

ISA 29th Session, Part II – Reading of the Draft Consolidated Text

Oral Statement by the Federal Republic of Germany

Delivered in July 2024

Regulation 36 - Insurance

Germany believes it is key that all seabed mining activities are fully insured. This is not only to protect the Contractor but also to protect the financial interests of the Authority and us as member states. The polluter pays principle requires that those who cause an accident, or any harm to the marine environment or otherwise, must pay for such harm. Insurance will be key to recover those costs.

Adequate insurance will also help avoid having to use the Environmental Compensation Fund. As many states, including our delegation, have previously noted, this Fund must be a last resort and efforts should first focus on recovering funds from the Contractor to mitigate and compensate for harm. If the Environmental Compensation Fund is the last resort, insurance can be seen as the first port of call.

With that in mind, Germany supports the inclusion of **paragraph 1.bis**, which states that insurance must be proposed at the time of applying for an exploitation contract, take effect from the start date of the contract, and remain in place for the entire duration of the contract. This is important as the Authority needs to assess the financial capacity of the applicant. If insurance costs are not known at the time of application, the Authority simply cannot assess whether the applicant has sufficient financial means.

We request keeping **paragraph 1.bis, paragraph (c)**, which offers valuable details as to the scope of insurance. Again, it is in the interest of the Authority and member states that all types of accidents or harms are covered by insurance, to ensure humankind will receive compensation for relevant harm.

In **paragraph 3**, we believe the last sentence strictly is not needed as DR103 and 29bis already provide for the Council to be notified if a compliance notice is issued or exploitation activities are suspended. However, we may instead insert wording such as *“The Secretary-General shall keep the Council informed on such cases.”*.