



## Council

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### Twenty-eighth session

Council session, part I

Kingston, 16–31 March 2023

## Statement of the President on the work of the Council of the International Seabed Authority during the first part of the twenty-eighth session

### I. Opening of the session

1. At its 297th meeting, on 16 March 2023, the President of the Council opened the first part of the twenty-eighth session. The Council met from 16 to 31 March.

### II. Adoption of the agenda

2. At its 297th meeting, the Council adopted the agenda for its twenty-eighth session ([ISBA/28/C/1](#)).

### III. Election of the President and Vice-Presidents of the Council

3. At the same meeting, the Council elected by acclamation Juan José González Mijares (Mexico) as President of the Council for the twenty-eighth session. The Council also elected Ghana (African States), the Republic of Korea (Asia-Pacific States) and Canada (Western European and other States) as Vice-Presidents.

### IV. Report of the Secretary-General on the credentials of members of the Council

4. At the 299th meeting, on 27 March 2023, the Secretary-General indicated that, as at that date, credentials had been received from 31 members of the Council.

### V. Status report of contracts

5. At its 299th meeting, the Council was presented with a report ([ISBA/28/C/3](#)), with updates provided by the Secretary-General. The Council took note of them.



## VI. Draft regulations on exploitation of mineral resources in the Area

6. In line with the road map endorsed by the Council in November 2022 ([ISBA/27/C/21/Add.2](#), annex II), the Council has met largely in an informal setting to further elaborate consensus text and to address pending conceptual questions in its working groups. In his opening remarks, the President of the Council encouraged the facilitators and the participants to bridge gaps and set up smaller groups to forge consensus on questions where divergent views remained.

### *Progress made by the Council in an informal setting*

7. On 24 March, the Chair of the Open-Ended Working Group in Respect of the Development and Negotiation of the Financial Terms of a Contract reported on the outcomes of its seventh meeting and on the intersessional work.

8. On 31 March, the Council received oral reports with respect to the progress made within each informal working group, including proposed intersessional work, from the facilitator of the informal working group on the protection and preservation of the marine environment, the facilitator of the informal working group on inspection, compliance and enforcement and the co-facilitators of the informal working group on institutional matters.

9. The oral reports of the facilitators are reproduced in the annex to the present report and reflect the important progress towards consensus-based text, including the completion of a third reading of the text for some working groups. Progress made in relation to the President's text is also reproduced in the annex. A deadline of 15 May 2023 was set for the submission of written proposals relating to all parts of the regulations and for most of the outcomes of intersessional work in groups.

### *Intersessional work*

10. The Council recognized that already established intersessional working groups have provided important work for progressing towards consensus-based text for streamlining the text. They would continue their work with other intersessional working groups that have been created to deliver their output before the next meeting of the Council in July.

11. The list of the intersessional groups and the delegations coordinating the work of those intersessional groups is available on the website of the Authority, and participants are encouraged to contact the coordinators of the intersessional groups<sup>1</sup> directly.

### *Informal intersessional dialogue*

12. At the 298th meeting, on 24 March, the Council was presented with a briefing note on the outcomes of the informal intersessional dialogue which the co-facilitators Hugo Verbist (Belgium) and Tan Soo Tet (Singapore) had prepared pursuant to the decision of the Council relating to the possible scenarios and any other pertinent legal considerations in connection with section 1, paragraph 15, of the annex to the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea. In that decision, the Council established and set out the modalities of an informal intersessional dialogue to facilitate further discussion on the subject ([ISBA/27/C/45](#)).

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<sup>1</sup> See [www.isa.org.jm/news/isa-council-closes-part-i-of-its-28th-session/](http://www.isa.org.jm/news/isa-council-closes-part-i-of-its-28th-session/).

13. The briefing note contained a synthesis of the oral and written responses to a co-facilitator's briefing note for a webinar organized by the co-facilitators, with the assistance of the secretariat of the Authority, on 8 March 2023. The webinar was open to all members of the Authority, observers and their designated experts. The briefing note prepared by the co-facilitators contained commonalities and divergent views on remaining questions. The Council acknowledged the progress made intersessionally and noted the pending issues as identified in the co-facilitator's briefing note.

14. At its 301st meeting, on 31 March 2023, the Council adopted the decision of the Council of the International Seabed Authority relating to the understanding and application of section 1, paragraph 15, of the annex to the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea (see [ISBA/28/C/9](#)). It was also emphasized that this was a sensible, cautious and balanced compromise on key issues and on a process for the way forward that was acceptable to the Council. The informal dialogue would provide delegations with the opportunity to make submissions and offer their detailed views in advance of the Council meeting in July, with a minimum of two half-day sessions dedicated to this topic. The first step of an ongoing process, the informal dialogue provides an opportunity to further elaborate, refine and advance positions and lead to the identification of additional areas of convergence and common understanding for the Council to continue to make progress in addressing the important issues presented in section 1, paragraph 15, of the annex to the Agreement.

## **VII. Matters relating to the Enterprise**

15. At the 299th meeting, on 27 March 2023, the Council was presented with a report from the Special Representative of the Secretary-General for the Enterprise, in which he reiterated the importance of a timely step-by-step approach for the operationalization of the Enterprise at this advanced stage of the negotiations of the regulations on exploitation of mineral resources in the Area. The Council took note of the report and noted that the mandate of the Special Representative had expired since the end of the twenty-seventh session.

16. At the 301st meeting, on 31 March 2023, the Council adopted the decision of the Council of the International Seabed Authority relating to the establishment of the position of an interim director general of the Enterprise ([ISBA/28/C/10](#)). In that decision, the Council also requested the Secretary-General to extend the contract and renew the terms of reference of the Special Representative of the Secretary-General for the Enterprise until the end of the second part of the twenty-eighth session.

## **VIII. Operationalization of the Economic Planning Commission**

17. At the 299th meeting, on 27 March 2023, the Council decided to keep the matter under review for further consideration in the light of the report on the operationalization of the Economic Planning Commission, including its financial consideration ([ISBA/27/C/25](#)).

## **IX. Report of the Chair of the Legal and Technical Commission**

18. At the 300th meeting, on 31 March 2023, the Council considered the report of the Chair of the Legal and Technical Commission on the work of the Commission at the first part of its twenty-eighth session ([ISBA/28/C/5](#)). The Council took note of the report.

19. In addition, the Council made some comments on the implementation of the training programmes by the contractors, on the progress made by the Commission on the standardized approach for the development, approval and review of regional environmental management plans and on the development of environmental threshold values. Some views were expressed on the nature of the regional environmental management plans as instruments of environmental policy. The development of the standardized approach to regional environmental management plans should be a priority and should draw on existing practices.

20. Concerning the development of environmental threshold values, concerns were raised over the proposed size of the group of experts and the time frame for their development. Several delegations stressed that contractors were significant providers of data and that this was critical for the development of environment threshold values.

21. At the same meeting, the Council considered and took note of the report on the relinquishment of 50 per cent of the area allocated to the Government of the Republic of Korea under the contract for exploration for polymetallic sulphides between the Government and the International Seabed Authority ([ISBA/28/C/6](#)) and the report on the relinquishment of 75 per cent of the area allocated to the Ministry of Natural Resources and Environment of the Russian Federation under the contract for exploration for polymetallic sulphides between the Ministry and the International Seabed Authority ([ISBA/28/C/7](#)).

22. Acting on the recommendation of the Legal and Technical Commission on a request by the Government of the Republic of Korea to defer relinquishment of part of its contract area ([ISBA/28/C/4](#)), the Council approved the deferral of the schedule of the second and final relinquishment of the allocated area to the contractor (see [ISBA/28/C/8](#)).

23. At the same meeting, the Secretary-General and the Council expressed their condolences to the delegation of the Russian Federation and the family of Judge and former President of the International Tribunal on the Law of the Sea, Vladimir Vladimirovich Golitsyn on his passing. They paid tribute to his personality and his legacy to the law of the sea.

## Annex

### **Reports on progress made by the working groups and on the President's text**

#### **I. Oral reports**

##### **A. Oral report delivered by the Chair of the Open-ended Working Group in Respect of the Development and Negotiation of the Financial Terms of a Contract, Olav Myklebust (Norway)**

1. The Open-ended Working Group in Respect of the Development and Negotiation of the Financial Terms of a Contract held its seventh meeting on 16 and 17 March 2023. I have the honour to report on the outcome of that meeting.

2. On the afternoon of 16 March, the Chair welcomed and thanked all participants for their contributions through intersessional work and written proposals. The Chair introduced the consultants who had contributed to the work of the Working Group and the relevant documents for the meeting, including the Chair's briefing note of 27 February 2023 (ISBA/28/C/OEWG/CRP.1) and the Chair's revised text of the same date (ISBA/28/C/OEWG/CRP.2).

3. Following discussions on the work plan for the two days, the meeting continued with presentations relating to two conceptual topics, as well as updates to the financial model developed by the Massachusetts Institute of Technology. The first concept is an additional royalty or levy related to sponsoring State income tax, to establish a level playing field for land-based and sea-based contractors, by implementing an equalization payment. The second concept is a tax or levy on the transfer of rights under a contract. Alexandra Readhead and Thomas Lassourd of the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development gave a presentation on some general aspects, including on the interaction between option 3 and option 4 for the payment system and sponsoring State taxes. The Forum also gave a presentation on the financial implications of a tax or levy on transfer of rights under a contract and responded to questions and comments from the delegations. Richard Roth of the Institute then presented the revised assumptions of its financial model in accordance with previous discussions in the Working Group and the effects of these changes in the Chair's revised text. The afternoon was concluded with Mr. Roth's presentation on the topic of the possible deduction of domestic and sponsoring State tax from (higher) royalty rates and in particular with a view on the numbers and calculations.

4. On the morning of 17 March, the Working Group commenced with the participants' questions and comments on the presentations given by the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development and the Massachusetts Institute of Technology. The presentations were welcomed by all participants, and general discussions were held in respect of the payment mechanism, the preferable options for capturing progressivity and simplicity and the need to ensure an equalization measure. In addition, the need to avoid volatilization was pointed out by one participant.

5. While some participants mentioned the issue of benefit sharing, in particular how the amounts received by the Authority should be allocated, it was recalled that this was beyond the scope of the Working Group, the mandate of which was only to recommend draft regulations on the financial terms of a contract. Likewise, it was recalled that the handling of environmental costs had thus far not been part of the Massachusetts Institute of Technology modelling. Reference was also made to the

decision of the Council relating to the commissioning by the secretariat of a study on the internalization of environmental costs (ISBA/27/C/43).

6. Thereafter, the second reading of the Chair's revised text covered Part VII and some relevant draft regulations in Part III (draft regulations 23, 27, 38 and 39).

7. General agreement was reached on several draft regulations. It was also agreed that, in places in the text where some participants had new proposals or were in opposition to the current text, there would be attempts, through intersessional groups with all interested proponents, to provide consensus-text proposals ahead of the next meeting, including on the harmonization of timelines. All proposals before the deadline of 15 May 2023 would be welcomed. A further revised Chair's text would be provided for discussion at the next meeting in July 2023.

8. Intersessional work was agreed, to take the process forward, inter alia on the two conceptual issues which had been identified and required further discussion. South Africa, on behalf of the African Group, agreed to co-host with Australia a meeting with interested participants on proposing a mechanism to develop equalization measures, to be supported by the Massachusetts Institute of Technology. Canada agreed to co-host with the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development a webinar on further considering the issue of tax or levy on transfer of rights under a contract.

#### **B. Oral report delivered by the facilitator of the informal working group on the protection and preservation of the marine environment, Rajeli Taga (Fiji)**

9. The informal working group on the protection and preservation of the marine environment held six meetings, from 20 to 22 March 2023.

10. On the morning of 20 March, the facilitator of the informal working group on the protection and preservation of the marine environment warmly welcomed all participants to the third reading of the facilitator's further revised text (ISBA/28/C/IWG/ENV/CRP.1) with a reminder on setting high standards, as in article 145 of the Convention.

11. As was planned, the intersessional working group led by the United Kingdom of Great Britain and Northern Ireland, which worked on the standardization of stakeholder consultation, was given the beginning of the session to update the group, as set out in note verbale No. 10/2023. During this work, they had tried to come up with solutions for a consistent approach to such consultation, ensuring transparency and good governance. The group still welcomed comments from the participants to progress the work. Participants also noted that stakeholder consultation related to environmental impact assessments and environmental impact statements could be examined in the intersessional work on a standardized approach for stakeholder consultation, which could allow further streamlining of the text.

#### **General comments on the facilitator's further revised text**

12. During the third reading, some cross-cutting issues were identified, including generic referencing, clarified definitions, streamlining and the coherence of the text. Consideration was also given to reflecting the discussions on the recently agreed draft agreement under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction to somehow find consistency and alignment. Moving some details of some draft regulations to the standards and guidelines was discussed, as well as standardizing the phrasing used, for example, best available scientific evidence and best available information.

13. Discussions were had on compliance with the Convention regarding independent experts since the Legal and Technical Commission was already authorized to involve additional experts. It was also noted that the Federated States of Micronesia had offered to lead the intersessional working group on the discussion of underwater cultural heritage as some clarification and definitions had been requested by the participants.

**Specific comments on the facilitator's further revised text**

14. There was interest registered by Germany on the need to streamline and restructure regulation 45 and it was requested to lead the work on this.

15. In relation to draft regulations 46–46 bis (alt) on the environmental impact assessment process, most participants noted that, overall, there was a need for restructuring and streamlining. Some participants were satisfied with the additional elements to the environmental impact assessment process, while others suggested that some details might not be necessary. There were suggestions that consultation would take place at specific stages of the environmental impact assessment process and would include explicit reference to coastal States in the consultation process, which should be examined in the intersessional work on a standardized approach for stakeholder consultation. There was discussion on scoping and whether the details should be merged with other draft regulations or under the standards and guidelines. Norway had offered to lead the intersessional work in respect of scoping and further steps in the environmental impact assessment process. There were also suggestions for defining and clarifying some terms in the text, such as impacts and effects. Some participants commented that there should be a clear distinction between the responsibilities of the contractors and those of the sponsoring State regarding stakeholder consultation.

16. On proposed draft regulation 47, delegations suggested having a 90-day consultation period and that all documents related to an ongoing consultation should be available on the Authority's website.

17. On proposed draft regulation 48 bis on test mining, an alternative draft regulation 48bis.alt was introduced and welcomed by several delegations. Some delegations pointed to policy issues, in particular the timing and the interrelation between exploration and exploitation, that still need to be covered. The United Kingdom invited Germany, Belgium and other interested delegations to intersessional discussions.

18. On proposed draft regulation 50 on restriction on mining discharges, several delegations pointed to the need to streamline references to applicable maritime regulations of the International Maritime Organization. There were divergent views on whether such references in this (and other relevant regulations) should be broadened or narrowed. Written proposals would be submitted suggesting relevant changes to this.

19. The proposed amendments to draft regulations 59–61 on the closure plan were welcomed by most participants, with a request for more clarification on draft regulation 61, paragraph 4, in terms of the consequences of a contractor not meeting its obligations. Fiji offered to lead intersessional work on closure plans.

20. The reading of the draft regulations was completed with the reading of annex IV on the Environmental Impact Statement. There was an overarching conceptual discussion on this annex, regarding whether some details of the annex would be better placed in the standards and/or guidelines and the inclusion of some binding elements under relevant regulations and/or annexes. There was agreement among participants that high-level obligations would need to remain in annex IV and thereby as a part of

the regulations, and other elements would need to be moved to the standards. More work was needed to analyse the matter, and annex IV would, in this respect, be revisited during the July meeting. The intersessional working group on the environmental impact assessment process would work on a proposal on how to allocate and structure the content of the annex (structural questions within the framework). The conceptual discussion was followed by a reading of the annex.

21. The reading of the further revised text concluded with the reading of annex IV bis on Scoping Report, annex VII on the Environmental Management and Monitoring Plan, annex VIII on the Closure Plan, and Annex X ter on Design Criteria for Impact Reference Zones and Preservation Reference Zones. Finally, comments were received on the schedule on the use of terms and scope. Delegations highlighted the importance of having clear definitions for the terms introduced in the annex. There was also a discussion on whether some content in the annexes could be included in the standards and guidelines.

### Way forward

22. In relation to intersessional work, several delegations offered to advance work in smaller groups and to provide consensus-based text on relevant matters. This is warmly welcomed. The groups identified are shown in the table.

<i>Group no.</i>	<i>Provision</i>	<i>Focus</i>	<i>Coordinator</i>	<i>Deadline</i>
1		Standardized approach for stakeholder consultation	United Kingdom	1 June 2023
2		Coastal State obligations	Mexico	15 May 2023
3		Underwater cultural heritage	Micronesia	15 May 2023
4	Draft regulation 44	Streamlining and structuring	Spain	15 May 2023
5	Draft regulation 45, 1 (a)	Streamlining and structuring	Germany	15 May 2023
6	Draft regulation 46–46 bis (alt) and annex IV	Scoping and steps in the environmental impact assessment process and structuring of annex IV	Norway and Germany	1 June 2023
7	Draft regulation 48 bis	Test mining	Belgium/Germany	15 May 2023
8	Draft regulation 59–61	Closure plan	Fiji	1 June 2023

23. Any participants interested in joining any of the groups mentioned were welcome to contact the Authority's secretariat ([council@isa.org.jm](mailto:council@isa.org.jm)), which would assist in distributing the relevant information and contact details.

24. It was agreed that a third revised text would be provided before the July 2023 meeting. It was highlighted that both pdf and Word versions (depending on preference) would be made available before the July meeting.



25. In line with that, it was requested and I stressed that all comments and suggestions to the text be submitted by participants by 15 May 2023. This was to allow for sufficient time for review, including the intersessional work and also timely circulation of revised text to all participants.

**C. Oral report delivered by the facilitator of the informal working group on inspection, compliance and enforcement, Maureen Tamuno (Nigeria)**

26. The informal working group on inspection, compliance and enforcement held its meetings on 23 and 24 March 2023.

27. On the morning of 23 March, the facilitator welcomed participants and thanked them for their textual proposals and continued engagement. She went on to introduce the facilitator's further revised text (ISBA/28/C/IWG/ICE/CRP.1).

28. At the start of the meeting, Norway was invited to present the outcomes of discussions from intersessional meetings held by member States and observers on an independent inspectorate to be headed by an inspector-general. Several participants welcomed the proposal, on the basis that it implemented the core elements from the proposed inspectorate and compliance committee. The proposal was welcomed by several participants, who expressed the need to avoid duplication of roles and functions of other already established organs under the Convention and the 1994 Agreement.

29. On this note, conceptual discussions were conducted on the appropriate inspection mechanism for the Authority. There was consensus among participants on the need to develop a robust, operational and functional mechanism. Three main views and approaches were proposed. Several participants were in favour of an independent inspectorate, others maintained a preference for a compliance committee. Some other participants expressed preference for the Legal and Technical Commission to oversee compliance with the regulations. It was agreed by participants that further conceptual discussions would be undertaken during the intersessional period to focus on functions, reporting lines and workflow, inter alia.

30. The informal working group went on to commence its third reading of the facilitator's further revised text in relation to part XI of the draft regulations. The working group efficiently discussed the text with positive engagement. There was unanimity on several paragraphs such as the references in regulation 96 (1) bis, the title of regulation 100 and the deletion of paragraph 1 of regulation 102, as well as the deletion of the last three lines of regulation 104 (2). Regulation 105 also enjoyed broad consensus in its current form. Participants provided various views and promised to share textual proposals on the revised regulations. The group successfully finalized the reading of the facilitator's further revised text on the morning of 24 March.

31. On 24 March, as proposed by the facilitator, Norway presented an organization chart of a suggested inspection mechanism that identified the role of an independent compliance mechanism which would report directly to the Council and appoint and supervise a roster of inspectors, with administrative support from the secretariat. China was also invited to present its proposal and organization chart. In its proposal, the inspectors would report directly to the Legal and Technical Commission. The Commission would guide, appoint and supervise inspectors, as well as issue a code of conduct for inspectors. The Council would maintain enforcement powers such as issuing compliance notices and penalties, while the secretariat would undertake administrative functions and support.

32. Norway had agreed to work intersessionally with all delegations from the present to 15 May 2023 to gather consensus with a view to producing a revised organigramme for consideration by the working group at its meetings in July.

33. Delegations were requested to provide their comments and textual proposals no later than 15 May 2023 to allow sufficient time for consolidation. The facilitator would provide a third revised text ahead of the July 2023 meeting.

**D. Draft oral report presented by the co-facilitators of the informal working group on institutional matters by Gina Guillén-Grillo (Costa Rica) and Salvador Vega (Chile)**

34. The informal working Group on institutional matters met over three days. It met for half a day (2.15 hours) on 27 March 2023, a full day on 28 March and half a day on 29 March. The working group continued with its reading of the revised facilitator's text (ISBA/27/C/IWG/IM/CRP.1/Rev.1) and completed its first reading of parts II, V, VIII and appendix II. In view of the time available, the group proposed to undertake a third reading of the text from the beginning, and, at the end of its work, it undertook a reading of draft regulations 1 and 2. The text was projected on the screen, directly reflecting the suggestions of the participants.

**Regulations 57 and 58**

35. In relation to the Modification of a Plan of Work by a Contractor (draft regulation 57), there was general support for some paragraphs (paragraph 1; alt 1 version of paragraph 2; original paragraph 3). There was unanimity on the need to include a definition of what constitutes material change in the schedule. Delegations agreed that the role of determining whether a modification constituted material change should rest with the Legal and Technical Commission, which would make recommendations to the Council. Delegations agreed on the introduction of standards for the determination of material change.

36. Delegations expressed a preference for the role of making a non-material change to a plan of work to rest with the Secretary-General (para. 4) and reduce the workload and burden on the Commission.

37. Regarding draft regulation 58, on review of activities under a plan of work, several delegations emphasized the need to use more specific wording for the reference "relevant organ of the Authority" in the chapeau of the paragraph, as well as to ensure that there was no overlap in the functions of the respective organs.

38. Some delegations expressed a preference for changing the reference to Regional Environmental Management Plans to Standards (1 (*a ter*)).

39. There were also suggestions for streamlining language and terms; as well as the need to harmonize the content of the regulation with draft regulations 46 (2) and 52.

40. Several delegations shared the view that there was a need to streamline and simplify the process of review, and others requested the need to be more specific on the information and documentation, as well as the manner and the time frame in which the information from the contractors was to be provided (para. 4).

**Part VIII and appendix II**

41. The facilitators provided an overview on the need for the Finance Committee to review the substance more critically with respect to this part and provide feedback on the methodology and principles to be incorporated into the regulatory framework. Delegations discussed the issue of the fees to be paid by the contractors (regulations 84 and 85). On appendix II, some delegations supported its deletion in its entirety on the premise that the prescribed fees were better contained in decisions of the organs and/or guidelines for flexibility, while some delegations proposed including the appendix, albeit with only the headers and titles to provide future guidance. Some also indicated that the Open-Ended Working Group in Respect of the Development

and Negotiation of the Financial Terms of a Contract was still undergoing review on applicable fees for contractors.

### ***Regulations 1 and 2***

42. On draft regulation 1 (use of terms and scope), no comments were received on paragraphs 1, 2, 3, and 7 the text was seen as having consensus with minor suggestions. There was also consensus on moving paragraph 9 to draft regulation 2.

43. Discussions were had as to whether standards and guidelines should be included in paragraph 4. Some delegations expressed the need to include the reference to the legitimate interests of coastal States in line with article 142 of the Convention, without depriving all other States of their rights under the Convention.

44. In regulation 2, there was unanimity on changing the title to “Fundamental principles”. Delegations discussed the previous revisions, and some suggestions and amendments were made to the respective paragraphs. Delegations agreed that there was a need to ensure coherence in references to the Convention throughout this regulation. In paragraph 2, attention was drawn to the suggestion of taking into account the need for due regard for other activities in the marine environment and due regard to exploitation activities in articles 145 and 147 of the Convention. The group worked on the basis of proposals that had been provided on the floor during the previous reading.

45. Discussions were had as to adopting “precautionary principles or approach as appropriate” as a proposal that would reflect a broader position of delegations. It was agreed that wording would be provided to encapsulate traditional knowledge in the text, by the Federated States of Micronesia and the Kingdom of Morocco. It was agreed to include the term “effective stakeholder participation” in the text. There were indications of a need to submit textual proposals reflecting the possible harmonization of terms in the subsections under this paragraph, as well as proposals for any other concepts that delegations would wish to see included in this paragraph. Some paragraphs were accepted by consensus (5, 7).

46. Delegations expressed divergent views on the development of an environmental policy for the Authority (para. 4 bis) and whether the term “member States” (para. 6) should be changed to take into consideration the European Union. Delegations were invited to submit proposals in this respect.

47. The Special Representative of the Secretary-General for the Enterprise proposed an overarching amendment to the text to include the Enterprise wherever contractors were referenced in the text.

48. The co-facilitators welcomed written suggestions from participants with a view to releasing a new refreshed text before the Part II meetings in July 2023. This text would reflect changes except for the regulations dealing with effective control. The deadline for the submission of written proposals was set as 15 May 2023. They also informed participants that they would coordinate with the secretariat on effective control and invited delegations to propose speakers.

49. The Co-Facilitators thanked the delegates for their participation and the secretariat and interpreters, who made the work of the informal working group possible.

## **II. Report on the review of the President’s text**

50. On the afternoon of 29 March 2023, the Council met in an informal setting to develop and negotiate the President’s text. As the Council recalls, the parts of the

draft regulations and standards for phase I which are not allocated to any informal working groups of the Council are allocated to the Council in an informal setting (President's briefing note of 31 March 2022).

51. As the Council will also recall, during the meeting in November 2022, the President introduced the President's text (ISBA/27/C/WOW/CRP.1). During the meeting in November, the Council managed to finish a reading of the preamble and draft regulations 17–30.

52. The President reminded the Council that the text contained a full collation of textual proposals received by delegations and observers.

53. The first reading of the President's text was resumed from draft regulation 31, and this is based on an updated President's text (ISBA/28/C/WOW/CRP.1) released on 3 March 2023. The reading was successfully finished on the morning of 30 March 2023.

54. Several valuable suggestions were provided on the different elements of the President's text.

55. During the reading of draft regulations 33 and 34, several delegations and observers identified a need for other stakeholders to be notified, and in that regard it was highlighted that it would be necessary to look at this more broadly than for only these two regulations. In terms of draft regulation 35, it was requested by several delegations that an attempt be made to "unpack" the regulation, and a suggested approach by one delegation was welcomed by other delegations.

56. In relation to draft regulation 36 on insurance, several delegations asked for more clarity on what the insurance obligations would entail. One delegation suggested an alternative mechanism to insurance, considering the lack of a present market. It was agreed that further clarification would be provided ahead of the meeting in July 2023.

57. For part X on general procedures, standards and guidelines, it was proposed by one group that the application of the definitions be widened in order for them to apply to the entire text. Concerning the Schedule, use of terms and scope, several proposals for refinement were received as well as proposals for new terms. Several delegations and observers referred to the use of the definitions of the BBNJ treaty. Furthermore, several delegations asked for a consolidation of all terms and scope used in the informal working groups. It was agreed that the President would consolidate all terms and scope in the revised President's text.

58. The President informed the delegations and observers that any textual proposals by 15 May 2023 would be welcomed. A revised President's text would be provided before the July meeting.