

## **Japan's statements on July 18, 2019**

### **Regarding how we proceed with the Draft Regulations**

Japan would like to join others in appreciating the Chair of LTC for her comprehensive report.

Our delegation is always appreciative for the efforts made by LTC for improving the text of Draft Regulations, taking account of the comments submitted by States Parties and other stakeholders. The written submission process last year made a great improvement for the Draft Regulations and here in this session of the Council we still see active engagements in making proposals in order to further improve the text. This shows how we consider this Exploitation Regulations, perhaps that will be the most important legal document the Authority has ever drafted. It needs careful drafting to strike a balance between exploitation and environment. Although it may not be fast enough, our delegation believes we are heading in the right direction. We should keep on going and for that purpose, the Council need assistance by LTC. Like many other delegates Japan also considers that it is more important to develop quality regulations rather than to have something by deadline.

### **Special Representative's report on the operation of the Enterprise**

Our delegation would like to join others in appreciating the Special representative of the Secretary General for the Enterprise for the comprehensive report.

As the report indicates, in order to become independent from the Secretariat and to operate deep-sea mining activities with its own technologies and capital, taking full responsibility for financial or environmental losses, there are many steps the Enterprise has to go through. For preparation for becoming independent, it is very useful to study those steps in advance. Some of those steps are provided as legal requirements in the Convention and 1994 Agreement. Our delegation believes that taking these steps as required in the legal instrument would be the most steady and cost-effective way towards the goal.

At present, commercial deep-sea mining has not started in the Area, not even in areas under national jurisdiction. The safe, environmentally sustainable and commercially viable mining technologies are also yet to be established. With no actual deep-sea mining activities taking place, our knowledge on the reality of deep-sea mining is so limited. At this stage, to have detailed discussions on independent operations of the Enterprise seems difficult.

According to Section 2, para.2, of the Annex to the 1994 Agreement, the Council must take up the issue of the functioning of the Enterprise independently of the Secretariat, when the

Council approves the first plan of work for exploitation for a contractor or when the Council receives an application for a joint-venture operation with the Enterprise. Our delegation understands neither of such conditions is met at this time. The same paragraph requires the Enterprise to conduct its initial mining operations through joint ventures. So, the Enterprise operates many joint ventures through which the enterprise will obtain technologies and know-how for its independence in future.

Like other delegates, our delegation also supports that an interim Director-General should be appointed and the IDG should negotiate the Joint-venture application. The IDG should be appointed from within the staff of the Authority as provided in Section 2 paragraph1 of Annex to the 1994 Agreement. Regarding the idea to create additional posts for IDG and a staff for the IDG should be discussed in proper timing in budget process next year, but it seems premature.