

CANZ STATEMENT: ISA 22nd Session 11-22 July 2016

Mr. President,

It is my honour to make this statement on behalf of Canada, New Zealand, and my own country Australia. We congratulate you on your election as President.

As the Authority continues its valuable work in regulating the Area, we urge it to proceed with caution, based on science, to manage the mineral resources of the Area while ensuring that the marine environment is protected from any harmful effects which may arise from mining exploration and exploitation.

New Zealand, Canada, and Australia look forward to continuing to work closely with the ISA as it carries out this important work.

We urge the Authority, through the LTC, to continue its work on exploitation regulations as a matter of priority.

We are gratified to see the release of the zero draft exploitation regulations has been shared this week. CANZ countries are looking forward to assessing the draft regulations in detail and providing our input in line with the November 2016 timetable.

While this is welcome progress, there remains a need to keep working on the regulations at pace.

Exploitation regulations must be in place soon, so that activities in the Area can proceed on an equal footing, and guided by clear parameters. Those regulations must be underpinned by commercial principles to promote investment on a level playing field – and incorporate best practice environmental management. The regulations should draw on existing knowledge and best practice – and they must also be able to respond and adapt as the activities change and as more information comes to light about ongoing activities.

We encourage the Authority to be forward-looking and to build on current momentum to achieve this goal.

And we note support for setting timelines to finalise and agree exploitation regulations within 5 years, with milestones and a plan for achieving these milestones.

It will be essential for environmental regulations to be developed in parallel with the current draft exploitation regulations. Environmental assessment and management will be key to regulating exploitation. And the two sets of regulations are a package which together make up the the mining code. The full suite of regulations will need to be considered together at each stage of drafting - the LTC, Council, and Assembly.

We urge the LTC to progress its agreed work on exploitation regulations with openness and transparency.

We welcome the practice of calling for and drawing on stakeholders' views – through formal submissions, workshops and in-session engagement. The workshop on transparency held during this session has been valuable and we express our thanks to PEW consultants for their contribution in hosting this workshop.

While work continues with the regulations, it will be important to move forward in other areas.

We would like to reiterate the importance of the review of the Environmental Management Plan (EMP) for the Clarion Clipperton Zone (CCZ). This work is essential to the good management of the marine environment in the area, which is a core function of the Authority.

We note that the Council had planned to hold a workshop for review of the EMP for the CCZ before this 22nd Session. We hope the workshop will be held before the ISA's 23rd session.

We welcome the ongoing efforts in respect of the Atlantic region and encourage work in other regions. We also note and support environmental management plans being recognised as a key component of the exploitation regulations as they are essential to ensure the marine environment is protected and preserved.

We are pleased to see the recent release of Technical Study 15, "A Study of Key Terms in Article 82 of UNCLOS". This study, along with the past work done by the Authority, will be helpful when this now-dormant provision becomes relevant.

We encourage the Authority to continue to include Article 82 in its work plan. There is increasing exploration activity in the continental shelf beyond 200 M of several Members, though exploitation remains years in the future.

Mr. President, at a time when the Authority is facing a mounting workload, we need to ensure the working methods of the Council assist the Authority's overall efficiency and effectiveness. CANZ continues to consider how to improve the ISA's institutions and working methods.

CANZ welcomes the interim report of the article 154 review. We note the concerns expressed with respect to the interim report, principally relating to methodologies of the report, and look forward to seeing these concerns addressed in the final report. Having said this, the interim report provides some useful ideas for ensuring that the Authority can be "fit for purpose" for the next phase of its work, and the move towards exploitation.

We think there is an opportunity to take up some of the proposals which seem to have broad based support.

In particular, we would be supportive of the proposal (in recommendation 31) to develop a strategic plan to guide the Authority's activities, with budgeting decisions being taken by reference to agreed priorities. The first strategic plan should reinforce the existing priority on exploitation regulations and scale up work on environmental management.

In line with this, we can see the need to reinforce skills and experience in the Secretariat to support strategic priorities (recommendation 37). We think increasing the level of environmental expertise in the future for the Legal and Technical Commission (LTC) and Secretariat (as proposed in recommendation 9) will serve the priority on marine environment protection and preservation in the work of the Authority.

And a more open LTC (as proposed in recommendation 17) would provide opportunities for experts and stakeholders to input to ongoing work, in a way that benefits all. To this end, we also look forward to the timely preparation of the

stakeholder consultation and participation strategy by the Secretariat, as noted in the LTC's summary report.

Mr President, Canada, New Zealand, and Australia look forward to the final report of the Article 154 review in 2017. The timing and resourcing needs for adoption of its various recommendations will need to be carefully considered by the Authority, as part of its forward planning.

Mr President, aside from this Article 154 review, CANZ welcomes the Council's own efforts to be clearer about what it expects from other organs of the Authority – in particular from the Secretariat and the LTC. When the Council considers a particular issue is a priority it should be clear about this and set out its expectations (including timeframes) in a Council decision, as it did in 2014 and 2015. We were pleased to note that this practice was also recommended by the Article 154 Review interim report (recommendation 16).

Through its decisions, the Council has a clear opportunity to highlight the issues which the Council wants to see taken forward over the coming year and make specific requests of the LTC and Secretariat. CANZ believes these decisions improve the coherence of the whole Authority, and enhance the cooperation between the organs of the authority.

Clear priority deliverables are exactly what we need at this point. We welcome the efforts of parties to reach consensus on a decision this year. We believe this approach has helped, and we support this model on an ongoing basis.

Thank you, Mr. President.