

Deep Sea Conservation Coalition
21 March 2022 afternoon Open-ended Working Group

Thank you Mr President

We want to associate ourselves with the comments made by Costa Rica about externalities, and specifically environmental externalities.

The Briefing Note suggests that the only relevance of environmental matters is to the sustainability and liability funds. This ignores the valuation of ecosystem services including the potential degradation of carbon sequestration services provided by the marine biological pump or adverse impacts on tuna and other fisheries (e.g. in the Clarion Clipperton Zone); and loss of future benefits from marine genetic resources to both present and future generations. Even more important is valuing the damage that will be caused to these ecosystem services.

Also relevant is the natural capital value. Valuing natural capital enables accounting for nature's role in the economy and human well-being. Natural capital generates ecosystem services. The studies have made no attempt to value either, and nor is there any scientific rationale behind the quantum of the proposed funds. This work must be done before any damage to ecosystem services and natural capital takes place.

Lest there be any confusion, insurance and financial bonds, or as it is called in the Regulations, environmental guarantee, perform a completely different function. Insurance insures against specified unforeseen events, and bonds, called here environmental guarantees, are intended to guarantee contractor performance.

The joint report after discussing land mining regimes states that (and I quote)"A similar regime seems suitable for deep seabed mining in particular considering the many technological and economic uncertainties surrounding these projects today". (unquote) This turns the precautionary principle on its head. Instead, the technological uncertainties, combined with the scientific uncertainties, mean that the potential damage to the environment must be measured with great care and considerable uncertainty combined with the significant risk means that the mining should not be undertaken. To date, it has not been measured at all. This is not the first time this has been brought to the attention of the Authority.

In conclusion, Mr President, the payment mechanism cannot be finalised until the externalities including damage to natural capital and ecosystem services have been quantified and it has been demonstrated that deep-sea mining would not result in irreversible damage to biodiversity and ecosystem functioning.

Thank you