



International Seabed Authority 2022 Contractors' Meeting

Delft, Netherlands

5 December 2022

STATEMENT

by

H.E. Mr. Michael W. Lodge

Secretary-General of the International Seabed Authority

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It is a great pleasure to finally welcome so many of you back in person for this annual informal consultation between contractors and the secretariat of the Authority.

Let me especially thank our colleagues at Allseas and the Technical University of Delft for stepping up and helping us to organize this meeting in the Netherlands after our earlier plans for Tampa, Florida were disrupted by Tropical Storm Ian.

As I have said previously, I attach great importance to this annual consultation.

That is one reason why I am so sorry that I cannot be with you today, owing to unexpected and urgent commitments elsewhere.

As individual contractors, you all have different interests, but one key factor that unites us is that we are in a contractual relationship based on a legal instrument and standard contract terms that apply to everybody.

As contractors, you are each bound by various reporting obligations and procedural obligations.

As the secretariat of ISA, our task is to administer the contracts, to manage data submitted pursuant to contracts, to maintain the confidentiality of confidential data and information, but at the same time to ensure a smooth flow of information between contractors and the Legal and Technical Commission and the Council.

This meeting offers a valuable forum for us to come together as a group and discuss technical issues of common interest.

From our side, it also offers us an opportunity to explain to you in detail the internal changes that we have been making to improve our organizational performance, in line with the Strategic Plan 2019-2023 as well as to discuss further with you some of the activities implemented to fulfill our mandate under UNCLOS and to which your contribution is key.

Foremost among these changes is of course the establishment of CARMU – the Compliance and Regulatory Management Unit – to further strengthen the management and administration of contracts as well as to prepare the way for the processing of the first applications for plans of work for exploitation. I am pleased that the Finance Committee and member States endorsed my proposals in this regard and have increased the budgetary allocation to CARMU as well as introducing more transparency to the way in which we use contractor overhead charges.

You will hear more about this from Oystein during this meeting. We will also have the opportunity to discuss in some detail the issue of compliance and reporting non-conformities.

More importantly, perhaps, you will see that the agenda for this year's meeting is broader in scope than in previous years.

We thought it was important to spend some time to reflect and discuss as to how we can demonstrate even more explicitly how the exploration work carried out by contractors supports ISA's mandate to protect the environment, promote scientific research and develop the capacity of our members, including women scientists from LDCs, LLDCs and SIDS.

I wanted therefore to take the opportunity in this meeting to discuss with you some of the important initiatives being undertaken by the secretariat in pursuance of our mandate and to explore ways in which the contractor community can become more actively involved in our work and contribute to these initiatives.

We know that the contractors' work is fundamental to ISA's mandate.

Recently, I spoke at the Challenger 150 conference in London. The conference was a celebration of the 150th anniversary of the HMS Challenger expedition, which recovered the first samples of polymetallic nodules from the Clarion Clipperton Zone.

I pointed out that 150 years later, the Clarion Clipperton Zone is one of the most intensively studied areas of seafloor on the planet. Almost 50 years of continuous scientific research, the last 28 of which has been under the UNCLOS regime, has been driven by the prospect that, eventually, deep sea mining will prove commercially viable and environmentally sustainable.

In the process, we have massively improved our understanding of geological processes in the Earth's upper mantle.

During their exploration work contractors have also collected enormous amounts of environmental data which are of immense value to the global scientific community. These data have made an immeasurable contribution to increased knowledge of the deep sea and its environment. It is through this research that we will be able to identify the best measures required to minimize environmental impacts wherever in the ocean they occur. It is thanks to ISA-mandated requirements to collect environmental baseline data that scientists have been able to identify and classify hundreds of new species and understand ecosystem processes in the deep sea. The same scientific knowledge also plays a critical role in informing the development of evolving rules governing future exploitation, which is being done before any extractive activity begins.

The reality is that never before has such a comprehensive regulatory regime been established before any commercial activity begins and never before has an extractive industry been subject to so much scrutiny or has such a precautionary approach to development been taken. Unlike comparable activities within national jurisdiction, which are subject to national regulation which may vary from country to country, the standards adopted by the Authority are applicable globally, by consensus.

I believe it is increasingly important for us, as a community, to communicate better what has been achieved and to dispel some of the myths and disinformation surrounding deep sea exploration and future mining. This does not necessarily mean taking an advocacy position, and certainly that is not something the secretariat should do in any case, but simply to provide objective and verifiable facts and information, whether about future mineral supply and demand, or about potential environmental impacts.

I should say a word about the latest developments with respect to the draft Mining Code following the Council meeting that ended two weeks ago.

Overall, I feel quite satisfied with the progress that has been made in 2022. For the most part, the working groups established to consider specific elements of the Code are working well and were able to make good progress. I am pleased that the Council was able to adopt a road map through to July 2023 containing specific deliverables that I hope will enable us to accelerate our collective work.

I remain optimistic that we will be able to adopt a Code that is pragmatic, effective, but at the same time flexible enough to adapt to new knowledge and changing circumstances. This is a generational opportunity, and we should not miss it.

I would encourage all contractors, as well as their sponsoring States, to make more efforts to engage with others to reach agreement on key elements of the Mining Code.

I wish you well in your discussions this week and look forward to the outcomes.
