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Application for approval of a plan of work for exploration for polymetallic nodules by the Cook Islands Investment Corporation

Executive summary*

“Moana Nui O Kiva i te Rangi Nui O Kiva”

1. This is an ancient Cook Islands Maori statement expressing that our home is here between the ocean and the skies and the belief that everything there belongs to us, *te tangata*, the people.
2. The 15 islands of the Cook Islands in the heart of the vast South Pacific Ocean have been occupied by its native Maori people since the great Pacific migrations in large voyaging canoes or Vaka Moana, which took place from the Polynesian homeland of Avaiki, possibly starting as early as 1,500 years ago. The deep and wide waters connecting these 15 islands have always been used as highways and for the abundant natural resources which they contain. Our people developed a distinct Polynesian perspective, language, lifestyle and culture.
3. Accordingly, our Cook Islands Maori tradition and culture informs us that we are people of the sea. Our home is the wide South Pacific Ocean and is named respectfully “Moana Nui O Kiva”. Our alternative worldview is that we, in our islands, are not separated, but connected by the ocean. Everything in the seas was for the wise use of the brave, beautiful people of our 15 islands, in communion with nature and the ocean.
4. This “wise use” of ocean resources is also reflected in the Cook Islands Maori principle known as *oonu*. This is the life force of deep, hidden things of value like the precious natural resources found in the marine environment. This includes whales, turtles, fish, shellfish and importantly it can extend to black pearls grown in the northern Cook Islands and seabed mineral resources located in the Cook Islands exclusive economic zone.

* Submitted by the applicant.



5. It is now understood that the Cook Islands has a potentially significant natural resource in manganese nodules located on the ocean floor within its wide and deep exclusive economic zone. It is now estimated at 10 billion tons.

6. The Cook Islands has recently re-engaged with the International Seabed Authority and expressed at the nineteenth session of the Authority in Kingston in July 2013, that not only does it wish to develop its own seabed mineral resources (under its national Seabed Minerals Act 2009, the world's first dedicated seabed minerals legislation), but also wishes to avail itself, as a developing nation, of the opportunities and benefits of the United Nations Convention on the Law of the Sea relating to the seabed mineral resources under the control of the Authority, as part of the common heritage of mankind as expressed in the Convention.

7. Such a beneficial international opportunity has now presented itself to the Cook Islands, which it is actively pursuing in its own specific national interest and for the mutual benefit of its investment partners, stakeholders and the world in general.

8. The Cook Islands is a State party having ratified the 1982 United Nations Convention on the Law of the Sea and has further agreed to be bound to the implementation of Part XI of the Convention.

9. The Cook Islands State entity, the Cook Islands Investment Corporation, is pleased to submit to the International Seabed Authority its application for exploration of polymetallic nodules. Our application is for approval of a plan of work for exploration by way of a contract to be issued by the Authority. The area under application is reserved area A as defined and designated in the decision of the Council of the International Seabed Authority of 26 July 2012 ([ISBA/18/C/28](#)). It is situated within the Clarion-Clipperton Fracture Zone of the Pacific.

10. The Cook Islands Investment Corporation is a Cook Islands State-owned enterprise established pursuant to section 3 of the Cook Islands Investment Corporation Act 1998 (as amended) and has its registered office in Avarua at the office of the minister responsible.

11. The Cook Islands Investment Corporation is qualified to apply for reserved area A and is confident that it fulfils the requirements set out by the Authority and that it has both the technical and financial resources to make a positive contribution to the exploration of the Area and the work of the Authority in this respect.

12. The application by the Cook Islands Investment Corporation is supported by CI-GSR, an equal and equitable arrangement between the Cook Islands Government and G-TEC Sea Mineral Resources NV (GSR) of Belgium. GSR signed a contract for the exploration of polymetallic nodules with the Authority on 14 January 2013. The reserved area under this application was studied and defined by GSR as part of its application approved by the Council in July 2012. The formal arrangement between the Government of the Cook Islands and GSR allows for parties to jointly undertake exploration of the reserved area under application, GSR-A, through the Cook Islands State enterprise named Cook Islands Investment Corporation, the applicant.

13. This approach by the Cook Islands Investment Corporation to combine exploration activities for both the reserved area under application by the Cook Islands Investment Corporation (GSR-A) and the area under contract by GSR

(GSR-B) enables us to enhance all relevant synergies in scientific, ecological and economical research and studies to the absolute maximum.

14. The Cook Islands Investment Corporation and GSR further endeavour to align their respective plans of work for exploration in order to improve the efficiency of the campaigns and to achieve a better understanding of the environmental conditions by integrating results covering a larger area. This complementary approach will allow for a more logical scientific approach, minimize costs and prevent overlapping studies and undue environmental impact.

15. The Government of the Cook Islands is aware of the obligations on a sponsoring State enterprise under the United Nations Convention on the Law of the Sea and agrees to assume the responsibilities of a “sponsoring State”. Pursuant to article 4 of annex III to the Convention, the Government of the Cook Islands is finalizing the appropriate national legislation and anticipates to have it implemented during the first half of 2014.

16. The Government of the Cook Islands attests that the Cook Islands Investment Corporation has the financial resources at its disposal to undertake the programme of exploration and meet its obligations in accordance with the requirements of the Authority.

17. The Cook Islands Investment Corporation, with the support of CI-GSR, has the relevant managerial experience, skills and technical capability in-house to ensure the effective and efficient implementation of the exploration programme. The Cook Islands Investment Corporation shall apply the principles of ISO14001 to the exploration programme.

18. The Cook Islands Investment Corporation will apply scientific and industry standard and proven techniques to the exploration programme. It will develop and build capacity to meet the relevant needs of the exploration work; exploration requires both adaptive management and the ability to retain focus on the intended goal of the activities, which is to develop sustainable seabed mining for exploitation within the allocated area. If required, the Cook Islands Investment Corporation will seek out additional expertise and sound partnerships to enhance the programme and engage with the activities of the International Seabed Authority in this respect.

19. The Cook Islands Investment Corporation has developed a 15-year plan for exploration work, divided into three phases, each phase builds on the work of the previous and follows a logical progression from better understanding of the environment in the allocated area through development of mining technologies, to full mining tests. This programme aims to arrive at the right technology and methods to take forward an effective and efficient future exploitation programme.

20. The Cook Islands Investment Corporation, supported by CI-GSR, commits itself to engaging in educational and research and design activities to facilitate the exchange of information and building of capabilities in the Cook Islands and other developing countries in accordance with the guidelines from the Authority. The principles of our proposed training programme are set out in the plan of work included in our application. The detailed training programme for candidates from the Cook Islands and other developing nations will be delivered and formalized with the Authority as part of our contract.

21. The anticipated expenditure of the defined programme of activities is \$1.5 million for year one, \$0.5 million for years two, three and five and \$4.0 million for year four; totalling \$7.0 million for the immediate five-year period.

22. The Cook Islands Investment Corporation fully supports the regulations and guidelines of the Authority defining the need to avoid unacceptable harm to the marine environment. We endorse the documents of the Authority placing a rigorous (but necessary) burden on the exploration contractor to consider, assess, monitor and review the possible, potential and actual impacts upon the marine environment and report those to the Authority.

23. There are possible impacts to the marine environment that may be related to the operation of vessels used in exploration or to the exploration activities (in particular those from mining tests). These impacts will be minimized by the effective application of the precautionary principle.

24. Environmental parameters will have an important effect on practical operability in the area but are essential in order to achieve responsible seabed mining of polymetallic nodules. Our responsibility is not only in terms of the existing biology of the deep-sea environment, but also to the influence that the physical parameters have upon any disturbed sediment and also to the health, social and safety aspect of people working for or affected by our operations (directly or indirectly). Our programme of oceanographic and environmental baseline studies shall involve scientific exploration cruises to the allocated area for environmental research and data gathering to allow assessment of potential environmental impacts of both exploration activities and subsequent exploitation.

25. The Cook Islands Investment Corporation will apply all relevant international, regional and domestic conventions and legal requirements for vessels (for example through the International Maritime Organization) that aim to avoid harm arising from the deployment of the exploration vessel. The International Convention for the Prevention of Pollution from Ships will be applied, as well as the Shipboard Oil Pollution Emergency Plan, to cover the eventuality of leakage of fuel and/or lubricants both on board and over the side of the vessel. The Cook Islands Investment Corporation will also apply controls and measures in terms of safe working practices at sea, while also addressing potential hazards and pollution to the environment (water, air or people). We also fully respect the heritage aspects of any finds we may make of archaeological or social significance (to the originating nation and mankind generally).

26. Mitigation measures for possible impacts to the marine environment will be identified through the application of an environmental impact assessment process to the plan of work for exploration. The requirement to complete and submit a full environmental impact assessment (following Authority guidelines) one year in advance of mining tests is clearly understood. The major part of the exploration activities consist of geophysical and hydrographical survey and small-scale sampling using box core samplers; these activities evaluated by the Authority and the National Oceanic and Atmospheric Administration of the United States of America as having no significant adverse environmental impact. The Cook Islands Investment Corporation, however, also recognizes that environmental information will be used to inform and drive mining equipment design that causes the least possible negative impact or harm to the environment.

27. Subsequent to approval by the Authority of the application for reserved area GSR-A, the Cook Islands Investment Corporation, supported by CI-GSR, will deliver a considerable programme of exploration and report this to (and through) the Authority. GSR also notes the encouragement by the Authority of shared working (with others who are undertaking exploration) and we shall actively engage with such opportunities (although the GSR programme is not dependent upon such collaboration).

28. There is the potential for deep-sea mineral resources to become a competitor to terrestrial mining sources. In defining that new and sustainable mining industry, the Cook Islands Investment Corporation allies itself with the Authority. An improved knowledge of nodule genesis as well as both conceptual and data-driven mapping of nodule distribution and abundance on the seabed has been achieved since pioneer investors were active in the Clarion-Clipperton Zone. Coupled with a different economic context and potential limitations to land-based resources in the future, the Cook Islands Investment Corporation now wishes to engage in the frontier period of exploration in the Clarion-Clipperton Zone, assisted and supported by GSR and its industrial and scientific partners.

29. The Cook Islands Investment Corporation, supported by CI-GSR, has transferred the required fee for application to the account of the Authority and is pleased to confirm its position and future active involvement with the Authority.

30. We look forward to your positive consideration of our application to approve our plan of work for exploration and to obtain a contract to be issued by the Authority.
