

THE PEW CHARITABLE TRUST'S COMMENTARY
***ON THE REVISED CONSOLIDATED TEXT: DRAFT REGULATIONS ON
EXPLOITATION OF MINERAL RESOURCES IN THE AREA,
DATED 29 NOVEMBER 2024 (ISBA/30/C/CRP.1)***

Key

Black font, **red font**, and grey text-boxes are replicated from the Draft Regulations text.

Blue font represents commentary or edits proposed by The Pew Charitable Trusts.

Regulation 29 ter

Certification of origin

1. The Authority, upon the receipt of an application from the Enterprise or the Contractor, shall certify the origin for the Minerals removed from the Area, in accordance with the applicable Standard.
2. Any certification of the origin of Minerals in accordance with the applicable Standard shall be automatically accepted by the member States of the Authority.

Comment

Based on the Commission's proposal. Please refer to [ISBA/29/C/7](#), Section IV.A and the annex.

We agree with the inclusion of DR29ter as a means of verification of the source of any minerals extracted from the Area. Transparent **traceability of critical minerals is important to support sustainable production and consumption initiatives, including moves towards circularity**, while also tackling illicit flows of resources. Certification of source is a requirement of responsible sourcing and due diligence standards applied in many jurisdictions.

In the absence of the Standard here referenced (or any indication of its content) it is difficult to assess this provision. One question we have is around what information the ISA will verify before issuing the receipt, to ensure the certificate is accurate (e.g. as to timing, volume, metal content etc)? Should this be **after receipt of a verified and approved royalty return** only, or would that timing not work for Contractors in terms of onward sale of the minerals?

We also note the reference to 'The Authority' here. It may be more helpful and enforceable for this regulation to give **specific duties to specific actors**.