

Speaker: Mr Daniele Bosio

Item 14 – Report of the Chair of the Legal and Technical Commission

(Extended version)

Thank you, Mr President.

Italy wishes to thank the Chair of the LTC for his comprehensive report and congratulate with all members for their hard work.

Regarding the request by Ifremer for the postponement of 1 year of the relinquishment of part of its contract area for exploration for polymetallic sulphides on the Mid-Atlantic Ridge, we acknowledge that the coronavirus pandemic has to be considered as an exceptional and unforeseen circumstance, and, in light of this, we agree that Ifremer should be granted the deferral. At the same time, we commend COMRA, which has been able to conduct the necessary studies to relinquish part of the area under contract for exploration for cobalt-rich ferromanganese crusts in the Pacific Ocean.

We would like to underline the disparity in performance by contractors which is highlighted by the Commission in relation to the reports of the annual activities, with only half of the contractors apparently stepping up their activities and investing more financial resources than planned, while the other half are lagging behind their own schedules.

Unfortunately, the Council is not informed of the identity of the contractors that are not fully complying with their obligations. As reiterated many times by my delegation, Italy believes that the Council should be duly informed about the entities that are not performing at the same satisfactory level as others. This is particularly relevant when the delays concern the collection of sufficient environmental and baseline data and the implementation of monitoring programmes to capture the temporal variability of relevant environmental proxies, which are crucial for the definition of thresholds that would feed into the environmental standards of the exploitation regulations.

In this respect, we do believe that these repeated delays should be carefully taken into account especially in approaching the exploitation phase, where the conduct of

contractors throughout their exploration activities shall be thoroughly and appropriately assessed by the Commission.

The LTC chair's report also gives account of situations where a minority of contractors are appearing to rely on the work undertaken in other contract areas, probably within publicly funded projects that have fostered collaboration between the private sector and the scientific community and have significantly enhanced deep sea studies in the Area. This is not acceptable, provided that one of the missions of an exploration licence in area which is the common heritage of mankind is to generate knowledge for the whole international community.

By the same token, let me also express, Mr President, our concern for the circumstances described in paragraph 21 of the Chair Report. The lack of response from contractors on the requests by the Commission to perform gap analysis appears disrespectful of the many and widely shared commitments to increase our knowledge of the deep-sea.

Mr President, regarding the application for approval of a plan of work for exploration by Circular Metals Tuvalu Ltd., Italy observes with concern the unfolding of the events after Tuvalu withdrew its sponsorship. The request by Circular Metals Tuvalu to postpone the analysis of its plan of work until, and I quote 'Circular Metals changes its nationality and sponsorship', is a wakeup call for all of us to reflect, and possibly agree, on a definition of effective control, including in the exploitation context. In this respect, we also look forward to discussing, at the next meeting of the Council, the draft procedure and criteria for consideration of a request for the transfer of rights and obligations under a contract for exploration that was approved by the LTC.

Mr President, Italy wishes to commend the work of the LTC in assessing and considering the numerous stakeholder comments, including ours, on the draft REMP on the northern Mid-Atlantic Ridge. As the document is not yet available, at this stage we are not able to comment on the revised draft, in particular on the progress of the Commission on non-spatial management to mitigate effects at the regional ecological scale and the outcome of the standardisation development process for REMP. A preliminary comment on the third bullet point of para 37, we wish to reiterate that the SIMP zoning must assure that no direct or indirect impact will occur within that area. The definition of the zoning should be carried out in the light of the best available scientific knowledge and possibly in collaboration with the scientific community to ensure an unbiased representation of the local environmental characteristics within the SINP-area. Monitoring activities will have to be implemented to ensure the active avoidance of environmental impact in SINPs.

We therefore reserve to read the document and make specific comments during the third part of the session, in consideration of the fact that, to our knowledge, regional-scale ecological processes and ecosystem functions have not been addressed during the development of the REMP and that these need to be addressed in a revised version of the REMP and in any case before a plan of work for exploitation is approved.

In this respect, let me remark, Mr President, that for the future meetings of the ISA, it could be helpful for the summer session that the LTC meets well before the Council, so that the Secretariat has enough time to make available to the delegations the documents (at least three in this case) which provide part of the substance of this Report of the Chair.

Italy also takes notes that the Commission reviewed the recommendations for the guidance of contractors for the assessment of the possible environmental impacts arising from exploration for marine minerals in the Area, including guidance to contractors on stakeholder consultation process. In the wake of the adopted draft, we believe that this work made by the LTC will be informative for the further drafting of regulation 48 bis on test mining and to address the concerns raised yesterday on how to make an effective EIA for test-mining.

We note, Mr President, that the Commission decided, for the time being, not to authorise the Secretary general to include the EIS of NORI in its plan of work. We concur that lacking appropriate information on the Environmental Management and Monitoring Plan it is not appropriate to proceed with the proposed exploration activities.

Let me now add, Mr President, some auspices for the future. Italy is aware that the busy agenda of the LTC has often led the Commission not to analyse each of its items. We regret to see that very relevant topics, which by their nature require longer consideration and careful determinations, have long not been addressed. I am mainly referring to LTC agenda items 15,16,17, respectively dealing with issues relating to the test of effective control; the alignment of all regulations on the offering of an equity interest in a joint arrangement; and issues associated with Marine Scientific Research in exploration area. My delegation is of the opinion that the analysis and study of all these topics would certainly have a beneficial impact even for our current deliberations on the exploitation regulations.

We also would like to restate our request that the LTC also consider specific guidance for contractors in the field of Impact Reference Zone and Preservation Reference Zones. This is a crucial matter, even more as we are approaching the exploitation

phase. Clearer and prescriptive guidance on this matter, we believe, would also increase the quality and quantity of the environmental data collected by contractors. We look forward to seeing this relevant topic in the next LTC agenda and more in general in the plan of activity of the Commission for the next 5 years.

To conclude, Mr President, the last chapter of the report is dedicated to a summary of the work done by the LTC in the past six years. We are aware of the heavy workload of the Commission, and we count on the next LTC to continue in the footsteps of the current. Italy wishes to express gratitude to members of the LTC concluding their mandates at the end of the year for their service and their endurance.

Thank you very much, Mr President.