non-British officers and 363 non-commissioned officers. The headquarters of the Trucial Oman Scouts is at Sharjah, although squadrons are stationed in various points inland and along the coast. The Scouts are under the control and direction of the Political Resident in the Persian Gulf and their costs are borne by the United Kingdom Government. Their duties include the maintenance of peace and good order in the Trucial States, the providing of escorts for British Political Representatives and the execution of warrants, orders and judgements issued by the British courts. A special wing of the Scouts has been formed to carry out police duties.

45. At the end of June 1966, a new agreement was signed between the United Kingdom and the Ruler of Sharjah, Sheikh Khaled bin Muhammad, to provide additional land for new facilities and accommodation for British forces in Sharjah. An initial payment of £100,000 was to be made to the Sheikh, and subsequently an annual payment of a similar amount beginning in January 1967.

46. In his statement in the House of Commons, on 16 January 1968, Mr. Harold Wilson, Prime Minister of the United Kingdom, announced that his Government had decided to withdraw its forces from the Persian Gulf by the end of 1971. It is reported that the rulers of the Trucial States have offered to pay the entire cost of maintaining British forces in the area beyond 1971. The cost is estimated to total some £25 million (\$60 million dollars) annually.

Recent developments

47. On 18 February 1968, the rulers of Abu Dhabi and Dubaï announced that they had decided to joint their sheikhdoms in a Federation. In a joint communiqué, Sheikh Zaid Bin Sultan of Abu Dhabi and Sheikh Rashid Bin Said of Dubaï invited the other Gulf Sheikhdoms to join them. They also asked the Sheikhs of Bahrein and Qatar to attend a conference on the area's future.
48. On 25 February 1968, a conference attended by representatives of the seven Trucial States and the Sheikhdoms of Bahrein and Qatar was held in Dubaï and an agreement establishing a Federation between the nine Sheikhdoms was reached on 27 February 1968. The joint communiqué issued by the Dubaï Conference said that the nine rulers affirmed "their desire to co-operate to ensure the development of their emirates in all fields and to strengthen the security of the area by means of a collective defence agreement under the Arab League and the Charter of the United Nations".
49. It is reported that the nine Sheikhs will form a Supreme Council which will draft a federal constitution and which will subsequently retain powers of decision on foreign policy, defence and economic and cultural relations. The Council's decisions will have to be made unanimously. Executive powers will be exercised by a federal Council with the chairmanship rotating between the nine Sheikhs who will each hold office for a one-year period. The Government Council will be responsible to the Supreme Council which will have to approve all its decisions, including the federal budget. Each member State will contribute to the federal budget according to a scale to be laid down in the constitution. The dubaï agreement is also reported to provide for the creation of a Federal High Court to settle constitutional and other disputes among member States and various other bodies to assist the Federal Government. Each member State will retain autonomy within its borders for matters not specifically placed under federal jurisdiction.
50. According to press reports, the Federation is expected to come into existence on 30 March 1968. It will have a combined population estimated at 360,000 and an area of 36,500 square miles. Oil will be its main source of revenue.

Economic conditions

47. General. Economic activity has been confined in the past to ocean trade, off-shore fishing, pearl diving and the growing of date palms in the few existing oases. Since 1930, the pearl industry has lost its importance because of foreign competition; at the same time, however, the search for and exploitation of oil resources have gradually become the leading concern and most important economic activity in the Trucial Sheikhdoms.

48. In addition to oil, the chief exports of the Trucial Coast are dates, vegetables, hides and fish products (including pearls). The port of Dubai is a commercial centre serving both the Trucial Sheikhdoms and the northern part of the Sultanate of Muscat and Oman. It has a relatively large entrepôt trade, particularly with Iran and other neighbouring areas. In 1965, United Kingdom trade with the Sheikhdoms, with the exception of Abu Dhabi, was as follows:

	<u>(thousand pounds sterling)</u>
Exports to the United Kingdom	2,535
Imports from the United Kingdom	2,708
Re-exports from the United Kingdom	69

Exports to the United Kingdom from Abu Dhabi totalled £19.6 million, against £17.3 million in 1964; imports from the United Kingdom were worth approximately £15 million, against £2.3 million in 1964; re-exports from the United Kingdom amounted to £7,000, against £14,000 in 1964.

49. The revenue of the Sheikhdoms is derived principally from customs duties and income from the oil companies. No accurate figures on revenue are available. Oil income in Abu Dhabi has been increasing rapidly. Increased oil income is expected to accrue to Dubai before long.

50. Currency. Following the devaluation of the Indian rupee, in June 1966, six Trucial States adopted a new currency, the Saudi rial, while the seventh, Abu Dhabi, adopted the Bahrein dinar. The Qatar/Dubai riyal was instituted shortly afterwards for the Trucial States except Abu Dhabi. The exchange rate is 13.33 to the pound sterling. The "Gulf" rupee had formerly been tied to the Indian rupee at the old exchange rate of Rs13.33 to the pound sterling.

55. Oil. In 1965, on-shore and off-shore output of crude oil in Abu Dhabi reached 13.5 million tons, an increase of 50 per cent over 1964. In 1966, production was expected to exceed 17.5 million tons; Abu Dhabi Marine Areas Ltd., - owned jointly by British Petroleum and Compagnie Française des Pétroles - increased the output of its Umm Shaif field (about twenty miles from Das Island off the coast of Abu Dhabi) to 5 million tons in 1966. A submarine pipeline carries the crude petroleum from the oil field to Das Island where an export terminal has been constructed. The land concession in Abu Dhabi is held by the Abu Dhabi Petroleum Company, a wholly owned subsidiary of the Iraq Petroleum Company. This company was reported to be planning to export 10 million tons in 1966. According to press information, total annual output in Abu Dhabi should reach 60 million tons in a few years.

56. Abu Dhabi received £10.75 million in royalties in 1965 and about £25 million in 1966. Royalties for 1967 amounted to £35 million and it is estimated that revenues will rise to £72 million in 1968. Royalties are now computed on the basis of a 50-50 division of profits. In January 1967, Abu Dhabi granted a new oil concession to a consortium of three companies, Phillips Petroleum of America, the American Independent Oil Company and the Italian Agib Group.

57. In June 1966, it was reported that Dubai Petroleum had struck oil in commercial quantities off shore in Dubai Sheikhdome. The company holds 35 per cent of the concession. In the remaining Sheikhdoms, the exploratory concessions are held by several other companies, mainly from the United States of America.

58. Development. According to press reports, the new Ruler of Abu Dhabi has initiated the preparation of development plans which would include the building of a road network, schools and hospitals, sewerage schemes, corniches, housing and barracks and power stations. Contracts have already been given to United Kingdom firms for the construction of three hospitals and dispensaries, and eight schools. Arabicon, a United Kingdom consortium of town planners, civil and structural engineers, architects and surveyors, has reportedly started work on projects for 100 miles of road between Abu Dhabi town and Buraimi, sixty miles of urban roads, a new sea-wall and land reclamation scheme, sewerage works, a water

pipeline system and a new covered market. Private contracts for other projects have been granted and plans have been worked out for a new airport and harbour. Another consortium reported to be advising the Ruler on development is Cansult, a group of Canadian companies. Recently a Development Council has been formed. It includes the Sheikh, five other members of his family, including the Minister for Public Works, Education and Health and a Financial Director who is a United Kingdom citizen. The Financial Director has been appointed in order to organize a modern budget for the State. In May 1967, an economic report which spells out the essential and urgent need for proper development planning was submitted to Sheikh Zaid Abu Dhabi, at his request, by a team of experts working through the United Kingdom Government's Middle East Development Division. It is reported that the experts have underlined the danger of spending Abu Dhabi's increased revenues without laying down an adequate infra-structure and administrative system.

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