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Council of the International Seabed Authority (Twenty-fifth session – Second Part)

Item 11. Draft Regulations for exploitation of mineral resources in the Area

Statement by Republic of Korea (Ambassador Lee, Young Gyu)

July 17, 2019

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< Part 3 : Rights and obligations of Contractors >

- Thank you, Madame President.
- Before making specific remarks on the draft regulations concerning Part 3, we would like to express our general view that what is embodied in the Convention and the establishment of the Authority regarding the activities in the Area, is to pursue its sustainable development, while mitigating the environmental impact that this could bring about.
- According to the Article 140 of the Law of the Sea Convention, “activities in the Area shall be carried out for the benefit of mankind as a whole”. And Article 150 of the Convention states that “Activities in the Area shall ... be carried out ... with a view to ensuring : (a) the development of the resources of the Area” and so on. Based on the spirit underlined in those articles, Korea is of the view that it is important to ensure that the activities in the Area are made feasible, since without these activities, no benefits can be shared. In this regard, we’d like to revisit Article 17 of Annex 3 to the Convention, which we think requires that contractors’ financial burden at the initial phase of exploitation should be considered to a reasonable degree.
- It seems that according to Regulation 18 para. 7, the fees applied during the exploration phase are required at the exploitation phase. As a result, the contractors

may have to make payment of both applicable fees under Regulation 18 para. 7 and annual reporting fee under Regulation 84. This could cause double burdens on the contractors, considering that exploration can continue even after they enter into the exploitation phase. Korea is of the view that we should avoid the overlap of payments and need further reviews on how to coordinate the multiple fees imposed by the regulations.

- Thank you, Madame President.