



## Council

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### **Draft decision of the Council relating to the Regulations on Prospecting and Exploration for Cobalt-rich Ferromanganese Crusts in the Area**

#### *The Council of the International Seabed Authority*

1. *Decides* to adopt the Regulations on Prospecting and Exploration for Cobalt-rich Ferromanganese Crusts in the Area;<sup>1</sup>
2. *Also decides* to apply the Regulations provisionally, pending their approval by the Assembly of the International Seabed Authority;
3. *Requests* the Legal and Technical Commission of the Authority, in due course, to elaborate the appropriate criteria that might be used to prevent the monopolization of activities in the Area with respect to cobalt-rich ferromanganese crusts and to report thereon to the Council for its consideration;
4. *Takes note* that at its next meeting, in 2013, the Finance Committee will consider, on the basis of a report to be prepared by the Secretary-General, possible measures to ensure that the cost of administration and supervision of contracts for exploration for all types of resources, including cobalt-rich ferromanganese crusts, is not borne by member States, and decides to keep this matter under review in the Council in 2013;
5. *Decides* that the procedures set out in the annex to the present decision shall have effect for a total period of one year following the date of its adoption.

#### **Annex**

#### **Procedures relating to the Regulations on Prospecting and Exploration for Cobalt-rich Ferromanganese Crusts in the Area**

1. Applicants and their sponsoring States and prospective applicants and their sponsoring States shall use their best efforts to ensure, before making an application pursuant to the Regulations on Prospecting and Exploration for Cobalt-rich

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<sup>1</sup> See ISBA/18/C/L.3.



Ferromanganese Crusts in the Area, that areas in respect of which applications are made do not overlap.

2. During the period of 180 days from the date of adoption of the present decision if, within 30 days of the date upon which an application for a plan of work for exploration for cobalt-rich ferromanganese crusts is received by the Secretary-General in accordance with regulation 22 of the Regulations, one or more other applications for a plan of work for exploration for cobalt-rich ferromanganese crusts are submitted that overlap with the same area or areas, the Secretary-General shall immediately notify all applicants concerned.

3. The applicants concerned and, as appropriate, their sponsoring States, shall try to resolve any conflicts with respect to overlapping applications as soon as possible. The Secretary-General may use his or her good offices to mediate the overlapping applications and, if appropriate, propose a solution. Any such applicants may, within 90 days of a notification by the Secretary-General under paragraph 2, amend their applications so as to resolve the overlapping applications.

4. The parties to any overlapping applications shall keep the Secretary-General and the Council fully informed of efforts to resolve the overlapping applications and of the results thereof. As soon as any overlapping applications between applicants are resolved in accordance with the procedures set out in the present annex, the Legal and Technical Commission and the Council shall proceed to consider the applications concerned in the order in which they were received in accordance with regulations 23 and 24.

5. If the overlapping applications have not been resolved within 90 days of the notification by the Secretary-General of the applicants concerned in accordance with paragraph 2 above, the Secretary-General shall provide a report to the Council and the Legal and Technical Commission on the overlapping applications and his or her efforts to resolve those applications. The Commission shall, within 90 days following such report, submit an appropriate recommendation to the Council for its consideration on the overlapping applications, taking into account all the relevant factors, including:

(a) The location and number of cobalt-rich ferromanganese crust sites that have been discovered in the areas subject to the overlapping applications and the date of each discovery;

(b) The workload, continuity and extent of survey activities with respect to cobalt-rich ferromanganese crusts that have been conducted in the areas subject to the overlapping applications;

(c) The financial cost of such survey activities conducted in the areas subject to the overlapping applications, measured in constant United States dollars;

(d) The date of receipt by the Secretary-General of each application.

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