SEABED AUTHORITY SIGNS CONTRACT FOR EXPLORATION OF POLYMETALLIC NODULES IN A RESERVED AREA BY NAURU OCEAN RESOURCES INCORPORATED

The International Seabed Authority and the Nauru Ocean Resources Inc. signed a 15-year contract for prospecting and exploration for polymetallic nodules by the corporation in a specified reserved area of the deep oceans outside the limits of national jurisdiction.

Mr. Nii Allotey Odunton, Secretary-General of the Authority, signed for the organization, and David Heydon, Director of Nauru Ocean Resources Inc, signed for the company. Michael Aroi, Acting Secretary for Foreign Affairs of Nauru, represented his government which is sponsoring the company in the enterprise.

The application area of Nauru Ocean Resources Inc. covers a total of 74,830 km² in the Clarion-Clipperton Zone of the Pacific Ocean. The area lies within the reserved areas and is divided into four regions.

Welcoming Mr. Heydon, Secretary-General Odunton said Nauru’s application represented a first by a developing State entity for exploration in reserved areas of the international deep seabed Area. It represented a milestone in the life of the Authority.

Mr. Heydon said his company looked forward to working with the Authority. It would carry out its responsibilities and obligations by providing to the Authority scientific, engineering and environmental data gathered in its exploratory activities. The results should determine whether the Authority could take the next step in mining marine minerals.

Nauru Ocean Resources Inc. is wholly owned by the Nauru Education and Training Foundation and the Nauru Health and Environment Foundation.
The Legal and Technical Commission, an expert body of the International Seabed Authority, considered the company’s application in closed meetings on 4, 5 and 6 July 2011. It noted that the updated information submitted by the applicant superseded the initial information contained in the application that had been submitted in 2008.

According to the Commission’s report contained in document ISBA/17/C/9, all the stakeholders in the company are Nauran and domiciled in Nauru. The Nauru Education and Training Foundation and the Nauru Health and Environment Foundation are controlled by Nauru and will distribute within the State the income the company received from mineral production in the Licence Area. The Nauru Education and Training Foundation will distribute its share of the income to promote education and capacity-building in Nauru, while the Nauru Environment Foundation will use its share for health services and environmental rehabilitation in Nauru.

The Authority has previously signed contracts with eight entities since the Nodule Regulations was adopted on 13 July 2000.

Also present at the signing ceremony were Michael Lodge, Legal Counsel of the Authority; Peter Thomson, Permanent Representative of Fiji to the United Nations in New York, and President of the Assembly during the 17th session of the Authority, and Andrzej Przybycin, President of the Council, and Deputy Director of the Department of the Geological Concessions of the Ministry of the Environment of Poland.