

# International Seabed Authority

**Press Release**



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## **SEABED ASSEMBLY BEGINS CONSIDERATION OF REPORT OF AUTHORITY'S SECRETARY-GENERAL**

The Assembly of the International Seabed Authority this morning began discussion of the annual report of the Authority's Secretary-General on the organization's activities for the past year and some aspects of its 2005-2007 work programme which includes its supervisory functions for contracts for exploration for polymetallic nodules and standards for protection and preservation of the marine environment.

It elected Bangladesh, Brazil, Poland and South Africa as Vice-Presidents of the Assembly, representing the Asian, Latin America and the Caribbean, Eastern European and African groups respectively. The following States were appointed to the Credentials Committee: Argentina, Austria, Finland, Jamaica, Japan, Pakistan, Slovakia, Sudan and Uganda.

The Assembly is scheduled to continue its debate of the Secretary-General's report on Tuesday, 23 August.

Introducing his report, Satya N. Nandan, who was re-elected last year to a third four-year term as Secretary-General, reviewed the state of the Authority, its activities and future projects under the current three-year (2005-2007) programme of work.

He referred to the proposal in his report about the establishment of a trust fund to enable scientists from developing countries which are members of the Authority to participate in matters relating to scientific research in the international seabed Area. He said something had to be done to improve the situation. The programme would promote capacity building in the developing countries envisaged in the Convention. One source of funding for the proposal could be from the funds accruing to the Authority from fees paid for processing applications for the approval of plans of work from contractors.

Referring to some of the substantive work of the Authority, he mentioned the contracts for exploration for polymetallic nodules, the draft regulations on prospecting and exploration for polymetallic sulphides and cobalt-rich ferromanganese crusts deposits in the Area. He also dwelt at length on the Authority's work in the area of protection of marine environment and biodiversity. The Authority had convened a workshop, the seventh in a series, to assist the Legal and Technical Commission prepare guidelines for use by potential contractors in the establishment of environmental baselines and an associated monitoring programme. Considerable attention was being paid to protection of the marine environment. In many ways the Authority was ahead of every one in that respect, he said.

He drew attention to the progress of work on the resource assessment and geologic model for the Clarion-Clipperton fracture zone and expressed gratitude to those who had provided information for the project.

Earlier, the Secretary-General said he had written to States who had signed the United Nations Convention on the Law of the Sea but had not become party to the 1994 Agreement (seabed mining provisions), to consider doing so. He also urged States to consider early ratification of or accession to the Protocol on Privileges and Immunities which, he added, provided essential protection to representatives of member States attending meetings of the Authority or traveling to or from those meetings.

As at 30 June 2005, 37 members of the Authority were in arrears for a period of two years or more, he said, and urged them to honour their commitments. He said that Iraq, which was among those countries, had indicated that it would rectify the situation. Turning to the Voluntary Trust Fund, which was the subject of prolonged debate at the last session, particularly in the Finance Committee, he said that figures in the report concerning the fund had changed since its publication. The balance in the Fund was now \$23,438. The fund was meant to help developing countries participate in the work of the Legal and Technical Commission and the Finance Committee.

He said the Authority's Library contained a comprehensive collection of reference materials on relevant subject matters. It served the needs of member States attending meetings at headquarters or workshops as well as those of the permanent missions and researchers interested in the law of the sea and ocean affairs.

He also said there seemed to be an ambiguity or discrepancy in the wording of the provisions in the Convention relating to election of members of the Legal and Technical Commission. He said the English and Spanish texts were correct. There was no limit to the number of terms members of the Commission could serve.

### **Secretary-General's report**

The Secretary-General's report (document ISBA/11/A/4) observes that the immediate priority for the Authority is the development of a regulatory regime for prospecting and exploration for polymetallic sulphides and cobalt-rich ferromanganese crusts. The Authority's Council is currently considering the draft regulations, which were drawn up by the Legal and Technical Commission.

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As previously indicated, the Authority's three-year work programme (2005-2007) will continue to focus, among other matters, on its supervisory functions with respect to existing exploration contracts for exploration for polymetallic nodules; the development of an appropriate regulatory regime for the future development of the mineral resources of the international seabed Area, particularly hydrothermal polymetallic sulphides and cobalt-rich ferromanganese crusts, including standards for the protection and preservation of the marine environment during their development and encouragement of marine scientific research there.

Other areas of focus will be the ongoing assessment of available data relating to prospecting and exploration for polymetallic nodules in the CCZ. Action will continue in information-gathering and the development of unique databases of scientific and technical information to obtain a better understanding of the deep ocean environment.

The report notes that a number of positive developments had taken place since the last report, and refers, in particular, to the project to establish a geological model and prospectors' guide of polymetallic nodule deposits in the Clarion-Clipperton Fracture Zone in the Pacific Ocean. In keeping with the model project milestones identified by contractor representatives and the team of technical experts assisting the Authority with its implementation, the report states that a midterm meeting will be convened in 2006 to review the progress of the project and a decision taken on the specific methods to be employed to complete it.

The Secretariat will further its efforts to promote international collaboration in marine scientific research related to minerals in the international seabed Area. The Kaplan project, a collaborative effort with a number of institutions, will produce its first set of detailed results and analyses by the end of the summer of 2005.

The Secretary-General proposes a trust fund to boost participation of scientists from developing member countries of the Authority in its efforts to promote marine scientific research in the international seabed Area is proposed. Their limited role has become increasingly apparent. Preference will be given to scientists affiliated with universities or research institutions in developing countries. The report states that one source of funding for the proposed programme could be the funds accruing to the Authority from the fees paid for processing applications by contractors for the approval of plans of work.

The report reiterates the need for strengthening the technical capabilities of the Secretariat in view of the Authority's increasingly technical and scientific requirements. A Geographic Information Systems Officer (P3), a Marine Geologist (P4) and a Geostatistician (P3) have been recruited in the past year. In addition, a Senior Security Officer (P2) was recruited to replace a previous incumbent who had retired.

On the Voluntary Trust Fund, the report states that an expenditure of \$42,111 was incurred in providing assistance to eligible participants in the meetings of the Finance Committee and the Legal and Technical Commission during the Authority's tenth session. As at 30 June 2005, the fund's balance stood at \$71,387.

On budgetary and financial matters, the report states that when inflationary factors were considered, the 2005 and 2006 budget of US\$10,800,000 adopted last year represented another budgetary decrease in real terms. For the financial period 2003-2004, the Authority expended 99 per cent of the contributions received which totalled US\$10,002,662, and represented 94 per cent

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of total assessed contributions. There remained a cumulative surplus for the period of \$114,816, representing just 1 per cent of the available income.

As regards contributions to the Authority's budget, the report states that as at 30 June 2005, 66 per cent of the value of the contributions due from member States and the European Community to the 2005 budget had been received from 30 per cent of the Authority's membership. Contributions remaining outstanding from member States for prior financial periods (1998-2004) totalled \$447,193.

### **Discussion of Secretary-General's report**

Delegations welcomed the Secretary-General's report describing it as comprehensive, informative and forward-looking. They also applauded the proposal about the establishment of the trust fund to train scientists from developing countries, and to improve their capacities to participate in research work in the international seabed Area.

The representative of Jamaica, as host country, said that following cabinet approval, the Government of Jamaica had signed the Supplementary Agreement between Jamaica and the Authority related to the Headquarters Agreement between the two countries. From Jamaica's point of view, the Agreement had entered into force, he said. The Government had therefore fully discharged its responsibilities. (The Secretary-General's report had said the Agreement was being provisionally applied pending its approval by the Government of Jamaica. The Assembly adopted the Supplementary Agreement on 11 June 2004).

Jamaica's representative said his Government would work assiduously to enhance cooperation with the Authority. It was also committed to ensuring a good environment for the Authority to work.

The representative of Indonesia said the proposal on the training of scientists from developing countries was a timely one, as the Authority's work was entering the scientific domain. The proposal should be elaborated, he said, and expressed his country's full support for it.

The United Kingdom's representative said an issue overlooked in the report was the need for adequate security for the Authority's staff in Kingston. The Secretary-General had rightly drawn attention to States becoming party to the 1994 Agreement reasonably soon. He regretted that some States were more than two years behind in their contributions to the Authority's budget. He congratulated the Authority for its comprehensive library and website for which the Secretary-General must be congratulated. He hoped there would be more interaction between the Council and the Legal and Technical Commission. He hoped procedures could be worked out to reinforce cooperation between the two bodies as the Council continued its examination of the draft regulations which was prepared by the Commission. He welcomed the proposals on the training of scientists from developing countries.

Portugal said it had ratified the Convention and all associated agreements, and it was extremely committed to the Convention. The drafting of the new regulations was a difficult task and his delegation would follow it with interest and cooperation. Portugal would continue to contribute to the exploitation of the seabed resources in accordance with the Convention.

The representative of Nigeria announced her government's pledge of \$5,000 to the Voluntary Trust Fund for participation of developing countries' members of the Legal and Technical Commission and the Financial Committee. Nigeria offered to host a conference by the Authority to sensitize African States about its work as well as potential contractors about commercial mining of seabed resources and the conservation of marine ecosystems. The Authority should take cognizance of the need for training African personnel, transfer of technology at appropriate levels to the region and exchange of information, she stated.

The representative of Iraq said his government intended to integrate the country fully into the world community and had already taken steps to honour its international commitments, including paying its contributions to the Authority's budget.

Canada said his delegation endorsed the Secretary-General's call for the use of the ecosystem-based approach to the management of the resources of the ocean. The Canadian delegation looked forward to participating in the ongoing consideration of the new draft regulations. It would seek to ensure that those regulations contained safeguards to protect and preserve the marine environment. He said any decisions or recommendations by the Authority must await the outcome of the United Nations General Assembly's Working Group on Rain Biodiversity in the areas beyond national jurisdiction scheduled for February 2006.

The Ugandan delegate said the Voluntary Trust Fund had generated active participation of developing countries experts in the work of the Legal and Technical Commission and the Financial Committee. She also welcomed the proposed fund for developing countries scientists. It would help the development of capacity-building in those countries envisaged in the Convention, she added.

Chile said it was fully satisfied with the Secretary-General's report and expressed appreciation for the Secretariat's work. He thanked the Legal and Technical Commission on its work on the new regulations and urged the protection and preservation of the marine environment. He also described the Secretary-General's proposal on the trust fund for scientists from developing countries as a timely one, adding that his delegation would work to ensure its fruition.

The representative of The Netherlands said it was "a bit regrettable" that the report did not indicate in what way the Authority saw as contributing to its work, the establishment of the inter-agency mechanism created by the United Nations General Assembly, the "Oceans and Coastal Areas Network UN-Oceans". The whole issue of marine biodiversity required very broad approach in which the skills and the knowledge of the many different international organizations were brought into the discussion. She invited the Authority to contribute on the basis on the knowledge it had gathered over the years. She reiterated the European Union's intention to strive for an implementing agreement on the subject of the marine biodiversity in areas beyond national jurisdiction.

Commenting on the relations between the Legal and Technical Commission and the Council, she said it was very important that the Council utilize the Commission's expertise as it worked on the new mining code. She hoped the Finance Committee would provide some thoughts on the creation of new trust funds.

Sudan said it was fully committed to the ratification of the 1994 Agreement. It also welcomed the proposed trust fund for scientists from developing countries and encouraged its early establishment. That delegation, supported by South Africa also welcomed the proposed trust fund.

Pakistan expressed appreciation of the Secretary-General's detailed report, referring in particular to the impressive lists of publications, workshop proceedings and joint publications of the Authority. Those documents, he said, contained a wealth of knowledge and valuable information on various aspects of seabed exploration and mining techniques for polymetallic nodules and other commercially important minerals. His government appreciated the assistance provided to a delegate from his country under the Voluntary Trust Fund.

The representative of the Russian Federation said the Financial Committee should study the proposal and provide information to the Assembly on what other sources of financing the programme was available.

Addressing the response of delegates to the call for a fund to encourage increased participation of scientists from developing countries in research activities in the Area, the Secretary-General said a more detailed proposal would be worked out at a later date. He assured the Assembly that proper procedures would be followed in setting up any such fund. With regard to security of employees at the ISA headquarters, he said that all possible efforts were made to ensure that proper security arrangements were in place. The Secretary-General welcomed the suggestion by Nigeria for that country to host a conference and said he would lend his support to Nigeria's efforts in that regard. He expressed appreciation for the Nigeria pledge of \$5,000 for the Voluntary Trust Fund.

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