

Mr. President,

Our delegation would like to thank the chairman and the open ended working group for bringing out a comprehensive document ISBA/28/C/OEWG/CRP.4 on draft regulation on the financial terms of a contract under article 13, paragraph 1 of Annex III of the convention. We thank Prof. Roth for his excellent presentation. We would like to bring it his notice that the abundance and grade of the mineral in the polymetallic nodule site in the Central Indian Ocean is quite low when compared to the other areas. The accessibility of this site, interms of distance from the shore and the weather conditions, is limited. The costs involved in the operations and extraction of metals can be higher for such locations. That is one of the reason why we prefer payment mechanisms that combines value based and profit-based royalty mechanisms. In fact we may prefer similar system for equalization as well. We know it may be more complex. But we feel it would be fairer.

We would like to request Prof. Roth to elaborate on the fairest possible payment and equalization mechanism for all the Areas.

Thank you very much Mr. President for giving us the floor.