

## **Role and Responsibilities of Sponsoring States in a DSM Context**

|  
Yongsheng Cai  
*Senior Legal Officer*





## Parallel System



**Enterprise**

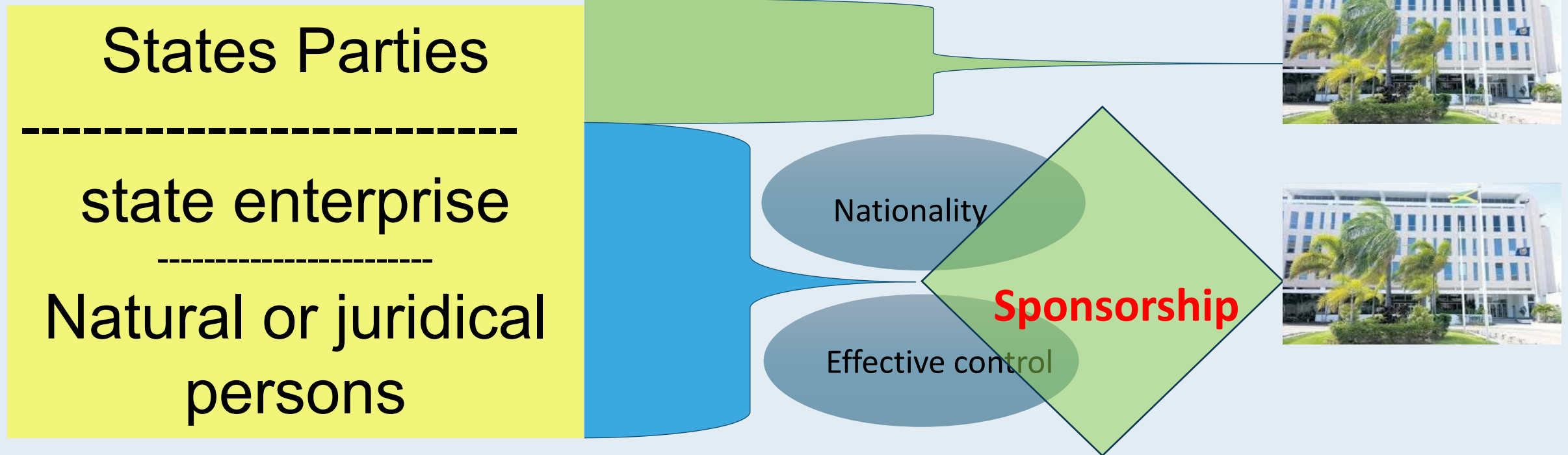


States Parties  
-----  
state enterprise  
Natural or juridical  
persons





## Sponsorship Mechanism



## Role of sponsoring States



## Role of Sponsorship

### Certificate of Sponsorship

Assumes responsibilities in accordance with article 139, article 153, paragraph 4, and Annex III, article 4, paragraph 4 of the Convention



Role

Role





## As a Member of the Authority

Protection and preservation of marine environment

Development of marine scientific research

Transfer of marine science and marine technology

Peaceful settlement of disputes

Participation in the meetings of the Authority

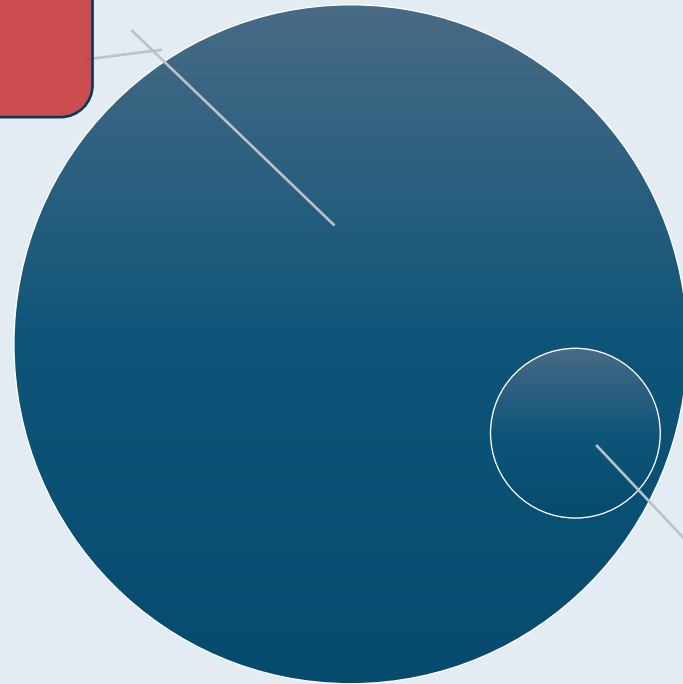
Contribution to the budget of the Authority





## Developing States v. Developed States

General Rule: Equally applicable



Exception: Precautionary approach





## Towards Different Actors

### Towards ISA

- Assist ISA
- Notification

### Towards Contractors

- Evaluation of application
- Monitoring performance

### Towards Third Parties

- Due regard to other sea uses
- Due regard to coastal States





## Primary Obligation

“Responsibility to ensure”

Obligation of “due diligence”

Obligation of conduct ≠ obligation of result

Obligation to make best possible efforts

- The standard of due diligence may vary over time and depends on on the level of risk and on the activities involved (Exploration v. Exploitation)
- “Due diligence” obligation requires the sponsoring State to take measures within its legal system
- The measures must consist of laws and regulations and administrative measures
- The measures must be “reasonably appropriate”







## Direct Obligations

Obligation to assist the Authority

Obligation to apply a precautionary approach (role in REMPs)

Obligation to apply the “best environmental practice”

Obligation to adopt measures to ensure the provisions of guarantees

Obligation to provide recourses for compensation

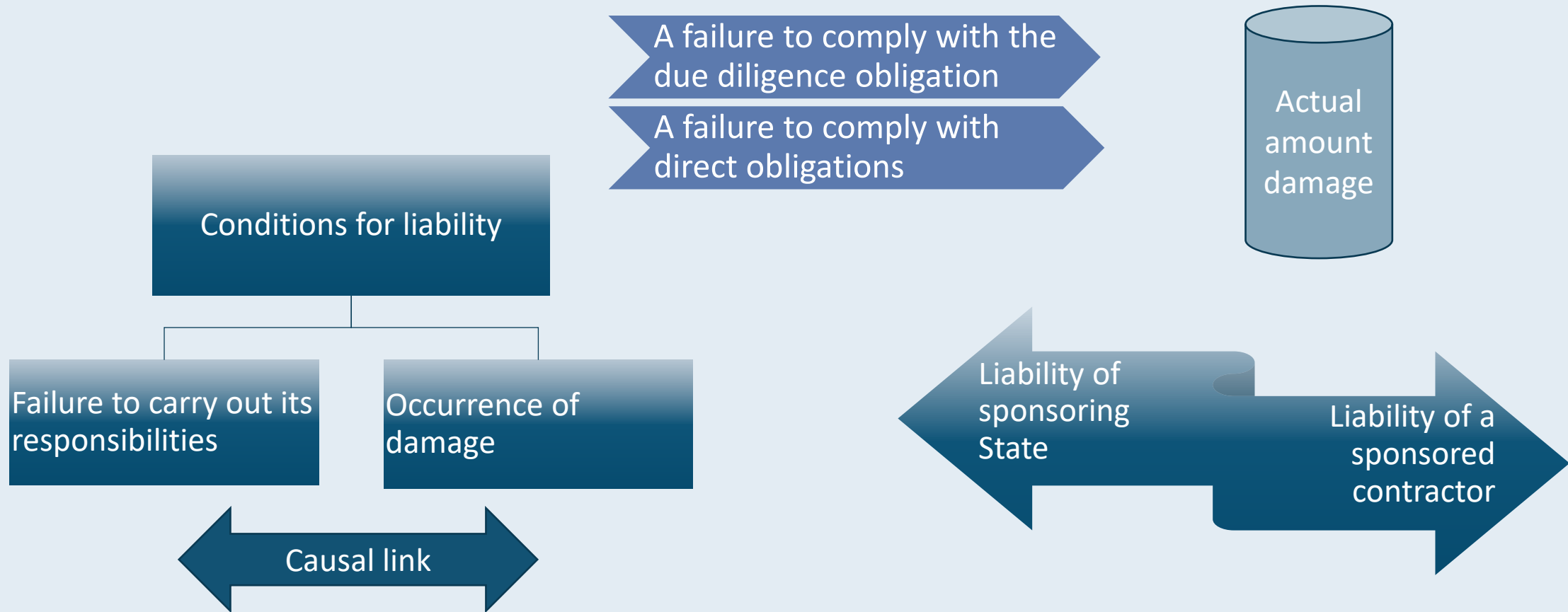
Under a due diligence obligation to ensure compliance by the sponsored contractor with its obligation to conduct an EIA (Including Public consultation)





## Role of sponsoring States

# Liability





## Exemption of Liability

Absolved from liability if it has taken “all necessary and appropriate measures to secure effective compliance” by the sponsored contractor with its obligation

Adopt laws & regulations and take administrative measures

Not applicable to failure of direct obligations

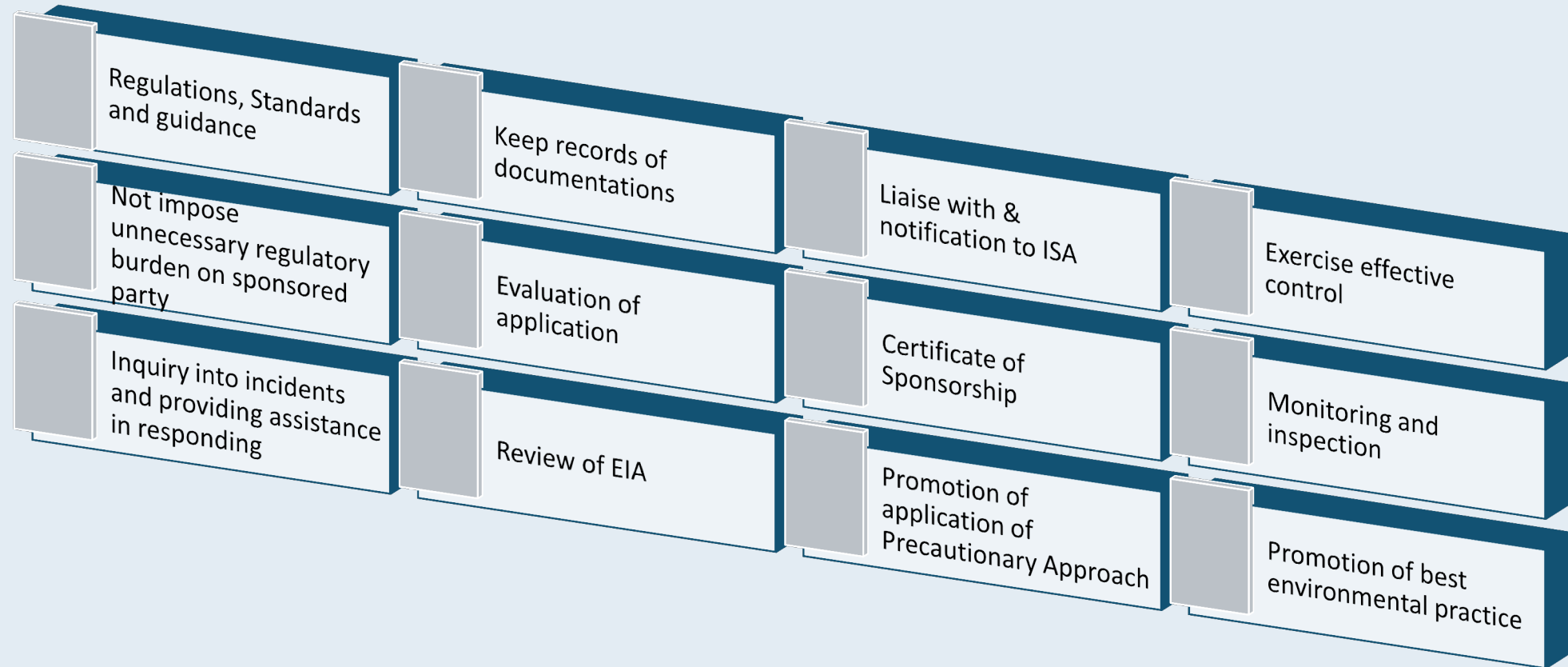
Contractor liable for any damage, compensation or penalties from its wrongful act

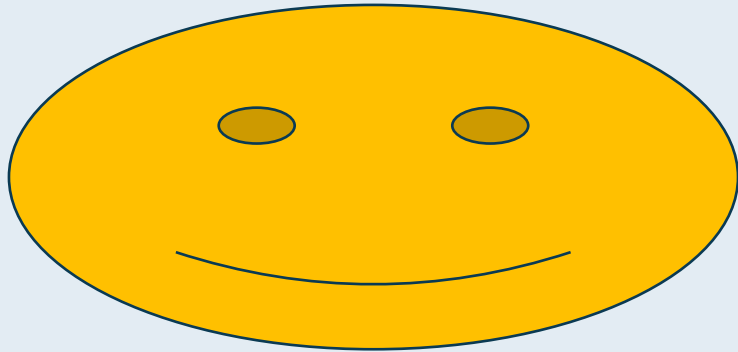
Contractor Indemnify the Sponsoring State against any liability incurred by the sponsoring State





## Detailed Obligations





**THANK YOU**

