



29^a Session of the International Seabed Authority

Meeting of the Council

Second part

Statement of Italy

Item 15 – Report of the Finance Committee

Thank you Mr President,

Italy is a strong supporter of the International Seabed Authority as one of the major tools the UNCLOS provides to the International Community for effective and sustainable governance of the Seas and the Ocean. We feel we need a functioning and fully operational ISA in support to the state of law at sea.

Based on that, allow me to make some general remarks on the report of the FC and on the budget proposal before getting into some more detailed comments.

As a Country with long institutional memory in this Council, let me remind that over the last few years, this Council has requested the Secretariat to perform an increasing number of functions and activities to ensure that the authority fulfils its multifaceted mandate.

I will just mention a few, like the development of regional environmental management plans for priority regions, the development of environmental threshold for exploitation activities - a unique endeavour for the science-policy interface - and the convening of a third session of the council over the past few years.

Mr President, we need to recognize that all such new work has come with no additional or extraordinary budgetary commitment by members of the Authority. All the work has been carried out within the allocated financial resources. There is no doubt that this has required enormous efforts and remarkable flexibility by the Secretariat in changing priorities and planned activities with a view to meet the requests of the Council.

Notwithstanding the increased workload, the budget of the authority has not increased over the year or has relatively increased compared to other budgets of sister organizations, including the International Tribunal for the law of the sea in Hamburg, Germany.

As the sixth contributor to the regular budget of the Authority, my country has carefully looked into the budget proposed by the Secretary-General. My delegation fully appreciates the zero growth approach pursued by the Secretary-General. We nonetheless recognise that without sufficient resources the Authority will be unable to:

- comply with the obligation to regulate activities in the Area, through the development of the regulatory framework for the exploitation of mineral resources of the Area;

- act to effectively protect the marine environment from harmful effects which may arise from activities in the Area;
- ground its decision-making on best available science, as mandated under UNCLOS;
- fulfill its task to develop capacity and ensure technology transfer through the organization of workshop, seminars and deep-sea literacy activities;
- Oversee activities carried out by contractors in accordance with its obligation to supervise and control of activities in the area.

Mr President, we are grateful for the hard work carried out by the finance committee in its recent meeting which led to a revised budget proposal under our consideration. However, my delegation looks with certain concern that such revised budget appears not to be fully in line with the estimated financial and budgetary implications associated with the expected evolution of the work of the authority over the period from 2025 to 2030 discussed by the assembly last year. Particularly, we express concern about the decision to strike out a stakeholder consultation officer position, despite this council has repeatedly expressed the need for enhanced consultation of all actors having an interest in the common heritage of mankind. It is certainly not credible that such enhanced stakeholder consultations can be carried out within the very limited resources allocated to the programme on communication and outreach activities.

Mr President, allow me to also make some brief specific comments on the report of the finance committee:

- We take note that in the implementation of the budget for 2023 some over expenditures amounting to around 1% of the total budget is recorded. We agree with the request of the Committee to be provided with a more detailed analysis of expenditures with a view to ensure that the approved budget is not overrun. We trust that the Secretariat will make every effort to ensure that no further over expenditure takes place in the future.
- we wish to commend the work of the Secretary-General in collecting arrears from Members of the Authority. On the specific case of the application of article 184 of the Convention, my delegation believes that additional discussion is needed. While specific and peculiar circumstances of some member states shall be taken into account, we do believe that every case needs to be thoroughly assessed, in line with the UN practice, in order to effectively encourage Member States to pay their assessed contributions in full.
- we greatly prize the pioneering work carried out by the Finance Committee in the development of rules, regulations and procedures on equitable sharing of benefits deriving from activities in the Area. We commend the Secretariat for the proposal on the draft financial regulations of the Common Heritage Fund that was analysed by the Finance Committee. My delegation looks forward to a comprehensive report by the Finance Committee on the matter that would allow both the Council and the Assembly to move their consideration further.
- on the matter of reclassification, Italy welcomes clarity on the existing policies for reclassification of posts. We however would like to reiterate that an evolutionary approach applies to this organization. This entails that also the functions and tasks of the staff of the Authority might change over time based on the increased workload. We shall not forget that the administration of the staff is ultimately a responsibility of the



Secretariat as the administrative organ of the Authority and we believe that any reclassification carried out so far is in the best interest of the organisation and supports its growing portfolio of activities.

- we welcome the request of the Finance Committee to report on standard of accommodation on air travel, in line with the UN practice. We wish to stress that such practice originated from a General Assembly decision, and as such we would expect the Assembly to do the same, before the Secretary-General takes action in this respect. We look forward to receiving the requested information at the end of the budget cycle, and therefore before the 30th session of the Assembly.
- my delegation finally wishes to thank the Finance Committee for its work on the budgetary implication of the second periodic review. We appreciate the effort of the Committee to identify a range of financial provisions to undertake it. We however note that such range appears to be considerably large and does not allow for a proper evaluation of the expenditures Member States would incur in.

On the basis of these considerations, we support the recommendations expressed by the Committee. In particular we express support to the approval of the budget, and we would not like to see further reductions to it.

Thank you very much Mr President.