

**STATEMENT BY GRAHAM LEUNG, HEAD OF NAURU DELEGATION, ISA COUNCIL THURSDAY 28 FEBRUARY 2019**

Nauru wishes to thank the Special Representative of the Secretary-General of the International Seabed Authority for the Enterprise Eden Charles for his constructive views contained in ISBA/25/C/7 and for walking us through the paper.

Nauru thanks the Special Representative for his work to date and his expertise in this area. We welcome his further contributions to this critical area.

We support the advancement by the ISA of the development and operationalization of the Enterprise and the consideration of a proposed joint venture with Poland.

Nauru believes that the Enterprise provides a significant mechanism to share future benefit among nations derived from the resources of the Area in furtherance of the common heritage of mankind.

We welcome the assurance that it is necessary to ensure that the joint venture must be in compliance with the law as reflected in section 2 of the annex to the 1994 Agreement and be based on sound commercial principles and the Convention. We note with interest the Special Representative's views on what constitutes sound commercial principles.

We further support the ongoing discussions underway with the Government of Poland and appreciate that a draft of a proposed joint venture terms has been presented to the Council for review.

With respect to the proposed Joint Venture Agreement, we observe that it appears preliminary and incomplete and

therefore are not prepared to offer a final view on the draft commercial terms.

Nevertheless

- (i) we do not support a joint venture to be governed by the law of and dispute resolution services of the Republic of Poland and suggest an independent body of law and resolution would be more appropriate,
- (ii) we believe that at this early stage there should be limited restrictions around Confidential Information, and request that consideration be given to not withhold information concerning this joint venture are not held confidentially as provided in Paragraph (XI).

We encourage Poland to consider expediting passage of legislation to give effect to its obligations under article 209 of the Convention.

Nauru encourages the Secretariat and the Council advance as soon as practicable towards the appointment of an Interim Director General of the Enterprise and ensure that appropriate independent commercial mining expertise is obtained to support the negotiations and implementation of any eventual joint venture.

In our view, the commercial practicalities of an operational mining joint venture require unique and specific skills to ensure that an appropriate joint venture structure is developed.

We request that a subsequent report and form of agreement with respect to the joint venture be provided to the Council for review and if appropriate, approval at the next session to be held in July if available at such time.

Nauru is supportive of the proposal to request the Secretary-General to extend the appointment and renew the terms of reference of the Special Representative and to provide the requisite funds to continue his work.

We reserve our position at this stage on the scope and mandate of his work being extended.

My delegation supports extending the time frame for the negotiation of the draft proposal to form a joint venture and the development of a business proposal to facilitate the operation of the venture.

Finally, we look forward to reviewing the text of the draft decision referred to by Algeria on behalf of the African group.