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**Status of contracts for exploration and related matters,
including information on the periodic review of the
implementation of approved plans of work for exploration**

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Report of the Secretary-General

I. Introduction

1. The present addendum should be read in conjunction with the report prepared for consideration by the Council during the first part of the twenty-sixth session, in February 2020 (ISBA/26/C/4), which covered the period from 1 January to 31 December 2019. The addendum provides an update to 31 August 2021.

II. Status of contracts for exploration and related matters

2. A contract for exploration for polymetallic nodules relating to an application for approval of a plan of work submitted by Blue Minerals Jamaica Ltd. and approved by the Council on 10 December 2020 entered into force on 4 April 2021, after being signed by the Secretary-General.

3. By 31 January 2021, applications for the extension of approved plans of work for exploration for polymetallic nodules had been received from the following seven contractors: Interoceanmetal Joint Organization; JSC Yuzhmorgeologiya; the Government of the Republic of Korea; China Ocean Mineral Resources Research and Development Association; Deep Ocean Resources Development Co. Ltd.; Institut français de recherche pour l'exploitation de la mer; and Federal Institute for Geosciences and Natural Resources. Each applicant requested a contract extension of five years. The Legal and Technical Commission expeditiously considered the applications in their order of receipt during its remote meetings held from 12 to 15 and from 26 to 29 April 2021 and made recommendations for consideration by the

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



Council at its following meeting.¹ It should be noted that, in accordance with the transitional provision,² in the event that an application for extension of a contract has been duly submitted in accordance with the present procedures, but the contract would otherwise expire on a date after the next scheduled meeting of the Commission but prior to the next scheduled meeting of the Council, the contract and all rights and obligations under the contract shall be deemed to be extended until such time as the Council is able to meet and approve the report and recommendations issued by the Commission in respect of that contract.

III. Periodic review of the implementation of approved plans of work for exploration

A. Update on periodic reviews since 17 December 2019

1. Update on the status of periodic reviews as reported on 17 December 2019

4. As mentioned in the previous report to the Council (ISBA/26/C/4), seven periodic reviews of the implementation of approved plans of work for exploration were in progress at the time of reporting, all of which are now complete. The contracts reviewed and the respective completion dates are as follows: UK Seabed Resources Ltd., polymetallic nodules, first contract (13 July 2020); China Ocean Mineral Resources Research and Development Association, cobalt-rich ferromanganese crusts (20 January 2020); Government of the Republic of Korea, polymetallic sulphides (13 July 2020); Institut français de recherche pour l'exploitation de la mer, polymetallic sulphides (6 July 2020); Global Sea Mineral Resources NV, polymetallic nodules (26 October 2020); Marawa Research and Exploration Ltd., polymetallic nodules (15 September 2020); and Ocean Mineral Singapore Pte. Ltd., polymetallic nodules (26 October 2020). The following may be noted with regard to UK Seabed Resources Ltd. and Ocean Mineral Singapore Pte. Ltd.

Periodic review of the implementation of the approved plan of work for exploration for polymetallic nodules by UK Seabed Resources Ltd.

5. Regarding exploration expenditure, it was noted that, because of the move to an annual budget planning cycle, UK Seabed Resources Ltd. had not been able to provide a revised schedule of expected yearly expenditure in 2021 and 2022, except for training. The Secretary-General therefore stated that he expected the proposed expenditure for 2021, as well as for future years, as determined by the annual budget planning of UK Seabed Resources Ltd., to be communicated by the contractor in due course and before the beginning of each budget year.

Periodic review of the implementation of the approved plan of work for exploration for polymetallic nodules by Ocean Mineral Singapore Pte. Ltd.

6. As part of the review, on 7 August 2020, the Secretary-General held a joint review meeting with Ocean Mineral Singapore Pte. Ltd. to follow up on and resolve matters that had been identified during the secretariat's review of the activities of that contractor over the past five-year period and its proposed programme of activities for the next period. One such matter was the delay, caused by the coronavirus disease (COVID-19) pandemic, in conducting training for nationals of developing States for the first five-year period. Considering the exceptional situation, it was agreed to defer

¹ See [ISBA/26/C/31](#), [ISBA/26/C/32](#), [ISBA/26/C/33](#), [ISBA/26/C/34](#), [ISBA/26/C/35](#), [ISBA/26/C/36](#) and [ISBA/26/C/37](#).

² [ISBA/21/C/19](#), para. 16.

consideration of the future training programme until 30 April 2021. During the joint review, Ocean Mineral Singapore Pte. Ltd. was able to provide, to the satisfaction of the Secretary-General, greater detail of its achievements during the past five-year period and of its plans as summarized in the proposed programme of activities for the next period.

2. Status of periodic reviews started after 17 December 2019

7. Subsequent to the report to the Council referred to in paragraph 4 above, seven reports were submitted pursuant to the periodic review of the implementation of the approved plan of work for exploration, namely, by the Federal Institute for Geosciences and Natural Resources (polymetallic sulphides), the Ministry of Natural Resources and Environment of the Russian Federation (cobalt-rich ferromanganese crusts), Companhia de Pesquisa de Recursos Minerais S.A. (cobalt-rich ferromanganese crusts), UK Seabed Resources Ltd. (polymetallic nodules, second contract), the Government of India (polymetallic sulphides), the Cook Islands Investment Corporation (polymetallic nodules) and Nauru Ocean Resources Inc. (polymetallic nodules). The status of each review is provided below.

Periodic review of the implementation of the approved plan of work for exploration for polymetallic nodules by the Federal Institute for Geosciences and Natural Resources

8. The report of the contractor was received on 4 August 2020. For the purposes of the review, the Secretary-General requested and received a further detailed schedule 2 to the contract for the second five-year period, with planned activities itemized on an annual basis. The review was completed on 15 December 2020.

Periodic review of the implementation of the approved plan of work for exploration for cobalt-rich ferromanganese crusts by the Ministry of Natural Resources and Environment of the Russian Federation

9. The report of the contractor was received on 31 March 2020 in the Russian language, and a courtesy translation into English, which was used for the purpose of the review, was received on 30 June 2020. After reviewing the report, the Secretary-General wrote to the contractor on 7 December 2020 seeking additional details on the environmental aspects of the programme of activities for the next five years, with a request to consider increasing the number of training placements to 10, as recommended by the Commission.³ In its response of 17 March 2021, the contractor provided the requested information and increased the training placements to 10. The review was completed on 4 June 2021.

Periodic review of the implementation of the approved plan of work for exploration for cobalt-rich ferromanganese crusts by Companhia de Pesquisa de Recursos Minerais S.A.

10. The report of the contractor was received on 4 August 2020. The review was put on hold pending the completion of other periodic reviews already in progress. The report did not include a proposed programme of activities for the next period; furthermore, clarifications and additional details on some of the information provided in the report were needed. Consequently, on 10 March 2021 the Secretary-General wrote to the contractor requesting a proposed programme for the next period and clarifications on geological sampling data and on training placements offered to nationals of developing States, as well as information on the effect on its activities of one missed planned cruise during the period under review, together with any

³ ISBA/19/LTC/14, para. 16.A.4.

remediation action to be taken, as necessary. On 24 May 2021, the contractor submitted the requested information, which was deemed satisfactory by the Secretary-General, and the periodic review was consequently completed in August 2021.

Periodic review of the implementation of the approved plan of work for exploration for polymetallic nodules by UK Seabed Resources Ltd. (second contract)

11. The report of the contractor was received on 17 December 2020. After reviewing the report, the Secretary-General wrote to the contractor requesting that it submit a proposed programme of activities for the full five-year period, the expected expenditure for the full five years and a completed periodic reporting summary checklist (self-evaluation checklist) before he could proceed with the review. The contractor submitted the requested information, which is currently being reviewed by the secretariat. The Council will be provided with an update in the next report.

Periodic review of the implementation of the approved plan of work for exploration for polymetallic sulphides by the Government of India

12. The report of the contractor was received on 17 May 2021 and is currently under review by the secretariat. The Council will be provided with an update in the next report.

Periodic review of the implementation of the approved plan of work for exploration for polymetallic nodules by the Cook Islands Investment Corporation

13. The report of the contractor was received on 15 July 2021 and is currently under review by the secretariat. The Council will be provided with an update in the next report.

Periodic review of the implementation of the approved plan of work for exploration for polymetallic nodules by Nauru Ocean Resources Inc.

14. The report of the contractor was received on 30 July 2021 and is currently under review by the secretariat. The Council will be provided with an update in the next report.

B. Periodic reviews due in 2021

15. The table in the annex to the present report provides a breakdown of the periodic reviews due in 2021 and to be reported to the Commission and the Council.

C. Guidance for contractors on the content, format and structure of periodic review reports

16. During the first part of the twenty-sixth session, the Commission, with support from the secretariat, developed a template for periodic review reports. The template provides guidance on the content, format and structure that contractors should provide or use in preparing five-year periodic review reports, with a view to ensuring consistency in reporting and assisting in potentially reducing the contents of reports to the most relevant information only. Standardized reports should also facilitate self-evaluation by contractors. The template was shared with all contractors.

17. Contractors welcomed the template, as it clarifies the information that they should provide and how they should prepare periodic review reports, and all recent reports have been based on the template. The secretariat has also found that the

streamlined structure and content of the reports thus submitted facilitate their review, resulting in shorter review times.

IV. Recommendations

18. The Council is invited to take note of the status of the contracts for exploration, the information on the periodic review of the implementation of approved plans of work and the applications for extension of contracts.

Annex**Periodic reviews due in 2021**

<i>Contractor</i>	<i>Type of resource</i>	<i>Expiration of five-year period^a</i>	<i>Status</i>
Ministry of Natural Resources and Environment of the Russian Federation	Cobalt-rich ferromanganese crusts	9 March 2020	Completed
Companhia de Pesquisa de Recursos Minerais S.A.	Cobalt-rich ferromanganese crusts	8 November 2020	Completed
UK Seabed Resources Ltd. (second contract)	Polymetallic nodules	28 March 2021	In progress
Cook Islands Investment Corporation	Polymetallic nodules	14 July 2021	In progress
Nauru Ocean Resources Inc.	Polymetallic nodules	22 July 2021	In progress
Government of India	Polymetallic sulphides	26 September 2021	In progress
China Ocean Mineral Resources Research and Development Association	Polymetallic sulphides	17 November 2021	–
Tonga Offshore Mining Limited	Polymetallic nodules	10 January 2022	–

^a Not later than 90 days prior to the expiration of each five-year period from the date on which the contract enters into force, the contractor and the Secretary-General shall jointly undertake a review of the implementation of the plan of work for exploration under the contract (sect. 4.4 of the standard clauses for exploration contract ([ISBA/19/C/17](#), annex IV, [ISBA/16/A/12/Rev.1](#), annex 4, and [ISBA/18/A/11](#), annex IV)).