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Status of contracts for exploration issued in accordance with the Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area

Report of the Secretary-General

1. By the final session of the Preparatory Commission for the International Seabed Authority and for the International Tribunal for the Law of the Sea, seven pioneer investors had been registered by the General Committee under the provisions of resolution II of the Third United Nations Conference on the Law of the Sea. The registered pioneer investors were: India, on 17 August 1987; Institut français de recherche pour l'exploitation de la mer/Association française pour l'étude et la recherche des nodules (IFREMER/AFERNOD) (France), Deep Ocean Resources Development Company Ltd. (DORD) (Japan) and Yuzhmorgeologiya (Union of Soviet Socialist Republics (now Russian Federation)), all on 17 December 1987; China Ocean Mineral Resources Research and Development Company (COMRA) (China), on 5 March 1991; Interoceanmetal Joint Organization (IOM) (Bulgaria, Cuba, Czech and Slovak Federal Republic (now Czech Republic and Slovakia)), Poland and Union of Soviet Socialist Republics (now Russian Federation)), on 21 August 1991; and Republic of Korea, on 2 August 1994.

2. In accordance with paragraph 6 (a) (ii) of section 1 of the annex to the Agreement for the implementation of Part XI of the United Nations Convention on the Law of the Sea, of 10 December 1982, a registered pioneer investor was entitled to request approval of a

plan of work for exploration within 36 months of the entry into force of the Convention, that is, by 16 November 1997. Pursuant to that provision, all seven registered pioneer investors submitted to the Secretary-General requests for approval of their plans of work for exploration on 19 August 1997. In accordance with the provisions of the Agreement, such plans of work consisted of the documents, reports and other data submitted to the Preparatory Commission both before and after registration, as well as the certificate of compliance issued by the Preparatory Commission in accordance with resolution II, paragraph 11 (a).¹

3. The requests for approval of plans of work for exploration were considered by the Legal and Technical Commission on 21 August 1997. In relation to each request, the Legal and Technical Commission ascertained that the requirements of the Agreement had been met. At its 22nd meeting, on 27 August 1997, the Council, acting on the recommendation of the Legal and Technical Commission, noted that, in accordance with paragraph 6 (a) (ii) of section 1 of the annex to the Agreement, the plans of work for exploration submitted by the seven registered pioneer investors were considered to be approved and requested the Secretary-General to take the necessary steps to issue the plans of work in the form of contracts incorporating the applicable obligations under the provisions of the

Convention and the Agreement and resolution II, and in accordance with the regulations for prospecting and exploration for polymetallic nodules in the Area and a standard form of contract to be approved by the Council.²

4. In July 2000, the Assembly, on the recommendation of the Council, approved the Regulations for Prospecting and Exploration for Polymetallic Nodules in the Area, including the standard form of exploration contract and the standard clauses for exploration contracts.³ Thereafter, in accordance with the directive of the Council, it became incumbent upon the Secretary-General to prepare draft contracts for exploration in respect of each of the seven registered pioneer investors and accordingly draft contracts were prepared and submitted to each of the registered pioneer investors in August 2000.

5. Following discussions with each of the pioneer investors, the first contracts for exploration were signed on 29 March 2001 at the headquarters of the Authority. The contract between the Authority and the State Enterprise Yuzhmorgeologiya (Russian Federation) was signed by the Secretary-General and the Deputy Minister-State Secretary of the Ministry of Natural Resources of the Russian Federation, Ivan F. Gloumov. The contract between the Authority and IOM was signed by the Secretary-General and the Director-General of IOM, Ryszard Kotlinski. On the same date, the Secretary-General also signed a contract with the Republic of Korea, which was signed at Seoul on 27 April 2001 by the Minister for Maritime Affairs and Fisheries of the Republic of Korea, Woo-Taik Chung.

6. The contract between the Authority and COMRA was signed by the Secretary-General and Jin Jiancai, Secretary-General of COMRA, at Beijing on 22 May 2001. The contract between the Authority and DORD was signed by the Secretary-General and Toshio Takada, the President of DORD, at Kingston on 20 June 2001. On the same date, the contract between the Authority and IFREMER/AFERNOD was signed by the Secretary-General and the Permanent Representative of France to the Authority, Pierre - Antoine Bernard, on behalf of the President/Director-General of IFREMER.

7. In accordance with the provisions of the Regulations, each contractor has provided, as schedule 2 of the contract, its programme of activities for the first five-year period under the contract. In addition,

pursuant to section 6.1 of the standard clauses, contingency plans had been submitted by Yuzhmorgeologiya and IOM. In the case of DORD, a letter had been submitted to the Secretary-General confirming that no at-sea activities will take place during the first five years of the contract. Contingency plans will be submitted by COMRA and IFREMER/AFERNOD in due course.

8. The contract between the Authority and India had not yet been signed when the present report was prepared, nor had any programme of activities been proposed. At the present time, no date for signature has been established.

Notes

¹ In the case of the Republic of Korea, which was unable to obtain a certificate of compliance before the Preparatory Commission concluded its work, a statement describing the status of the implementation of the obligations by the registered pioneer investor was issued in lieu of the certificate of compliance (ISBA/3/C/6).

² ISBA/3/C/9.

³ ISBA/6/A/18.