

**International Seabed Authority: 25<sup>th</sup> Assembly session**  
**Tuesday 23 July 2019**  
**Agenda item 9: Report of the Secretary-General**

## **Statement of Canada, Australia and New Zealand (CANZ)**

Thank you, President.

It is my honour to make this statement on behalf of Canada, New Zealand and my own country, Australia.

We would like to thank the Secretary-General and the staff of the International Seabed Authority Secretariat for providing us once again with a helpful annual report. We also thank the Government of Jamaica for its hospitality and continued support of the Authority. And we look forward to celebrating the 25<sup>th</sup> anniversary of the ISA during this Assembly.

We would like to recognise the progress made by the Legal and Technical Commission (the Commission) in the development of the exploitation regulations following the last round of comments from members of the Authority and other stakeholders in September 2018. We think the regulations are heading in the right direction in striking the balance between sound commercial principles and best practice environmental measures.

In particular, we welcome the increased detail in provisions relating to the protection of the marine environment including with regards to environmental impact statements and amendments to strengthen the role of regional environmental management plans in the Authority's decision-making. However, there is still some way to go in critical aspects of the exploitation regulations.

We also welcome the Authority's progress on the development of standards and guidelines as provided for in the exploitation regulations and thank the Commission for its report to the Council on the Pretoria workshop in May. Priority standards and guidelines will need to be developed in parallel to the exploitation regulations and concluded as a "package" so that the Authority, Sponsoring States and Contractors have clarity of their legal obligations and the best way to meet those obligations before any exploitation activities begin.

As so much remains unknown about the fragile deep sea environment we continue to encourage the adoption of the precautionary approach to all aspects of the mining code. We note the considerable agenda of the Commission to progress work on these standards and guidelines and the exploitation regulations, alongside other work of the Authority particularly in relation to financial instruments for environmental performance, insurance requirements, liability, equitable sharing of benefits and the financial terms of contracts under the

exploitation regulations. In particular, we must ensure that the system of payments is consistent with UNCLOS and the 1994 Implementing Agreement: fair to the contractor and Authority; within the range of rates prevailing in respect of land-based mining; uncomplicated; and revised periodically in light of changing circumstances.

We will need to ensure that the Authority has the necessary regulatory functions and capacity to verify compliance with the regulations, including the environmental obligations, to ensure that there are consequences for any breaches, and to act swiftly, and even pre-emptively if necessary, to protect our shared marine environment.

We urge the Authority to adopt measures that will increase transparency of decision-making by the Authority as this will improve public confidence in the Authority's capacity to manage resources in the Area when the transition from exploration to exploitation takes place. Public consultation on key aspects of decision-making such as environmental impact assessments is also central to this approach.

In this regard, we welcome the Secretary-General's public consultation on the high level action plan and key performance indicators, which link the strategic directions set out in the Authority's strategic plan to the work of the various organs of the Authority. We encourage the Authority to keep these performance indicators under review and to regularly assess the suitability of indicators to monitor progress towards implementing the strategic directions to ensure they are meaningful and relevant as the mining code is progressively developed and implemented.

Further consideration will also need to be given to how the exploitation regulations will take into account states' obligations under an international legally binding instrument under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction, which is currently being negotiated. The pillar on environmental impact assessment in the negotiations, should be considered in future discussions by the Council of the ISA on the draft exploitation regulations.

In addition, interaction with other users of the marine environment, to ensure that reasonable regard is given to activities such as fisheries and the laying and maintenance of submarine cables. The exploitation regulations must provide sufficient protections for the marine environment, and accurately reflect the United Nations Convention on the Law of the Sea and the 1994 Implementing Agreement. The development of equitable sharing criteria for economic benefits from exploitation activities in the Area as well as payments arising from Article 82 will also need to continue.

We are pleased to note upcoming workshops on review and development of regional environmental management plans as outlined in the draft programme of work for 2019 - 2020.

Finally, CANZ welcomes the Council's continued efforts to be clearer about what it expects from the Secretariat, the Commission and contractors. We would also like to express our appreciation for the Secretary General's report on the Council's decision in 2018 regarding the Commission's priorities and programme of work. We consider that this practice increases transparency and assists in building the Authority's institutional memory and we would welcome further such reports in future.

Thank you.