



# GSR

Global Sea Mineral Resources

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Date: 3 March 2026

Dear Madam Secretary General,

In view of the continued delay in adopting the Regulations on Exploitation, we want to reiterate and reinforce the concerns expressed in our letter of 14 January 2025, co-signed by a group of International Seabed Authority (ISA or the Authority) exploration contractors.

This prolonged inaction presents significant challenges. It not only raises questions about the Authority's own compliance with its legal obligations under the United Nations Convention on the Law of the Sea (**UNCLOS**), the 1994 Agreement on the Implementation of Part XI of UNCLOS (the **1994 Agreement**) and the exploration contract but also places ISA contractors in a position of considerable operational and financial risk.

The Authority's core mandate, to organize and control activities in the Area for the benefit of humankind, is operationalized through the timely adoption and implementation of rules, regulations, and procedures under Part XI and Annex III of UNCLOS and the 1994 Agreement. This regulatory framework is essential to ensure legal certainty, economic viability, and environmental responsibility as well as to maintain the Authority's leadership position in the multilateral environment.

Since entering into the exploration contract on 14 January 2013 (the "**Exploration Contract**"), we have consistently fulfilled our obligations, including substantial investments in exploration, technology development, environmental assessments (e.g., Patania I & II), capacity-building initiatives, and scientific contributions to the understanding of the deep-sea and deep-seabed environment.

These efforts were undertaken with the legitimate expectation that the Authority would facilitate a timely transition from exploration to exploitation, as required under UNCLOS and the 1994 Agreement. It is important to note that GSR would not have applied for an exploration contract nor committed to the associated work had the progression to exploitation been subject to the kind of absolute uncertainty that now exists for all contractors due to the Authority's inaction.

The lack of a regulatory pathway severely impedes further development and financing of deep-sea exploration and exploitation activities. GSR, like other contractors, faces tangible harm and the indirect expropriation of their investments due to this regulatory vacuum.

Following the Republic of Nauru's formal notification in July 2021 of its intent to sponsor an exploitation application, the Authority was required to finalize the Regulations on Exploitation by July 2023 (1994 Agreement, Annex, Section 1(15)(b)). Instead, the Council, deferred this obligation to July 2025, a deadline that has now also passed without resolution or a new timeline. GSR also notes Nauru's request in December 2024 to address interim procedures in the absence of adopted Regulations on Exploitation.

Such conduct by the ISA is incompatible with the principle of good faith, which requires the Authority to act honestly, fairly, and with due regard to the legitimate expectations of contractors who have invested significant resources in reliance on the Authority's express commitments. The continued regulatory vacuum, coupled with the Authority's failure to respond to formal requests and proposals, creates legal uncertainty and potentially erodes the existing legal system.

The Authority has already made significant progress through the development of recommendations and revisions to the existing Regulations on Exploration, and prepared detailed phase one standards, and guidelines to accompany the Regulations on Exploitation. These instruments provide a solid foundation upon which a formal regulatory process for the issuance of exploitation contracts can be built and operationalized without further delay.

In light of the above, GSR urges ISA Council, Assembly and all Member States once again to prioritize the adoption of the Regulations on Exploitation, of which the drafting is already well advanced. A clear and actionable framework is essential to enable exploration contractors to transition to exploitation, subject to an approved plan of work. This is important, particularly as multiple exploration contracts, including GSR's, approach expiry. As such, GSR recommends the Secretariat to propose a realistic timeline for the adoption of the exploitation framework for the Council to adopt in March 2026.

GSR trusts that the Authority will act swiftly to uphold its mandate and restore confidence in the regulatory framework governing activities in the Area.

This letter is sent to you under reservation of all rights, and without prejudice to GSR's right to protect its investments and enforce its contractual and legal entitlements through (among others) international dispute settlement mechanisms available under Section 25 of the Standard Exploration Contract and Section 5 of Part XI of UNCLOS.

Kind regards,

A handwritten signature in blue ink, appearing to read 'Kris Van Nijen', with a long horizontal flourish extending to the right.

Kris Van Nijen – MD GSR