

## FAQs for Media on the role of the International Seabed Authority in regulating the exploration and exploitation of deep-seabed resources outside of national jurisdiction

## 1. Recent Developments with <u>US Executive Order</u> and <u>The Metals</u> <u>Company</u>

# Q. What is the International Seabed Authority's reaction to The Metals Company (TMC) announcing that its TMC USA subsidiary has initiated an application for a license to mine under the existing US seabed mining code and bypass ISA?

**A.** ISA is aware of the intention announced by TMC USA to pursue mining in the Area under US domestic law, as well as the company's public commentary on ISA's procedures.

While companies are free to express their views, it is important to reiterate that the legal mandate to regulate mineral-related activities in the Area (the seabed beyond coastal countries' national jurisdictions) rests solely with ISA, as enshrined in the United Nations Convention on the Law of the Sea (UNCLOS).

As a result, no private entity or State may undertake such activities outside this framework without contravening the international legal regime — including customary international law — that governs the Area as the common heritage of humankind. Any action outside this multilateral system undermines this principle.

The international legal regime established under UNCLOS provides that:

• The Area and its mineral resources are the common heritage of humankind. Therefore, the claim or exercise of sovereignty or sovereign rights over any part of the Area or its resources; and the appropriation, alienation or exercise of any right with respect to the minerals recovered from the Area, is prohibited for any State or natural or juridical person.

- Unilateral exploitation of resources that belong to no single State, but to all of humanity, is prohibited.
- This applies to all States, whether they are Parties to UNCLOS or not, as constitutes general international law and customary international law.
- All activities in the Area must be conducted under the organization and control of the International Seabed Authority, in accordance with UNCLOS and the 1994 Agreement.
- States have a duty not to recognize any claim, acquisition of resources or exercise of rights over the resources of the Area that is made in any manner other than in accordance with Part XI of the Convention, the 1994 Implementation Agreement, and the rules, regulations and procedures of ISA.

Thus, any commercial exploitation outside of national jurisdiction carried out without the authorization of ISA would constitute a violation of international law, from which arises international responsibility. Activities outside the international legal framework would compromise the integrity of the whole Convention and the comprehensive regime it establishes. It would undermine the legitimacy of the multilateral system, essential for the international community to organize and coordinate their respective rights and duties in a space that belongs to all.

In an <u>official statement</u> in March 2025 at the 30<sup>th</sup> session of ISA, the Secretary-General of ISA expressed deep concern over TMC's announcement to seek a US permit for deep-sea mining, bypassing ISA's established framework. Secretary-General Carvalho emphasized that such unilateral actions violate international law and undermine the principle of the seabed as the common heritage of humankind, as enshrined in the Convention. She reaffirmed ISA's exclusive mandate to oversee all mineral-related activities in the Area and called for continued multilateral cooperation to ensure that seabed resources are managed for the benefit of all humanity.

Following that statement, Member States broadly reiterated their commitment to the organization and its exclusive role in regulating activities in the Area under international law. In that sense, it was reaffirming to see that virtually all States, especially those States that currently have exploration contracts with ISA and could have plans to proceed to next phases toward exploitation, strongly rejected the possibility of acting outside the system and without ISA.

# Q. How will ISA respond to TMC's activities in international waters - especially if they overlap with contract areas already allocated by ISA?

**A.** While it is premature to comment on specific scenarios or hypothetical overlaps at this stage, in which it is currently merely an intention without an application, ISA remains fully committed to upholding its legal mandate under UNCLOS. Any exploration or exploitation activities in the Area must be conducted under a contract with ISA and in accordance with the rules, regulations and procedures it has established.

We will continue to monitor developments and engage with all stakeholders, including Member States, in line with our responsibilities. We will also pursue work on finalizing the Mining Code as a central priority, according to the Council's decision of July 2023 (ISBA/28/C/24), which

sets a goal to finalize the Mining Code during ISA's 30th session, if the regulations are ready for adoption.

# Q. What is ISA's reaction to US Executive Order Unleashing America's Offshore Critical Minerals and Resources?

**A.** While the US has not ratified UNCLOS, it recognizes the Convention as reflecting customary international law, including the legal framework governing seabed activities, which is binding on all States including the United States. The state practice of the United States has been consistent on this view. Additionally, the US is a signatory to the 1994 Agreement, related specifically to Part XI of UNCLOS, which addresses the Area, but has not ratified it. The US has also engaged with ISA as an observer since 1998, regularly attending meetings of both the Council and the Assembly and contributing substantively to the development of the draft regulations.

Under Article 137 of UNCLOS, all rights to the mineral resources of the Area are vested in humanity (or society) as a whole, due to their legal nature as common heritage of humankind. One of the consequences of this status is the prohibition of appropriation and alienation by any State or natural or juridical person. This applies to all States, whether they are Parties to UNCLOS or not, as it constitutes general international law and customary international law.

It is important to underline that ISA Member States remain committed to developing a regulatory framework that is robust, comprehensive, science-based and equitable. During the March Council session, 39 individual Member States — along with the African Group, representing 49 countries — unequivocally reaffirmed that ISA is the sole internationally recognized institution with jurisdiction over the Area and its resources. The support to ISA and its role was unquestionable. There was broad consensus — including from States sponsoring contractors — that no exploitation should proceed unilaterally, outside a regulatory framework established through ISA and grounded in the principle that the Area and its mineral resources are the common heritage of humankind.

Any endeavor undertaken outside the recognized and consensual international framework, or in an attempt to circumvent international law, may incur legal, diplomatic, economic, security, financial and reputational risks.

If powerful States or corporations attempt to bypass the international legal framework established by UNCLOS, they risk undermining its very foundation: preventing unilateral actions that privilege the interests of the few at the expense of the many. UNCLOS was crafted to ensure that the deep seabed—recognized as the common heritage of humankind—is governed collectively, not dominated by those with the greatest financial or technological advantage. Circumventing the regulatory authority of ISA not only breaches international law, but also erodes trust, exacerbates global inequality and silences the voices of least developed countries, landlocked developing countries and small island developing States—who are equal stakeholders in the stewardship of the Area.

At this stage, it is preferable to refrain from elaborating on specific implications. However, one thing is clear: UNCLOS regime governing the deep seabed beyond national jurisdiction has been carefully articulated and developed precisely to prevent unilateral actions and parallel avenues.

#### Q. How has the "two-year rule" factored into the current situation?

**A.** In 2021, Nauru invoked the so-called "two-year rule" under UNCLOS, formally requesting ISA to finalize the exploitation regulations within that timeframe. This request was made in anticipation of an application by Nauru Ocean Resources Inc. (NORI)—a Nauruan entity sponsored by the government of Nauru and a subsidiary of TMC—to seek approval for a plan of work for exploitation.

In response, Member States engaged in good faith throughout the period, convening up to three Council sessions per year and employing a range of mechanisms to advance the negotiations with the seriousness and responsibility that such a complex process requires. When the two-year timeframe elapsed, negotiations did not cease. Instead, the Council continued its work and adopted specific decisions to guide the process forward. The legal and procedural avenues for continuing this work are clearly provided for both in UNCLOS and in the Council's own decisions. In accordance with the Convention, the absence of detailed regulations does not relieve ISA of its obligation to process an application. Likewise, the adoption of the regulations would not imply that exploitation would commence immediately. However, the Mining Code is essential to provide legal certainty—for investors, sponsoring States, member states and all stakeholders involved in the process.

# 2. The International Seabed Authority's Role in Deep-Sea Mining and Regulation

#### Q. What types of minerals are found in the deep seabed?

**A.** The deep seabed contains valuable minerals, including polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts. These resources contain key metals such as nickel, copper, cobalt and rare earth elements, which are critical for various industries, including renewable energy and technology manufacturing.

#### Q. Has ISA approved any deep-sea mining operations?

**A.** No. Currently, ISA has only issued exploration contracts to assess the potential of deep-sea mineral resources. No commercial exploitation has been approved, as regulations governing deep-sea mining are still under development.

# Q. How many contracts for exploration have been issued so far? How are they split between the different types of minerals?

**A.** ISA has issued 30 contracts to 21 contractors sponsored by 20 countries for the exploration for the three types of mineral resources in the Area: polymetallic nodules (19 contracts), polymetallic sulphides (7 contracts) and cobalt-rich ferromanganese crusts (4 contracts). States sponsoring these contracts include Belgium, China, Cook Islands, France, Germany, India, Japan, Kiribati, Korea (Republic of), Nauru, Poland, the Russian Federation, Singapore, Tonga and the United Kingdom. Bulgaria, Cuba, Czechia, Poland, the Russian Federation and Slovakia also sponsor a contract through the Interoceanmetal Joint Organization (IOM). The areas

explored are in the Clarion-Clipperton Zone, the Indian Ocean, the Mid-Atlantic Ridge and the Northwest Pacific Ocean.

#### Q. How does ISA ensure environmental protection in deep-sea mining?

**A.** Environmental protection is a core priority for ISA. The draft regulations for the exploitation of mineral resources in the Area include detailed and sophisticated provisions relating to environmental protection. These will be further supported by a suite of environmental standards and guidelines.

In addition:

- ISA Promotes and encourages the conduct of marine scientific research in the Area, with particular focus on deep-sea ecosystems.
- In 2020, the Assembly adopted an Action Plan in support of the United Nations Decade of Ocean Science for Sustainable Development. The plan is structured around six strategic research priorities and will continue to evolve as new priorities are identified and endorsed by ISA Member States.
- ISA, sponsoring States and contractors are required to apply a precautionary approach and best environmental practice to ensure effective protection of the marine environment from harmful effects which may arise from activities in the Area.
- Contractors must submit Environmental Impact Assessments (EIAs). ISA has developed detailed regulations, recommendations and guidance (ISBA/25/LTC/6/Rev.2) addressing impacts on marine biodiversity on the seabed and in the water column above it and outlining:
  - the kinds of activities that require EIAs,
  - the form and content of such EIAs,
  - standards for baseline studies, monitoring and reporting.
- It also establishes Regional Environmental Management Plans (REMPs) to support ecosystem-based management and biodiversity protection. The environmental management plan for the Clarion-Clipperton Zone, for example, identifies a network of 13 areas of particular environmental interest (APEIs) that are entirely protected from deep-seabed mining. In total, the network of APEIs represents 1.97 million km<sup>2</sup> of protected seabed.

#### Q. What is the current status of the Mining Code and when is it expected to be completed?

A. The development of a comprehensive regulatory framework for deep-seabed mining — the so-called "Mining Code" — remains a central priority for ISA and its Member States. Negotiations are ongoing and have intensified significantly in recent years. These are complex discussions, covering critical issues such as environmental protection, equitable benefit-sharing, institutional oversight and liability mechanisms. The goal is to ensure that any future exploitation

of mineral resources in the Area is carried out sustainably, transparently and in alignment with the rules and principles of UNCLOS.

At its most recent session in March 2025, the ISA Council continued to work according to its July 2023 decision (ISBA/28/C/24), which sets a goal to finalize the Mining Code during the 30th session, if the regulations are ready for adoption.

#### Q. How does the ISA respond to concerns from contractors?

**A**. Eight contractors sent a letter to the President of the Council, dated 14 January 2025, expressing their views and concerns about the advancement of the regulatory process. The President transmitted the letter to the member states of the Council. The concerns raised by contractors are certainly part of the ongoing discussions. The Council remains committed to advancing the development of a robust regulatory framework that balances commercial interests with sustainability and the interests of all stakeholders. The Council continues to engage in deliberations on the draft exploitation regulations in an inclusive and transparent manner.

#### Q. How many countries have called for a moratorium on deep sea mining?

**A.** 31 countries have officially called for a moratorium or precautionary pause on deep-sea mining. Member States have expressed a strong support for and commitment to the work of ISA. There is broad recognition that a solid and comprehensive legal framework is essential for ISA to fulfill its role as steward of the Area, designated as the common heritage of humankind. The roadmap for developing the draft exploitation regulations reflects the collective commitment of Member States to this shared objective.

It is important to highlight two key points. First, depending on its scope and terms, a moratorium could discourage investment in exploration activities, which remain the primary source of scientific data on the seabed, deep-sea biodiversity and habitats. Second, UNCLOS provides a clear legal framework and due process for prospecting, exploration and exploitation. The development of regulations, rules, standards and guidelines under the Mining Code does not imply that exploitation will begin automatically; States retain the sovereign authority to decide if, when and how deep-seabed mining will proceed.

Countries supporting a pause or moratorium are Argentina, Barbados, Belize, Canada, Chile, Fiji, France, Germany, Iceland, Italy, Kenya, Malta, Malta, Micronesia, New Zealand, Norway, Panama, Palau, Portugal, Samoa, Spain, South Africa, Switzerland, Tonga, Tuvalu, the Dominican Republic, the Marshall Islands, the Philippines, the United Kingdom, Vanuatu, Uruguay.

## 3. Governance and Decision-Making

#### Q. How are decisions made within the Authority?

**A.** All States Parties to UNCLOS are automatically members of ISA. As of April 2025, it has 170 Members, including 169 Member States and the European Union.

The Authority's decision-making process involves three main bodies:

*The Assembly* – Composed of all 169 Member States and the European Union, it is the supreme body responsible for general policy decisions. As a general rule, decision-making within the Assembly is based on consensus. For questions of procedure, it is based on a majority of members present and voting and for questions of substances, by a two-thirds majority of members present and voting.

*The Council* – A 36-member body that makes key regulatory and operational decisions. As a general rule, decision-making in the Council should be by consensus. If all efforts to reach a consensus have been exhausted, decisions on questions of procedure shall be taken by a majority present and voting; decisions on questions of substances except where the Convention provides for decision by consensus in the Council, shall be taken by a two-thirds majority of members present and voting, provided that such decisions are not opposed by a majority in any one of the chambers. There are also special procedures for approval of plans of work (under rule 70 of the Rules of Procedures of the Council.

The Secretariat - Headed by the Secretary-General, it carries out the day-to-day work of ISA.

#### Q. Who is the current Secretary-General of the Authority?

A. Ms. Leticia Carvalho assumed office as Secretary-General on 1 January 2025. She is the fourth Secretary-General and the first woman, Latin American and oceanographer to lead the Authority.

### 4. Stakeholder Engagement and Transparency

#### Q. How does ISA involve stakeholders in its work?

**A.** ISA also has 119 observers, including 28 observer States, 32 intergovernmental organizations and 59 NGOs. Observers are allowed to participate in the work of the Assembly and the Council and, upon invitation from the President and subject to approval by the Assembly or Council, may make oral statements on questions within the scope of their activities.

In addition, ISA engages with scientists, civil society organizations, industry representatives and governments through public consultations, workshops and expert working groups. It also publishes reports, research findings and regulatory updates to ensure transparency.

#### Q. How can journalists access ISA's latest reports and updates?

**A.** Public meetings of the Assembly and the Council are live-streamed on the ISA website. Journalists can also visit the website for press releases, reports and regulatory documents.

### 5. Future Outlook

#### Q. What are the International Seabed Authority's key priorities for the coming years?

A. The Authority's priorities include:

- Finalizing the Mining Code to regulate deep-sea mineral activities
- Advancing scientific research to inform environmental protection measures
- Enhancing capacity-building programs for developing States
- Increasing stakeholder engagement and transparency in decision-making