

Italy

Considerations on Part 1 of the Draft Regulation on exploitation of mineral resources in the Area.

I refer to **Draft Regulation 2 letter (e) point iv**. In support also to the Japanese statement on the same issue, Italy believes that the “polluter pays” principle should not be founded only on market-based instruments. We believe indeed that it would be non-effective or insufficient in an environment where the assessment of direct losses or damages would be very difficult.

Therefore it is our opinion that it would be critical to introduce the concept of compensation of damages to the so called “ecosystem services” independently from their economic or non-economic relevance. Such principle is effectively and successfully implemented throughout the European Union since 2004 with the Directive on environmental liability with regard to the prevention and remedy of environmental damage. The principle deals with the pure ecological damage as distinct from traditional damage, including to property, economic goods or personal injury.