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Report of the Secretary-General on the implementation of the decision of the Council in 2019 relating to the reports of the Chair of the Legal and Technical Commission

Implementation of the decision of the Council in 2019 relating to the reports of the Chair of the Legal and Technical Commission

Report of the Secretary-General

I. Introduction

1. The purpose of the present report is to continue to update the Council on progress made with matters raised in the decision of the Council of 19 July 2019 relating to the reports of the Chair of the Legal and Technical Commission,¹ namely, the draft regulations on exploitation of mineral resources,² activities carried out by the contractors, the development of regional environmental management plans in the Area, the data management strategy and the status of the voluntary trust fund for the purpose of defraying the cost of participation of members of the Commission and of the Finance Committee from developing countries in the meetings of the Commission and the Committee.

2. The present report is a second addendum to the report of the Secretary-General and should be read in conjunction with the report prepared for the first part of the twenty-sixth session of the Council, in February 2020, and the first addendum.³ The present report provides an update to 31 August 2021.

* New dates of the in-person meetings originally schedule for July 2020.

¹ [ISBA/25/C/37](#).

² [ISBA/25/C/WP.1](#).

³ [ISBA/26/C/3](#) and [ISBA/26/C/3/Add.1](#), respectively.



II. Draft regulations on exploitation of mineral resources in the Area and its associated standards and guidelines

3. The present section summarizes developments with regard to the draft regulations on exploitation of mineral resources in the Area and associated standards and guidelines.

A. Consideration by the Council

4. Owing to the impossibility of holding in-person meetings since February 2020, the Council has not been able to advance its consideration of the draft regulations. In anticipation of the next in-person meetings of the Council, the secretariat prepared a report⁴ outlining a proposed road map and workplan for the Council for 2022 and 2023, aimed at completing the adoption of the draft regulations and associated phase 1 standards and guidelines by July 2023. In addition, it is recalled that, at its meetings in February 2020, the Council adopted a decision concerning working methods to advance discussions on the draft regulations,⁵ by which it decided to establish three informal working groups on thematic issues, each to be led by a facilitator, in addition to the existing open-ended working group in respect of the development and negotiation of the financial terms of a contract. One informal working group was tasked with dealing with the protection and preservation of the marine environment, one with inspection, compliance and enforcement and one with institutional matters. At the time of reporting, the appointment of the facilitator of the informal working group on institutional matters remained pending.

B. Consideration by the Commission

5. On the basis of a survey conducted by the secretariat, the Commission adopted during its virtual meetings held between 23 March and 1 July 2021 terms of reference for the secretariat concerning the preparation of a standard and guidelines to assist contractors in complying with draft regulation 36, on insurance obligations.

6. During its virtual meetings, the Commission also considered a study prepared by the secretariat, with the assistance of a consultant, concerning draft regulation 102, on electronic monitoring system. Further to that study, the Commission adopted on 1 July 2021 terms of reference for the secretariat for the preparation of a standard and guidelines on electronic monitoring systems.

C. Progress by the Commission on the development of standards and guidelines

7. As described in detail in the reports of the Chair of the Legal and Technical Commission [ISBA/26/C/12](#) and [ISBA/26/C/12/Add.1](#), the Commission continued to address, as a matter of priority, the development of standards and guidelines deemed necessary to be in place by the time of adoption of the draft regulations on exploitation (phase 1) in order to support their implementation.

8. On 1 April 2021, the Commission decided to circulate for stakeholder consultations the text of the following seven draft standards and guidelines: draft guidelines for the establishment of baseline environmental data; draft standard and

⁴ [ISBA/26/C/44](#).

⁵ [ISBA/26/C/11](#).

guidelines for environmental impact assessments; draft guidelines for the preparation of an environmental impact statement; draft guidelines for the preparation of environmental management and monitoring plans; draft guidelines on tools and techniques for hazard identification and risk assessments; draft standard and guidelines for the safe management and operation of mining vessels and installations; and draft standard and guidelines for the preparation and implementation of emergency response and contingency plans.⁶ The Commission will consider the comments received from stakeholders, including on standards and guidelines released for stakeholder consultation in 2020, during its next online meetings, in September 2021.

III. Activities of contractors

A. Matters relating to the transparency of contracts

9. Since the request by the Council in July 2018 that ways be explored to promote increased transparency of exploration contracts by making them publicly available, the Secretary-General has continued his consultations with the contractors.

10. As at 31 August 2021, the large majority of contractors had provided information on their contracts in accordance with the public information templates designed for that purpose. This information is now available on the Authority's website.⁷ To complete the voluntary submission of such information, the secretariat has continued to engage with the following contractors: JSC Yuzhmoregeologiya; the Government of the Russian Federation (in respect of the contracts for exploration for polymetallic sulphides and for cobalt-rich ferromanganese crusts); Beijing Pioneer Hi-Tech Development Corporation; and Blue Minerals Jamaica Ltd.

B. Matters relating to the 2020 annual reports

11. As at 31 August 2021, individual feedback from the Commission on the annual reports on exploration activities conducted in 2020, including questions and requests for clarification, had been sent to each contractor. The contractors are to include their final responses to the feedback from the Commission in their annual reports on activities conducted in 2021, which are due by 31 March 2022.

C. Contractor training programmes

12. With respect to the implementation of training programmes, 20 additional training placements (19 new ones and one re-advertised) were awarded between June 2020 and August 2021.⁸

13. During its virtual meetings in late June, the Commission also considered the possibility to review its recommendations for the guidance of contractors and sponsoring States relating to training programmes under plans of work for exploration⁹ and requested the training subgroup to work together with the secretariat intersessionally for that purpose.

⁶ Available at <https://isa.org.jm/mining-code/standards-and-guidelines>.

⁷ Available at www.isa.org.jm/exploration-contracts/polymetallic-nodules, www.isa.org.jm/exploration-contracts/polymetallic-sulphides and www.isa.org.jm/exploration-contracts/cobalt-rich-ferromanganese.

⁸ See ISBA/26/LTC/9.

⁹ ISBA/19/LTC/14.

D. Annual meeting of contractors 2021

14. On 19 and 22 April 2021, the Secretary-General held the fourth annual meeting of exploration contractors to discuss issues of common interest and key areas of work of relevance. The virtual meeting brought together 72 representatives of the exploration contractors.

15. Participants were presented with and discussed progress on the development of exploitation regulations in the Area; progress in building the capacities of developing member States through the contractor training programmes; progress in the development and implementation of the data management strategy of the Authority; the review of the effectiveness of the network of areas of particular environmental interest in the Clarion-Clipperton Zone; the production of a compendium of the work and achievements of contractors in relation to exploration activities in the Area; and the establishment of a new unit, the Compliance Assurance and Regulatory Management Unit within the secretariat.

16. Other highlights of the meeting were:

(a) The contractor training programmes should be adjusted to take into consideration the priority capacity development needs identified by developing members States of the Authority and compiled by the secretariat, as well as the implications of the pandemic;

(b) Contractors took note of the results of the Deep Clarion-Clipperton Zone Biodiversity Synthesis Workshop and of the need for them to carry out more sampling in order to validate the network of areas of particular environmental interest and its effectiveness, which in turn will support the implementation of a regional environmental management approach in the Clarion-Clipperton zone. Participants also acknowledged that a joint approach among the Authority, the scientific community and contractors would be required to develop a model to guide sampling programmes in those areas.

IV. Progress made regarding the development of regional environmental management plans in the Area

A. Implementation of the secretariat's programme of work through online workshops

17. During the reporting period, despite the constraints imposed by the COVID-19 pandemic, the secretariat continued to implement as a matter of priority its programme of work for the development of the regional environmental management plans through two online workshops. The first online workshop, on the development of such a plan for the area of the northern Mid-Atlantic Ridge with a focus on polymetallic sulphides (23 November–4 December 2020), addressed the potential management approaches and measures as well as the implementation strategies and monitoring priorities of the future plan for that region.¹⁰ The second online workshop (26 October–6 November 2020), about the development of a regional environmental management plan for the North-West Pacific, focused on the synthesis of scientific data and information as well as scientific approaches for applying area-based management tools and the qualitative assessment of cumulative impacts.

¹⁰ For details of the workshop results, see the workshop report (available at www.isa.org.jm/event/workshop-remp-area-northern-mid-atlantic-ridge).

B. Progress made by the Commission on the review and development of regional environmental management plans

18. After consideration of those outcomes during its online meetings of May 2021, the Commission tasked a working group with drafting the regional environmental management plan for the northern Mid-Atlantic Ridge, building on the outcomes of the Authority's previous expert workshops for that region (Szczecin, Poland, 2018, Evora, Portugal, 2019, and the online workshop in 2020).

19. Furthermore, during the same meetings, the Commission conducted a review of the implementation of the environmental management plan for the Clarion-Clipperton Zone. The review identified progress made since the adoption of the plan, in 2012, including in relation to the effectiveness of the network of nine areas of particular environmental interest, as well as further actions to advance the implementation of the plan. On the basis of its review, the Commission formulated recommendations to the Council on the establishment of four additional areas of particular environmental interests to enhance the effectiveness of the network,¹¹ for consideration by the Council at its next in-person meetings, in 2021.

C. Future collaborative efforts on marine scientific research in support of environmental management in the Area

20. In addition to the online workshops for the development of regional environmental management plans, two online workshops were convened by the secretariat, in September and December 2020, on deep-sea taxonomic standardization and marine scientific research in the Area. The results of the workshops are expected to inform future collaborative efforts on marine scientific research in support of environmental management in the Area, including additional expert workshops on deep-sea taxonomy.

V. Implementation of the Authority's data management strategy

21. In September 2020, the secretariat held an online workshop entitled "DeepData: focusing on data management strategy". Building on the outcome of the workshop, the secretariat prepared draft revised templates for contractors to report geological and environmental data, as well as a metadata template, with a particular focus on enhancing quality assurance and quality control procedures.

22. The secretariat presented the draft templates to the Commission during its virtual meeting of 30 June 2021, and the Commission will review them intersessionally.

23. In addition, the secretariat joined the International Oceanographic Data and Information Exchange (IODE) network of the Intergovernmental Oceanographic Commission of the United Nations Educational, Scientific and Cultural Organization, as an associate data unit, enabling it to serve as a node for the IODE Ocean Biodiversity Information System (OBIS). This collaboration between the secretariat and OBIS will further enhance, through the OBIS platform, global access to the biodiversity data held in the Authority's DeepData database, including taxonomic information, species abundance and distribution. The metadata will also be shared with the IODE Ocean Data and Information System Catalogue of Sources.

¹¹ See [ISBA/26/C/43](#).

VI. Status of the voluntary trust fund for the purpose of defraying the cost of participation of members of the Commission and of the Finance Committee from developing countries

24. In paragraph 23 of its decision [ISBA/25/C/37](#), the Council noted with concern the sharp deficit in the voluntary trust fund for the purpose of defraying the cost of participation of members of the Commission and of the Finance Committee from developing countries in meetings of the Commission and of the Committee. The Secretary-General made several appeals for contributions to address the deficit.

25. As at 31 August 2021, recent contributions had been made by China (\$40,000), France (\$20,000), the Philippines (\$7,500) and DeepGreen Metals Inc. (\$15,000). In addition, five contractors made voluntary contributions of \$6,000 each in 2021. The fund balance currently stands at \$118,504. However, the amount is still insufficient to defray the costs of participation of members from developing countries in the next in-person meetings of the Commission and of the Finance Committee.

VII. Recommendations

26. The Council is invited to take note of the present report and to provide guidance as necessary.
