

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 83 bis

Beneficial Ownership Registry

1. A Contractor shall submit information as part of its annual report pursuant to Regulation 38 to the Secretary-General to be included in a Beneficial Ownership Registry in accordance with relevant applicable Standards and taking into consideration Guidelines.

[1. Alt. Contractors shall submit detailed beneficial ownership information as part of their annual report, in compliance with regulation 38 to the Secretary General. This information must be compiled in the Beneficial Ownership Registry, adhering to all applicable Standards and taking into consideration the Guidelines.]

2. The Beneficial Ownership Registry shall be published through the Seabed Mining Register.

Comment

It has been suggested by a number of delegations that information concerning ultimate beneficial ownership is to be included in the application for a Plan of Work. That issue is proposed to be considered in the context of draft regulation 7 and Annex I.

We strongly support DR83bis as a way to increase transparency about who is ultimately benefiting from mining in the Area, and as a means to combat corruption, conflict of interest, transfer pricing, and monopolization. However, as drafted, regulation 83 bis applies only after a Contract award, which means the LTC and Council would not have this information available when assessing a application for a contract. We consider that the information should be provided both during the application phase and updated annually. While this can be reflected via insertions in Regulation 7 and Annex I, we recall it was also covered by a drafting suggestion from the Netherlands that is not reflected in this draft, (but can be found here: <https://www.isa.org.jm/wp-content/uploads/2024/09/Netherlands-DR83bis.pdf>).

It may also be clearer and more enforceable to have one paragraph requiring the Contractors' reporting, and then a separate paragraph requiring the SG's compilation and publication.