



Council

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Eleventh session

Kingston, Jamaica
15-26 August 2005

Statement of the President on the work of the Council at the eleventh session

1. The eleventh session of the International Seabed Authority was held at Kingston from 15 to 26 August 2005.

Adoption of the agenda

2. At its 94th meeting, on 15 August 2005, the Council adopted the agenda for the eleventh session (ISBA/11/C/1).

Election of the President and Vice-Presidents of the Council

3. At the 94th meeting, on 15 August 2005, Park Hee-kwon (Republic of Korea) was elected President of the Council for 2005. Subsequently, following consultations in the regional groups, the representatives of Jamaica (Latin American and Caribbean States Group), Canada (Western European and Other States Group), Russian Federation (Eastern European Group) and Nigeria (African Group) were elected as Vice-Presidents.

Election to fill vacancies on the Legal and Technical Commission

4. Michael Wiedicke-Hombach (Germany), Mahmoud Samir Samy (Egypt), Adam M. Tugio (Indonesia) and Syamal Kanti Das (India) were elected to fill the vacancies on the Legal and Technical Commission caused by the death of Helmut Beiersdorf (Germany) and the resignations of Mohammed M. Gomaa (Egypt), Ferry Adamhar (Indonesia) and M. Ravindran (India).

Consideration and approval of the recommendation of the Legal and Technical Commission of the approval of a plan of work for exploration from Germany

5. At its 100th meeting, on 22 August 2005, the Council considered the report and recommendations of the Legal and Technical Commission relating to an application for approval of a plan of work for exploration for polymetallic nodules in the International Seabed Area by Germany, represented by the Federal Institute for Geosciences and Natural Resources of Germany.

6. A total of 23 members of the Council and 2 observers spoke to welcome the application by Germany. The Secretary-General said that the consideration and approval of the German application within the framework of the United Nations Convention on the Law of the Sea and the 1994 Agreement relating to the Implementation of Part XI of the Convention, as well as the Regulations for Prospecting and Exploration for Polymetallic Nodules in the Area represented an important milestone. The application for a plan of work for exploration by Germany was the first such new application to have been made since the Convention had entered into force. As such, it represented confidence in the International Seabed Authority and in the system established to administer the resources of the Area. The representative of Germany expressed his appreciation to the Council for its approval of the plan of work for exploration. He took note of the interest expressed by members of the Council in the training programme proposed by Germany and explained that training would be provided for up to 10 people. The details of the training would be developed in due course, prior to signature of the contract for exploration.

7. The Council, acting on the basis of the data and information submitted by Germany and the recommendation of the Legal and Technical Commission, decided to designate Sectors W2 and E2 as specified in annex II of document ISBA/11/C/7 as the area reserved for the Authority. It further decided to allocate Sectors W1 and E1 as specified in the same document as the exploration area for Germany. The Council also decided to request the Secretary-General to take the steps necessary to issue the plan of work for exploration in the form of a contract between the Authority and Germany. The decision of the Council is contained in document ISBA/11/C/10.

Report of the Finance Committee

8. At its 101st meeting, on 22 August 2005, the Council received the report of the Finance Committee, contained in document ISBA/11/A/8-ISBA/11/C/9.

9. The Council took note of the report and decided to recommend to the Assembly to adopt the following recommendations made by the Finance Committee:

- (a) To appoint Deloitte & Touche as independent auditor for 2005 and 2006;
- (b) To urge the members of the Authority to pay their assessed contributions to the budget on time and in full and to contribute to the voluntary trust fund;
- (c) To approve the assessed contributions of Burkina Faso, Denmark and Latvia, which had become new members of the Authority in 2004 and 2005, towards the administrative budget of the Authority and the Working Capital Fund for 2004 and 2005;
- (d) To approve the recommendations relating to the balance of the fund for fees paid by former registered pioneer investors contained in paragraph 12 of the Committee's report.

Report of the Legal and Technical Commission

10. At its 102nd meeting, on 23 August 2005, the Council received a report of the Chairman of the Legal and Technical Commission (ISBA/11/C/8) on the work of the Commission during the eleventh session. The Council acknowledged with

appreciation the work done by the Commission and took note of the contents of the report. With respect to the voluntary fund to support the participation of members of the Commission from developing countries, the representative of Trinidad and Tobago announced the intention of his Government to contribute the sum of \$10,000 to the fund.

11. In response to questions raised by several delegations concerning the size and composition of the Commission, the Secretary-General reminded the Council that, at previous elections, the Council had used its powers under article 163, paragraph 2, of the Convention to increase the size of the Commission, but that this had been without prejudice to future elections. The next election of all the members of the Legal and Technical Commission would take place in 2006. Members of the Council took note in particular of the need for members of the Commission to have an appropriate mix of relevant skills and qualifications, as envisaged in article 165 of the Convention.

12. The Secretary-General informed the Council that he had taken note of the various concerns and suggestions raised by the Legal and Technical Commission relating to possible future workshops by the Authority and the future work of the Commission and that he would examine how the concerns of the Commission could be accommodated within the work programme of the Authority. Several members of the Council also commented on the review and evaluation by the Commission of the annual reports of contractors. It was noted that the relationship between the contractors and the Authority was governed by the standard clauses contained in the Regulations for Prospecting and Exploration for Polymetallic Nodules in the Area. The Regulations also set out in detail the procedures for periodic review of the plan of work for exploration through consultations between contractors and the Secretary-General as well as the procedures for reporting thereon to the Commission and to the Council.

Consideration of the draft regulations for prospecting and exploration for polymetallic sulphides and cobalt-rich ferromanganese crusts in the Area

13. The Council carried out a first reading of the draft regulations on prospecting and exploration for polymetallic sulphides and cobalt-rich ferromanganese crusts proposed by the Legal and Technical Commission (ISBA/10/C/WP.1).

14. The Council took note of the explanatory notes provided by members of the Legal and Technical Commission in document ISBA/11/C/5. Nevertheless, the Council considered that further explanation and elaboration was required with respect to certain aspects of the draft regulations. The Council requested the Secretary-General, in consultation, as necessary, with the Legal and Technical Commission, to provide the Council with a more detailed analysis and elaboration of the following aspects of the draft regulations:

(a) With respect to prospecting, the Council requested further clarification of the relationship between prospecting and exploration and the justifications for the specific changes proposed by the Commission;

(b) With respect to the size of areas for exploration, the Council requested that further information be provided on the proposed system of allocating exploration blocks and the way in which it might operate in practice, as well as on

the proposed schedule for relinquishment and its consistency with the provisions of the Convention;

(c) With respect to draft regulations 16 and 19, relating to the proposed system for participation by the Authority, the Council requested a more detailed analysis of how the draft provisions might operate in practice in the light of the comments and opinions expressed in the Council.

15. It was noted that, compared to the regulations on prospecting and exploration for polymetallic nodules, the draft regulations contained additional provisions aimed at protection and preservation of the marine environment. Many members of the Council supported the need for effective protection of the marine environment from the actual and potential adverse impacts of exploration activities. It was noted that some of the studies carried out by the Authority had suggested there was a greater risk of environmental damage from exploration for sulphides and crusts compared to exploration for polymetallic nodules, where the risk was comparatively low. Nevertheless, the Council also considered that it would be helpful if it could be provided with a more detailed analysis of the proposed changes to the draft regulations and their relationship to the provisions of the Convention and the Agreement. Particular concern was raised over the proposed changes to the language in draft regulations 33 to 36. It was suggested that further explanation of these changes would be useful.

16. The Council further noted that it would be necessary for the draft regulations to include appropriate provision, consistent with the Convention and the Agreement, for resolving overlapping claims made by different applicants. It was also noted that the draft regulations did not appear to reflect fully the anti-monopoly provisions contained in Annex III of the Convention. The Secretary-General was requested to provide clarification on these issues at the next session.

17. The Council agreed to resume consideration of the draft regulations at its next session. In the meantime, the secretariat would prepare a revised text of the draft in order to address some of the technical issues that had been raised during the session as well as to correct a number of errors in translation that had been noted by delegations. The secretariat would also provide additional technical papers and analyses of the more complex issues to guide the discussions of the Council at its next session. These would be made available well in advance of the session so that members of the Council would have adequate time to consider the issues in detail.

Next meeting of the Council

18. The next meeting of the Council will be held in 2006.
