



Part II of the 31st Session of the International Seabed Authority

Finance Committee

Opening Remarks by

H.E. Madam Leticia Carvalho,

Secretary-General, International Seabed Authority

Kingston, 7 July 2026.

Mr. Chair,

Distinguished Members of the Finance Committee,

Ladies and Gentlemen,

Good morning.

It is a great pleasure to welcome you to Kingston for the second part of the thirty-first session of the International Seabed Authority. Let me begin by thanking each of you for the commitment, expertise and service you bring to this Committee. I also thank those members who joined the informal Q&A on the budget proposal for 2027-28 organized by the Secretariat ahead of this meeting.

I am pleased to note that, for the first time, the Finance Committee has been allocated four versus three meeting days, from 7 to 10 July. This expanded schedule reflects the breadth, complexity, and significance of the agenda

before you, and I trust that the additional time will allow thorough, focused, and substantive consideration of each item.

Before turning to substance, allow me to also thank Ms. Lee-Anne Yarr for her valuable service to this Committee, and wish her every success in future endeavors. Also, a warm welcome to Mr. Greg Reisman, as well as Mr. Sheikh Mahmudul Hassan of Bangladesh and Mr. Yedla Umasankar of India, who are attending the meeting of the Finance Committee for the first time.

Distinguished colleagues,

The matters before you this week go to the heart of what Member States have asked this Authority to become. Everything on your agenda serves a single purpose: ensuring that the Authority can deliver its mandate to control and manage the Area as the common heritage of humankind, effectively, accountably and for the benefit of all.

Your agenda this week includes the fundamentals of sound financial governance: the status of assessed contributions; the financial position of the Authority's trust funds; the status of the Working Capital Fund; the external audit report for 2025; and the implementation of the 2025 budget. I thank you in advance for the careful attention you will devote to each.

Distinguished members,

This session takes place at an important stage in the institutional development of the Authority.

As such, you will be invited to consider several matters that will shape the future financial architecture of the seabed regime: the financial implications of the progressive establishment of the Economic Planning Commission; work relating to the implementation of article 184 of the Convention; and further consideration of the Common Heritage Fund as a possible future mechanism for the distribution of revenues derived from activities in the Area.

These discussions matter not only because they concern financial arrangements, but because they give practical form to the principle at the

foundation of this regime: that the resources of the Area constitute the common heritage of humankind. Your recommendations will help shape the mechanisms through which its benefits are equitably shared. Your expertise will be critical in ensuring that these arrangements are practical, equitable, transparent, and sustainable.

The centerpiece of this session is your consideration of the proposed budget for the financial period 2027 to 2028. Allow me to set out how the Secretariat has approached this proposal.

The Authority is entering a new phase in its institutional development. Responsibilities are growing, and many of them do not depend on the immediate commencement of exploitation. They already exist today: the administration and oversight of exploration contracts; the preservation and management of scientific and environmental information; support for the development of the regulatory framework; capacity development; as well as the effective and efficient servicing of the Assembly, the Council and their subsidiary organs.

As Secretary-General, I am fully aware that any request for additional resources must be accompanied by a clear demonstration of necessity, affordability, accountability and value for money. The Secretariat has therefore prepared this proposal with a strong commitment to fiscal discipline, realistic implementation capacity and responsible stewardship of the contributions of Member States.

The proposal seeks to reconcile two equally important requirements.

The first is prudence. At a time of continuing financial pressures on many Member States, the Authority must manage its resources carefully and responsibly.

The second is institutional readiness. The Authority must be able to discharge the responsibilities that Member States have already entrusted to it, while putting in place, in a measured and sequenced manner, the foundations for the next stage of its work.

Readiness does not mean building in advance the full structure of a mature exploitation regime. It means ensuring that essential expertise, systems, procedures, and safeguards exist before they become urgently required. Institutional capacity cannot be recruited, trained, tested, and made operational at the moment a new demand arises.

The budget has therefore been developed as an evolutionary framework. It builds on existing structures and prioritizes the foundations needed for 2027 to 2028: targeted workforce reinforcement; modernization of core administrative and financial processes through an enterprise resource planning system; an authoritative digital register for activities in the Area, integrated with our existing data systems; fit for purpose conference services for the intergovernmental organs; and the progressive development of the institutional arrangements contemplated by the Convention and the 1994 Agreement.

Two points of assurance.

First, approval of this budget creates no automatic commitment to continued expansion. Each subsequent stage will remain subject to the decisions of Member States, the progress of the regulatory process, demonstrated operational requirements, and the normal budgetary procedures.

Second, the percentage increase should be read against the Authority's historical baseline. For many years, this organization implemented an expanding international mandate with a comparatively small Secretariat, limited technological infrastructure, and constrained administrative and operational support.

The increase before you is not a departure from an already established institutional structure. Significantly, it strengthens a historically modest baseline, addresses accumulated capacity requirements and restores the real value of resources eroded by inflation, and other unavoidable cost increases.

Ultimately, a budget is more than a financial plan. It is a statement of institutional priorities and the practical means of implementing the collective decisions of Member States. I respectfully seek the Committee's support for a

proposal that is disciplined, realistic, implementable, and proportionate to the responsibilities entrusted to us.

In closing, a final point. The effective functioning of the Authority rests on two commitments. From the Secretariat, sound management: I remain firmly committed to strengthening financial management, internal controls transparency and accountability across all our operations so that resources can be clearly linked to approved mandates and measurable delivery. From Member States, the timely payment of assessed contributions in full, which is essential to financial stability, and uninterrupted delivery of the approved programme of work.

Distinguished members,

The matters before you are complex and consequential.

Your work this week will help determine not only how the Authority is financed in the next biennium, but whether it has the capacity to carry out the decisions of Member States in the years ahead. I am confident that, as always, this Committee will provide the Council and the Assembly with thoughtful and well-considered guidance.

This institution was built through patience, rigor, trust, and vision. I ask that we all bring those same qualities to the week ahead.

I thank you for your dedication and service, and I look forward to a productive and successful Session.

I thank you.