



Contractors for Seabed Exploration

Contracts with the seven seabed entities were signed in 2001 and 2002 by officials of the organizations and, on behalf of the Authority, by its Secretary-General, Satya N. Nandan. Brief information follows on their work in the areas allocated to them for exploration. These contractors are:

- Pioneer Investors

- Polymetallic Nodules Exploration Area Map



China Ocean Mineral Resources Research and Development Association (COMRA) (signed 22 May 2001 in Beijing). COMRA has undertaken many research cruises in its exploration area and is engaged in an environmental study, launched in 1996, called NaVaBa, for Natural Variability of Baseline.



Deep Ocean Resources Development Company (DORD), of Japan (signed 20 June 2001 in Kingston, Jamaica). No exploratory work at sea is under way but data gathered from earlier cruises is being analyzed and disseminated.



Government of India (signed 25 March 2002 in Kingston). Exploration and environmental studies are in progress, and a mining device is being developed and tested.



Government of the Republic of Korea (signed on 29 March 2001 in Kingston by the Secretary-General and on 27 April 2001 in Seoul by the Minister for Maritime Affairs and Fisheries of the Republic of Korea). Research vessels are collecting nodules from the area and conducting environmental studies, as part of the Korean Deep Ocean Study (KODOS).



Institut français de recherche pour l'exploitation de la mer / Association française pour l'étude et la recherche des nodules (IFREMER/AFERNOD), of France (signed 20 June 2001 in Kingston). A research cruise is envisaged for 2004.



Interoceanmetal Joint Organization (IOM), a consortium formed by Bulgaria, Cuba, Czech Republic, Poland, Russian Federation and Slovakia (signed 29 March 2001 in Kingston). A research cruise is envisaged for 2004 or 2005.



Yuzhmorgeologiya, a State enterprise of the Russian Federation under the Ministry of Natural Resources (signed 29 March 2001 in Kingston). Bathymetric survey, sampling and photography have recently been undertaken, along with environmental studies.

The conclusion of contracts allows these contractors to prospect and explore for polymetallic nodules in specified parts of the deep oceans outside national jurisdiction.

When they contracted with the Authority in 2001 and 2002, these entities – from developed and developing countries – became the first participants in the newly established scheme to develop mineral resources in the deep-seabed area under international administration. The scheme was established under the 1982 United Nations Convention on the Law of the Sea and the 1994 Agreement relating to the Implementation of Part XI (seabed provisions) of the Convention.

The groundwork for the signings was laid in 2000 when the Authority adopted Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area. The regulations set out the duties and obligations of the Authority and contractors regarding their seabed activities. The contracts, following a standard formula and valid for 15 years, require their signatories to abide by the Convention, the Implementation Agreement and the regulations.

In signing the contracts, the contractors committed themselves to report annually to the Authority on their activities in the area. These reports are monitored by the Authority through its Legal and Technical Commission, which evaluated the first set of reports in 2002 and reported its conclusions to the Council of the Authority. The evaluations covered exploration work, environmental studies, the development of mining technology, and legal and financial issues.

Under the regulations, each contractor has the exclusive right to explore an initial area of up to 150,000 square kilometres. Over the first eight years of the contract, half of this area is to be relinquished. Six of the exploration areas are in the Central Pacific Ocean south and southeast of Hawaii, and one is in the middle of the Indian Ocean.

As they explore their segment of the seabed, contractors are bound “to prevent, reduce and control pollution and other hazards to the marine environment” arising from their activities. This requires them not only to

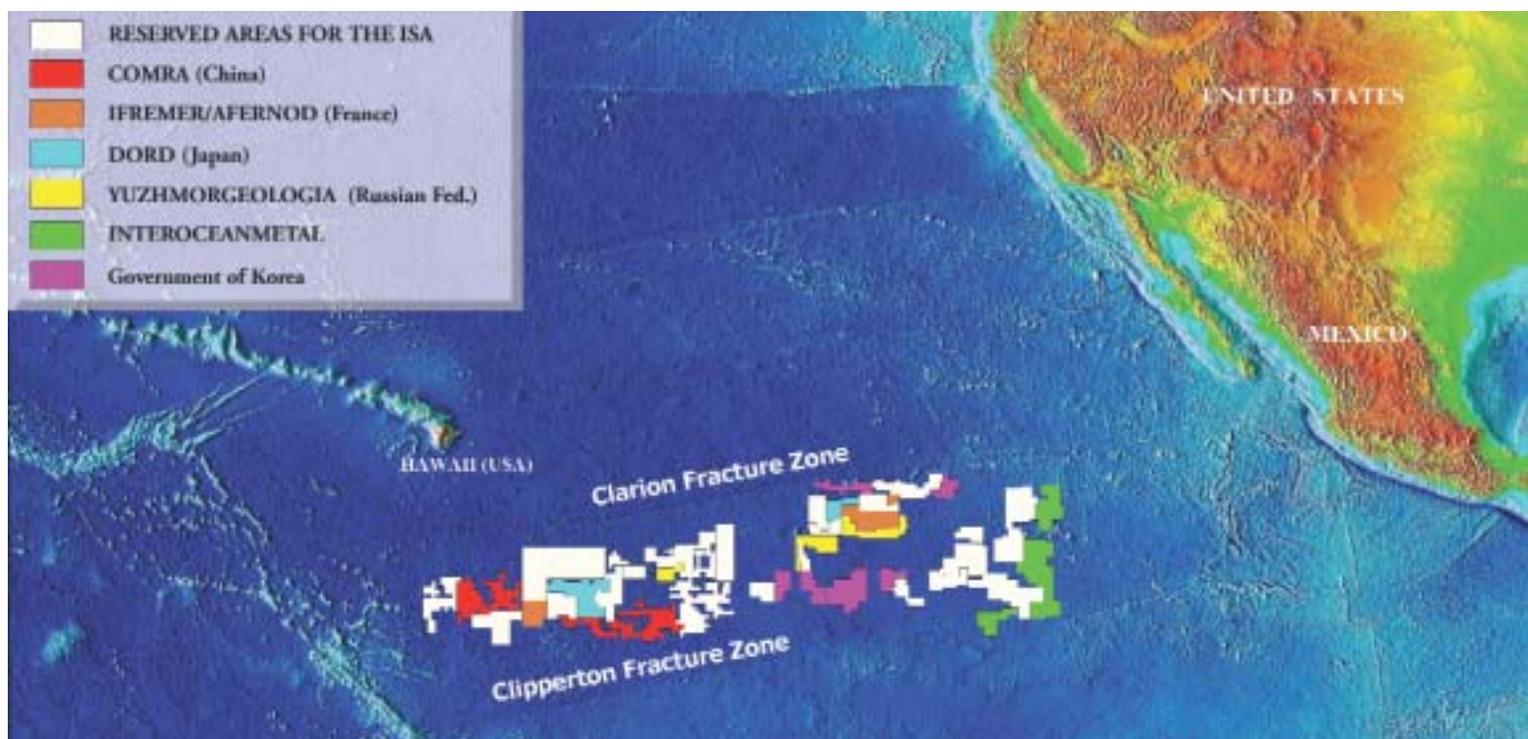
monitor activities as they progress but also to collect baseline data establishing the natural conditions of the local environment before any human intervention takes place. Contractors must also organize training programmes for personnel of the Authority and developing States.

As all future applicants must also do, each of the seven contractors came to the Authority with the sponsorship of a State and provided information enabling the Council to determine that they are financially and technically capable of carrying out the activities they propose to undertake.

These activities are set out in a plan of work covering the period of their contract, to be updated every five years.

The seven contractors are among a group of “pioneer investors” on a list approved by the United Nations in 1982 at the time the Convention was adopted. These are States that had already made substantial investments in seabed exploration. They are: Belgium, Canada, France, Germany, India, Italy, Japan, Netherlands, Russian Federation, United Kingdom and the United States. They were accorded a fast-track process to simplify approval of applications from themselves or their nationals. The seven now under contract are those that subsequently registered with the United Nations as pioneer investors before the Authority was established. To avoid competing claims, they met among themselves to agree on the precise seabed areas for which each would apply.

A number of consortia that were actively exploring the seabed during the 1970s and 1980s, mostly from developed States, have suspended their efforts in light of the economic and technical factors that have dampened commercial interest in these resources. These factors include the high cost and technical difficulty of dredging nodules from great depths, as well as the ability of land-based mines to meet current market needs for these minerals at a lower cost. Consequently, the seven contractors are the only entities now active in this area, and their interest is currently confined largely to research and development, long-term environmental studies and the collection of baseline data.



Polymetallic Nodule Exploration Areas in the Pacific Ocean. Detailed maps are available on the Authority's website <http://www.isa.org.jm>