

Item 12: Report of the interim Director-General of the Enterprise

Thank you Mr. President.

Since it is the first time WWF is taking the floor we would like to extend our gratitude to our host country Jamaica for your hospitality, the president for his leadership and the Secretariat for all their hard work. We would also like to join in the celebration of the African Day of Seas and Oceans.

This intervention is on behalf of WWF, The Ocean Foundation, and the Environmental Justice Foundation.

We thank the Interim Director-General of the Enterprise for his report. We have one point we wish to raise regarding the statements made on the demand and need for minerals from the deep sea.

Estimates for the need for minerals targeted in the deep sea are highly uncertain, as found in the 2022 ISA Technical Study 32, and mineral prices are volatile due to developments in battery technology and innovation. One example is the ongoing innovation in material efficiency and resource substitution. This has already led to a shift in the mineral need for battery technology.

One deep sea mining company stated in their 2023 annual report, and I quote “Technology changes rapidly in the industries and end markets that utilize our materials. If these industries shift to new technologies or products such as lithium iron phosphate (LFP) batteries that no longer require or use less of the metals that we intend to collect and process, or if suitable substitutes become available, it could result in a decline in demand for our metal products. If the demand for our metal products decreases, it will have a material adverse effect on our business and the results of our operations and financial condition.”

These LFP batteries have doubled their market share in the past two years, and now represent 42% of the global battery market, substantially reducing the demand for cobalt and nickel, as both cobalt and nickel are not needed in these batteries.

As advances are made in substitution and efficiencies, and circular economy investments progress, the profitability of deep sea minerals will continue to be uncertain. The demand for these minerals could significantly decrease.

Furthermore, the argument that we need these minerals for the green transition has repeatedly been identified as misleading, amongst others by the European Academies Science Advisory Council. Even the supposed end users of these minerals are clearly not convinced that deep-sea minerals are urgently needed: Leading companies in the energy transition are calling for a moratorium and are excluding these minerals from their supply chains - including Google, BMW, Volkswagen, Northvolt, Samsung, Philips, Volvo, and others. The risks posed by deep-sea mining contradicts many of their sustainable resource strategies and environmental goals which seek to implement a circular economic model.

While the financial revenue that would benefit a few is questionable, there is no question that the losses will be felt by many, including future generations. Deep-sea mining is pursuit of minerals we do not need, at a price we cannot afford.

Thank you Mr President.