Extension of the first set of exploration contracts, new applications for approval of plans of work for exploration and the development of draft regulations for exploitation of polymetallic nodules in the deep seabed beyond the limits of national jurisdiction (the Area) are among priority issues to be debated when the twenty-second annual session of the International Seabed Authority convenes in Kingston, Jamaica, from 11 to 22 July 2016.

Other matters before the session include an interim report on the way the legal regime for the Area had operated in accordance with Article 154 of the United Nations Convention on the Law of the Sea, and elections to the Finance Committee, the Legal and Technical Commission, the Council and for a Secretary-General of the Authority.

On the extension of exploration contracts, six issued by the Authority in 2001 for the exploration for polymetallic nodules in the Area will expire in 2016. The contractors have each applied for a five-year extension which were examined by the Authority’s expert body, the Legal and Technical Commission, at its first session of 2016 (22 February to 4 March). The Commission’s recommendations are expected to be considered by the Authority’s executive Council at its July session.

Another priority item on the Commission’s agenda is the development of the draft minerals exploitation regulations for which a time frame of 12 to 18 months for its completion was agreed upon in 2015. An initial draft text was scheduled to be circulated to all stakeholders in March 2016 for their comments and observations before its submission to the Council in July 2016.

The Authority has since 2000 formulated and adopted Regulations for Exploration for polymetallic nodules in the Area (adopted on 13 July 2000, and later updated and adopted 25 July 2013); polymetallic sulphides in the Area (adopted 7 May 2010 and amended in 2013 and 2014); and cobalt-rich ferromanganese crusts in the Area (adopted 27 July 2012 and amended in 2013). Pursuant to these Regulations, the Legal and Technical Commission has issued recommendations for the Guidance of contractors, covering, among others, content, format and structure of their annual reports; exploration expenditure reporting; and assessment of
environmental impacts resulting from their operations in the Area. There is also a guide for contractors and Sponsoring States on training programmes under plans of work for exploration.

The elections will be for a Secretary-General for the period 2017-2020; half of the 36-member Council; the 25-member Legal and Technical Commission and also for the 15-member Finance Committee, whose term of office, like those on the Commission, expire on 31 December 2016.

The Secretary-General will be elected from among a list to be proposed by the Council. The candidates, so far, are the current Secretary-General, Nii Allotey Odunton (Ghana), and the Legal Counsel and Deputy to the Secretary-General, Michael Lodge (United Kingdom).

Officers of the twenty-second session to be elected will be a nominee of the Asia and Pacific Group, for the presidency of the Assembly; and a nominee of the Eastern European States Group for the presidency of the Council. Each of the other regional groups could nominate Vice-Presidents of the Assembly and the Council. A Credentials Committee will be appointed.

Established in 1994 with the entry into force that year of the 1982 United Nations Convention on the Law of the Sea, the Authority administers the mineral resources of the deep seabed beyond areas of national jurisdiction (described by the Convention as the Area), and the sharing of the economic benefits with all States, including the land-locked and geographically disadvantaged. It is also required under the Convention and the 1994 Agreement relating to the Implementation of Part XI of the Convention to ensure the effective protection of the marine environment from harmful activities.

Finance Committee

At its meetings before the opening of the session, the Authority’s Finance Committee will consider the Secretary-General’s proposed budget for the organization for the financial period 2017-2018, and review the implementation of the 2015-2016 budget and audited financial statements. It will consider potential cost-savings measures taken by the Authority since the last session.

The Committee will review the status of the Authority’s Working Capital Fund, the status of the International Seabed Authority Endowment Fund for Marine Scientific Research in the Area, the Voluntary Trust Fund as well as the status of the implementation of the International Public Sector Accounting Standards.

The Finance Committee members will take note of a report of the Secretary-General (ISBA/22/FC/2) prepared in response to its request at the last session, on the possibility, from a legal perspective, of considering advances from the Endowment Fund to the Voluntary Trust Fund to be grants.

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The **Voluntary Trust Fund** was established in 2002 to help members of the Authority from developing countries participate fully in the meetings of the Legal and Technical Commission and the Finance Committee. It is funded by members of the Authority and others.

The **Endowment Fund**, established in 2006, promotes and encourages the conduct of marine scientific research in the Area for the benefit of mankind as a whole. It carries this out by supporting the participation of qualified scientists and technical personnel from developing countries and also by providing them with opportunities to be involved in relevant initiatives.

According to the Authority’s Secretariat, as at 20 May 2016, a total of 111 scientists or government officials from 45 countries have been beneficiaries of financial support from the Endowment Fund.

An annex to the Secretary-General’s report to the Finance Committee shows the total amounts transferred from the Endowment Fund to the Voluntary Trust Fund to date.

**Legal and Technical Commission**

At its February 2016 meetings, the **Legal and Technical Commission** focused on priority items on its agenda, including the applications for five-year extensions of the six contracts for exploration for polymetallic nodules in the Area and the development of the minerals exploitation regulations.

The six contractors are: Yuzhmorgeologiya sponsored by the Russian Federation, the Interocceanmetal Joint Organization sponsored by Bulgaria, Cuba, Czech Republic, Poland, the Russian Federation and Slovakia, the Government of the Republic of Korea, the China Ocean Mineral Resources Research and Development Association sponsored by China, Deep Ocean Resources Development Co. Ltd sponsored by Japan, and the Institut français de recherche pour l’exploitation de la mer.

The Commission examined the applications and its recommendations were expected to be submitted to the Council at its July session.

Substantive work on the draft minerals exploitation regulations include a zero draft of the text, standard contract terms based on the working structure already agreed upon and a technical implementation plan. To assist the Commission, the Secretariat has produced three discussion papers – available on its website - covering dispute resolution; data and information management; and the development of a communications and engagement strategy for the Authority to ensure active stakeholder participation in the development of the exploitation code.

Also on the Commission’s agenda are proposals on environmental impact assessment and their evaluation as well as other environmental issues which would be regulated by the code.
According to a report of the Secretary-General (ISBA/22/C/5), 24 contracts for exploration had entered into force as at 27 April 2016 (15 for polymetallic nodules, 5 for polymetallic sulphides and 4 for cobalt-rich ferromanganese crusts).

The report also states that two new contracts had been signed since July 2015. They are a contract for exploration for cobalt-rich ferromanganese crusts, signed with a Brazilian company, Companhia de Pesquisa de Recursos Minerais S.A. in Brasilia, on 9 November 2015; and a contract for exploration for polymetallic nodules signed with the UK Seabed Resources Ltd. in New York on 29 March 2016.

Three other contracts are expected to be signed this year: one with the Cook Islands Investment Corporation for exploration for polymetallic nodules; another with the Government of India for exploration for polymetallic sulphides; and the third with China Minmetals Corporation for exploration.

The Commission is scheduled to meet again from 4 to 11 July to act on any new applications for approval of plans of work for exploration; review reports of exploration contractors as well as its own recommendations on possible environmental impacts arising from exploitation of marine minerals.

It will review reports on the outcomes and recommendations of workshops on the standardization of the taxonomy of the mega, macro and meiofauna associated with polymetallic nodules. The standardization is said to be relevant to the baseline biological data being gathered by contractors for polymetallic nodules, the Environmental Management Plan for the Clarion-Clipperton Fracture Zone (CCZ) in the Pacific, the proposed impact and preservation zones and environmental impact assessment.

Other matters referred to the Commission last year by the Council, but which were not acted upon due to time constraints, would be taken up at its July meetings. They include issues relating to the operation of the projected mining arm of the Authority, the Enterprise, and sponsorship by States of contracts for exploration in the Area.

Christian Reich (Germany) and Elva Escobar-Briones (Mexico) were re-elected Chairman and Vice-Chairman, respectively, of the Commission at its first session in February.

The Legal and Technical Commission oversees seabed activities, including issue of recommendations on work plans, protection of the marine environment and the establishment of a pollution monitoring programme. It is also empowered to supervise, formulate and review regulations and procedures for seabed activities and to assess their environmental implications.
Council

Among the 22 items listed on the provisional agenda of the Council are reports of the Finance Committee and the Chairman of the Legal and Technical Commission on their deliberations in 2016. The Council is expected to act on any specific recommendations of the Commission, such as applications for extension of contracts for exploration. It will also consider a progress report on the Commission’s elaboration of the minerals exploitation regulations, as well as its responses to matters the Council had previously referred to it.

Other topics on the Council’s agenda are the status of national legislation concerning deep seabed mining and related matters; legal questions concerning potential conflicts between the right of all States to carry out marine scientific research in the Area and the Authority’s obligations under exploration contracts. It will also make recommendations to the Assembly on the Finance Committee’s proposals on the Authority’s budget for the financial period 2017-2018 and the scale of assessment for contributions to it.

The Council will elect members of the Legal and Technical Commission for a new term of five years starting from 1 January 2017. The term of office of the current members ends on 31 December 2016.

At the last session, a note of the Secretary-General to the Council on the elections (ISBA/21/C/6) stressed the importance of the qualifications of the candidates, particularly the securing of appropriate combination of relevant expertise that would determine the effective discharge of the Commission’s functions as it intensified its efforts to formulate a regulatory regime for minerals exploitation. Equally important, according to the note, was the issue of the independence of Commission members and the avoidance of any actual or perceived conflict of interest.

The first election of Commission members was held in August 1996. After failing to agree on the balance of regional representation on the Commission, the Council took advantage of a provision in the Convention (article 163, paragraph 2) to increase the size of the Commission from 15 to 22, without prejudice to future elections. The same procedure was repeated for the elections in 2001, 2006 and 2011. On each occasion, the Council approved all the candidates submitted, increasing the number of seats on the Commission from 15 to 24 in 2001 and to 25 in 2006 and 2011, without prejudice to future elections and the claims of the regional groups and interest groups.

Assembly

The Assembly will consider the annual report of the Secretary-General which is submitted pursuant to article 166 of the Convention. It will also consider an interim report of the committee it established in 2015 to undertake a general and systematic review of how the international regime of the Area had operated in accordance with Article 154 of the Convention.
The Committee is chaired by Helmut Tuerk of Austria, a former Judge of the International Tribunal on the Law of the Sea and President of the Assembly at the Authority’s 2015 session.

Article 154, part XI, of the Convention provides that: “Every five years from the entry into force of this Convention, the Assembly shall undertake a general and systematic review of the manner in which the international regime of the Area established in this Convention has operated in practice. In the light of this review the Assembly may take, or recommend that other organs take measures, in accordance with the provisions and procedures of this part and the annexes relating thereto which will lead to the improvement of the operation of the regime.”

The Committee’s terms of reference include, among others, a review of the manner in which the various organs and subsidiary bodies of the Authority have operated in practice and whether they have carried it out effectively as stipulated in paragraph 5 of the annex to the 1994 Agreement Relating to the Implementation of Part XI of the Convention.

The Assembly will act on recommendations on the Authority’s budget for the financial period 2017-2018 prepared by the Finance Committee and first considered by the Council.

In addition to electing members of the Finance Committee for a new term of office, the Assembly will fill vacancies in the Council: two in Group A (major consumers or major net importers of metals; one in Group B (major investors); two in Group C (major net exporters and developing State major exporters); three in Group D (group of special interests); and twelve vacancies in Group E (members of regional groups), all for the period 2017 to 2020. The Assembly, to which all members of the Authority belong, will elect the Secretary-General.

Membership of the Authority

The Authority’s 167 members, as at 15 January 2015, are as follows:
Albania, Algeria, Angola, Antigua and Barbuda, Argentina, Armenia, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belgium, Belize, Benin, Bolivia, Bosnia and Herzegovina, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Cameroon, Canada, Cape Verde, Chad, Chile, China, Comoros, Congo, Cook Islands, Costa Rica, Côte d’Ivoire, Croatia, Cuba, Cyprus, Czech Republic, Democratic Republic of the Congo, Denmark, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, Equatorial Guinea, Estonia, European Union, Fiji, Finland, France, Gabon, Gambia, Georgia, Germany, Ghana, Greece, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hungary, Iceland, India, Indonesia, Iraq, Ireland, Italy, Jamaica, Japan, Jordan, Kenya, Kiribati, Kuwait, Lao People’s Democratic Republic, Latvia, Lebanon, Lesotho, Liberia, Lithuania, Luxembourg, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Marshall Islands, Mauritania, Mauritius, Mexico, Micronesia (Federated States of), Monaco, Mongolia, Montenegro, Morocco, Mozambique, Myanmar, Namibia, Nauru, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Niue, Norway,
Oman, Pakistan, Palau, Panama, Papua New Guinea, Paraguay, Philippines, Poland, Portugal, Qatar, Republic of Korea, Republic of Moldova, Republic of Serbia, Romania, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Sao Tome and Principe, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Slovakia, Slovenia, Solomon Islands, Somalia, South Africa, Spain, Sri Lanka, State of Palestine, Sudan, Suriname, Swaziland, Sweden, Switzerland, Thailand, The former Yugoslav Republic of Macedonia, Timor-Leste, Togo, Tonga, Trinidad & Tobago, Tunisia, Tuvalu, Uganda, Ukraine, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, Uruguay, Vanuatu, Vietnam, Yemen, Zambia and Zimbabwe.

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