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**Status of contracts for exploration and related matters,  
including information on the periodic review of the  
implementation of approved plans of work for exploration**

### **Status of contracts for exploration and related matters, including information on the periodic review of the implementation of approved plans of work for exploration**

#### **Report of the Secretary-General**

#### **I. Status of contracts for exploration and related matters**

1. Contracts currently pertain to each of the three mineral resources for which the International Seabed Authority has adopted regulations on prospecting and exploration. These are polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts.
2. As at 31 January 2023, 30 contracts<sup>1</sup> for exploration were in force, of which 19 were for polymetallic nodules, 7 for polymetallic sulphides and 4 for cobalt-rich ferromanganese crusts. For each mineral resource, a complete list containing the name of the contractor, the sponsoring State or States, if applicable, the general location of the exploration area and the dates of entry into force, extension, if applicable, and expiry of each contract is provided in annex I to the present report.
3. The Council is reminded that, on 28 December 2021, the contractor Companhia de Pesquisa de Recursos Minerais S.A. (CPRM), sponsored by Brazil, renounced the whole of its rights in relation to its contract for exploration for cobalt-rich ferromanganese crusts. On the same date, the Government of Brazil terminated its sponsorship of CPRM.
4. CPRM is required to fulfil several obligations accrued prior to the date of renunciation, which include completing training obligations, responding to comments and questions of the Legal and Technical Commission and submitting data to the

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\* ISBA/28/C/L.1

<sup>1</sup> The contract with Companhia de Pesquisa de Recursos Minerais S.A. is excluded. See paragraph 3 for details.



Authority pursuant to section 10 of the standard clauses of exploration contracts. Since the previous report to Council,<sup>2</sup> the secretariat has held three meetings with the contractor, on 20 July, 22 November and 12 December 2022, respectively, regarding the fulfilment of its outstanding contractual obligations. CPRM has committed to submitting its final report on the end of February 2023.

## **II. Periodic review of the implementation of approved plans of work for exploration**

5. In accordance with the regulations on exploration and the standard clauses of contracts for exploration,<sup>3</sup> the contractor and the Secretary-General are to undertake jointly a periodic review of the implementation of a plan of work for exploration at intervals of five years. The Secretary-General may request the contractor to submit such additional data and information as may be necessary for the purposes of the review. In the light of the review, the contractor is required to make such adjustments to its plan of work as are necessary and to indicate its programme of activities for the following five-year period, including a revised schedule of expected yearly expenditure. The Secretary-General is to report on the review to the Legal and Technical Commission and the Council and to indicate in his report whether any observations transmitted to him by States parties to the United Nations Convention on the Law of the Sea concerning the manner in which the contractor has discharged its obligations under the regulations relating to the protection and preservation of the marine environment were taken into account in the review.

6. To give effect to those provisions, the Secretary-General consults with the Legal and Technical Commission (in-session or intersessionally, depending on the date of submission of the reports) on the content of reports submitted by contractors under the periodic review. These reports provide a baseline against which to evaluate the progress of exploration work, the submission of data by contractors and the overall consistency of planned activities with the approved plans of work for exploration. Comments and suggestions made by the Commission are then taken into account in discussions between the Secretary-General and the contractors, and adjustments are made to the proposed programmes of activities as necessary. The programmes of activities are then incorporated into the contracts as a revised schedule.

7. Between May and December 2022, three periodic reviews were completed, namely, those of the implementation of the plans of work of Nauru Ocean Resources Inc. (completed on 10 June), Cook Islands Investment Corporation (completed on 29 August) and Tonga Offshore Mining Ltd. (completed on 23 December).

8. On 31 August 2022, the Ministry of Natural Resources and Environment of the Russian Federation submitted its report under the periodic review in respect of its contract for exploration for polymetallic sulphides. The report is currently under evaluation, and the review is expected to be completed by 31 March 2023, after consultation with the Legal and Technical Commission.

9. On 18 November 2022, UK Seabed Resources Ltd. submitted a draft of its second report under the periodic review in respect of its first contract for exploration

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<sup>2</sup> ISBA/27/C/28.

<sup>3</sup> See regulation 28 of the regulations on prospecting and exploration for polymetallic nodules in the Area (ISBA/19/C/17, annex, and ISBA/20/A/9), regulation 30 of the regulations on prospecting and exploration for polymetallic sulphides in the Area (ISBA/16/A/12/Rev.1, annex), regulation 30 of the regulations on prospecting and exploration for cobalt-rich ferromanganese crusts in the Area (ISBA/18/A/11, annex) and standard clause 4.4 of the contracts for exploration.

for polymetallic nodules. The report is currently under evaluation, and the review is expected to be completed by 30 April 2023.

10. Two reports to be submitted under the periodic review are overdue. The first five-year period of the contract for exploration for polymetallic sulphides with China Ocean Mineral Resources Research and Development Association (COMRA) expired on 19 November 2021, and a periodic report and a proposed programme of activities for the next five-year period (2021–2026) have yet to be submitted. Since early 2021, the secretariat has been in close consultations with the contractor with regard to this matter. Most recently, in a letter dated 7 February 2023, the contractor notified the secretariat that severe budgetary and technical challenges had further delayed its development of a proposed programme of activities but that its periodic report would be submitted no later than 31 March 2023.

11. The first five-year period of the contract for exploration for polymetallic nodules with China Minmetals Corporation expired on 11 May 2022. Further to discussions with the secretariat, the contractor indicated, in a letter dated 4 June 2022, that it was in the process of finalizing the periodic report and the proposed programme of activities. The secretariat sent formal reminders to the contractor on 22 November 2022 and 1 February 2023, with copies to the sponsoring State. Most recently, the contractor committed to submitting its periodic report no later than 31 March 2023.

12. Annex II to the present report shows the status of periodic reviews due in 2023.

### III. Extensions of contracts for exploration

13. The Council approved eight applications for five-year extensions of contracts for exploration for polymetallic nodules during its twenty-sixth and twenty-seventh sessions.<sup>4</sup>

14. Subsequently, extension agreements (all for exploration for polymetallic nodules) were signed with the following four contractors: Interoceanmetal Joint Organization, Deep Ocean Resources Development Co. Ltd., Federal Institute for Geosciences and Natural Resources of the Federal Republic of Germany and Government of India. Extension agreements with the Government of the Republic of Korea and COMRA have been prepared and will be signed before the end of the first part of the twenty-eighth session of the Council.<sup>5</sup>

15. The secretariat is awaiting a response from JSC Yuzhmorgeologiya regarding the draft extension agreement that it sent the contractor in May 2022. On 2 February 2023, the contractor notified the secretariat that it had nearly finalized its edits and responses to the draft agreement, although it has not committed to a submission date.

16. The Secretary-General wrote to the Institut français de recherche pour l'exploitation de la mer (Ifremer) on 20 December 2022, inviting it to confirm, in the light of a statement made to the Council by the Permanent Representative of France to the Authority on 10 November 2022, that Ifremer remained committed to carrying out its exploration programme in good faith, in full compliance with the provisions of the Convention, the Agreement relating to the Implementation of Part XI of the

<sup>4</sup> See Council decisions [ISBA/26/C/49](#) (Interoceanmetal Joint Organization), [ISBA/26/C/50](#) (JSC Yuzhmorgeologiya), [ISBA/26/C/51](#) (Government of the Republic of Korea), [ISBA/26/C/52](#) (Deep Ocean Resources Development Co. Ltd.), [ISBA/26/C/53](#) (China Ocean Mineral Resources Research and Development Association), [ISBA/26/C/54](#) (Institut français de recherche pour l'exploitation de la mer), [ISBA/26/C/55](#) (Federal Institute for Geosciences and Natural Resources) and [ISBA/27/C/18](#) (Government of India).

<sup>5</sup> The extension agreement with COMRA will be signed on 27 February 2023, during the official visit of the Secretary-General of COMRA to the International Seabed Authority.

United Nations Convention on the Law of the Sea of 10 December 1982 and the rules, regulations and procedures of the Authority, with a view to bringing the exploration area into commercial production, as envisaged under the Convention. In the event that the statement by the Permanent Representative of France meant that it was not within the capacity of Ifremer to make such a commitment, the Secretary-General requested written clarification with regard to the process envisaged for the review or termination of the contract, in accordance with the regulations.

17. In a letter dated 9 February 2023, the President of Ifremer informed the Secretary-General that recent statements by representatives of France, as well as media reports, should not be understood as affecting or calling into question the sponsorship of France of its contracts with the Authority. The President stated that Ifremer had always performed its contractual obligations in good faith and would continue to do so. All previous commitments relating to the proper execution of the proposed programme of activities for the period 2021–2026 and relevant undertakings remained intact. Ifremer was committed to continuing its exploration, with a view to: acquiring high-resolution data and carrying out new sampling in order to improve the classification of mineral resources in the most nodule-dense areas of the contract area; carrying out environmental studies; and completing the study of technical and economic aspects of the project. In the light of those clarifications and renewed commitments, the secretariat is preparing the extension agreement for signature.

#### **IV. Status of relinquishment**

18. Contractors are required to relinquish parts of the areas allocated for exploration in accordance with the provisions of regulation 27 of the regulations on prospecting and exploration for polymetallic sulphides in the Area<sup>6</sup> and regulation 27 of the regulations on prospecting and exploration for cobalt-rich ferromanganese crusts in the Area<sup>7</sup> in respect of the relinquishment from the original contract area for those resources. The mechanisms for relinquishing the area are guided by recommendations issued by the Legal and Technical Commission,<sup>8</sup> which are used by the contractors to prepare their relinquishment reports and maps and by the secretariat to evaluate the contractors' reports. The outcomes of the evaluation are then issued by the secretariat as a conference room paper for the Commission and as a working document for the Council, in which both bodies are requested to take note of the secretariat's conclusions.

19. During 2022, the Japan Organization for Metals and Energy Security<sup>9</sup> relinquished one third of its allocated area under the contract for exploration for cobalt-rich ferromanganese crusts.<sup>10</sup> COMRA relinquished 50 per cent of its allocated area under the contract for exploration for polymetallic sulphides. This being its second relinquishment, COMRA has now relinquished 75 per cent of its original allocated area.<sup>11</sup> COMRA additionally relinquished one third of its allocated area under the contract for exploration for cobalt-rich ferromanganese crusts.<sup>12</sup>

20. During 2022, the Council granted the requests by the Federal Institute for Geosciences and Natural Resources and Ifremer for deferral of their schedules for relinquishment of areas under their contracts for exploration for polymetallic

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<sup>6</sup> ISBA/16/A/12/Rev.1, annex.

<sup>7</sup> ISBA/18/A/11, annex.

<sup>8</sup> ISBA/25/LTC/8.

<sup>9</sup> Formerly called Japan Oil, Gas and Metals National Corporation.

<sup>10</sup> See ISBA/27/C/17.

<sup>11</sup> See ISBA/27/C/31.

<sup>12</sup> See ISBA/27/C/32.

sulphides.<sup>13</sup> The requests and granting of the deferrals are in compliance with paragraph 6 of regulation 27 of the regulations on prospecting and exploration for polymetallic sulphides in the Area, which provides that the Council may, at the request of the contractor, and on the recommendation of the Legal and Technical Commission, in exceptional circumstances, defer the schedule of relinquishment, and that such exceptional circumstances must be determined by the Council and must include, inter alia, consideration of prevailing economic circumstances or other unforeseen exceptional circumstances arising in connection with the operational activities of the contractor.

21. Annex III to the present report shows the schedule and status of relinquishment of areas under contract.

## V. Recommendations

22. The Council is invited to take note of the status of contracts for exploration, the information on the periodic review of the implementation of approved plans of work, the status of relinquishment and progress with extension agreements.

23. Matters related to the performance of contractors, including the results of inspections and identification of any instances of alleged non-compliance and regulatory action taken in accordance with the Convention, the Agreement and the regulations, will be considered in the context of the annual report of the Secretary-General on the implementation of the decision of the Council relating to the report of the Chair of the Legal and Technical Commission.<sup>14</sup>

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<sup>13</sup> See ISBA/27/C/19 and ISBA/27/C/39, respectively.

<sup>14</sup> ISBA/27/C/44.

**Annex I****Status of approved contracts for exploration****A. Contracts for exploration for polymetallic nodules**

<i>Contractor</i>	<i>Date of entry into force</i>	<i>Sponsoring State(s)</i>	<i>General location of the exploration area</i>	<i>Date of expiry</i>
1 Interoceanmetal Joint Organization	29 March 2001 29 March 2016 <sup>a</sup> 29 March 2021 <sup>b</sup>	Bulgaria, Cuba, Czechia, Poland, Russian Federation, Slovakia	Clarion-Clipperton Zone	28 March 2016 28 March 2021 28 March 2026
2 JSC Yuzhmoregeologiya	29 March 2001 29 March 2016 <sup>a</sup> 29 March 2021 <sup>b</sup>	Russian Federation	Clarion-Clipperton Zone	28 March 2016 28 March 2021 28 March 2026
3 Government of the Republic of Korea	27 April 2001 27 April 2016 <sup>a</sup> 27 April 2021 <sup>b</sup>	–	Clarion-Clipperton Zone	26 April 2016 26 April 2021 26 April 2026
4 China Ocean Mineral Resources Research and Development Association	22 May 2001 22 May 2016 <sup>a</sup> 22 May 2021 <sup>b</sup>	China	Clarion-Clipperton Zone	21 May 2016 21 May 2021 21 May 2026
5 Deep Ocean Resources Development Co. Ltd.	20 June 2001 20 June 2016 <sup>a</sup> 20 June 2021 <sup>b</sup>	Japan	Clarion-Clipperton Zone	19 June 2016 19 June 2021 19 June 2026
6 Institut français de recherche pour l'exploitation de la mer	20 June 2001 20 June 2016 <sup>a</sup> 20 June 2021 <sup>b</sup>	France	Clarion-Clipperton Zone	19 June 2016 19 June 2021 19 June 2026
7 Government of India	25 March 2002 25 March 2017 <sup>c</sup> 25 March 2022 <sup>d</sup>	–	Central Indian Ocean basin	24 March 2017 24 March 2022 24 March 2027
8 Federal Institute for Geosciences and Natural Resources	19 July 2006 19 July 2021 <sup>e</sup>	Germany	Clarion-Clipperton Zone	18 July 2021 18 July 2026
9 Nauru Ocean Resources Inc.	22 July 2011	Nauru	Clarion-Clipperton Zone (reserved area)	21 July 2026
10 Tonga Offshore Mining Limited	11 January 2012	Tonga	Clarion-Clipperton Zone (reserved area)	10 January 2027
11 Global Sea Mineral Resources NV	14 January 2013	Belgium	Clarion-Clipperton Zone	13 January 2028
12 UK Seabed Resources Ltd.	8 February 2013	United Kingdom of Great Britain and Northern Ireland	Clarion-Clipperton Zone	7 February 2028

<i>Contractor</i>	<i>Date of entry into force</i>	<i>Sponsoring State(s)</i>	<i>General location of the exploration area</i>	<i>Date of expiry</i>
13 Marawa Research and Exploration Ltd.	19 January 2015	Kiribati	Clarion-Clipperton Zone (reserved area)	18 January 2030
14 Ocean Mineral Singapore Pte. Ltd.	22 January 2015	Singapore	Clarion-Clipperton Zone (reserved area)	21 January 2030
15 UK Seabed Resources Ltd.	29 March 2016	United Kingdom	Clarion-Clipperton Zone	28 March 2031
16 Cook Islands Investment Corporation	15 July 2016	Cook Islands	Clarion-Clipperton Zone (reserved area)	14 July 2031
17 China Minmetals Corporation	12 May 2017	China	Clarion-Clipperton Zone (reserved area)	11 May 2032
18 Beijing Pioneer Hi-Tech Development Corporation	18 October 2019	China	Western Pacific Ocean	17 October 2034
19 Blue Minerals Jamaica Ltd.	4 April 2021	Jamaica	Clarion-Clipperton Zone (reserved area)	3 April 2036

<sup>a</sup> First five-year extension of contract granted at the twenty-second session (2016).

<sup>b</sup> Second five-year extension of contract granted at the twenty-sixth session (2021).

<sup>c</sup> First five-year extension of contract granted at the twenty-third session (2017).

<sup>d</sup> Second five-year extension of contract granted at the twenty-seventh session (2022).

<sup>e</sup> First five-year extension of contract granted at the twenty-sixth session (2021).

## B. Contracts for exploration for polymetallic sulphides

<i>Contractor</i>	<i>Date of entry into force</i>	<i>Sponsoring State</i>	<i>General location of the exploration area</i>	<i>Date of expiry</i>
1 China Ocean Mineral Resources Research and Development Association	18 November 2011	China	South-west Indian Ridge	17 November 2026
2 Ministry of Natural Resources and Environment of the Russian Federation	29 October 2012	–	Mid-Atlantic Ridge	28 October 2027
3 Government of the Republic of Korea	24 June 2014	–	Central Indian Ocean	23 June 2029
4 Institut français de recherche pour l'exploitation de la mer	18 November 2014	France	Mid-Atlantic Ridge	17 November 2029
5 Federal Institute for Geosciences and Natural Resources	6 May 2015	Germany	Central Indian Ridge and South-east Indian Ridge	5 May 2030
6 Government of India	26 September 2016	–	Indian Ocean Ridge	25 September 2031
7 Government of Poland	12 February 2018	–	Mid-Atlantic Ridge	11 February 2033

### C. Contracts for exploration for cobalt-rich ferromanganese crusts

	<i>Contractor</i>	<i>Date of entry into force</i>	<i>Sponsoring State</i>	<i>General location of the exploration area</i>	<i>Date of expiry</i>
1	Japan Organization for Metals and Energy Security <sup>a</sup>	27 January 2014	Japan	Western Pacific Ocean	26 January 2029
2	China Ocean Mineral Resources Research and Development Association	29 April 2014	China	Western Pacific Ocean	28 April 2029
3	Ministry of Natural Resources and Environment of the Russian Federation	10 March 2015	–	Magellan mountains in the Pacific Ocean	9 March 2030
4	Government of the Republic of Korea	27 March 2018	–	East of the Northern Mariana Islands in the Pacific Ocean	26 March 2033

<sup>a</sup> Formerly called Japan Oil, Gas and Metals National Corporation.



## Annex II

## Periodic reviews due in 2023

<i>Contractor</i>	<i>Type of resource</i>	<i>Expiration of five-year period<sup>a</sup></i>	<i>Status</i>
China Ocean Mineral Resources Research and Development Association	Polymetallic sulphides	17 November 2021	Contractor has not submitted its five-year report
China Minmetals Corporation	Polymetallic nodules	11 May 2022	Contractor has not submitted its five-year report
Ministry of Natural Resources and Environment of the Russian Federation	Polymetallic sulphides	29 October 2022	In progress
Global Sea Mineral Resources NV	Polymetallic nodules	14 January 2023	Report due by 31 March 2024 <sup>b</sup>
UK Seabed Resources Ltd. (first contract)	Polymetallic nodules	7 February 2023	In progress
Government of Poland	Polymetallic sulphides	11 February 2023	
Government of the Republic of Korea	Cobalt-rich ferromanganese crusts	26 March 2023	
Beijing Pioneer Hi-Tech Development Corporation	Polymetallic nodules	17 October 2023	
Japan Organization for Metals and Energy Security <sup>c</sup>	Cobalt-rich ferromanganese crusts	27 January 2024	

<sup>a</sup> Not later than 90 days prior to the expiration of each five-year period from the date on which the contract enters into force, the contractor and the Secretary-General shall jointly undertake a review of the implementation of the plan of work for exploration under the contract (sect. 4.4 of the standard clauses for exploration contract (ISBA/19/C/17, annex IV, ISBA/16/A/12/Rev.1, annex 4, and ISBA/18/A/11, annex IV)).

<sup>b</sup> See ISBA/25/C/9, para. 11.

<sup>c</sup> Formerly called Japan Oil, Gas and Metals National Corporation.

**Annex III****Schedule and status of relinquishment of areas under contracts for exploration****A. Contracts for exploration for polymetallic sulphides**

<i>Contractor</i>	<i>First relinquishment (50 per cent of the original contract area, year 8)</i>	<i>Second relinquishment (75 per cent of the original contract area, year 10)</i>
China Ocean Mineral Resources Research and Development Association	Completed	Completed
Ministry of Natural Resources and Environment of the Russian Federation	Completed	29 October 2022 <sup>a</sup>
Government of the Republic of Korea	24 June 2022 <sup>b</sup>	23 June 2024 (deferment of the date has been requested) <sup>c</sup>
Institut français de recherche pour l'exploitation de la mer	Deferred to 18 November 2023 <sup>d</sup>	Deferred to 18 November 2025 <sup>d</sup>
Federal Institute for Geosciences and Natural Resources	Deferred to 6 May 2024 <sup>e</sup>	Deferred to 6 May 2026 <sup>e</sup>
Government of India	26 September 2024	26 September 2026
Government of Poland	12 February 2026	12 February 2028

<sup>a</sup> Submission of relinquishment to be reviewed by the Legal and Technical Commission and the Council during the first part of the twenty-eighth session (March 2023).

<sup>b</sup> Submission of relinquishment to be reviewed by the Commission and the Council during the first part of the twenty-eighth session.

<sup>c</sup> Request for deferral to be considered by the Commission and the Council during the first part of the twenty-eighth session.

<sup>d</sup> Council decision [ISBA/27/C/39](#).

<sup>e</sup> Council decision [ISBA/27/C/19](#).

**B. Contracts for exploration for cobalt-rich ferromanganese crusts**

<i>Contractor</i>	<i>First relinquishment (one third of the original contract area, year 8)</i>	<i>Second relinquishment (two thirds of the original contract area, year 10)</i>
Japan Organization for Metals and Energy Security <sup>a</sup>	Completed	27 January 2024
China Ocean Mineral Resources Research and Development Association	Completed	28 April 2024
Ministry of Natural Resources and Environment of the Russian Federation	10 March 2023	09 March 2025
Government of the Republic of Korea	27 March 2026	26 March 2028

<sup>a</sup> Formerly called Japan Oil, Gas and Metals National Corporation.