



Assembly

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Report of the Secretary-General of the International Seabed Authority under article 166, paragraph 4, of the United Nations Convention on the Law of the Sea

I. Introduction

1. The present report is submitted to the Assembly of the Authority pursuant to article 166, paragraph 4, of the 1982 United Nations Convention on the Law of the Sea (“the Convention”). The report provides information on the work of the Authority during the period from July 2013 to June 2014.

2. The Authority is an autonomous international organization established under the Convention and the 1994 Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea (“the 1994 Agreement”). The Authority is the organization through which States parties to the Convention shall, in accordance with the regime for the seabed and ocean floor and subsoil thereof beyond the limits of national jurisdiction (“the Area”) established in Part XI of the Convention and the 1994 Agreement, organize and control activities in the Area, in particular with a view to administering the resources of the Area. It does this strictly in accordance with the provisions of the Convention and the 1994 Agreement through a contract-based system which involves issuing contracts of limited duration to those entities wishing to explore for or exploit minerals in the seabed beyond national jurisdiction.

3. The Authority has a number of additional specific responsibilities under other provisions of the Convention, such as the responsibility to distribute to States parties to the Convention payments or contributions in kind derived from exploitation of the resources of the continental shelf beyond 200 nautical miles, pursuant to article 82, paragraph 4, of the Convention and the responsibility, under articles 145 and 209, to establish international rules, regulations and procedures to prevent, reduce and control pollution of the marine environment from activities in the Area, and to adopt measures to protect and conserve the natural resources of the Area and prevent damage to the flora and fauna of the marine environment.

4. Pending the approval of the first plan of work for exploitation, the Authority is to concentrate on the 11 areas of work listed in paragraph 5 of section 1 of the annex to the 1994 Agreement. In view of the limited resources available to the Authority, the relative priority to be given to each of those areas of work depends on the pace of development of commercial interest in deep seabed mining. The main focus of the programme of work of the Authority is therefore on the following areas:



- (a) Supervisory functions with regard to contracts for exploration;
- (b) Monitoring of trends and developments relating to deep seabed mining activities, including world metal market conditions and metal prices, trends and prospects;
- (c) Development of an appropriate regulatory framework for the future development of the mineral resources of the Area, including standards for the protection and preservation of the marine environment during their development;
- (d) Promotion and encouragement of marine scientific research in the Area through, among other things, an ongoing programme of technical workshops, the dissemination of the results of such research, and collaboration with contractors and the international scientific community;
- (e) Information-gathering and the establishment and development of unique databases of scientific and technical information with a view to obtaining a better understanding of the deep ocean environment;
- (f) Ongoing assessment of available data relating to prospecting and exploration for polymetallic nodules in the Clarion-Clipperton fracture zone.

II. The Area

5. In the Convention, the Area is defined as the seabed and subsoil thereof beyond the limits of national jurisdiction. This means that the establishment of the exact geographic limits of the Area depends on the establishment of the limits of national jurisdiction, including the delineation of the continental shelf extending beyond 200 nautical miles from the baseline of the territorial sea. For this reason, pursuant to article 84, paragraph 2, of the Convention, coastal States are obliged to give due publicity to charts or lists of geographical coordinates of points and, in the case of those indicating the outer limit lines of the continental shelf, to deposit a copy of such charts or lists with the Secretary-General of the Authority.

6. To date, the Commission on the Limits of the Continental Shelf has made 18 recommendations to coastal States. During the reporting period, one member of the Authority, Niue, deposited a chart and a list of coordinates showing the outer limit lines of the continental shelf with the Secretary-General of the Authority on 19 February 2014. This brings to five the number of members of the Authority that have deposited such charts and lists, the other four being Ireland (7 July 2010), Mexico (6 January 2012), the Philippines (6 July 2012) and Australia (14 December 2012). The Secretary-General takes the opportunity to urge once again all coastal States to deposit such charts or lists of coordinates as soon as possible after the establishment of the outer limit lines of their continental shelf in accordance with the relevant provisions of the Convention.

III. Membership of the Authority

7. In accordance with article 156, paragraph 2, of the Convention, all States parties to the Convention are, ipso facto, members of the Authority. Since the nineteenth session of the Authority, one State, the Niger, has become party to the Convention and the 1994 Agreement. As at 25 May 2014, there were 166 States

parties to the Convention and thus 166 members of the Authority (165 States and the European Union). On the same date, there were 145 parties to the 1994 Agreement.

8. Twenty-one members of the Authority which became parties to the Convention before the adoption of the 1994 Agreement have not yet become parties to that Agreement, namely: Antigua and Barbuda, Bahrain, Bosnia and Herzegovina, Comoros, Democratic Republic of the Congo, Djibouti, Dominica, Egypt, Gambia, Ghana, Guinea-Bissau, Iraq, Mali, Marshall Islands, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Sao Tome and Principe, Somalia, Sudan and Yemen.

9. As provided by General Assembly resolution [48/263](#) and the 1994 Agreement itself, the provisions of the 1994 Agreement and Part XI of the Convention are to be interpreted and applied together as a single instrument. In the event of any inconsistency between the 1994 Agreement and Part XI of the Convention, the provisions of the 1994 Agreement would prevail. Although members of the Authority that are not parties to the 1994 Agreement necessarily participate in the work of the Authority under arrangements based on that Agreement, becoming a party to the 1994 Agreement would remove an incongruity that currently exists for those States.

10. For the above-mentioned reason and at the request of the Assembly, the Secretary-General of the International Seabed Authority has each year since 1998 circulated a letter to all members in that position, urging them to consider becoming parties to the 1994 Agreement. In the most recent such letter, circulated on 26 March 2014, attention was drawn to paragraph 9 of the annual report of the Secretary-General to the Assembly of the Authority for 2013 ([ISBA/19/A/2](#)) and to paragraph 3 of General Assembly resolution [68/70](#), in which the General Assembly called upon all States that had not done so, in order to achieve the goal of universal participation, to become parties to the Convention and the 1994 Agreement. The Secretary-General encourages all those members of the Authority that are not yet parties to the 1994 Agreement to become parties at the earliest possible opportunity.

IV. Permanent missions to the Authority

11. As at 31 March 2014, the following 22 States, in addition to the European Union, maintained permanent missions to the Authority: Argentina, Bangladesh, Belgium, Brazil, Cameroon, Chile, China, Cuba, France, Gabon, Germany, Italy, Jamaica, Japan, Mexico, Nigeria, Panama, Republic of Korea, Saint Kitts and Nevis, South Africa, Spain and Trinidad and Tobago.

V. Relationship with the host Government

12. The relationship between the Authority and its host Government is governed by the headquarters agreement, which entered into force on 26 August 1999, and the supplementary agreement regarding the headquarters of the Authority and the use of the Jamaica Conference Centre complex, which entered into force on 2 June 2004.

13. With regard to the headquarters building, while the Government of Jamaica is responsible for maintaining the fabric of the building, the Authority is required to take responsibility for minor internal repairs and for the internal layout and state of

decoration of the secretariat offices on the first and second floors. The secretariat offices were last refurbished in 1999 and are now in a very poor state of decoration and repair. The proposed administrative budget for the financial period 2015/16 provides for essential refurbishment of the offices in order to ensure a safe and secure working environment.

14. During the reporting period, the secretariat continued to actively seek redress regarding long-standing problems concerning the poor condition of air-conditioning units, the water supply and the windows of the headquarters building, as previously reported by the Secretary-General. While the Government has addressed some of those issues, the problems of inconsistent water supply and the poor performance of the air-conditioning units remain unresolved.

15. In addition, as previously reported, the Urban Development Corporation, the proprietor of the parking garage adjacent to the headquarters building that is used by the staff of the secretariat, imposed in 2013 a 103 per cent increase of the annual fee charged to the Authority, ostensibly on the basis of the intended renovation of the facility. No renovation has yet been undertaken and the issues of poor lighting and flooding of the parking garage during heavy rain have not been resolved. While several letters have been addressed to the Urban Development Corporation requesting an update on the renovation works, to date no response has been received.

16. Pursuant to the headquarters agreement, the Authority uses the Jamaica Conference Centre for its annual sessions. The rental cost of the Conference Centre is met from the administrative budget of the Authority, while responsibility for its maintenance and upkeep lies with the Government of Jamaica. Over the past several years, the meetings of the Authority have been adversely affected by persistent problems with the audio systems used for interpretation. While the Jamaica Conference Centre has made efforts to improve the system, interruptions continued to be experienced during the meetings of the Legal and Technical Commission held in February 2014.

17. The Secretary-General expresses his appreciation for the efforts made by the Government of Jamaica over the past several years to encourage better attendance at the annual sessions by waiving the visa requirement for delegates travelling from countries in which Jamaica has no embassy or consulate. The process involves prior clearance with the Ministry of Foreign Affairs and Foreign Trade and is facilitated through the protocol office at the Authority.

VI. Protocol on the Privileges and Immunity of the Authority

18. The Protocol on the Privileges and Immunities of the International Seabed Authority was adopted by the Assembly of the Authority on 27 March 1998. It entered into force on 31 March 2003, 30 days after the date of deposit of the tenth instrument of ratification, approval, acceptance or accession, in accordance with article 18 of the Protocol. The Protocol provides essential protection to representatives of members of the Authority who attend meetings of the Authority or who travel to and from those meetings. It also accords to experts on mission for the Authority such privileges and immunities as are necessary for the independent exercise of their functions while on mission and for the time spent on journeys in connection with their mission.

19. As at 10 April 2014, the following 36 members of the Authority were parties to the Protocol: Argentina, Austria, Brazil, Bulgaria, Cameroon, Chile, Croatia, Cuba, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Guyana, India, Ireland, Italy, Jamaica, Lithuania, Mauritius, Mozambique, Netherlands, Nigeria, Norway, Oman, Poland, Portugal, Slovakia, Slovenia, Spain, Togo, Trinidad and Tobago, United Kingdom of Great Britain and Northern Ireland and Uruguay.

20. The Secretary-General urges and encourages other members of the Authority that are not yet parties to the Protocol to take the steps necessary to do so at their earliest convenience.

VII. Administrative matters

A. Secretariat

21. The total number of established posts in the secretariat of the Authority is 37 (20 Professional and 17 General Service). A number of vacant positions were filled during the reporting period, as follows: Head of the Office of Resources and Environmental Monitoring (D-1); Senior Scientific Affairs Officer (Marine Geologist) (P-5); Scientific Affairs Officer (Marine Biologist) (P-4); and Senior Legal Officer (P-5).

B. Participation in the United Nations common system

22. The Authority is an autonomous international organization, but applies to its staff the common system of salaries, allowances and other conditions of service of the United Nations and its specialized agencies. Since 2013, the Authority has subscribed to the statute of the International Civil Service Commission (ICSC) and is therefore a full participant in the United Nations common systems of salaries, allowances and other conditions of service, with all associated benefits and obligations.

23. The Authority participated in the seventy-eighth session of ICSC, held in New York from 17 to 28 March 2014. The primary focus of the session was the comprehensive review of the United Nations common system compensation package. The Office of Administration and Management continues to represent the Authority at the monthly meetings of the operations management team and the security management team, which are convened by the United Nations country team in Jamaica. In coordination with ICSC, current ongoing exercises include a regular place-to-place survey and cost-of-living review for Professional staff salaries, a comprehensive local salary survey and a post classification review. From 28 October to 1 November 2013, the secretariat also hosted a workshop for ICSC on the review of the human resources management framework.

24. With the planned adoption of the International Public Sector Accounting Standards during the financial period 2015/16, it will be necessary for the Authority to deploy the supporting Umoja enterprise resources planning system developed by the United Nations.

C. Cost-saving measures

25. The secretariat continued to make its best efforts to constrain unnecessary increases in its administrative expenses through the implementation of cost-saving and efficiency measures where possible. This included the implementation of a streamlined policy for the digital production and distribution of publications (see paras. 39 and 40). The secretariat is currently working with a number of United Nations agencies to formulate a common services agreement geared towards overall cost savings through combined operations and strategic alliances. The objective is to reduce costs while streamlining business practices. The plan will cover areas such as human resources management, information and communications technology, finance, procurement and common premises. A four-day workshop was held from 7 to 10 May 2014 to prepare the business operations strategy and review the most recent United Nations guidelines, tool and models to achieve operational efficiency, including needs and cost-benefit analysis.

VIII. Financial matters

A. Budget

26. At its eighteenth session, the Assembly adopted the administrative budget for the financial period 2013/14 in the amount of \$14,312,948 (see [ISBA/18/A/7](#)).

B. Status of contributions

27. In accordance with the Convention and the 1994 Agreement, the administrative expenses of the Authority shall be met by assessed contributions of its members until the Authority has sufficient funds from other sources to meet those expenses. The scale of assessments shall be based on the scale used for the regular budget of the United Nations, adjusted for differences in membership. As at 30 April 2014, 68.7 per cent of the value of contributions to the 2014 budget due from member States and the European Community had been received from 29.7 per cent of the Authority's membership.

28. Contributions outstanding from member States for prior periods (1998-2013) amount to \$283,731. Notices are sent on a regular basis to member States, reminding them of the arrears. In accordance with article 184 of the Convention and rule 80 of the rules of procedure of the Assembly, a member of the Authority which is in arrears in the payment of its financial contribution shall have no vote if the amount of its arrears equals or exceeds the amount of financial contribution due from it for the preceding two years. As at 30 April 2014, the following 43 members of the Authority had been in arrears for two years or more: Barbados, Benin, Botswana, Burkina Faso, Chad, Comoros, Cook Islands, Democratic Republic of the Congo, Djibouti, Dominica, Dominican Republic, Equatorial Guinea, Gabon, Gambia, Grenada, Guinea, Guinea-Bissau, Honduras, Liberia, Madagascar, Malawi, Maldives, Mali, Marshall Islands, Mauritania, Morocco, Namibia, Palau, Paraguay, Saint Lucia, Saint Vincent and the Grenadines, Sao Tome and Principe, Seychelles, Sierra Leone, Somalia, Sri Lanka, Sudan, Suriname, the former Yugoslav Republic of Macedonia, Togo, Uganda, Vanuatu and Zambia.

29. As at 30 April 2014, the balance of the Working Capital Fund stood at \$556,522, against an approved level of \$560,000.

C. Voluntary trust fund

30. The voluntary trust fund for the participation of members of the Finance Committee and the Legal and Technical Commission from developing countries was established in 2002. Provisional terms and conditions for the use of the fund were adopted by the Assembly in 2003 and amended in 2004 (see [ISBA/9/A/5-ISBA/9/C/5](#) and [ISBA/9/A/9](#), para. 14). The trust fund is made up of voluntary contributions from members of the Authority and others. Total contributions to the fund amount to \$443,699, with the most recent contribution made by Japan in September 2013, in the amount of \$44,760. The total amount paid out of the fund as at 30 April 2014 was \$491,570. The balance of the voluntary trust fund as at the same date stood at \$154,038.

D. Endowment Fund for Marine Scientific Research in the Area

31. The Assembly established the Endowment Fund for Marine Scientific Research in the Area in 2006 ([ISBA/12/A/11](#)). Detailed rules and procedures for the administration and utilization of the Fund were adopted in 2007 (see [ISBA/13/A/6](#), annex). The Fund aims to promote and encourage the conduct of marine scientific research in the Area for the benefit of humankind as a whole, in particular by supporting the participation of qualified scientists and technical personnel from developing countries in marine scientific research programmes, including through training, technical assistance and scientific cooperation programmes. The Fund is administered by the secretariat. Members of the Authority, other States, relevant international organizations, academic, scientific and technical institutions, philanthropic organizations and private persons may make contributions to the Fund.

32. As at 30 April 2014, the capital of the Fund stood at \$3,417,038. As at the same date, a total of \$428,932 had been disbursed from the interest accrued on the capital in the form of awards for projects. Information on the substantive activities of the Fund is contained in paragraphs 81 to 86 of the present report.

IX. Library, publications and website

A. Satya N. Nandan Library

33. The Satya N. Nandan Library is the main information resource for the secretariat and for member States and other individuals and institutions seeking specialist information on seabed resources and legal and political issues relating to the deep sea. The Library manages the Authority's specialized collection of reference and research materials, which focuses on matters relating to the law of the sea, ocean affairs and deep seabed mining. Its principal objective is to service the reference and research needs of the members of the Authority, permanent missions and researchers and to provide essential support for the work of the staff of the secretariat. The Library is also responsible for the archiving and distribution of the

official documents of the Authority and assists with the publications programme. Important linkages are maintained with international and local entities. The Library is an active member of the International Association of Aquatic and Marine Science Libraries and Information Centres, which meets annually in one of its member countries, and the Library and Information Association of Jamaica.

34. The facilities available to visitors, including delegates, in the Library include a reading room with access to the collection for reference purposes, computer terminals for e-mail and Internet usage, and access to the Library's database. The services provided include literature searches; handling of queries by telephone, e-mail or in person; interlibrary lending; and management and distribution of the official documents and publications of the Authority. The most recent major upgrade to the facilities of the Library was done during the renovation of the headquarters in 1999. In the context of the budget for the financial period 2013/14, the Finance Committee approved funds for the acquisition of new furniture and partial funding for library management software, with the remaining funding to be considered in the context of the budget for the financial period 2015/16. By July 2014, it is anticipated that the public access area of the Library will have been updated, with a new reception area and improved reading areas. A procurement exercise for library management software will begin at a later stage in 2014.

35. The specialized research capability of the existing library collection continues to be developed through an acquisitions programme aimed at building upon and strengthening the Library's comprehensive collection of reference material, and the improvement of access to information. The acquisition of publications to develop the specialized collection is still mostly done in print. Many publications, however, are now also available in electronic format; in some cases, this is the only option. The Library is taking steps to implement changes in its acquisition strategies in keeping with those developments, including exploring options to acquire information through reference and publications databases. It should be noted, however, that the acquisitions budget for the library has remained static in dollar terms for 18 years. In addition to the generally increasing costs of publications, one particular concern is that the costs of journals and periodicals have increased substantially and now account for more than half of the acquisition budget, even though the number of active subscriptions has been reduced over the past few years in an effort to reduce costs. It will be unavoidable, however, to increase budgetary resources in the financial period 2015/16 if the same level of services is to be maintained.

36. In an attempt to alleviate the problem, the secretariat has developed a collaborative arrangement with the International Tribunal for the Law of the Sea with a view to reducing costs by identifying areas for the possible sharing of resources and development of joint collections. In June 2014, the Authority and the Tribunal entered into a memorandum of agreement to form a partnership for the acquisition of electronic resources through the United Nations System Electronic Information Acquisitions Consortium. It is anticipated that participation in the Consortium, a shared resource for the libraries of the United Nations system, will result in substantial savings in the acquisition of electronic information for participating agencies.

37. In addition to the acquisitions made by the Library, the collection has also been expanded through the generous donations of institutions, organizations and individuals. These include donations from the Division for Ocean Affairs and the

Law of the Sea of the Office of Legal Affairs of the United Nations Secretariat; the International Tribunal for the Law of the Sea; the United Nations Educational, Scientific and Cultural Organization (UNESCO); the United Nations Environment Programme; the Food and Agriculture Organization of the United Nations; the United Nations Development Programme; the Intergovernmental Oceanographic Commission of UNESCO; the World Bank; the Tokyo Institute of Technology; the Center for Oceans Law and Policy, University of Virginia; the Law of the Sea Institute at the University of California, Berkeley; the Woods Hole Oceanographic Institution; the German Advisory Council on Global Change; the Leipziger Kommissions- und Großbuchhandels-gesellschaft (Leipzig Commission and Wholesale Book Trade), Germany; the United States Institute of Peace; the University of the West Indies, Mona, Jamaica; and the Ministry of Energy and Mining, Jamaica. Staff members also continue to donate publications from seminars and workshops attended. The Secretary-General expresses his gratitude to all who supported the Library during the reporting period.

38. In 2014, the Library was pleased to host a moot team from the Norman Manley Law School of the University of the West Indies in connection with the 2014 Philip C. Jessup International Law Moot Court Competition. The preparation of members of the team covered maritime development and conservation, law of salvage, and criminal jurisdiction in the exclusive economic zone and high seas. The Philip C. Jessup competition is the world's largest moot court competition, with participants from over 550 law schools in more than 80 countries. There is increasing interest in the work of the Authority and the number of enquiries, especially with regard to contracts for exploration, continues to grow, as does the number of requests for information on the Endowment Fund and the fellowship and training opportunities available through the Fund. Many such requests are received electronically and reflect the awareness and growing knowledge of the work of the Authority internationally.

B. Publications

39. The publications of the Authority are available in both print and electronic formats. Unfortunately, the cost of publication, storage and distribution of traditional printed publications has increased significantly over the years, to the extent that it is no longer possible to meet the demand from within existing resources. Following a detailed analysis of alternative options, the Authority, at the end of 2013, launched a new publications strategy which uses a combination of print-on-demand and electronic publishing technology and is aimed at reducing costs by streamlining publishing practices. The decision to review the distribution methods was also influenced by an increase in requests for publications in the e-book format and a steady decline in the demand for print copies, leading to excess inventory and wasted printing costs.

40. The Authority now makes use of a print-on-demand service while simultaneously making printed publications available to individuals and the general public for purchase through a digital storefront on Amazon.com. The secretariat will continue to provide high-quality printed materials for free distribution to member States. Publications are also available for free download in multiple e-book formats through the website of the Authority.

C. Website

41. The website of the Authority is currently being upgraded and redeveloped to better manage and disseminate the various aspects of its work to member States, its various organs and the public at large. The restructured website will be compatible with cross-browser platforms and will also be accessible on mobile devices. In June 2014, the Authority will launch a mobile application, ISA-HQ, which is designed for use on tablets and mobile devices using the iOS and Android operating systems. During the reporting period, the information and communications unit developed and deployed an extranet accessible to members of the Legal and Technical Commission, which allows secure collaboration among members. At the request of the Commission, an electronic log was also developed to record the submission of documents and communications from contractors with a view to facilitating the inventory, search and production of various reports.

X. Relationship with the United Nations and other relevant international organizations

A. United Nations

42. The Authority maintains a close and productive working relationship with the United Nations, in particular the Division for Ocean Affairs and the Law of the Sea of the Office of Legal Affairs and with the Department for General Assembly and Conference Management of the United Nations Secretariat, which provides meetings services for its annual sessions. Since 2011, the Authority has participated in the Fellowship Programme of the Nippon Foundation of Japan, which is administered by the Division for Ocean Affairs and the Law of the Sea pursuant to the Technical Cooperation Trust Fund Agreement between the United Nations and the Nippon Foundation.

43. In this regard, it is recalled that the General Assembly, by its resolution [51/6](#), granted observer status to the Authority. The Authority maintains a permanent mission to the United Nations, which greatly facilitates an effective working relationship with member States represented in New York. Furthermore, in 1997, the Authority entered into a formal relationship agreement with the United Nations, under which the Authority agreed to apply, in the interests of uniform standards of international employment and to the extent feasible, common personnel standards, methods and arrangements and to facilitate the interchange of personnel in order to obtain the maximum benefit from their services. The agreement also covers the terms and conditions on which meeting services are provided to the Authority by the Department for General Assembly and Conference Management.

B. International Tribunal for the Law of the Sea

44. The Authority enjoys a harmonious working relationship with the International Tribunal for the Law of the Sea. In March 2014, at the invitation of the President of the Tribunal, the Secretary-General and the Deputy to the Secretary-General visited the premises of the Tribunal in Hamburg, Germany, where they held informal discussions with the judges of the Tribunal and the members of the Seabed Disputes

Chamber. An informal discussion on general administrative and staffing matters also took place between the Deputy to the Secretary-General and the Registrar of the Tribunal.

C. UN-Oceans

45. UN-Oceans is an inter-agency mechanism which seeks to enhance the coordination, coherence and effectiveness of competent organizations of the United Nations system and the International Seabed Authority, within existing resources, in conformity with the Convention, the respective competences of each of its participating organizations and the mandates and priorities approved by their respective governing bodies.

46. Under its revised terms of reference (General Assembly resolution 68/70, annex), UN-Oceans is mandated to strengthen and promote coordination and coherence of United Nations system activities related to ocean and coastal areas; regularly share ongoing and planned activities of participating organizations within the framework of relevant United Nations and other mandates with a view to identifying possible areas for collaboration and synergy; facilitate, as appropriate, inputs by its participating organizations to the annual reports of the Secretary-General of the United Nations on oceans and the law of the sea and on sustainable fisheries; and facilitate inter-agency information exchange, including sharing of experiences, best practices, tools and methodologies and lessons learned in ocean-related matters.

47. The secretariat of the Authority is a member of UN-Oceans and participates in its meetings, as appropriate, and in accordance with its mandate. Other members include: Division for Ocean Affairs and the Law of the Sea, Office of Legal Affairs (UN-Oceans focal point); Counter-Terrorism Executive Directorate, United Nations Secretariat; Department of Economic and Social Affairs, United Nations Secretariat; Economic and Social Commission for Asia and the Pacific; Food and Agriculture Organization of the United Nations; International Atomic Energy Agency; International Labour Organization; International Maritime Organization; Intergovernmental Oceanographic Commission of UNESCO; Office for Disarmament Affairs, United Nations Secretariat; secretariat of the Convention on Biological Diversity; United Nations Conference on Trade and Development; United Nations Development Programme; United Nations Environment Programme; United Nations Industrial Development Organization; United Nations Institute for Training and Research; Office of the United Nations High Commissioner for Refugees; Office of the High Representative for the Least Developed Countries, the Landlocked Developing Countries and the Small Island Developing States, United Nations Secretariat; United Nations University; World Bank; World Meteorological Organization; and World Tourism Organization.

XI. Previous session of the Authority

48. The nineteenth session of the Authority was held in Kingston from 15 to 26 July 2013. Vladimir Polenov (Russian Federation) was elected President for the session and Tobias Pierlings (Germany) was elected President of the Council. The Assembly considered the annual report of the Secretary-General (ISBA/19/A/2). On

25 July, on the recommendation of the Finance Committee and of the Council, the Assembly adopted a decision relating to financial and budgetary matters (ISBA/19/A/8) and a decision concerning overhead charges for the administration and supervision of exploration contracts (ISBA/19/A/12). Also on 25 July, the Assembly adopted decision ISBA/19/A/9, by which it approved the amendments to the Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area provisionally adopted by the Council on 22 July (ISBA/19/C/17, annex).

49. The Council, on the recommendation of the Legal and Technical Commission, approved two applications for approval of plans of work for exploration for cobalt-rich ferromanganese crusts, submitted by the China Ocean Mineral Resources Research and Development Association (sponsored by China) and the Japan Oil, Gas and Metals National Corporation (sponsored by Japan), and requested the Secretary-General to issue the plans of work in the form of contracts between the Authority and each of the applicants.

50. The Council considered a report of the Interim Director-General of the Enterprise (ISBA/19/C/4) and, in the light of the report, requested the Secretary-General of the Authority, with referral where appropriate to the Legal and Technical Commission and the Finance Committee, to carry out a study of the issues relating to the operation of the Enterprise, in particular the legal, technical and financial implications for the Authority and for States parties, taking into account the provisions of the Convention, the 1994 Agreement and the Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area.

51. The Council also considered the summary report of the Chair of the Legal and Technical Commission, the report of the Finance Committee and the report of the Secretary-General on the development of an exploitation code for polymetallic nodules in the Area.

XII. Twentieth anniversary of the International Seabed Authority

52. The Authority came into existence on 16 November 1994 upon the entry into force of the Convention, although it did not become fully operational as an autonomous organization until 1996, with the election of its first Secretary-General. The date of 16 November 2014 therefore marks the twentieth anniversary of the establishment of the Authority. A special commemorative event will be held during the twentieth session of the Authority to mark its twentieth year of existence.

XIII. Status of contracts for exploration in the Area

53. The contractual nature of the relationship between the Authority and those wishing to conduct activities in the Area is fundamental to the legal regime established by Part XI of the Convention and the 1994 Agreement. Annex III to the Convention, which sets out the Basic Conditions of Prospecting, Exploration and Exploitation, also forms an integral part of this legal regime, which is to be further developed in the rules, regulations and procedures adopted by the Authority. Consequently, the administration and supervision of contracts between the Authority and qualified entities wishing to explore for or exploit deep sea mineral resources lies at the core of its functions.

54. As at 19 May 2014, 16 exploration contracts were in force, covering approximately 900,000 km² of the seafloor in the Atlantic, Indian and Pacific oceans. Twelve contracts cover exploration for polymetallic nodules, two cover exploration for polymetallic sulphides and two cover exploration for cobalt-rich ferromanganese crusts. The first contract for exploration for cobalt-rich crusts was signed with the Japan, Oil, Gas and Metals National Corporation in Tokyo on 27 January 2014. A contract for exploration for cobalt-rich crusts was also signed with the China Ocean Mineral Resources Research and Development Association in Beijing on 29 April 2014. Information on the status of contracts for exploration is provided in the annex to the present report.

55. Three plans of work for exploration approved by the Council at the eighteenth session have yet to be concluded in the form of a contract with the Authority. The applicants involved are the Government of the Republic of Korea, the Institut français de recherche pour l'exploitation de la mer (sponsored by France) and Marawa Research and Exploration Ltd. (sponsored by Kiribati). It is anticipated that those contracts will be signed during the second half of 2014, bringing the total number of exploration contracts to 19.

56. Seven applications for approval of plans of work for exploration are under consideration by the Legal and Technical Commission and the Council. Applications received from the Ministry of Natural Resources and Environment of the Russian Federation (crusts), UK Seabed Resources Ltd. (nodules), the Government of India (Sulphides) and Ocean Mineral Singapore Pte. Ltd. (nodules), consideration of which had been deferred from the nineteenth session of the Authority in 2013, were reviewed by the Legal and Technical Commission at its meeting in February 2014 and will be considered by the Council at the twentieth session.

57. Three new applications were submitted in December 2013, by the Government of Germany, represented by the Ministry for Economic Affairs and Energy and its central geoscientific authority, the Federal Institute for Geosciences and Natural Resources (17 December 2013); the Cook Islands Investment Corporation, sponsored by the Cook Islands (27 December 2013); and the Companhia de Pesquisa de Recursos Minerais S.A., sponsored by Brazil (31 December 2013). The applications are under review by the Legal and Technical Commission.

58. On 6 September 2011, pursuant to regulation 4, paragraph 2, of the Regulations, the Federal Institute for Geosciences and Natural Resources of Germany notified the Secretary-General of its intention to engage in prospecting for polymetallic sulphides in the southern portion of the Central Indian Ridge and the northern portion of the Southeast Indian Ridge. Prospectors are required to submit an annual report describing the status of prospecting and the results obtained. Reports were submitted by the Institute in December 2013 and May 2014.

59. Following an informal meeting of exploration contractors for polymetallic nodules in January 2012, it was decided to organize a series of taxonomic exchange workshops on the megafauna, macrofauna and meiofauna in the contract areas. The need for such workshops, which bring together contractors and experts on the various faunal groups, became apparent for addressing the potentially varying taxonomic standards and differing taxonomic expertise available. Such needs were also in line with the international project, International Network for Scientific Investigation of Deep Sea Ecosystems (see www.indeep-project.org) which, among other objectives, is aimed at providing large-scale syntheses of biogeographic and

biodiversity patterns in the deep sea, in addition to fostering environmentally sustainable management of deep-sea resources.

60. The first of the standardization workshops, supported by the Authority and the International Network for Scientific Investigation of Deep Sea Ecosystems, was held at the Centre for Marine Biodiversity of the Senckenberg Institute in Wilhelmshaven, Germany, from 10 to 15 June 2013. The workshop was attended by contractors and taxonomists, specialists in the megafaunal group known to occur in the Clarion-Clipperton zone, and focused on the size of the megafaunal component of the abyssal fauna (megafauna are defined as organisms large enough to be determined on photographs, typically larger than 1 cm in size). The workshop made a number of technical recommendations concerning the need for the collection of specimens, maintenance of voucher collections and molecular sampling, best practices, and international cooperation in capacity-building and training on taxonomy. Another outcome of the workshop was the production of a digital atlas, which can be accessed at <http://ccfzatlas.com/wiki/> (login required). It is anticipated that the second workshop in the series, which will focus on macrofauna, will be held in the Republic of Korea in the last quarter of 2014, and the third, on meiofauna, will be held in the first part of 2015. It is anticipated that a similar programme of workshops will be necessary for the fauna associated with polymetallic sulphide deposits and cobalt-rich crusts.

61. In 2014, the Authority will also convene a workshop to consider the application of a resource classification system for polymetallic nodule deposits. The workshop, to be held in India in conjunction with mineral classification experts, scientists and engineers, will assist contractors to prepare estimations of mineable areas within exploration areas.

62. The secretariat has recently engaged in a process of assimilating the environmental data provided by the contractors in their annual reports. This task will provide a technical overview of the environmental parameters of the Clarion-Clipperton zone. The output will form the basis for an ecosystem-based database for the Area. This initial task is expected to be completed by 2015. Its completion will lead to the formulation of terms of reference for a complete repurposing, redesign and expansion of the current central data repository of the Authority; the planning, design and development of environmental and geological data; and the integration of all data for dissemination to member States.

XIV. Costs of administration and supervision of contracts with the Authority

63. In its decision concerning overhead charges for the administration and supervision of exploration contracts (ISBA/19/A/12), the Assembly decided to amend the standard clauses for exploration contracts by requiring contractors to pay an annual overhead charge of \$47,000 when they submit their activity annual reports, that is, by no later than 31 March each year. This charge has been established by means of an amendment to the standard clauses for such contracts (ISBA/6/A/18, annex 4; ISBA/16/A/12/Rev.1, annex 4; and ISBA/18/A/11, annex IV), which consists of adding two new clauses, numbered 10.5 and 10.6 (see ISBA/19/A/12, annex). While the new provisions take effect from the date of adoption of the decision, that is, 25 July 2013, and will apply automatically to any contract entered into as a result of

applications made after that date, the decision of the Assembly contained special provisions relating to contracts entered into and applications submitted before that date. As required by the decision of the Assembly, a separate report on the implementation of decision [ISBA/19/A/12](#) is submitted for the consideration of the Council ([ISBA/20/C/12](#)).

XV. Progressive development of the regulatory regime for activities in the Area

64. The Authority has a fundamental role to play in ensuring that an appropriate regulatory regime is established, in accordance with the Convention and the 1994 Agreement, that provides adequate security of tenure for future exploration for and exploitation of the mineral resources of the Area, while ensuring effective protection for the marine environment. The regulatory regime would ultimately be encapsulated in the Mining Code, which would comprise the whole of the comprehensive set of rules, regulations and procedures issued by the Authority to regulate prospecting, exploration and exploitation of marine minerals in the Area.

A. Prospecting and exploration

65. The Mining Code currently consists of three sets of regulations covering prospecting and exploration for polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts, respectively.¹ In addition to specifying the process through which contracts may be applied for and granted, the regulations set out the standard terms and conditions, applicable to all entities, of contracts with the Authority. Although the three sets of regulations are separate, they are largely identical in structure and content. By decision [ISBA/19/A/9](#), the Assembly approved amendments to the Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area ([ISBA/19/C/17](#), annex) in order to align them with the regulations for polymetallic sulphides and cobalt-rich crusts. The regulations are supplemented by recommendations for guidance issued by the Legal and Technical Commission. At present, recommendations have been issued in connection with the assessment of possible environmental impacts arising from exploration ([ISBA/19/LTC/8](#)), the reporting of financial expenditure under contracts for exploration ([ISBA/15/LTC/7](#)) and the implementation of training programmes under plans of work for exploration ([ISBA/19/LTC/14](#)).

B. Exploitation

66. In line with the request of the Council ([ISBA/17/C/21](#), para. 20), the Legal and Technical Commission continued its work on the formulation of draft regulations for the exploitation of polymetallic nodules in the Area. The Commission was encouraged to consider a range of issues, including corporate social responsibility,

¹ Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area ([ISBA/6/A/18](#) and [ISBA/19/C/17](#)), Regulations on Prospecting and Exploration for Polymetallic Sulphides in the Area ([ISBA/16/A/12/Rev.1](#)) and Regulations on Prospecting and Exploration for Cobalt-rich Ferromanganese Crusts in the Area ([ISBA/18/A/12](#)).

the engagement of stakeholders, a mining inspectorate, liability and indemnification for claims, a fiscal system, closure plans and a reporting mechanism.

67. At its meeting in July 2013, the Legal and Technical Commission requested the secretariat to provide it with a number of research deliverables, including a comparative study focusing on comparable extractive industry fiscal regimes adopted by members of the Authority. The study was provided to the Commission at its meeting in February 2014 in the form of a working paper on the development of financial terms for deep-sea mining exploitation. The main objectives of the study were, among others, to capture and clarify all policy and financial objectives relating to a fiscal regime; identify and present a comprehensive mix of comparable mining regime mechanisms and fiscal rates of payment; highlight and present, where possible, a suggested range of rates of payment and calculation methodologies; identify research studies and present current best practice with regard to an applicable fiscal regime; and consider any mechanism comparable to the Authority's policy and financial objectives.

68. On 10 March 2014, following consultations within the framework of the Legal and Technical Commission, a stakeholder survey was launched, aimed at soliciting from members of the Authority and current and future stakeholders relevant information for the development of a regulatory framework for the exploitation of minerals in the Area. The survey was to begin a process of stakeholder engagement and consultation as envisaged by the Council and was the first in a series of stakeholder engagements anticipated by the Authority in the development of a regulatory framework which will incorporate contemporary best practice and from which the Authority expects to benefit from the in-depth views, analysis and opinions of experts on activities in the Area. The survey questions focused on the following four thematic areas: financial terms and obligations; environmental management terms and obligations; health and safety and maritime security; and general considerations, such as stakeholder communication and transparency. As at the due date for submissions, more than 40 responses to the survey had been received from a wide range of public and private sector stakeholders. The Commission will consider the results of the survey at its meeting in July 2014.

C. National laws and regulations relating to deep seabed mining

69. On 1 February 2011, the Seabed Disputes Chamber of the International Tribunal for the Law of the Sea delivered its advisory opinion on the responsibilities and obligations of States sponsoring persons and entities with regard to activities in the Area. The Chamber affirmed that the Convention requires the sponsoring State to adopt, within its legal system, laws and regulations and to take administrative measures that have two distinct functions, namely, to ensure compliance by the contractor with its obligations and to exempt the sponsoring State from liability. The existence of such laws and regulations and administrative measures is not a condition for concluding the contract with the Authority; it is, however, a requirement that the sponsoring State carry out due diligence and seek exemption from liability. The Chamber further indicated that the national measures, once adopted, might not be appropriate in perpetuity. It considered that such measures should be kept under review so as to ensure they met current standards and that the contractor met its obligations effectively without detriment to the common heritage of humankind.

70. At the seventeenth session of the Authority, in 2011, the Council requested the Secretary-General to prepare a report on the laws, regulations and administrative measures adopted by sponsoring States and other members of the Authority with regard to the activities in the Area, and invited, for that purpose, sponsoring States and other members of the Authority, as appropriate, to provide to the secretariat information on, or texts of, relevant national laws, regulations and administrative measures (ISBA/17/C/20, para. 3). Reports were provided to the Council in 2012 and 2013. The secretariat also established an online database of the information on or the texts of national laws, regulations and administrative measures that had been submitted to it.

71. As at 30 May 2014, the following States had provided the requested information or texts: Belgium, China, Cook Islands, Czech Republic, Fiji, France, Germany, Guyana, Japan, Mexico, Nauru, Netherlands, New Zealand, Oman, Republic of Korea, Tonga, United Kingdom, United States of America and Zambia. A submission was also received from the secretariat of the Pacific Community, on behalf of the Pacific Island region.

XVI. Ad hoc Open-ended Informal Working Group to study issues relating to the conservation and sustainable use of marine biological biodiversity beyond areas of national jurisdiction, and related matters

72. The Authority participates in meetings of the Ad hoc Open-ended Informal Working Group established by the General Assembly in its resolution 59/24 to study issues relating to the conservation and sustainable use of marine biological biodiversity beyond areas of national jurisdiction. The first meeting of the Working Group was held in New York in 2006. The Authority was represented at the most recent (seventh) meeting of the Working Group, held in New York from 1 to 4 April 2014. In participating in the meetings of the Working Group, the secretariat of the Authority provides technical input on legal and scientific issues. In May 2014, the secretariat also participated, by invitation, in a regional workshop for States members of the Caribbean Community on the conservation and sustainable use of marine biological diversity beyond areas of national jurisdiction. The workshop, sponsored by the Government of Jamaica and held in Kingston, provided a valuable opportunity for closer interaction with States members of the Caribbean Community on the work of the Authority, in particular in relation to the marine environment.

73. In March 2014, the secretariat of the Authority participated as an invited observer at an event hosted by the Government of Bermuda in Hamilton to celebrate the signature of the Hamilton Declaration on Collaboration for the Conservation of the Sargasso Sea. The Hamilton Declaration, a non-binding arrangement between the Governments of States bordering the Sargasso Sea and the range States of important species which migrate through or spawn in the Sea, is aimed at promoting collaboration for the purposes of better protecting and conserving its unique environment. One objective of the signatories to the Hamilton Declaration is to pursue conservation measures through existing international and regional organizations, and in this regard the Declaration recognizes the competence of the Authority both in relation to the regulation of activities in the Area and in relation to the protection of the marine environment, pursuant to article 145 of the Convention.

XVII. Capacity development, training and outreach

74. There are two main ways in which the Authority seeks to carry out its responsibilities under articles 143 and 144 of the Convention to promote marine scientific research in the Area and build the capacity of developing States in deep-sea research and technology: the training programmes provided by contractors as part of the contracts for exploration in the Area, and the Endowment Fund for Marine Scientific Research. In addition, since 2011 the Authority has been a host institution under the United Nations-Nippon Foundation of Japan Fellowship Programme for Human Resources Development and Advancement of the Legal Order of the World's Oceans, administered by the Division for Ocean Affairs and the Law of the Sea of the Office of Legal Affairs of the United Nations Secretariat.

A. Training provided by contractors

75. Contractors with the Authority have a legal obligation to provide and fund training opportunities for trainees from developing States and the Authority. The legal basis for this requirement stems from the provisions of the Convention and the 1994 Agreement² and is set out in the standard terms of contracts. The purpose of the obligation is to ensure that personnel from developing States are provided with appropriate operational expertise to enable them to participate in deep seabed mining. The training programme is generally formulated following negotiations between the Authority and the contractor and then included as schedule 3 of the contract, subject to periodic performance reporting and review.

76. In 2013, the Legal and Technical Commission began to review the implementation of training under contracts for exploration with a view to assessing the effectiveness of training programmes, achieving a better understanding of the needs and priorities of developing countries with regard to training and providing better guidance to contractors, sponsoring States and the secretariat on the content, structure and implementation of training programmes. As a result, the Commission issued as an interim document a revised set of recommendations for the guidance of contractors and sponsoring States in relation to training programmes under plans of work for exploration ([ISBA/19/LTC/14](#)) with the aim of providing advice to contractors on the implementation of training obligations and assisting the Secretary-General in negotiations with contractors on the development of training programmes. The Commission recommended, among other things, that contractors, as a minimum, should provide for the training equivalent of at least 10 trainees during each five-year period of the contract.

77. On 20 July, the Secretary-General wrote to all existing contractors, inviting them to take due account of the recommendations of the Legal and Technical Commission in considering future revisions to and the development of training programmes. A similar letter was also sent to all applicants whose applications for approval of plans of work for exploration had been approved by the Council.

78. At the nineteenth session, the Legal and Technical Commission selected eight candidates and eight alternates for training opportunities offered by Tonga Offshore

² Specifically, article 144 and annex III, article 15, of the Convention, and section 5 of the annex to the 1994 Agreement.

Mining Limited, the China Ocean Mineral Resources Research and Development and the Federal Institute for Geosciences and Natural Resources of Germany, pursuant to their contracts for exploration. Paul Poloka (Papua New Guinea) and Dody Darmawan (Indonesia) participated in the at-sea training offered by Tonga Offshore Mining Limited between August and October 2013. The training was carried out on the research vessel *Mt. Mitchell* and covered part of the company's manganese nodule survey in the Clarion-Clipperton zone. Subject to their availability, Tchokona Seuwui (Cameroon), Apichai Kanchanapant (Thailand) and Analia Veronica Serra (Argentina) were to participate in the at-sea training offered by the China Ocean Mineral Resources Research and Development between January and April 2014. The training offered by the Federal Institute for Geosciences and Natural Resources of Germany was scheduled to begin between April and May 2014. Khaled Sinoussy Mohamed (Egypt) and Daniel Armando Pérez-Calderón (Mexico) were selected by the Commission to participate in the training programme.

79. In March 2014, the Japan Oil, Gas and Metals National Corporation submitted a training proposal to the Authority, offering three at-sea training opportunities for candidates from developing States; the training is expected to be conducted between May and June 2015 for a duration of 40 days. The secretariat circulated information regarding this opportunity by a note verbale and through the website, requesting nominations to be submitted by 15 June 2014. The Commission will consider the applications and make a selection in July 2014.

80. Based on the applications received for all training opportunities, the secretariat has prepared a roster of suitable candidates, which will be kept up to date so that applicants can be more efficiently matched with future training opportunities. With a view to encouraging more applications, the secretariat prepared flyers for each training programme, which were circulated to member States, including during awareness-raising seminars, and were also posted on the website of the Authority.

B. Endowment Fund for Marine Scientific Research

81. The Endowment Fund for Marine Scientific Research aims to promote and encourage the conduct of marine scientific research in the Area for the benefit of humankind as a whole, in particular by supporting the participation of qualified scientists and technical personnel from developing countries in marine scientific research programmes and offering them the opportunity to participate in training, technical assistance and scientific cooperation programmes. Pursuant to the agreed procedures, an advisory panel was appointed by the Secretary-General in 2011 to evaluate applications for assistance from the Fund. The panel is composed of permanent representatives to the Authority, representatives of educational institutions or international organizations, and individuals closely associated with the work of the Authority. The members of the panel, who serve for a period of three years, are appointed with due regard to equitable geographical representation. New appointments will be made to the panel in 2014.

82. Applications for assistance from the Fund may be made by any developing country or by any other country if the purpose is to benefit scientists from developing countries. In administering the Fund, the secretariat of the Authority is required to endeavour to make arrangements with universities, scientific institutions, contractors and other entities for opportunities for scientists from developing

countries to participate in marine scientific research activities. Such arrangements may include the reduction or waiver of fees for training. The secretariat has carried out a number of activities designed to draw the attention of the international donor community to the opportunities offered by the Fund and to encourage additional contributions. The activities include issuing press releases and promotional materials, maintaining a specially designed web page (www.isa.org.jm/en/efund) and establishing a network of cooperating institutions that may be interested in offering places in courses or research opportunities. Members of the network to date include the National Oceanography Centre (United Kingdom), the National Institute of Ocean Technology (India), the Institut français de recherche pour l'exploitation de la mer (France), the Federal Institute for Geosciences and Natural Resources (Germany), the National Institute of Oceanography (India), the Natural History Museum (United Kingdom), Duke University (North Carolina, United States) and International Cooperation in Ridge-crest Studies, an international, non-profit organization which promotes interdisciplinary studies of oceanic spreading centres.

83. On 10 February 2014, the eleventh meeting of the advisory panel of the Endowment Fund was held at the headquarters of the Authority. The panel reviewed the implementation of the recommendations made at the previous meeting, selected Renee McDonald (Jamaica) and Abdulkarim Rabiou (Nigeria) as candidates for a training programme sponsored by China at the Southwest Indian Ridge, which is scheduled to be conducted in 2014, and recommended approval of an application by the Rhodes Academy of Ocean Law and Policy to provide support for qualified candidates from developing countries for its session in June-July 2014.

84. Since the nineteenth session of the Authority, two awards have been made from the Fund on the recommendation of the advisory panel. The first award, of \$30,000, was made to the Rhodes Academy to help to fund a number of fellowships for students from developing States and to expand the Academy's training programme to cover issues relating to deep seabed marine science. The second award was to provide international travel and medical insurance for a candidate from a developing State to attend an at-sea training course provided by the Portuguese Task Group for the Extension of the Continental Shelf, which is to conduct an oceanographic campaign, using the Portuguese Navy's hydrographical vessel NRP *Almirante Gago Coutinho* and the 6,000 metre-rated remotely operated underwater vehicle *Luso*, from 25 May to 24 June 2014. The cruise will focus on the acquisition of geophysical data (bathymetric, magnetic and gravimetric) and the collection of rocks at or in the vicinity of the mid-Atlantic ridge in the area of the Maxwell fracture zone. After consultation with the Authority, Apitida Wasuwatcharapong, a young geologist from the Department of Mineral Resources of Thailand, was selected by the Task Group from the four candidates proposed for this training opportunity.

85. As at 31 May 2014, 59 scientists or government officials from developing countries have been beneficiaries of financial support from the Endowment Fund. The recipients were from Argentina, Bangladesh, Bolivia (Plurinational State of), Brazil, Cameroon, China, Colombia, the Cook Islands, Costa Rica, Egypt, Fiji, Guyana, India, Indonesia, Jamaica, Madagascar, Maldives, Malta, Mauritania, Mauritius, Namibia, Nigeria, Palau, Papua New Guinea, Peru, the Philippines, the Russian Federation, Sierra Leone, South Africa, Sri Lanka, Suriname, Thailand, Trinidad and Tobago, Tunisia and Viet Nam.

86. The secretariat will continue to take steps to generate interest in the Endowment Fund on the part of potential donors and institutional partners. In this regard, it is noted that, in paragraph 15 of its resolution 68/70, the General Assembly called upon States and international financial institutions, including through bilateral, regional and global cooperation programmes and technical partnerships, to continue to strengthen capacity-building activities, in particular in developing countries, in the field of marine scientific research by, among other things, training personnel to develop and enhance relevant expertise, providing the necessary equipment, facilities and vessels and transferring environmentally sound technologies. The Endowment Fund is one of the key mechanisms for enabling capacity-building in the field of marine scientific research in the deep ocean and the Secretary-General wishes to encourage members of the Authority, other States, relevant international organizations, academic, scientific and technical institutions, philanthropic organizations, corporations and private persons to contribute to the Fund.

C. Sensitization seminars

87. The Authority's primary means of outreach to its member States has been its sensitization seminars. The purpose of the seminars is to inform government officials, marine policymakers and scientists at national and regional institutions of the work of the Authority and to promote the participation of scientists from institutions in developing countries in the marine scientific research being undertaken in the Area by international research organizations. Since 2007, the Authority has convened six such seminars around the world. The previous seminars were held in Manado, Indonesia (March 2007), Rio de Janeiro, Brazil (November 2008), Abuja (March 2009), Madrid (February 2010) and Kingston (March 2011) and at United Nations Headquarters (February 2012).

88. Two further seminars were convened during the reporting period. The first was held in Mexico City in November 2013 and the second at United Nations Headquarters in April 2014. Typically, the seminars include presentations by experts on the type of minerals to be found in the Area, resource evaluation, the protection and preservation of the marine environment from activities in the Area and the process and status of the legal regimes established for the recovery of seabed minerals, as well as on relevant regional issues with regard to the law of the sea. At the most recent seminar, at United Nations Headquarters, delegates were also provided with a briefing by the secretariat on the issues to be considered at the twentieth session of the Authority.

89. The Authority has received requests for future seminars to be convened in Chile, Ghana, South Africa and Uganda and at the headquarters of the African Union. The requests will be considered in the context of the Authority's budget.

XVIII. Periodic review under article 154 of the Convention

90. Article 154 of the Convention requires the Assembly of the International Seabed Authority, every five years from the date of entry into force of the Convention, to undertake a general and systematic review of the manner in which the international regime of the Area established in the Convention has operated in

practice. The purpose of article 154 is to allow the Assembly the opportunity to take, or recommend that other organs take, measures in the light of experience and changing circumstances which will lead to the improvement of the operation of the regime. Article 154 was adopted on the basis that the regime established by the Convention was completely new and had not been tested either by the international community or by any particular State. The regime was, however, subjected to de facto review and modification both by the Preparatory Commission in its work relating to the elaboration of the rules of procedure for the various organs of the Authority and the registration of pioneer investors, and in the informal consultations of the Secretary-General of the United Nations which led to the adoption of the 1994 Agreement.

91. The Convention entered into force on 16 November 1994, with the first review pursuant to article 154 due in 2000. In his annual report to the sixth session of the Authority in 2000 (ISBA/6/A/9, para. 63), the Secretary-General informed the Assembly that the first four years of operation of the Authority had been primarily devoted to the consideration of the organizational issues necessary for the proper functioning of the Authority as an autonomous international organization. The commencement of its operational and substantive activities notwithstanding, the Secretary-General considered that it was too early at that stage to determine whether the regime established by the Convention and the 1994 Agreement had functioned effectively in practice. The Assembly concurred and decided that it was indeed premature for the Assembly to take any measures pursuant to article 154 at that juncture (ISBA/7/A/2, para. 6). Although two further periods of five years have passed since the entry into force of the Convention, the Authority has yet to revisit the issue of the periodic review envisaged under article 154.

92. Since 2000, the Authority has achieved some significant milestones. It has cemented its place as the central authority for the organization and control of activities in the Area. It has adopted and implemented three sets of regulations for exploration for, respectively, polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts, and has entered into contracts for exploration for all three resources. It has also carried out preliminary studies relating to the implementation of article 82, paragraph 4, of the Convention. The first group of exploration contracts issued by the Authority, signed in 2001 and 2002, will come to an end in 2016 and 2017. It is expected that the contractors involved will be in a position at that time to proceed to exploitation. For this reason, and given the significant increase in the level of interest in deep seabed mining, the Council had requested the Legal and Technical Commission to turn its attention to preparations for the formulation of an exploitation code for deep seabed mining. This has led to a significant increase in the workload of the secretariat, the organization and structure of which has remained virtually unchanged since 1996, and to a change of emphasis in the skills required to carry out the work required. In short, a new phase in the life of the Authority is steadily approaching. This new phase involves the reality of deep seabed mining and the prescribed role of the Authority in organizing and monitoring such activities where they pertain to the Area.

93. The year 2014 marks the twentieth anniversary of the establishment of the Authority. In the light of (a) growing interest in the development of marine minerals in the deep seabed, both within the limits of national jurisdiction and in the Area, (b) the increased workload of the secretariat, in particular in the areas of contract administration and supervision, (c) the need to acquire further baseline

environmental data for the lesser known deposits of polymetallic sulphides and cobalt-rich ferromanganese crusts, including the use of standardized taxonomies, and (d) the need to make progress on the development of an appropriate fiscal regime that would allow those contractors in a position to do so to proceed to exploitation, while at the same time safeguarding the interests of the members of the Authority as a whole, the Assembly may wish to take the opportunity to revisit article 154 and review the manner in which the international regime has operated in practice. To ensure that such a strategic review is undertaken in a general and systematic manner, it will be important for the Assembly to prepare the terms of reference and information requirements.

Annex

Status of contracts for exploration for polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts

A. Contracts for exploration for polymetallic nodules

<i>Contractor</i>	<i>Date of entry into force of contract</i>	<i>Sponsoring State or States</i>	<i>General location of the exploration area under contract</i>	<i>Date of expiry of contract</i>
Interoceanmetal Joint Organization	29 March 2001	Bulgaria, Cuba, Czech Republic, Poland, Russian Federation and Slovakia	Clarion-Clipperton fracture zone	28 March 2016
Yuzhmorgeologiya	29 March 2001	Russian Federation	Clarion-Clipperton fracture zone	28 March 2016
Government of the Republic of Korea	27 April 2001		Clarion-Clipperton fracture zone	26 April 2016
China Ocean Mineral Resources Research and Development Association	22 May 2001	China	Clarion-Clipperton fracture zone	21 May 2016
Deep Ocean Resources Development Co., Ltd.	20 June 2001	Japan	Clarion-Clipperton fracture zone	19 June 2016
Institut français de recherche pour l'exploitation de la mer	20 June 2001	France	Clarion-Clipperton fracture zone	19 June 2016
Government of India	25 March 2002		Central Indian Ocean Basin	24 March 2017
Federal Institute for Geosciences and Natural Resources of Germany	19 July 2006	Germany	Clarion-Clipperton fracture zone	18 July 2021
Nauru Ocean Resources Inc.	22 July 2011	Nauru	Clarion-Clipperton fracture zone (reserved area)	21 July 2026
Tonga Offshore Mining Limited	11 January 2012	Tonga	Clarion-Clipperton fracture zone (reserved area)	10 January 2027
Marawa Research and Exploration Ltd.	Pending signature	Kiribati	Clarion-Clipperton fracture zone (reserved area)	
UK Seabed Resources Ltd.	8 February 2013	United Kingdom of Great Britain and Northern Ireland	Clarion-Clipperton fracture zone	7 February 2028

<i>Contractor</i>	<i>Date of entry into force of contract</i>	<i>Sponsoring State or States</i>	<i>General location of the exploration area under contract</i>	<i>Date of expiry of contract</i>
G-TEC Sea Mineral Resources NV	14 January 2013	Belgium	Clarion-Clipperton fracture zone	13 January 2028

B. Contracts for exploration for polymetallic sulphides

<i>Contractor</i>	<i>Date of entry into force of contract</i>	<i>Sponsoring State or States</i>	<i>General location of the exploration area under contract</i>	<i>Date of expiry of contract</i>
China Ocean Mineral Resources Research and Development Association	18 November 2011	China	Southwest Indian Ridge	17 November 2026
Government of the Russian Federation	29 October 2012		Mid-Atlantic Ridge	28 October 2027
Government of the Republic of Korea	Pending signature		Central Indian Ocean	
Institut français de recherche pour l'exploitation de la mer	Pending signature	France	Mid-Atlantic Ridge	

C. Contracts for exploration for cobalt-rich ferromanganese crusts

<i>Contractor</i>	<i>Date of entry into force of contract</i>	<i>Sponsoring State or States</i>	<i>General location of the exploration area under contract</i>	<i>Date of expiry of contract</i>
Japan Oil, Gas and Metals National Corporation	27 January 2014	Japan	Western Pacific Ocean	26 January 2029
China Ocean Mineral Resources Research and Development Association	29 April 2014	China	Western Pacific Ocean	28 April 2029