



## Council

Advance Unedited Version  
18 May 2022

English only

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### Twenty-seventh session

Council session, part II

Kingston, 18-29 July 2022

Agenda item 7

**Status of contracts for exploration and related matters,  
including information on the periodic review of the  
implementation of approved plans of work for exploration**

## **Status of contracts for exploration and related matters, including information on the periodic review of the implementation of approved plans of work for exploration**

### **Report of the Secretary-General**

#### **I. Status of contracts for exploration and related matters**

1. Contracts currently pertain to each of the three mineral resources for which the International Seabed Authority has adopted regulations on prospecting and exploration. These are polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts.

2. As of 31 May 2022, 31 contracts for exploration had entered into force, of which 19 were for polymetallic nodules, 7 were for polymetallic sulphides and 5 were for cobalt-rich ferromanganese crusts. For each mineral resource, a complete list, containing the name of the contractor, the sponsoring State or States, if applicable, the general location of the exploration area and the dates of entry into force and date of extension, if applicable, and expiry of each contract, is provided in annex I to the present report.

3. In December 2021, the Council approved the applications for the extension of approved plans of work for exploration for polymetallic nodules of the following seven contractors: Interoceanmetal Joint Organization; JSC Yuzhmoregeologiya; the Government of the Republic of Korea; China Ocean Mineral Resources Research and Development Association; Deep Ocean Resources Development Co. Ltd.; Institut français de recherche pour l'exploitation de la mer; and Federal Institute for Geosciences and Natural Resources of Germany. Further in March 2022, on recommendation of the Legal and Technical Commission, the Council approved the application for the extension of the approved plan of work for exploration for polymetallic nodules of the Government of India. Each applicant requested a contract extension of five years. Subsequently the secretariat has sent drafts of the extension agreements to all the eight contractors. The Council will be provided with an update on the status of finalising and signing of the agreements in the next report.

4. On 21 December 2021, the Secretary-General received an application for approval of a plan of work for exploration for polymetallic nodules in the Clarion-Clipperton Zone in the Pacific Ocean submitted by Circular Metals Tuvalu Ltd. pursuant to the regulations on prospecting and exploration for polymetallic nodules in the Area. In its March 2022 meetings, the Legal and Technical Commission commenced consideration of the application and will continue consideration in the July 2022 meetings.

5. In January 2022, the Secretary-General informed members of ISA of a notification by Companhia de Pesquisa de Recursos Minerais (CPRM) renouncing without penalty the whole of its rights in the exploration area as defined by its contract for the exploration of cobalt-rich ferromanganese crusts and a notification from the Federative Republic of Brazil terminating its sponsorship of CRPM.<sup>1</sup> The contractor has undertaken to fulfil all outstanding legal responsibilities under the contract and the precise nature of these responsibilities, and the timing of their implementation, remains under discussion between the secretariat, the contractor and the sponsoring State. .

## **II. Periodic review of the implementation of approved plans of work for exploration**

6. In accordance with the regulations on exploration and the standard clauses of contracts for exploration,<sup>2</sup> the contractor and the Secretary-General are to undertake jointly a periodic review of the implementation of a plan of work for exploration at intervals of five years. The Secretary-General may request the contractor to submit such additional data and information as may be necessary for the purposes of the review. In the light of the review, the contractor is required to make such adjustments to its plan of work as are necessary and to indicate its programme of activities for the following five-year period, including a revised schedule of expected yearly expenditure. The Secretary-General is to report on the review to the Legal and Technical Commission and the Council. The Secretary-General is to indicate in the report whether any observations transmitted to him by States parties to the Convention concerning the manner in which the contractor has discharged its obligations under the regulations relating to the protection and preservation of the marine environment were taken into account in the review.

### **A. Periodic reviews between September 2021 and May 2022**

#### **1) Periodic review of the implementation of the approved plan of work for exploration for polymetallic sulphides by the Government of India**

7. The periodic report of the contractor was under review from September 2021. For the purposes of the review, the Secretary-General requested and received information on annualised anticipated expenditures for the next five-year period, details of the planned training programme, details of resource and environmental sampling and clarifications on submission of resource and environmental data. The review was completed on 3 February 2022.

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<sup>1</sup> Regulation 31(2) of the Regulations on prospecting and exploration for cobalt-rich ferromanganese crusts in the Area. Pursuant to regulation 31(5)

<sup>2</sup> See regulation 28 of the regulations on prospecting and exploration for polymetallic nodules in the Area (ISBA/19/C/17, annex, and ISBA/20/A/9), regulation 30 of the regulations on prospecting and exploration for polymetallic sulphides in the Area (ISBA/16/A/12/Rev.1, annex), regulation 30 of the regulations on prospecting and exploration for cobalt-rich ferromanganese crusts in the Area (ISBA/18/A/11, annex) and standard clause 4.4 of the contracts for exploration.

**2) Periodic review of the implementation of the approved plan of work for exploration for polymetallic nodules by Nauru Ocean Resources Inc.**

8. The periodic report of the contractor was under review from September 2021. For the purposes of the review, the Secretary-General requested additional details on the contractor's planned environmental studies, surveys and sampling plan. The requested information was received on 2 May 2022 and is currently under review by the Legal and Technical Commission

**3) Periodic review of the implementation of the approved plan of work for exploration for polymetallic nodules by the Cook Islands Investment Corporation**

9. For the purposes of the review, the Secretary-General requested and received clarifications about the adverse variance between anticipated and actual expenditures and the number of persons trained in the previous five-year period as well as additional details of the proposed activities for the next period. The secretariat is in the process of reviewing this additional information and anticipates completing the review during June 2022.

**B. Periodic reviews due in 2022**

10. The table in the annex II to the present report provides a breakdown of the periodic reviews due in 2022 and to be reported to the Commission and the Council.

**III. Recommendations**

11. The Council is invited to take note of the status of the contracts for exploration, the information on the periodic review of the implementation of approved plans of work and the applications for extension of contracts.

## Annex I

## Status of contracts for exploration

## A. Contracts for exploration for polymetallic nodules

|    | <i>Contractor</i>  | <i>Date of entry into force</i>   | <i>Sponsoring State(s)</i>   | <i>General location of the exploration area</i>        | <i>Date of expiry</i>                           |
|----|--|---|--|--|---|
| 1  | Interoceanmetal Joint Organization                                 | 29 March 2001<br>29 March 2016 <sup>a</sup><br>29 March 2021 <sup>b</sup> | Bulgaria, Cuba,<br>Czechia, Poland,<br>Russian Federation,<br>Slovakia | Clarion-Clipperton<br>Fracture Zone                    | 28 March 2016<br>28 March 2021<br>28 March 2026 |
| 2  | JSC Yuzhmorgeologiya   | 29 March 2001<br>29 March 2016 <sup>a</sup><br>29 March 2021 <sup>b</sup> | Russian Federation   | Clarion-Clipperton<br>Fracture Zone                    | 28 March 2016<br>28 March 2021<br>28 March 2026 |
| 3  | Government of the Republic of Korea                                | 27 April 2001<br>27 April 2016 <sup>a</sup><br>27 April 2021 <sup>b</sup> | –  | Clarion-Clipperton<br>Fracture Zone                    | 26 April 2016<br>26 April 2021<br>26 April 2026 |
| 4  | China Ocean Mineral Resources Research and Development Association | 22 May 2001<br>22 May 2016 <sup>a</sup><br>22 May 2021 <sup>b</sup>       | China  | Clarion-Clipperton<br>Fracture Zone                    | 21 May 2016<br>21 May 2021<br>21 May 2021       |
| 5  | Deep Ocean Resources Development Co. Ltd.                          | 20 June 2001<br>20 June 2016 <sup>a</sup><br>20 June 2021 <sup>b</sup>    | Japan  | Clarion-Clipperton<br>Fracture Zone                    | 19 June 2016<br>19 June 2021<br>19 June 2026    |
| 6  | Institut français de recherche pour l'exploitation de la mer       | 20 June 2001<br>20 June 2016 <sup>a</sup><br>20 June 2021 <sup>b</sup>    | France   | Clarion-Clipperton<br>Fracture Zone                    | 19 June 2016<br>19 June 2021<br>19 June 2026    |
| 7  | Government of India  | 25 March 2002<br>25 March 2017 <sup>c</sup><br>25 March 2022 <sup>d</sup> | –  | Central Indian<br>Ocean Basin                          | 24 March 2017<br>24 March 2022<br>24 March 2027 |
| 8  | Federal Institute for Geosciences and Natural Resources            | 19 July 2006<br>19 July 2021 <sup>e</sup>                                 | Germany  | Clarion-Clipperton<br>Fracture Zone                    | 18 July 2021<br>18 July 2026                    |
| 9  | Nauru Ocean Resources Inc.   | 22 July 2011  | Nauru  | Clarion-Clipperton<br>Fracture Zone<br>(reserved area) | 21 July 2026                                    |
| 10 | Tonga Offshore Mining Limited                                      | 11 January 2012   | Tonga  | Clarion-Clipperton<br>Fracture Zone<br>(reserved area) | 10 January 2027                                 |
| 11 | Global Sea Mineral Resources NV                                    | 14 January 2013   | Belgium  | Clarion-Clipperton<br>Fracture Zone                    | 13 January 2028                                 |
| 12 | UK Seabed Resources Ltd.   | 8 February 2013   | United Kingdom of Great Britain and Northern Ireland                   | Clarion-Clipperton<br>Fracture Zone                    | 7 February 2028                                 |

| <i>Contractor</i>                                  | <i>Date of entry into force</i> | <i>Sponsoring State(s)</i> | <i>General location of the exploration area</i>  | <i>Date of expiry</i> |
|--|---------------------------------|----------------------------|--|-----------------------|
| 13 Marawa Research and Exploration Ltd.            | 19 January 2015                 | Kiribati                   | Clarion-Clipperton Fracture Zone (reserved area) | 18 January 2030       |
| 14 Ocean Mineral Singapore Pte. Ltd.               | 22 January 2015                 | Singapore                  | Clarion-Clipperton Fracture Zone (reserved area) | 21 January 2030       |
| 15 UK Seabed Resources Ltd.                        | 29 March 2016                   | United Kingdom             | Clarion-Clipperton Fracture Zone                 | 28 March 2031         |
| 16 Cook Islands Investment Corporation             | 15 July 2016                    | Cook Islands               | Clarion-Clipperton Fracture Zone (reserved area) | 14 July 2031          |
| 17 China Minmetals Corporation                     | 12 May 2017                     | China                      | Clarion-Clipperton Fracture Zone (reserved area) | 11 May 2032           |
| 18 Beijing Pioneer Hi-Tech Development Corporation | 18 October 2019                 | China                      | Western Pacific Ocean                            | 17 October 2034       |
| 19 Blue Minerals Jamaica Ltd                       | 4 April 2021                    | Jamaica                    | Clarion-Clipperton Fracture Zone (reserved area) | 3 April 2036          |

<sup>a</sup> First five-year extension of contract granted at the twenty-second session (2016)

<sup>b</sup> Second five-year extension of contract granted at the twenty-sixth session (2021)

<sup>c</sup> First five-year extension of contract granted at the twenty-third session (2017)

<sup>d</sup> Second five-year extension of contract granted at the twenty-seventh session (2022)

<sup>e</sup> First five-year extension of contract granted at the twenty-sixth session (2021)

## **B. Contracts for exploration for polymetallic sulphides**

| <i>Contractor</i>   | <i>Date of entry into force</i> | <i>Sponsoring State(s)</i> | <i>General location of the exploration area</i> | <i>Date of expiry</i> |
|---|---------------------------------|----------------------------|---|-----------------------|
| 1 China Ocean Mineral Resources Research and Development Association      | 18 November 2011                | China                      | South-West Indian Ridge                         | 17 November 2026      |
| 2 Ministry of Natural Resources and Environment of the Russian Federation | 29 October 2012                 | –                          | Mid-Atlantic Ridge                              | 28 October 2027       |
| 3 Government of the Republic of Korea                                     | 24 June 2014                    | –                          | Central Indian Ocean                            | 23 June 2029          |
| 4 Institut français de recherche pour l'exploitation de la mer            | 18 November 2014                | France                     | Mid-Atlantic Ridge                              | 17 November 2029      |

|   | <i>Contractor</i>                                       | <i>Date of entry into force</i> | <i>Sponsoring State(s)</i> | <i>General location of the exploration area</i>  | <i>Date of expiry</i> |
|---|---|---------------------------------|----------------------------|--|-----------------------|
| 5 | Federal Institute for Geosciences and Natural Resources | 6 May 2015                      | Germany                    | Central Indian Ridge and South-East Indian Ridge | 5 May 2030            |
| 6 | Government of India                                     | 26 September 2016               | –                          | Indian Ocean Ridge                               | 25 September 2031     |
| 7 | Government of Poland                                    | 12 February 2018                | –                          | Mid-Atlantic Ridge                               | 11 February 2033      |

### C. Contracts for exploration for cobalt-rich ferromanganese crusts

|   | <i>Contractor</i>   | <i>Date of entry into force</i> | <i>Sponsoring State(s)</i> | <i>General location of the exploration area</i>           | <i>Date of expiry</i> |
|---|---|---------------------------------|----------------------------|---|-----------------------|
| 1 | Japan Oil, Gas and Metals National Corporation                          | 27 January 2014                 | Japan                      | Western Pacific Ocean                                     | 26 January 2029       |
| 2 | China Ocean Mineral Resources Research and Development Association      | 29 April 2014                   | China                      | Western Pacific Ocean                                     | 28 April 2029         |
| 3 | Ministry of Natural Resources and Environment of the Russian Federation | 10 March 2015                   | –                          | Magellan Mountains in the Pacific Ocean                   | 9 March 2030          |
| 4 | Companhia de Pesquisa de Recursos Minerais S.A. <sup>3</sup>            | 9 November 2015                 | Brazil                     | Rio Grande Rise in the South Atlantic Ocean               | 8 November 2030       |
| 5 | Government of the Republic of Korea                                     | 27 March 2018                   | –                          | East of the Northern Mariana Islands in the Pacific Ocean | 26 March 2033         |

<sup>3</sup> In January 2022, the Secretary-General informed members of ISA of a notification by Companhia de Pesquisa de Recursos Minerais (CPRM) of termination of its contract for the exploration of cobalt-rich ferromanganese crusts and a notification from the Federative Republic of Brazil terminating its sponsorship of CRPM..

**Annex II****Periodic reviews due in 2022**

| <i>Contractor</i>   | <i>Type of resource</i> | <i>Expiration of five-year period<sup>4</sup></i> | <i>Status</i> |
|---|-------------------------|---|---------------|
| Cook Islands Investment Corporation                                     | Polymetallic nodules    | 14 July 2021                                      | In progress   |
| Nauru Ocean Resources Inc.  | Polymetallic nodules    | 22 July 2021                                      | Completed     |
| China Ocean Mineral Resources Research and Development Association      | Polymetallic sulphides  | 17 November 2021                                  |               |
| Tonga Offshore Mining Limited   | Polymetallic nodules    | 10 January 2022                                   | In progress   |
| China Minmetals Corporation   | Polymetallic nodules    | 11 May 2022                                       |               |
| Ministry of Natural Resources and Environment of the Russian Federation | Polymetallic sulphides  | 29 October 2022                                   |               |
| Global Sea Mineral Resources NV   | Polymetallic nodules    | 14 January 2023                                   |               |
| UK Seabed Resources Ltd. (first contract)                               | Polymetallic nodules    | 7 February 2023                                   |               |
| Government of Poland  | Polymetallic sulphides  | 11 February 2023                                  |               |
| Government of the Republic of Korea                                     | Cobalt-rich crusts      | 26 March 2023                                     |               |

<sup>4</sup> Not later than 90 days prior to the expiration of each five-year period from the date on which the contract enters into force, the contractor and the Secretary-General shall jointly undertake a review of the implementation of the plan of work for exploration under the contract (sect. 4.4 of the standard clauses for exploration contract (ISBA/19/C/17, annex IV, ISBA/16/A/12/Rev.1, annex 4, and ISBA/18/A/11, annex IV)).