

STATEMENT

ISA/COMRA Contract Extension Signing Ceremony

Michael Lodge Secretary-General

> 11 May 2017 Beijing



Today we are pleased to get together to witness the signature of the agreement between COMRA and ISA on the extension of the exploration contract for polymetallic nodules.

At this moment, I cannot help recalling the most exciting moment 15 years ago of being present at the signature of this same exploration contract, in the same building, with many of the same VIPs present. It is a great pleasure therefore for me to return in my current capacity as Secretary-General to witness the extension of that contract for a further five years.

Fifteen years is a short time in human history, but it is long enough to roll out a splendid roadmap of the achievements and developments made by the Chinese Government and Chinese people, which, I feel very honored to say, is also fully reflected in China's involvement in and contribution to the implementation of the common heritage of mankind.

Fifteen years ago, China was one of the last of the so-called pioneer investors in deep seabed mining.

How times have changed.

Since then, China became the first country in the world to sponsor and maintain contracts for exploration for all three types of mineral resources in the international seabed Area, namely polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts.

Tomorrow, with the signing of an exploration contract with China Minmetals Corporation, China will become the first country to sponsor four exploration contracts with the Authority, covering a total exploration area of 162,000 square kilometers.

As a developing country and an emerging economy, China is the only country having both contributed a reserved area to the Authority whilst also benefiting from the reserved area system.

Over the last 15 years, I have personally witnessed the enormous contribution made by the Chinese government to the rule of law and good governance of the ocean, in particular in relation to the Area. This is not surprising in view of China's national interests in economic security, balanced development for its people, and ecological balance. I believe these are interests that are fully consistent with the principle of the common heritage of mankind.

In this regard I could easily recall the great contributions made by China to the work of the Authority over more than 20 years. The Chinese delegation is always one of the biggest delegations to the annual sessions of the Authority and China was one of the first countries to establish a permanent mission to the Authority in Kingston. I also witnessed the change of membership of China in the Council, moving from membership of Group B (largest investors) to Group A (largest consumers). From being the twelfth largest financial contributor to the budget



of the Authority in 2000, China is now one of the top five contributors. This is remarkable progress.

Last year, China adopted its national legislation, the Law on Exploration for and Exploitation of Resources in the Deep Seabed Area. This was a major step forward and the product of many years' hard work. The new law provides a strong and stable platform for future progress in this area and could also provide useful theoretical and practical guidance for other countries in formulating their national legislation. I congratulate China on its achievement.

I dare say that, today, China's contribution to the development of deep sea minerals could not be separated from the efforts made by COMRA. No matter as a former registered pioneer investor, or as a member of the first group of exploration contractors, and now as the first contractor to hold three contracts simultaneously, COMRA is surely one of those contractors playing a model role in the exploration of mineral resources, in scientific research and baseline studies and environmental monitoring, in the research and development of the metallurgical and mining technologies, as well as in the training of candidates from developing States and international cooperation in respect of deep sea exploration.

If 15 years is a short time, then five years is even shorter. Notwithstanding the tremendous progress that has been made so far, there is still much to be done if the ambition of the global community is to be realized and we are to be ready to proceed to exploitation in 2020.

In order to meet this target, several things need to happen. We need to establish an exploitation code which is commercially viable and attractive to investors. Contractors need to develop their technology for mining and processing, whilst at the same time completing their exploration programmes. And we need to establish regulations to protect the marine environment from the harmful effects of mining. This all needs to be done transparently and in a way that takes account of stakeholder concerns, not least the widespread, but inaccurate, perception that deep seabed mining is inherently damaging.

This is a tremendous challenge. Timing is critical. Contractors will not invest in technology development until they see a commercially-viable exploitation code. Yet we cannot fully define technological standards until we know what is environmentally acceptable, which in turn affects the commercial viability of mining projects. To know what is environmentally acceptable, we need to understand environmental baseline conditions and establish effective monitoring programmes to measure and assess impacts.

The only way we can succeed is to work together and to cooperate in pursuit of a common objective. We have already made great progress. Like other contractors, COMRA has carried out many years of environmental study in the Area and has developed an enormous body of research, data and scientific expertise. By sharing these environmental data openly with the Authority and other contractors, we will be able to demonstrate that deep seabed mining can



be carried out sustainably in a manner that contributes to the realization of SDG14 – the conservation and sustainable use of marine resources.

Ladies and gentlemen, please allow me, in my capacity of Secretary-General of the Authority, to express my highest appreciation to the Chinese Government and COMRA, for their tremendous contribution to the implementation of the common heritage of mankind. I am looking forward to opening a wider door for the cooperation with Chinese Government and its sponsored contractors, for the realization of China's national objectives in the Area, which are fully consistent with the objectives of the UN Convention on the Law of the Sea.