

Item 14
ISBA/26/C/39

Italy would like to commend the Finance Committee for its hard work on the issue of equitable sharing of financial and other economic benefits derived from activities in the Area, especially considering the pioneering topic it dealt with. As the distinguished delegate of Spain underlined, we are discussing the core of the goals of the Authority and I thank him for having so clearly identified the key issues of the equitable sharing of these benefits. And we certainly share the principle that while deciding the relevant regulations on this matter the Council will need to bear in mind the rights of the future generations on the non-renewable resources of the seabed in the Area.

With respect to the questions raised in Annex II, Italy is of the view that the Sustainability Fund represents a proper tool to avoid the complexities that equitable sharing formulas could entail.

For this reason, Italy supports the creation of such Fund.

However, as it has been made clear in a number of comments to the DR throughout the stakeholders' consultations, Italy would like to insist that such Sustainability Fund shall be kept distinct from the Liability Fund which the 2011 Advisory Opinion by the Seabed Dispute Chamber of the ITLOS on the responsibility of Sponsoring States suggested to create, which has completely different purposes.

We are convinced that the Sustainability Fund should be used to support and advance marine scientific research with a view to promote the sustainable use of the resources of the ocean, for the amelioration of the available technology for the effective protection of the marine environment and for capacity building and transfer of technology.

With respect to the other questions posed in Annex II, Italy wonders whether future revenues from exploitation activities will be able to compensate increases in the administrative budget of the Authority, while at the same time fulfilling their goal of contributing to a proper sharing of benefits from the exploitation activities in the Area. In this perspective, a more detailed study by the Financial Committee is very welcomed.

Finally, as for the criteria for access to future economic assistance fund provided for under article 151 of the UNCLOS, first of all Italy wishes to reiterate that only funds received from contractors and voluntary contributions shall be used to such end.

Given the amount of work of the LTC, that is currently required to perform the functions of the Economic Planning Commission, we are of the view that the topic should be addressed later in time, after the approval of the first plan of work for exploitation. It is, indeed, well known that commercial production will not start immediately after the approval of such a plan and enough time can be devoted to this issue when it will be the case.