

Article 140 Benefit of mankind

- 1 Activities in the Area shall, as specifically provided for in this Part, be carried out for the benefit of mankind as a whole, irrespective of the geographical location of states, whether coastal or land-locked, and taking into particular consideration the interests and needs of developing states and of peoples who have not attained full independence or other self-governing status recognised by the United Nations in accordance with General Assembly Resolution 1514 (XV) and other relevant General Assembly resolutions.
- 2 The Authority shall provide for the equitable sharing of financial and other economic benefits derived from activities in the Area through any appropriate mechanism on a non-discriminatory basis, in accordance with Article 160, para 2 (f)(i).

Article 141 Use of the Area exclusively for peaceful purposes

The Area shall be open to use exclusively for peaceful purposes by all states, whether coastal or land-locked, without discrimination and without prejudice to the other provisions of this Part.

Article 142 Rights and legitimate interests of coastal states

- 1 Activities in the Area, with respect to resource deposits in the Area which lie across limits of national jurisdiction, shall be conducted with due regard to the rights and legitimate interests of any coastal state across whose jurisdiction such deposits lie.
- 2 Consultations, including a system of prior notification, shall be maintained with the state concerned, with a view to avoiding infringement of such rights and interests. In cases where activities in the Area may result in the exploitation of resources lying within national jurisdiction, the prior consent of the coastal state concerned shall be required.
- 3 Neither this Part nor any rights granted or exercised pursuant thereto shall affect the rights of coastal states to take such measures consistent with the relevant provisions of Part XII as may be necessary to prevent, mitigate or eliminate grave and imminent danger to their coastline, or related interests from pollution or threat thereof or from other hazardous occurrences resulting from or caused by any activities in the Area.

Article 143 Marine scientific research

- 1 Marine scientific research in the Area shall be carried out exclusively for peaceful purposes and for the benefit of mankind as a whole in accordance with Part XIII.
- 2 The Authority may carry out marine scientific research concerning the Area and its resources, and may enter into contracts for that purpose. The Authority shall promote and encourage the conduct of marine scientific research in the Area, and shall co-ordinate and disseminate the results of such research and analysis when available.
- 3 States Parties may carry out marine scientific research in the Area. States Parties shall promote international co-operation in marine scientific research in the Area by:
 - (a) participating in international programmes and encouraging co-operation in marine scientific research by personnel of different countries and of the Authority;

- (b) ensuring that programmes are developed through the Authority or other international organisations as appropriate for the benefit of developing states and technologically less developed states with a view to:
 - (i) strengthening their research capabilities;
 - (ii) training their personnel and the personnel of the Authority in the techniques and applications of research;
 - (iii) fostering the employment of their qualified personnel in research in the Area;
- (c) effectively disseminating the results of research and analysis when available, through the Authority or other international channels when appropriate.

Article 144 Transfer of technology

- 1 The Authority shall take measures in accordance with this Convention:
 - (a) to acquire technology and scientific knowledge relating to activities in the Area; and
 - (b) to promote and encourage the transfer to developing states of such technology and scientific knowledge so that all States Parties benefit therefrom.
- 2 To this end the Authority and States Parties shall co-operate in promoting the transfer of technology and scientific knowledge relating to activities in the Area so that the Enterprise and all States Parties may benefit therefrom. In particular they shall initiate and promote:
 - (a) programmes for the transfer of technology to the Enterprise and to developing states with regard to activities in the Area, including, *inter alia*, facilitating the access of the Enterprise and of developing states to the relevant technology, under fair and reasonable terms and conditions;
 - (b) measures directed towards the advancement of the technology of the Enterprise and the domestic technology of developing states, particularly by providing opportunities to personnel from the Enterprise and from developing states for training in marine science and technology and for their full participation in activities in the Area.

Article 145 Protection of the marine environment

Necessary measures shall be taken in accordance with this Convention with respect to activities in the Area to ensure effective protection for the marine environment from harmful effects which may arise from such activities. To this end the Authority shall adopt appropriate rules, regulations and procedures for *inter alia*:

- (a) the prevention, reduction and control of pollution and other hazards to the marine environment, including the coastline, and of interference with the ecological balance of the marine environment, particular attention being paid to the need for protection from harmful effects of such activities as drilling, dredging, excavation, disposal of waste, construction and operation or maintenance of installations, pipelines and other devices related to such activities;
- (b) the protection and conservation of the natural resources of the Area and the prevention of damage to the flora and fauna of the marine environment.

Article 146 Protection of human life

With respect to activities in the Area, necessary measures shall be taken to ensure effective protection of human life. To this end the Authority shall adopt appropriate rules, regulations and procedures to supplement existing international law as embodied in relevant treaties.

Article 147 Accommodation of activities in the Area and in the marine environment

- 1 Activities in the Area shall be carried out with reasonable regard for other activities in the marine environment.
- 2 Installations used for carrying out activities in the Area shall be subject to the following conditions:
 - (a) such installations shall be erected, emplaced and removed solely in accordance with this Part and subject to the rules, regulations and procedures of the Authority. Due notice must be given of the erection, emplacement and removal of such installations, and permanent means for giving warning of their presence must be maintained;
 - (b) such installations may not be established where interference may be caused to the use of recognised sea lanes essential to international navigation or in areas of intense fishing activity;
 - (c) safety zones shall be established around such installations with appropriate markings to ensure the safety of both navigation and the installations. The configuration and location of such safety zones shall not be such as to form a belt impeding the lawful access of shipping to particular maritime zones or navigation along international sea lanes;
 - (d) such installations shall be used exclusively for peaceful purposes;
 - (e) such installations do not possess the status of islands. They have no territorial sea of their own, and their presence does not affect the delimitation of the territorial sea, the exclusive economic zone or the continental shelf.
- 3 Other activities in the marine environment shall be conducted with reasonable regard for activities in the Area.

Article 148 Participation of developing states in activities in the Area

The effective participation of developing states in activities in the Area shall be promoted as specifically provided for in this Part, having due regard to their special interests and needs, and in particular to the special need of the land-locked and geographically disadvantaged among them to overcome obstacles arising from their disadvantaged location, including remoteness from the Area and difficulty of access to and from it.

Article 149 Archaeological and historical objects

All objects of an archaeological and historical nature found in the Area shall be preserved or disposed of for the benefit of mankind as a whole, particular regard being paid to the preferential rights of the state or country of origin, or the state of cultural origin, or the state of historical and archaeological origin.

SECTION 3 DEVELOPMENT OF RESOURCES OF THE AREA

Article 150 Policies relating to activities in the Area

Activities in the Area shall, as specifically provided for in this Part, be carried out in such a manner as to foster healthy development of the world economy and

balanced growth of international trade, and to promote international co-operation for the overall development of all countries, especially developing states, and with a view to ensuring:

- (a) the development of the resources of the Area;
- (b) orderly, safe and rational management of the resources of the Area, including the efficient conduct of activities in the Area and, in accordance with sound principles of conservation, the avoidance of unnecessary waste;
- (c) the expansion of opportunities for participation in such activities consistent in particular with Articles 144 and 148;
- (d) participation in revenues by the Authority and the transfer of technology to the Enterprise and developing states as provided for in this Convention;
- (e) increased availability of the minerals derived from the Area as needed in conjunction with minerals derived from other sources, to ensure supplies to consumers of such minerals;
- (f) the promotion of just and stable prices remunerative to producers and fair to consumers for minerals derived both from the Area and from other sources, and the promotion of long-term equilibrium between supply and demand;
- (g) the enhancement of opportunities for all States Parties, irrespective of their social and economic systems or geographical location, to participate in the development of the resources of the Area and the prevention of monopolisation of activities in the Area;
- (h) the protection of developing countries from adverse effects on their economies or on their export earnings resulting from a reduction in the price of an affected mineral, or in the volume of exports of that mineral, to the extent that such reduction is caused by activities in the Area, as provided in Article 151;
- (i) the development of the common heritage for the benefit of mankind as a whole; and
- (j) conditions of access to markets for the imports of minerals produced from the resources of the Area and for imports of commodities produced from such minerals shall not be more favourable than the most favourable applied to imports from other sources.

Article 151 Production policies

- 1 (a) Without prejudice to the objectives set forth in Article 150 and for the purpose of implementing sub-para (h) of that article, the Authority, acting through existing forums or such new arrangements or agreements as may be appropriate, in which all interested parties, including both producers and consumers, participate, shall take measures necessary to promote the growth, efficiency and stability of markets for those commodities produced from the minerals derived from the Area, at prices remunerative to producers and fair to consumers. All States Parties shall co-operate to this end.
- (b) The Authority shall have the right to participate in any commodity conference dealing with those commodities and in which all interested parties including both producers and consumers participate. The Authority shall have the right to become a party to any arrangement or

agreement resulting from such conferences. Participation of the Authority in any organs established under those arrangements or agreements shall be in respect of production in the Area and in accordance with the relevant rules of those organs.

- (c) The Authority shall carry out its obligations under the arrangements or agreements referred to in this paragraph in a manner which assures a uniform and non-discriminatory implementation in respect of all production in the Area of the minerals concerned. In doing so, the Authority shall act in a manner consistent with the terms of existing contracts and approved plans of work of the Enterprise.
 - 2
 - (a) During the interim period specified in para 3, commercial production shall not be undertaken pursuant to an approved plan of work until the operator has applied for and has been issued a production authorisation by the Authority. Such production authorisations may not be applied for or issued more than five years prior to the planned commencement of commercial production under the plan of work unless, having regard to the nature and timing of project development, the rules, regulations and procedures of the Authority prescribe another period.
 - (b) In the application for the production authorisation, the operator shall specify the annual quantity of nickel expected to be recovered under the approved plan of work. The application shall include a schedule of expenditures to be made by the operator after he has received the authorisation which are reasonably calculated to allow him to begin commercial production on the date planned.
 - (c) For the purposes of sub-para (a) and (b), the Authority shall establish appropriate performance requirements in accordance with Annex III, Article 17.
 - (d) The Authority shall issue a production authorisation for the level of production applied for unless the sum of that level and the levels already authorized exceeds the nickel production ceiling, as calculated pursuant to para 4 in the year of issuance of the authorisation, during any year of planned production falling within the interim period.
 - (e) When issued, the production authorisation and approved application shall become a part of the approved plan of work.
 - (f) If the operator's application for a production authorisation is denied pursuant to sub-para (d), the operator may apply again to the Authority at any time.
 - 3 The interim period shall begin five years prior to 1 January of the year in which the earliest commercial production is planned to commence under an approved plan of work. If the earliest commercial production is delayed beyond the year originally planned, the beginning of the interim period and the production ceiling originally calculated shall be adjusted accordingly. The interim period shall last 25 years or until the end of the Review Conference referred to in Article 155 or until the day when such new arrangements or agreements as are referred to in para 1 enter into force, whichever is earliest. The Authority shall resume the power provided in this article for the remainder of the interim period if the said arrangements or agreements should lapse or become ineffective for any reason whatsoever.

- 4 (a) The production ceiling for any year of the interim period shall be the sum of:
 - (i) the difference between the trend line values for nickel consumption as calculated pursuant to sub-para (b), for the year immediately prior to the year of the earliest commercial production and the year immediately prior to the commencement of the interim period; and
 - (ii) 60% of the difference between the trend line values for nickel consumption, as calculated pursuant to sub-para (b), for the year for which the production authorisation is being applied for and the year immediately prior to the year of the earliest commercial production.
- (b) For the purposes of sub-para (a):
 - (i) trend line values used for computing the nickel production ceiling shall be those annual nickel consumption values on a trend line computed during the year in which a production authorisation is issued. The trend line shall be derived from a linear regression of the logarithms of actual nickel consumption for the most recent 15-year period for which such data are available, time being the independent variable. This trend line shall be referred to as the original trend line;
 - (ii) if the annual rate of increase of the original trend line is less than 3%, then the trend line used to determine the quantities referred to in sub-para (a) shall instead be one passing through the original trend line at the value for the first year of the relevant 15-year period, and increasing at 3% annually; provided however that the production ceiling established for any year of the interim period may not in any case exceed the difference between the original trend line value for that year and the original trend line value for the year immediately prior to the commencement of the interim period.
- 5 The Authority shall reserve to the Enterprise for its initial production a quantity of 38,000 metric tonnes of nickel from the available production ceiling calculated pursuant to para 4.
- 6 (a) An operator may in any year produce less than or up to 8 per cent more than the level of annual production of minerals from polymetallic nodules specified in his production authorisation, provided that the overall amount of production shall not exceed that specified in the authorisation. Any excess over 8% and up to 20% in any year, or any excess in the first and subsequent years following two consecutive years in which excesses occur, shall be negotiated with the Authority, which may require the operator to obtain a supplementary production authorisation to cover additional production.
- (b) Applications for such supplementary production authorisations shall be considered by the Authority only after all pending applications by operators who have not yet received production authorisations have been acted upon and due account has been taken of other likely applicants. The Authority shall be guided by the principle of not exceeding the total production allowed under the production ceiling in any year of the interim period. It shall not authorise the production under any plan of work of a quantity in excess of 46,500 metric tonnes of nickel per year.

- 7 The levels of production of other metals such as copper, cobalt and manganese extracted from the polymetallic nodules that are recovered pursuant to a production authorisation should not be higher than those which would have been produced had the operator produced the maximum level of nickel from those nodules pursuant to this article. The Authority shall establish rules, regulations and procedures pursuant to Annex III, Article 17, to implement this paragraph.
- 8 Rights and obligations relating to unfair economic practices under relevant multilateral trade agreements shall apply to the exploration for and exploitation of minerals from the Area. In the settlement of disputes arising under this provision, States Parties which are parties to such multilateral trade agreements shall have recourse to the dispute settlement procedures of such agreements.
- 9 The Authority shall have the power to limit the level of production of minerals from the Area, other than minerals from polymetallic nodules, under such conditions and applying such methods as may be appropriate by adopting regulations in accordance with Article 161, para 8.
- 10 Upon the recommendation of the Council on the basis of advice from the Economic Planning Commission, the Assembly shall establish a system of compensation or take other measures of economic adjustment assistance including co-operation with specialised agencies and other international organisations to assist developing countries which suffer serious adverse effects on their export earnings or economies resulting from a reduction in the price of an affected mineral or in the volume of exports of that mineral, to the extent that such reduction is caused by activities in the Area. The Authority on request shall initiate studies on the problems of those states which are likely to be most seriously affected with a view to minimising their difficulties and assisting them in their economic adjustment.

Article 152 Exercise of powers and functions by the Authority

- 1 The Authority shall avoid discrimination in the exercise of its powers and functions, including the granting of opportunities for activities in the Area.
- 2 Nevertheless, special consideration for developing states, including particular consideration for the land-locked and geographically disadvantaged among them, specifically provided for in this Part shall be permitted.

Article 153 System of exploration and exploitation

- 1 Activities in the Area shall be organised, carried out and controlled by the Authority on behalf of mankind as a whole in accordance with this article as well as other relevant provisions of this Part and the relevant Annexes, and the rules, regulations and procedures of the Authority.
- 2 Activities in the Area shall be carried out as prescribed in para 3:
 - (a) by the Enterprise, and
 - (b) in association with the Authority by States Parties, or state enterprises or natural or juridical persons which possess the nationality of States Parties or are effectively controlled by them or their nationals, when sponsored by such states, or any group of the foregoing which meets the requirements provided in this Part and in Annex III.
- 3 Activities in the Area shall be carried out in accordance with a formal written plan of work drawn up in accordance with Annex III and approved by the Council after review by the Legal and Technical Commission. In the case of

activities in the Area carried out as authorised by the Authority by the entities specified in para 2(b), the plan of work shall, in accordance with Annex III, Article 3, be in the form of a contract. Such contracts may provide for joint arrangements in accordance with Annex III, Article 11.

- 4 The Authority shall exercise such control over activities in the Area as is necessary for the purpose of securing compliance with the relevant provisions of this Part and the Annexes relating thereto, and the rules, regulations and procedures of the Authority, and the plans of work approved in accordance with para 3. States Parties shall assist the Authority by taking all measures necessary to ensure such compliance in accordance with Article 139.
- 5 The Authority shall have the right to take at any time any measures provided for under this Part to ensure compliance with its provisions and the exercise of the functions of control and regulation assigned to it thereunder or under any contract. The Authority shall have the right to inspect all installations in the Area used in connection with activities in the Area.
- 6 A contract under para 3 shall provide for security of tenure. Accordingly, the contract shall not be revised, suspended or terminated except in accordance with Annex III, Articles 18 and 19.

Article 154 Periodic review

Every five years from the entry into force of this Convention, the Assembly shall undertake a general and systematic review of the manner in which the international regime of the Area established in this Convention has operated in practice. In the light of this review the Assembly may take, or recommend that other organs take, measures in accordance with the provisions and procedures of this Part and the Annexes relating thereto which will lead to the improvement of the operation of the regime.

Article 155 The Review Conference

- 1 Fifteen years from 1 January of the year in which the earliest commercial production commences under an approved plan of work, the Assembly shall convene a conference for the review of those provisions of this Part and the relevant Annexes which govern the system of exploration and exploitation of the resources of the Area. The Review Conference shall consider in detail, in the light of the experience acquired during that period:
 - (a) whether the provisions of this Part which govern the system of exploration and exploitation of the resources of the Area have achieved their aims in all respects, including whether they have benefited mankind as a whole;
 - (b) whether, during the 15-year period, reserved areas have been exploited in an effective and balanced manner in comparison with non-reserved areas;
 - (c) whether the development and use of the Area and its resources have been undertaken in such a manner as to foster healthy development of the world economy and balanced growth of international trade;
 - (d) whether monopolisation of activities in the Area has been prevented;
 - (e) whether the policies set forth in Articles 150 and 151 have been fulfilled; and
 - (f) whether the system has resulted in the equitable sharing of benefits derived from activities in the Area, taking into particular consideration the interests and needs of the developing states.

- 2 The Review Conference shall ensure the maintenance of the principle of the common heritage of mankind, the international regime designed to ensure equitable exploitation of the resources of the Area for the benefit of all countries, especially the developing states, and an Authority to organise, conduct and control activities in the Area. It shall also ensure the maintenance of the principles laid down in this Part with regard to the exclusion of claims or exercise of sovereignty over any part of the Area, the rights of states and their general conduct in relation to the Area, and their participation in activities in the Area in conformity with this Convention, the prevention of monopolisation of activities in the Area, the use of the Area exclusively for peaceful purposes, economic aspects of activities in the Area, marine scientific research, transfer of technology, protection of the marine environment, protection of human life, rights of coastal states, the legal status of the waters superjacent to the Area and that of the air space above those waters and accommodation between activities in the Area and other activities in the marine environment.
- 3 The decision-making procedure applicable at the Review Conference shall be the same as that applicable at the Third United Nations Conference on the Law of the Sea. The Conference shall make every effort to reach agreement on any amendments by way of consensus and there should be no voting on such matters until all efforts at achieving consensus have been exhausted.
- 4 If, five years after its commencement, the Review Conference has not reached agreement on the system of exploration and exploitation of the resources of the Area, it may decide during the ensuing 12 months, by a three-fourths majority of the States Parties, to adopt and submit to the States Parties for ratification or accession such amendments changing or modifying the system as it determines necessary and appropriate. Such amendments shall enter into force for all States Parties 12 months after the deposit of instruments of ratification or accession by three-fourths of the States Parties.
- 5 Amendments adopted by the Review Conference pursuant to this article shall not affect rights acquired under existing contracts.

SECTION 4 THE AUTHORITY SUBSECTION A. GENERAL PROVISIONS

Article 156 Establishment of the Authority

- 1 There is hereby established the International Sea Bed Authority, which shall function in accordance with this Part.
- 2 All States Parties are *ipso facto* members of the Authority.
- 3 Observers at the Third United Nations Conference on the Law of the Sea who have signed the Final Act and who are not referred to in Article 305, para 1(c), (d), (e) or (f), shall have the right to participate in the Authority as observers, in accordance with its rules, regulations and procedures.
- 4 The seat of the Authority shall be in Jamaica.
- 5 The Authority may establish such regional centres or offices as it deems necessary for the exercise of its functions.

Article 157 Nature and fundamental principles of the Authority

- 1 The Authority is the organisation through which States Parties shall, in accordance with this Part, organise and control activities in the Area, particularly with a view to administering the resources of the Area.

- 2 The powers and functions of the Authority shall be those expressly conferred upon it by this Convention. The Authority shall have such incidental powers, consistent with this Convention, as are implicit in and necessary for the exercise of those powers and functions with respect to activities in the Area.
- 3 The Authority is based on the principle of the sovereign equality of all its members.
- 4 All members of the Authority shall fulfil in good faith the obligations assumed by them in accordance with this Part in order to ensure to all of them the rights and benefits resulting from membership.

Article 158 Organs of the Authority

- 1 There are hereby established, as the principal organs of the Authority, an Assembly, a Council and a Secretariat.
- 2 There is hereby established the Enterprise, the organ through which the Authority shall carry out the functions referred to in Article 170, para 1.
- 3 Such subsidiary organs as may be found necessary may be established in accordance with this Part.
- 4 Each principal organ of the Authority and the Enterprise shall be responsible for exercising those powers and functions which are conferred upon it. In exercising such powers and functions each organ shall avoid taking any action which may derogate from or impede the exercise of specific powers and functions conferred upon another organ.

SUBSECTION B THE ASSEMBLY

Article 159 Composition, procedure and voting

- 1 The Assembly shall consist of all the members of the Authority. Each member shall have one representative in the Assembly, who may be accompanied by alternates and advisers.
- 2 The Assembly shall meet in regular annual sessions and in such special sessions as may be decided by the Assembly, or convened by the Secretary General at the request of the Council or of a majority of the members of the Authority.
- 3 Sessions shall take place at the seat of the Authority unless otherwise decided by the Assembly.
- 4 The Assembly shall adopt its rules of procedure. At the beginning of each regular session, it shall elect its President and such other officers as may be required. They shall hold office until a new President and other officers are elected at the next regular session.
- 5 A majority of the members of the Assembly shall constitute a quorum.
- 6 Each member of the Assembly shall have one vote.
- 7 Decisions on questions of procedure, including decisions to convene special sessions of the Assembly, shall be taken by a majority of the members present and voting.
- 8 Decisions on questions of substance shall be taken by a two-thirds majority of the members present and voting, provided that such majority includes a majority of the members participating in the session. When the issue arises as to whether a question is one of substance or not, that question shall be treated as one of substance unless otherwise decided by the Assembly by the majority required for decisions on questions of substance.

- 9 When a question of substance comes up for voting for the first time, the President may, and shall, if requested by at least one fifth of the members of the Assembly, defer the issue of taking a vote on that question for a period not exceeding five calendar days. This rule may be applied only once to any question, and shall not be applied so as to defer the question beyond the end of the session.
- 10 Upon a written request addressed to the President and sponsored by at least one fourth of the members of the Authority for an advisory opinion on the conformity with this Convention of a proposal before the Assembly on any matter, the Assembly shall request the Sea Bed Disputes Chamber of the International Tribunal for the Law of the Sea to give an advisory opinion thereon and shall defer voting on that proposal pending receipt of the advisory opinion by the Chamber. If the advisory opinion is not received before the final week of the session in which it is requested, the Assembly shall decide when it will meet to vote upon the deferred proposal.

Article 160 Powers and functions

- 1 The Assembly, as the sole organ of the Authority consisting of all the members, shall be considered the supreme organ of the Authority to which the other principal organs shall be accountable as specifically provided for in this Convention. The Assembly shall have the power to establish general policies in conformity with the relevant provisions of this Convention on any question or matter within the competence of the Authority.
- 2 In addition, the powers and functions of the Assembly shall be:
 - (a) to elect the members of the Council in accordance with Article 161;
 - (b) to elect the Secretary General from among the candidates proposed by the Council;
 - (c) to elect, upon the recommendation of the Council, the members of the Governing Board of the Enterprise and the Director General of the Enterprise;
 - (d) to establish such subsidiary organs as it finds necessary for the exercise of its functions in accordance with this Part. In the composition of these subsidiary organs due account shall be taken of the principle of equitable geographical distribution and of special interests and the need for members qualified and competent in the relevant technical questions dealt with by such organs;
 - (e) to assess the contributions of members to the administrative budget of the Authority in accordance with an agreed scale of assessment based upon the scale used for the regular budget of the United Nations until the Authority shall have sufficient income from other sources to meet its administrative expenses;
 - (f) (i) to consider and approve, upon the recommendation of the Council the rules, regulations and procedures on the equitable sharing of financial and other economic benefits derived from activities in the Area and the payments and contributions made pursuant to Article 82, taking into particular consideration the interests and needs of developing states and peoples who have not attained full independence or other self-governing status. If the Assembly does not approve the recommendations of the Council, the Assembly shall return them to the Council for reconsideration in the light of the views expressed by the Assembly;