

International Seabed Authority

Press Release



Thirteenth Session
Kingston, Jamaica
9 - 20 July 2007

Council (PM)

**SB/13/12
13 July 2007**

SEABED COUNCIL ADOPTS TWO MORE PROVISIONS AS IT CONTINUES DETAILED DISCUSSIONS OF MINING CODE FOR POLYMETALLIC SULPHIDES

The Seabed Council this afternoon adopted two further provisions of the draft mining code for polymetallic sulphides and resolved other outstanding issues after protracted negotiations, as it continued detailed examination of the text in Kingston.

Regulations 17 and 18 approved by consensus, deal, respectively, with data and information to be submitted before a prospector was assigned a reserved area and applications for approval of work in the area.

At the outset of the meeting, the Chinese delegation announced that consensus had been reached in informal meetings on a definition for polymetallic sulphides in regulation 1 paragraph 3(d). "Polymetallic sulphides are hydrothermally formed deposits of sulphides and minerals in the Area containing concentrations of metals, including copper, lead, gold and silver." This was approved by the Council.

Discussions continued on regulation 7, paragraph 1, relating to the confidentiality of data in prospectors' reports. The issue evoked much debate at yesterday's Council meeting, with several delegations offering amendments. At the resumption of the debate on the topic this afternoon, Argentina's representative suggested that the paragraph be left in its present form.

The United States observer said that the Secretariat had proposed deleting the reference to regulations 38 ("proprietary data and information and confidentiality") and 39 ("procedures to ensure confidentiality"). The President suggested that delegations with proposals should plan an informal meeting among themselves and in consultation with the Secretariat to formulate language satisfactory to all parties.

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A new text for regulation 7, paragraph 2, formulated at an informal meeting of representatives of Australia, Brazil, Cameroon, Fiji, Guyana, Kenya, Trinidad and Tobago and Uganda, was adopted by the Council. A third paragraph was added and paragraphs 2 and 3 now read as follows:

2. The Secretary-General may, at any time, with the consent of the prospector concerned, release data and information relating to prospecting in an area in respect of which notification has been submitted.
3. If:
 - (a) after having made reasonable efforts to contact or locate the prospector concerned; and
 - (b) following the expiry of a reasonable period of time, but not less than two years after having initiated such efforts, the Secretary-General determines that the prospector no longer exists or cannot be located, the Secretary-General may release such data and information.

China submitted a proposal for a change of format for regulation 12, dealing with the total area covered by each application. Under the proposed format, the definition of “polymetallic sulphide block” would be removed from regulation 12 and included in regulation 1, paragraph 3 where other terms are defined. Paragraph 1 would deal with the application area; paragraph 2 would take into account the contiguity of blocks or other limitations on the application area; and the third paragraph would cover the configuration of the groups of blocks.

The representative of the Russian Federation pointed out that his delegation’s proposal at last year’s session had suggested a similar shifting of the first paragraph. The Netherlands, joined by Australia and Brazil, supported China’s proposed changes in principle, however, they said it was difficult to discuss the matter of format without knowing the substantive changes contained in the proposal from the Russian Federation. Consideration of this regulation was deferred pending the circulation of the proposal to all members.

Regulation 16 covers applicant’s election of a reserved area contribution or equity interest in a joint venture agreement. China and Japan wanted to know why there was no reference to production sharing as one of the applicant’s election. Secretary-General, Satya N. Nandan explained that there were no examples of production sharing in the case of hydrothermally formed deposits. Furthermore, the Authority had no capacity to process or market marine minerals. China recalled that production sharing was unanimously accepted by the Legal and Technical Commission during discussion on the draft and that the Chinese member on that body pointed to the importance of its inclusion as a provision. On that basis, China said it could not accept the regulation as drafted.

Regulation 17 concerns data and information to be submitted before the designation of a reserved area. The Russian delegation queried a change in the process by which the reserved area was determined. The Secretary-General explained that in the case of nodules part of the area was allowed to be self-selected by the pioneer investor while the other part was allotted by the

Authority. He said the Authority decided to revert to the parallel system as it was originally conceived in the Convention. The regulation was adopted.

Regulation 18 has 4 paragraphs dealing with applications for approval of plans of work with respect to a reserved area. That regulation was approved without discussion.

Regulation 19, which deals with equity interest in a joint venture, attracted comments from Argentina and the United States observer. The delegate from Argentina questioned the criteria used to determine the “minimum of 20 per cent” of the equity participation in the joint venture agreement. The United States observer pointed out a drafting error in paragraph 2. The president suggested that the regulation be set aside until next week.

Regulation 20 deals with data and information to be submitted for approval of the plan of work for exploration. Two amendments, one proposed by Argentina to add wording to paragraph 1 (d), and another by Jamaica to add an emergency clause in a new sub-paragraph (g), were withdrawn after discussion. The Secretary-General agreed with the United States observer that the words “to the Authority” should be added in paragraphs 2 and 3 to indicate to whom the applicant should transfer information.

Spain, supported by the Netherlands, Poland, Greece and Argentina, proposed an amendment to paragraph 1 (b) that would include the phrase “on bio diversity” which, according to Spain, would provide for a broader interpretation of the nature of potential impact of proposed exploration activities by an applicant. Kenya argued that the term “environmental impact” in the provision was all-encompassing covering such issues as bio-diversity and cultural and natural heritage conservation. Kenya received support from Mexico, Cote d’Ivoire, Fiji and India. The Secretary-General drafted a compromise amendment which was accepted by the delegations. It reads:

... “including but not restricted to impact on the biodiversity” ...

The Council meets on Monday, 16 July, when it will hear a report by the Secretary-General relating to the future size and composition of the Legal and Technical Commission and the process for future elections to that expert body.

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