

07

FINANCE & RESOURCES

Photo: ISA





Photo: TMC

Until ISA has sufficient funds from other sources to meet its administrative expenses (e.g., royalties from deep-sea mining), those expenses shall be met by assessed contributions of its Members.

The scale of assessments for this purpose is based on the scale used for the regular budget of the United Nations, adjusted for differences in membership, with a ceiling assessment rate of 22 per cent and a floor assessment rate of 0.01 per cent.

Since 2013, ISA has also applied a system of cost recovery whereby contractors are required to pay an annual overhead charge representing the cost of services provided to them by ISA. For the financial period 2023-2024, overhead charges are anticipated to account for approximately 87 per cent of ISA revenues.

From the financial period 2023-2024, the budget of ISA is divided into four main parts. A general administrative fund covers the costs associated with running the

Secretariat, including staff costs. Part 2 of the budget covers the costs of servicing the meetings of the various organs of ISA, Part 3 covers the programmatic activities of ISA and Part 4 itemizes the costs of compliance and regulatory management. In addition, a series of trust funds and voluntary funds have been established for different purposes, especially to enable the full participation of developing States in the activities of ISA.

In March 2019, ISA created a multi-donor trust fund for extra-budgetary support to attract voluntary contributions from Member States and other donors to pay for non-regular activities or activities not funded by the approved budget. Contributions can be one-off or support multi-year programmes or projects. Funds will be used under the terms agreed with the respective donors, including reporting and audit requirements. Since its creation, the Fund raised almost **USD2,495,376** and had a net balance of **USD627,199** as of 31 May 2023.

ISA Partnership Fund

Following the review of the terms of reference for the Endowment Fund for Marine Scientific Research by the Finance Committee (ISBA/27/A/8-ISBA/27/C/36), in August 2022, the Assembly decided to establish the ISA Partnership Fund (ISAPF) as a new trust fund. The objectives of the ISAPF are to promote and encourage the conduct of marine scientific research in the Area for the benefit of humankind as a whole, provide qualified scientists and technical personnel from developing States with opportunities to participate in international marine scientific research programmes, contribute to the implementation of the ISA MSR Action Plan, contribute to the design, development and implementation of dedicated capacity development

programmes and activities aligned with the priority needs identified by developing States members of ISA and enhance ISA's contributions to the implementation of the 2030 Agenda for Sustainable Development and the achievement of the SDGs.

The first meeting of the ISAPF board (**Box 13**) was held on 1 June 2023. Members were able to endorse strategic priorities and proposed activities for 2023. Accordingly, a series of grants and calls for contributions was released to support the implementation of strategic research priorities of the ISA MSR Action Plan and the key result areas of the Capacity development strategy.

Box 13.

Members of the ISAPF board designated by the Secretary-General

Pursuant to the decision of the Assembly, the board of the ISAPF was established with the following members designated by the Secretary-General.



Mr. José Dallo
ISA Secretariat
Director, OEMMR



Dr. Marie Bourrel-McKinnon
ISA Secretariat
Chief of Staff & Head of
Strategic Planning Unit



Mr. Erasmo Lara Cabrera
Legal and Technical
Commission Chair



Mr. Andrzej Przybycin
Finance Committee Chair
(until an election of the
Chair in July 2023)



Prof. Ed Hill
National Oceanography
Center, UK
Chief Executive



Dr. Wan-hyun Choi
MABIK, Republic of
Korea, President



**Ms. Jorun
Sigrid Nossun**
Norwegian Agency for
Development Cooperation
Leader, Department for
Climate and Environment,
section Oceans



**Rear Admiral
Md. Kurshed Alam**
Ministry of Foreign Affairs,
Bangladesh, Secretary
(Maritime Affairs Unit)



Mr. Bharat Raj Paudyal
Foreign Secretary, Nepal



**H.E. Mr. Dwight
CR Gardiner**
Ambassador Extraordinary
and Plenipotentiary,
Antigua and Barbuda



H.E. Mr. Neville Gertze
Permanent Representative
to ISA, Namibia

2023-2024 budget

ISA budget for the financial period 2023-2024 is **USD22,256,000** distributed as follows:

Distribution of ISA budget (thousands of USD)



Administrative expenses

USD14,413,000



Cost of conference services

USD3,360,000



Programmes

USD3,123,000



Compliance assurance & regulatory management

USD1,360,000

TOTAL

USD22,256,000

Voluntary trust funds

Voluntary trust fund for the members of the Legal and Technical Commission and the Finance Committee

The Voluntary Trust Fund to cover the costs of participation of members of the LTC and the FC from developing countries was established in 2002. As of May 2023, the total contributions to the fund over its lifetime amounted to **USD1,383,780**; the remaining balance is **USD40,004**.

Contributions- June 2022 to May 2023	USD
United Kingdom	10,000
China	40,000
Norway	9,775
Contractors ⁶⁶	18,000
Total Contributions over the period	77,775
Total Contributions over lifetime	1,383,780
Total funds available as of May 2023	40,004

Voluntary trust fund for the members of the Council

At its 23rd session in 2017, the Assembly requested the Secretary-General to establish a voluntary trust fund to support the participation of members of the Council from developing States in the additional meetings of the Council convened to work on the draft regulations for exploitation, ensuring inclusive participation. As of May 2023, the total contributions to the fund amounted to **USD145,202**; the remaining balance is **USD548**.

Contributions- June 2022 to May 2023	USD
Contractors ⁶⁷	25,500
United Kingdom	10,000
Total Contributions over the period	35,500
Total Contributions over lifetime	145,202
Total expenditures	144,654
Total funds available as of May 2023	548

Voluntary trust fund to support the work of the Special Representative of the Secretary-General for the Enterprise

During the first part of its 25th session, the Council requested the Secretary-General to establish a voluntary trust fund to provide the requisite funds related to the work of the Special Representative of the Secretary-General for the Enterprise. The fund was created on 1 March 2019. As of May 2023, seven contributions totaled **USD60,655**; the remaining balance is **USD3,528**.

Contributions- June 2022 to May 2023	USD
United Kingdom	10,000
Malta	11,339
Total Contributions over the period	21,339
Total Contributions over lifetime	60,655
Total expenditures	57,127
Total funds available as of May 2023	3,528

Partnership Fund

The Partnership Fund was established by a decision of the Assembly in 2022 (ISBA/27/A/10) as a multi-donor trust fund pursuant to Regulation 5.5 of the Financial Regulations. The Fund will commence its activities in 2023. Since 2022, the ISAPF has received contributions from France (USD122,124), Greece (USD52,520), China (USD20,000) and Mexico (USD10,000). As of 31 May 2023, the ISAPF had an available balance of **USD604,644**. At its first meeting on 1 June 2023 the board of the ISAPF allocated a total of **USD382,000** to four initiatives (**Chapter 3, Box 10**).

66 Tonga Offshore Mining Ltd, Nauru Ocean Resources Inc. and Marawa Research and Exploration Ltd.

67 UK Seabed Resources Development, Tonga Offshore Mining Ltd and Nauru Ocean Resources Inc.