

ISBA/26/A/10-ISBA/26/C/21

Annex III: Status of implementation by the Committee of the relevant high-level actions and associated outputs for the reporting period 2019-2020

No. High-level action	Outputs for 2019-2020			
	Description	Responsibility of the FC	Status ¹	Comments
Strategic direction 2: strengthen the regulatory framework for activities in the Area				
2.1.1 Promote the development of rules, regulations and procedures covering all phases of deep sea mining activities	(ii) Facilitate consultation on and a review of available options to be taken into consideration for deciding on the financial model	Coordinating organ (in partnership with LTC)	On going	The FC held a joint meeting with the LTC in 2019 to review issues associated with the development of the regulatory framework.
Strategic direction 7: ensure equitable sharing of financial and other economic benefits				
7.1.1 Develop and implement, on a non-discriminatory basis, rules, regulations and procedures for the equitable sharing of financial and other economic benefits derived from activities in the Area	Conduct a study on the equitable sharing of financial and other economic benefits from deep seabed mining	Associated organ	Achieved	In response to a request made by the FC in 2018, a report on criteria for the equitable sharing of financial and other economic benefits derived from deep seabed mining was provided and discussed by the FC in 2019. An updated report was provided in 2020 in response to feedback from the FC (ISBA/25/A/10-ISBA/25/C/31, para.26-33)
7.1.2 Develop equitable sharing criteria for benefits distributed	No output against this action	Associated organ	In progress	The report noted in (7.1.1) above also covered equitable sharing under article 82(4) of

¹ The different status used to assess the progress of each high-level actions and/or associated outputs are regrouped in three categories, namely: (i) “completed”, (ii) “in progress”, and (iii) “on hold”. In order to reflect the different status of completion, particularly the fact that some outputs are recurring, two different sub-categories of progress status have been identified. One relates to the “ongoing” nature of some outputs, understood as requiring ongoing attention and adjustment. The other one relates to the fact that in some cases, because the output is to be reported against a specific reporting period or action, the status of completion is “achieved”.

through the Authority pursuant to article 82 (4) of the Convention				UNCLOS. The FC decided to continue to consider issues relating to article 82(4) in connection with its work on equitable benefit-sharing.
Strategic direction 8: improve the organizational performance of the Authority				
8.1.1 Identify opportunities to strengthen management culture, reduce risk and introduce best practices through the planning, development and implementation of organizational reforms	(vi) Recommend an alternative methodology benefiting from the ongoing implementation of the International Public Sector Accounting Standards in the accounting of the secretariat	Associated organ	Achieved	In 2018, in the context of the budget for the financial period 2019-2020, the FC provided budgetary resources for the implementation of an Enterprise Resource Programme in the secretariat. This has been implemented in early 2020 and will substantially enhance financial and risk management.
	(vii) Report the exact cost for supervising and administering the contracts for exploration	Associated organ (in partnership with Assembly & Council)	Ongoing	In 2018, the FC requested the Secretariat to establish a more accurate methodology benefiting from the ongoing implementation of IPSAS in the accounting of the Secretariat and to report by the 26 th session the exact costs for the supervision and administration of the contracts for exploration (ISBA/24/A/6–ISBA/24/C/19, para.22-25). A revised methodology for annual overhead charges has been developed by the Secretariat and will be submitted to the FC for consideration at the 26 th session (ISBA/26/FC/3).
8.1.4 Provide, as far as practicable, capacity development for staff to ensure that skills and aptitudes meet the evolution and emerging needs of member States	(ii) Allocate the resources necessary to support capacity development for staff	Associated organ	Ongoing	A dedicated budget was allocated to this for 2020 (\$53,000) and the budget proposal for 2021-2023 also includes an element on this matter (\$130,000) (ISBA/24/A/5-ISBA/24/C/11 ; ISBA/26/A/5-ISBA/26/C/18).

8.1.5 Develop, implement, enhance, support and manage information systems and standard operating procedures in support of a knowledge- and information-based organization	(ii) Endorse a proposal for the development, maintenance and enhancement of the communications and information technology services (e.g., secured access and website)	Associated organ	Achieved	No budget has been allocated in the proposal for 2021-2022 for this specifically. However, some funding has been identified to ensure maintenance and address the main requirement of CITS (ISBA/26/A/5-ISBA/26/C/18).
8.2.2 Implement and keep under review working methods and processes of the organs of the Authority	(iv) Review the financial rules and regulations, as needed	Associated organ	On going	No amendment has been identified as necessary for the reporting period.
8.3.1 Adopt, implement and keep under review measures for the effective, efficient and transparent utilization and management of the Authority's resources	(ii) Ensure the timely submission of financial reports	Associated organ	On going	An enterprise resource management system has been implemented within the secretariat in January 2020. This new system will ensure transparent and timely recording of the financial transactions as per prevailing ISA financial rules and regulations. As a result, it will be possible to produce a variety of financial reports all IPSAS compatible
	(iii) Report on the status of the various voluntary trust funds	Associated organ	On going	(See ISBA/25/FC/6; ISBA/26/FC/2).
	(iv) Introduce a result-based budget	Associated organ	Achieved	While the result-based budget framework is not formally requested by ISA's financial rules and regulations, the budget formulation of ISA defined the objectives and expected results and outputs which justify the resource requirements. This is essentially used for the financial management of the different programmes.
	(v) Issue a report, with recommendations, of the Finance Committee	Organ responsible	Ongoing	(See ISBA/25/A/10-ISBA/25/C/31)

8.4.1 Identify long-term options for the sustainable financing of the Authority's operations	(i) Provide an analysis and recommendations on the long-term options for the sustainable financing of the Authority's operations	Organ responsible	Achieved	The FC reviews the scale of assessments every two years based on the scale of assessments for the regular budget of the UN. The FC has identified the need for cost recovery from contractors of services provided by the secretariat and regularly reviews the methodology for cost recovery (see also 8.1.1). The FC has approved the establishment of a Trust fund for extra budgetary support for ISA to accept extra-budgetary contributions to programmatic aspects of ISA's work. The FC has also approved the establishment of a Cost Recovery Fund to account more accurately for the actual cost of administrative overheads provided by the secretariat (ISBA/ST/SGB/2020/2).
8.4.2 Undertake regular assessment of long-term options for financing the Authority's operations	Report on potential long-term options for financing the Authority's operations	Associated organ (in partnership with Assembly / Council / FC)	In progress	Preliminary work has been undertaken and it is envisaged that this strategy will be finalised by the end of 2020.