



DSM: Regional Coordination?



Hannah Lily, Legal Advisor, Deep Sea Minerals Project, SPC (SOPAC Division)
DSM Financial Issues Workshop, Rarotonga, 15 May 2014

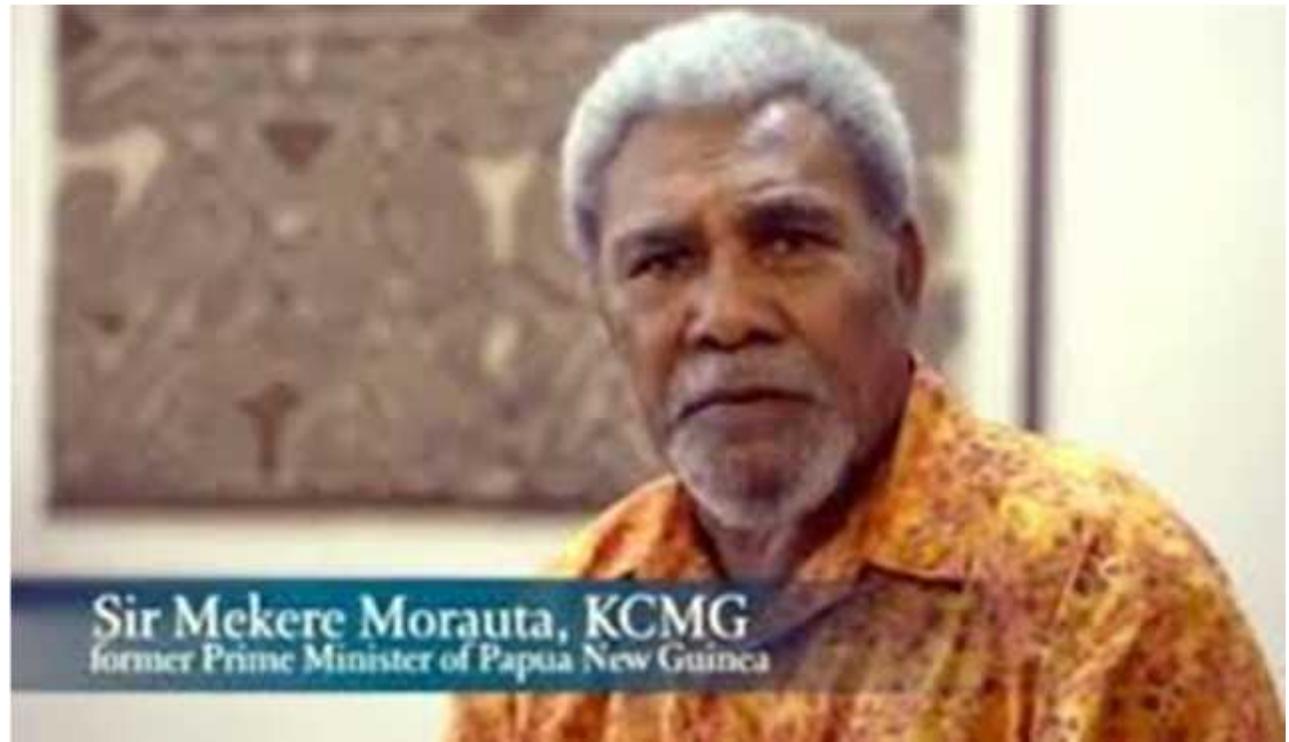
- PP is a ‘living document’: 2013 Review, which contained 2 DSM recommendations:

Recommendation 2:

‘PIFS works with relevant CROP agencies to investigate the merits of [...] establishing a self-funding secretariat to assist PICs with the development of seabed mining.’

Recommendation 33:

‘Leaders request PIFS to develop policy proposals on: [...] Establishing a body to provide commercially focused advice on maximising revenue from seabed mining modelled on the self-funding secretariat that supports the Parties to the Nauru Agreement on fishing’



Parties to the Nauru Agreement – as an example

- Controls the world's largest tuna purse seine fishery (50% of global supply of skipjack).
- Sub-regional: members are FSM, Kiribati, RMI, Nauru, Palau, PNG, Solomon Islands and Tuvalu.
- **Conservation** measures, e.g.:
 - high seas closures to fishing,
 - controls on Fish Aggregating Devices,
 - protection for whale sharks,
 - 100% coverage of vessels with observers.
- **Economic** measures, e.g: Vessel Day Scheme:



- PNA members agree on a limited number of fishing days for the year, based on scientific advice about the status of the tuna stocks.
- Fishing days are then allocated by country and sold to the highest bidder.
- Has tripled minimum payment per fishing day to US\$6000



- SOPAC Division has collected feedback over the past 3 years from Pacific Island countries on their DSM needs and requests for assistance.
- Increasingly interest to explore possible options for more formalised regional coordination has been expressed. E.g. outcome documents from:
 - SOPAC annual meeting October 2013
 - DSM Project 4th regional training workshop (environmental management) December 2013

“We need a regional competent authority, which can provide independent expert technical services to the Pacific Islands (e.g. independent review of Environmental Impact Statements)”



14 May 2014, Pelenatita Kara; Civil Society Forum Tonga



- We share the marine space – there are no physical borders.
- Increased influence on the international stage (e.g. International Seabed Authority).
- Minimum standards being upheld across the region: environmental and financial.
- A harmonised regime will make Pacific EEZs an attractive operating and investment environment.
- Will enable cross-border exploration in one cruise.
- Pooling expertise on a regional level enables full-time staff to be retained.
- A regional resource enables learning, and data-sharing, from country to country.
- Regional agencies are impartial and working in the countries' best interests.
- Enables transboundary, or joint area, projects.
- Enables strategic environment assessment on a regional scale.
- Transboundary impacts, impacts on migratory species, or cumulative impacts can be measured cross-boundary.
- Implementation of common standards can be monitored and reviewed on regional basis.
- DSM is not a standalone issue. Having a centralised body for the region will assist DSM work across feed into wider policy issues that are addressed regionally.
- Regional cooperation could assist in case of disputes with companies.

[December 2013 SPC-EU DSM Project 4th Regional Workshop: DSM environmental management]



- Parties to the Nauru Agreement (PNA) and secretariat is one type of regional arrangement for DSM. There may be others.

[NB differences between fisheries and DSM resources e.g. the international legal framework; DSM do not move between jurisdictions; each Pacific Island country has entirely different DSM potential etc.]

- Other options for enhanced regional coordination of DSM management could include:
 - ? a **regional treaty setting** minimum operational, environmental and financial standards for DSM across the region, with a Secretariat to support compliance.
 - ? a **regional services-provider** to whom Pacific Islands can sub-contract DSM regulatory functions e.g. licensing, monitoring and compliance processes that require specialist expertise and equipment.
- Possibility of sub-regional arrangements e.g. DSM-resource-specific groupings?





- A regional treaty? could build on wording already included in the Pacific Plan, Leaders' Communiques, and the RLRF for high-level principles.
- Could be more detailed:
 - minimum technical and financial qualifications for contractors
 - when an EIA is triggered and what it must include, environmental bond rules, biodiversity off-setting, corporate social responsibility, public consultation, transparency mechanism etc.)
- Secretariat
 - Like SPREP and the Noumea Convention.



- A new entity? Timing needs to be right.
- Existing agencies (e.g. SOPAC) or networks (e.g. Marine Sector Working Group) may be a good place to start.
 - Can learn from other agencies, like: FFA, ISA
 - Also other regional regulation: PNA, civil aviation, ITC
- Different areas could be included in collaboration efforts:
 - (i) policy, (ii) legal, (iii) technical support, (iv) commercial relations.
- Could provide regulatory services to individual Governments (e.g. receiving licensing applications, reviewing EIA reports, reviewing annual performance reports, monitoring operations, carrying out inspections.)
- Other suggestions received:
 - Observer / inspector training programme, so there is a pool of independent observers countries can call upon.
 - Work with the ISA and DSM companies to secure capacity-building and training opportunities for Pacific Island nationals.
- The EU EDF 11 may provide an opportunity for a DSM Project 2 for further work in this regard.