Overview of the SPC-EU EDF10 Deep Sea Minerals Project

National DSM Stakeholder Consultation Workshop

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Regional Approach Concept

- The regional approach concept is necessary based on the following:

- Request for assistance by PICs to SPC/SOPAC Division, Commonwealth Secretariat, and the Pacific Islands Forum Secretariat;

- Recent upsurge in offshore minerals exploration within the EEZ of PICs;

- Lack of specific policy, legislation and regulations for the governance of deep sea mineral resources;

- The need for harmonised legal, environmental and fiscal regimes for the management of offshore mineral resources in the region;

- A common platform (i.e. a regional framework) from which national offshore minerals policy, legislation and regulations can be developed.
Project Funding and Implementation

- EU agreed to provide the financial support for the implementation of the Project in 15 PICs;
- The Financing Agreement was signed by the EU and SPC in August 2010;
- The DSM Project is implemented by the SOPAC Division for a period of 4 years (i.e. 2011 – 2014);
- Project is implemented in 15 Pacific ACP States.
• **Overall objective**: to expand the economic resource base of Pacific ACP States by facilitating the development of a viable and sustainable marine minerals industry.

• **Specific objective**: to strengthen the system of governance and capacity of Pacific ACP States in the management of deep-sea minerals through the development and implementation of sound and regionally integrated legal frameworks, improved human and technical capacity and effective monitoring systems.
Key Result Areas

The project has four Key Result Areas:

• (1) Regional legislative and regulatory framework (RLRF) for offshore minerals exploration and mining;

• (2) National policy, legislation and regulations;

• (3) Building national capacities – supporting active participation of PICs nationals in the offshore mining industry; and

• (4) Effective management and monitoring of offshore exploration and mining operations.
Result Area 1 – DSM Regional Framework

- Hold the inaugural DSM Project regional consultation workshop.

- Develop the Regional Legislative and Regulatory Framework (RLRF) in consultation with partners and participating countries;

- In consultation with key stakeholders, review, finalise and distribute the RLRF.

- The RLRF will be used by P ACP States for the development of national legislative instruments.
Result Area 2 – National Legislative Instruments

- Convene national stakeholder consultation workshops;

- Establish National Offshore Minerals Committee (NOMC) with representation of all stakeholders;

- In collaboration with NOMC and key stakeholders formulate national offshore minerals policy and legislation based on the RRLF;
Result Area 2 (cont)

- **Support** stakeholder consultations and the review of national policy and legislation, regulations:
  - Public stakeholder consultations meetings;
  - Submission to cabinet / parliamentary sub-committee;
  - Finalise national legislative instruments;
  - Submit policy and legislation to parliament through cabinet for enactment.
Result Area 3 – Capacity Building

- Establish a process for assessing Marine Scientific Research, offshore mineral exploration and mining contracts, and EIAs;

- Establish a regional marine minerals database;

- Institutional assessment of relevant national agencies;

- In consultation with government agencies, identify suitable candidates for capacity building opportunities;
• Facilitate and support formal and informal training of relevant technical professionals in PICs;

• Strengthen government legal and fiscal agencies through short-term training;

• Assess the effectiveness of capacity building initiatives and take corrective measures.
Result Area 4 – Environmental Management

• Develop a regional environmental management and monitoring framework and guideline (under the SPC-UNEP/GRID-Arendal Agreement);

• When the opportunity arises, collaborate with key stakeholders in monitoring the environmental impacts of offshore mining operations;

• Identify and engage suitable candidates to participate in environmental monitoring as part of the on-the-job training;

• Support the dissemination of information to key in-country stakeholders (i.e. 6 monthly update, information brochures, press releases, etc).

• Encourage and support the participation of potentially impacted local communities in the environmental monitoring;
Result Area 4 (cont)

• Support NOMC and the NSAs in conducting awareness programs to potentially impacted local communities;

• Carry out a Benefit-Cost Analysis (BCA) of deep sea mining:

| High costs of deep sea mining and the potential impacts on the marine living resources | against |
| Profit derive from a mining operation due to high commodity prices and the decrease in land metal reserves |

• Consultants will be contracted on short-term basis to assist in policy and legislation review, capacity building, environmental management initiatives.
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<th>Activities</th>
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<td>Complete project reports and increase visibility and showcasing</td>
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<td>Closure phase</td>
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**Key:**
- Result Area 1
- Result Area 2
- Result Area 3
- Result Area 4
- Closure phase
• Two main beneficiaries:
• (1) National governments: relevant government agencies particularly those that deal with mining, fisheries, environment, law, and fiscal matters;
• (2) Local Communities: particularly those that are most likely to be impacted by activities relating to offshore exploration and mining;
• Other beneficiaries: Private sector, NSA, and regional and international agencies.
Implementing Partners

- **Relevant government agencies of the 15 Participating Countries:**
  - Mining;
  - Fisheries;
  - Environment;
  - Finance,
  - Office of the Attorney General

- **Regional Organizations:**
  - Other Divisions of the SPC,
  - Pacific Islands Forum Secretariat (PIFS),
  - Forum Fisheries Agency (FFA),
  - Secretariat of the Pacific Regional Environment Programme (SPREP);

- **Other Organisations:**
  - UNEP/GRID-Arendal,
  - Commonwealth Secretariat,
  - Geoscience Australia,
  - International Seabed Authority,
  - World Bank, etc;

- **Local Communities;

- **Non-State Actors:**
  - IUCN;
  - WWF;
  - Minerals Policy Institute (MPI).
DSM Project Update

- Inaugural DSM Project Regional Workshop was held in Nadi Fiji in June 2011;
- UNEP/GRID-Arendal is contracted to compile a report on the state of knowledge of marine minerals in the Pacific;
- Six DSM Project information brochures have been prepared and disseminated to stakeholders in the region;
- Six country-specific information brochures have been completed and disseminated;
Project Update (cont)

- Capacity building initiatives through workshops, conferences and shipboard training;

- A meeting with legal advisors from Nauru, Tonga, Kiribati and Fiji was held in Fiji to discuss a way forward in drafting national regulations for exploration in the Area;

- Drafting instruction for Tonga has been completed and drafting of the Tonga DSM legislation is underway;
Project Update (cont)

- A draft RLRF was prepared and sent to participating countries and other interest groups for comments;
- The RLRF is currently being finalised;
- An international workshop on “environmental management needs for exploration and exploitation of deep seabed minerals” was jointly organised by the ISA and DSM Project;
- The production of a DSM Documentary is in progress.
- A stakeholder participatory approach of project implementation has been adopted.
Project Communication and Visibility

- Excellent media coverage through news release, TV and radio interviews;

- Project activities and updates have been published in other websites (e.g. MPI, UNEP/GRID-Arendal, InterRidge, N-S Environmental Law)

- A mini-website for the DSM Project has been established within the SOPAC Division website.