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PERSONAL REPORT BY THE CHAIRMAN ON THE MEETING ON
ANTARCTIC MINERAL RESOURCES

WELLINGTON, NEW ZEALAND, 17-18 JANUARY 1983

1. Pursuant to a decision taken at the first session of the Special Consultative Meeting on Antarctic Mineral Resources, held in Wellington from 14-25 June 1982 (AMR/SCM/21/Rev.1/Corr.1. paragraph 10), representatives of the Antarctic Treaty Consultative Parties met informally in Wellington from 17-28 January 1983 to continue their discussions on a regime for Antarctic minerals.
2. The meeting did not find it necessary to adopt a formal agenda but based its work on the main substantive item of the agenda adopted at the June 1982 meeting, i.e. the elaboration of a regime on Antarctic mineral resources.
3. Following consultations I undertook with all delegations, I have decided to issue the present report. As in the case of the comparable document relating to the June 1982 meeting (AMR/SCM/25), this represents my personal views and I take full responsibility for it.
4. The meeting began its work with a debate on the issues identified in AMR/SCM/25 as those of greater difficulty. It considered, in the order set out below, the topics identified in paragraphs 17-31 of AMR/SCM/25:

- (a) The interests of the international community: adherence to the regime by non Consultative Parties;
- (b) The internal accommodation;
- (c) The area of the regime;
- (d) Who shall mine?

5. In the course of discussion of these topics, a number of delegations submitted papers and proposals, including, in some cases, draft articles. In relation to the first of the topics listed, I issued an informal paper which endeavoured to record some common ground that seemed to emerge from the discussion with regard to the elements that a regime should contain in order to take appropriate account of the interests of the international community in Antarctica. In the light of subsequent discussion of that paper, the propositions it contained relating to participation in the regime and its institutions were revised in a further informal paper which I submitted.

6. The meeting then turned to a discussion of the question of environmental protection, referred to in paragraphs 14-16 of AMR/SCM/25 and regarded by all delegations as of central importance to the regime (and in relation to which a number of delegations also met informally). Further proposals were submitted relating to this question.

7. In the course of the discussion of environmental issues, it was agreed that it would assist the work of the second session of the Special Consultative Meeting to be held in Bonn in July 1983 if a working group, able to draw on the necessary expertise, were set up on this topic.

8. The meeting discussed the following additional issues:

- (a) Economic considerations (paragraphs 10 and 11 of AMR/SCM/25);

/(b)

- (b) Dispute settlement;
- (c) The objectives and principles of the regime.

9. During the second week of its work the meeting also went into recess on a number of occasions to allow two open-ended groups established by it to work. One such group, chaired by Ambassador Sulimma of the Federal Republic of Germany, considered the area of the regime. The other, chaired by Mr D. Guppy of the delegation of Australia, considered the question of the definition and regulation of the various stages of Antarctic mineral resource activities - prospecting, exploration and development. The Chairman of each group reported to the meeting on the progress made in his group.

10. The meeting also considered, at Head of Delegation level, the question of a schedule of further meetings after the second session of the Special Consultative Meeting to be held in Bonn in July 1983. It was agreed that it would be desirable to receive an offer from one of the Consultative Parties to host such a further meeting (which might be either formal or informal) at an early stage and certainly no later than during the Bonn meeting. The meeting also considered whether other opportunities might not arise for further informal discussions in 1983 with particular reference to the possibility of such discussions being held before the Bonn meeting. It was agreed that the Chairman would consult with the other Consultative Parties (and in particular with the Government of Australia), through the diplomatic channel, with a view to reaching a quick decision on this point.

11. Viewed as a whole, the discussion seemed to me - and my consultations revealed that this view was widely shared - to reflect a substantial measure of progress. The issues were sharpened and, in a number of areas, the differences narrowed. Flexibility, goodwill and a willingness to look for middle ground were evident on all sides.

12. In relation to a number of the central issues that will need to be dealt with in any regime, including in particular the nature, function and the powers of the institutions of the regime, their membership and their method of taking decisions, there appeared to be quite wide support for certain elements in several of the competing proposals put before the meeting. As I see it, there is, as yet, however, no individual proposal containing a combination of elements that attracts support from all quarters. What I believe is required, if the negotiations are to move forward at the urgent pace which the Consultative Parties have determined is required, is an attempt to find a combination of elements that might generate a common approach.

13. In the hope that an initiative on my part could be of some use in this process and as foreshadowed in my consultations, I am attaching to this report a proposal of my own. While it draws as much as possible on points of convergence emerging in the debates held so far, it also represents a new combination of various elements mentioned in those debates and proposals put to the meeting. Whether it will be regarded as a constructive approach remains to be seen.

14. I need hardly say that the proposal is entirely personal in character. I have at certain points drawn not only on wording in other relevant instruments (the Antarctic Treaty, Recommendation XI-1 and the CCAMLR) but also in proposals put to the meeting by individual delegations. But neither on this basis nor on any other should the proposal be regarded as reflecting, or prejudicing, the position of any delegation on any issue of substance. It is, I trust, equally obvious that it cannot prejudice the right of any delegation to maintain proposals it has put forward in the past or to advance proposals in future. My personal proposal will have no more status than delegations may wish to afford it.

15. It seems to me that a proposal is frequently more easily assessed if it presents a reasonably complete and detailed picture. On this basis I have cast my proposal in the form of draft articles which are intended to cover many, although not all, of the elements that a regime will have to include. In some instances I have done no more than give a heading for a chapter or article and left the contents blank. I have adopted this technique either because, as in the case of Chapter VII relating to disputes settlement, the topic has only recently been broached, or, as in the case of the definition of the stages of mineral resource activities in Article I or the definition of the area of the regime in Article IV, detailed and technical discussions are underway which show promising signs of attaining an agreed result, and in relation to which an expression of my personal views might well be unhelpful. In one area of the draft - Article III relating to the principles of the regime - I have thought it preferable not to attempt a complete draft article but, instead, have included no more than a general description of some of the ground that might be covered by the article. In a number of instances I have used the technique of square brackets.

16. The articles set out in my draft could probably be more easily accommodated in a convention than in another form of legally binding instrument. This, however, is not intended to reflect a view one way or the other as to the final form of the regime.

28 January 1983

ANTARCTIC MINERAL RESOURCES REGIME: DRAFT ARTICLES

CHAPTER I : GENERAL

ARTICLE I (Definitions)

1. For the purposes of this regime:
 - (a) "Antarctic Treaty area" means the area to which the provisions of the Antarctic Treaty apply in accordance with Article VI of that Treaty;
 - (b) "Antarctic Treaty Consultative Parties" means the Contracting Parties to the Antarctic Treaty whose representatives are entitled to participate in meetings provided for under Article IX of that Treaty;
 - (c) "Antarctic mineral resource activities" means prospecting or exploration for, or development of, mineral resources in the area to which this regime applies;
 - (d) "Exploration" means
 - (e) "Development" means
 - (f) "Prospecting" means
 - (g) "Mineral Resources" means

/ARTICLE II

ARTICLE II (Objective)

The objective of the regime is to provide a means for:

- (a) assessing the possible impact upon the Antarctic environment of Antarctic mineral resource activities;
- (b) determining whether such activities are acceptable;
- (c) governing the environmental, technological, political, legal and economic aspects of such activities as may be found to be acceptable;
- (d) establishing rules for the protection of the Antarctic environment;
- (e) ensuring that any Antarctic mineral resource activities undertaken are in strict conformity with such rules.

/ARTICLE III

ARTICLE III (Environmental Principles)

The following environmental principles shall guide parties to this regime and the institutions established pursuant to it, in the implementation of the objective set out in Article II:

- [(a) Antarctic mineral resource activities should not result in significant or irreversible changes in the distribution, abundance or productivity of living resources;
- (b) endangered, threatened or depleted species or populations should receive special protection;
- (c) Antarctic mineral resource activities should not be conducted in areas designated as protected areas by the Antarctic Treaty Consultative Parties or pursuant to this regime;
- (d) unique biological communities or sites of special biological or scientific importance, should receive special protection;
- (e) global climate or weather patterns should not be affected;
- (f) there should be no threat of any but minimal, local effects on air and water quality;
- (g) environmental decisions should be based on adequate data;
- (h) ...
- (i) ...

Footnote

The above is only an indicative list of general environmental principles of the kind that will need to be included in the regime for the purpose of guiding the parties to the regime and its institutions in subsequently

developing more detailed provisions relating to the protection of the environment and in assessing and regulating specific proposals for Antarctic mineral resource activities.

It would be for consideration whether important propositions dealing with other than environmental concerns (many of which are contained in this text in later substantive articles - e.g. Article VIII paragraph (2)) should be stated as additional principles in a separate article following Article III.

ARTICLE IV (Area of Application)

ARTICLE V (Participation in Antarctic Mineral Resource Activities)

1. Antarctic mineral resource activities may be carried out in the area to which the regime applies, subject to the provisions of the regime,

(a) by an operator;

(b) pursuant to a cooperative venture

agreed between two or more of the parties

to the regime and subject to the terms and

conditions specified by the Commission pursuant

to paragraph 4 of this Article.

2. An operator may include a party to the regime, a state entity of a party or, subject to the provisions of paragraph 3 of this Article, any natural or juridical person, or any joint venture or consortium involving any of the foregoing.

3. Any operator, other than a party shall have a substantial and genuine link with a party to the regime (hereinafter referred to as "the sponsoring state"). In the case of natural persons they shall have the nationality of the sponsoring state. In the case of a juridical person (whether in the form of a consortium, joint venture or otherwise) it shall be established under the laws of the sponsoring state and have its central management and control and substantial resources located in the territory of the sponsoring state.

4. In the case that a cooperative venture referred to in paragraph 1 of this Article is proposed, the Commission shall establish by consensus terms and conditions for such venture not inconsistent with the provisions of this regime.

ARTICLE VI (Responsibility)

1. Each party to the regime shall be responsible for taking appropriate measures within its competence to ensure compliance with the regime and any measures adopted pursuant to it.
2. Parties to the regime undertake a collective responsibility to exert appropriate efforts, consistent with the Charter of the United Nations, to the end that no-one engages in any Antarctic mineral resource activities contrary to the objective and principles of this regime or any measures adopted pursuant to it.
3. Parties to the regime shall transmit to the Commission information on measures taken pursuant to paragraphs 1 and 2 of this Article.

/ARTICLE VII

ARTICLE VII (Provision to ensure that Article IV of the
Antarctic Treaty is not affected)

Nothing in this regime and no acts or activities
taking place while this regime is in force shall:

- (a) constitute a basis for asserting, supporting
or denying a claim to territorial sovereignty
in the Antarctic Treaty area or create any
rights of sovereignty in the Antarctic Treaty area;
- (b) be interpreted as a renunciation or diminution
by any party of, or as prejudicing,
any right or claim or basis of claim to territorial
sovereignty in Antarctica or to exercise coastal
state jurisdiction under international law within
the area to which this regime applies;
- (c) be interpreted as prejudicing the position of any
party as regards its recognition or
non-recognition of any such right, claim or basis
of claim;
- (d) affect the provision of Article IV, paragraph 2,
of the Antarctic Treaty that no new claim, or
enlargement of an existing claim, to territorial
sovereignty in Antarctica shall be asserted while
the Antarctic Treaty is in force.

/ARTICLE VIII

ARTICLE VIII (General obligations with respect to the
Antarctic Treaty)

1. Parties to the regime, whether or not they are parties to the Antarctic Treaty, agree that they will not engage in any activities in the Antarctic Treaty area contrary to the principles and purposes of that Treaty, and that in their relations with each other they are bound by the principles and objectives contained in Articles I, IV, V and VI of that Treaty.
2. Parties to the regime which are not parties to the Antarctic Treaty acknowledge the special obligations and responsibilities of the Antarctic Treaty Consultative Parties for the protection and preservation of the environment of the Antarctic Treaty area.
3. Parties to the regime which are not parties to the Antarctic Treaty shall, in their activities within the Antarctic Treaty area, observe:
 - (a) the Agreed Measures for the Conservation of Antarctic Fauna and Flora and such other measures as have been recommended by the Antarctic Treaty Consultative Parties in fulfillment of their responsibility for the protection of the Antarctic environment from all forms of harmful human interference;
 - (b) the measures with respect to the conservation of Antarctic marine living resources adopted by
/the Commission

the Commission for the Conservation of Antarctic
Marine Living Resources, pursuant to Article IX of
the Convention on the Conservation of Antarctic
Marine Living Resources done at Canberra on
20 May 1980.

ARTICLE IX (Non Discrimination)

In the application of the provisions of this regime
there shall be no discrimination on grounds of nationality.

/CHAPTER II

CHAPTER II : INSTITUTIONS

ARTICLE X (Commission)

Parties to the regime agree to establish and maintain Antarctic Mineral Resources Commission (herein referred to as "the Commission").

Membership in the Commission shall be as follows:

- (a) Antarctic Treaty Consultative Parties;
- (b) any party to the regime which has acceded to this regime pursuant to Article [...] during such time as it, or an operator which it has sponsored, is engaged in Antarctic mineral resource activities.

Each member of the Commission shall be represented by representative who may be accompanied by alternate representatives and advisers.

Observer status in the Commission shall be open to:

- (a) any party to the regime;
- (b) any party to the Antarctic Treaty;
- [(c) such international organisations as may be specified by the Commission.]

/ARTICLE XI

ARTICLE XI (Convening of the Commission)

1. The Commission shall be convened for its first meeting within [...] days of:

- (a) the circulation of a request by not less than [...] parties to the regime, or
- (b) a notification by a sponsoring state in accordance with Article XXV.

2. The first meeting of the Commission in accordance with paragraph 2 of this Article shall be convened by the Depositary.

3. The first meeting of the Commission and subsequent meetings shall decide upon the necessity for further meetings until such time as the Commission decides to hold future meetings on a regular basis, whether annually or otherwise. Special meetings may be held and shall be convened at the request of [...] of its members, and shall be convened by the Depositary, unless the Commission otherwise decides.

/ARTICLE XII

ARTICLE XII (Commission Procedure)

1. The Commission shall elect from among its members a Chairman and Vice-Chairman, each of whom shall serve for a two-year period and shall be eligible for re-election for one additional term. The Chairman and Vice-Chairman shall not be representatives of the same party.

2. The Commission shall adopt and amend as necessary rules of procedure for the conduct of its meetings.

3. The Commission may establish, by consensus, such subsidiary bodies as are necessary for the performance of its functions.

4. The official languages of the Commission shall be English, French, Russian and Spanish.

5. The Commission may decide to establish a permanent headquarters at a site to be determined.

6. The Commission shall have legal personality and shall enjoy in the territory of each of the parties such legal capacity as may be necessary to perform its functions and achieve the purposes of this regime. The privileges and immunities to be enjoyed by the Commission and its staff in the territory of a party shall be determined by agreement between the Commission and the party concerned.

ARTICLE XIII (Functions of Commission)

1. The functions of the Commission, in fulfilment of the objective set out in Article II and in accordance with the principles set out in Article III, shall be:

- (a) to determine in accordance with paragraph 2 of Article XXVI whether proposed Antarctic mineral resource activities pose an unacceptable risk to the Antarctic environment;
- (b) to facilitate and promote research projects necessary to assess the possible environmental impact of Antarctic mineral resource activities;
- (c) to determine those areas where for historic, ecological, environmental or scientific reasons Antarctic mineral resource activities should not be permitted;
- (d) to formulate, adopt and revise measures, in elaboration of the principles of Article III, relating to the protection of the Antarctic environment and the promotion of safe and effective exploration and development techniques;
- (e) to adopt rules, supplementary to the provisions in Article XXV, concerning the types of information which should be included in notifications made under paragraph 1 of that Article or in applications made under paragraph 1 of Article XXVII;
- (f) to adopt rules regarding the reimbursement by operators to the Commission of the costs of the Commission and the other institutions of the regime;
- (g) to specify by consensus appropriate block sizes for the exploration and development of Antarctic mineral resources;

ARTICLE XIII Cont.

- (h) to adopt, by consensus, appropriate measures, in order to avoid monopoly situations;
- (i) to elaborate by consensus the principle set forth in Article IX with a view to ensuring full and fair opportunity, without discrimination, for participation in Antarctic mineral resource activities;
- (j) to authorise the issue of exploration and development permits in accordance with paragraph 2 of Article XXXI and paragraph 7 of Article XXXV;
- (k) to review the operation of Antarctic mineral resource activities;
- (l) to consider monitoring reports received pursuant to Article XXXIII;
- (m) to consider the establishment of measures to ensure participation by the international community in benefits derived from the regime;
- (n) to carry out such other functions as are specified elsewhere in the regime or necessary to fulfil the objective and principles of the regime.

2. In exercising its functions under paragraph 1 the Commission shall take full account of the recommendations and advice of the Scientific, Technical and Environmental Advisory Committee, established under Article XVI.

3. The Commission shall take full account of any relevant measures established or recommended by the Antarctic Treaty Consultative Parties in order that there shall be no inconsistency between such measures and measures which may be adopted by the Commission.

/ARTICLE XIV

ARTICLE XIV (Monitoring by the Commission)

1. The Commission shall draw the attention of any state which is not a party to this regime to any activity undertaken by its nationals or vessels which, in the opinion of the Commission, affects the implementation of the objective of this regime.

2. The Commission shall draw the attention of all parties to the regime to any activity which, in the opinion of the Commission, affects the implementation by a party of the objective of this regime or the compliance by that party with its obligations under this regime.

/ARTICLE XV

ARTICLE XV (Decision-making in the Commission)

1. Except as provided elsewhere in this regime, decisions of the Commission on matters of substance shall be taken by a majority of two-thirds of the members present and voting. The question of whether a matter is one of substance shall be treated as a matter of substance.

2. Decisions on matters other than those referred to in paragraph 1 of this Article or provided for elsewhere in this regime shall be taken by a simple majority of the members present and voting.

/ARTICLE XVI

ARTICLE XVI (Scientific, Technical and Environmental
Advisory Committee)

1. Parties to the regime agree to establish and maintain the Scientific, Technical and Environmental Advisory Committee (hereinafter referred to as "the Advisory Committee").
2. Membership in the Advisory Committee shall be as follows:
 - (a) Antarctic Treaty Consultative Parties;
 - (b) Members of the Commission which are not Antarctic Treaty Consultative Parties;
 - (c) Any party to the regime, which is a party to the Antarctic Treaty and which has conducted scientific research relevant to Antarctic mineral resource activities.
3. Observer status in the Advisory Committee shall be open to:
 - (a) any party to the regime;
 - (b) any party to the Antarctic Treaty;
 - (c) such international organisations [including non-governmental organisations] as may be specified by the Commission.
4. Each member of the Advisory Committee shall appoint a representative with suitable scientific qualifications who may be accompanied by other experts and advisers.
5. The Advisory Committee may seek the advice of other scientists and experts as may be required on an ad hoc basis.
6. The Advisory Committee shall adopt and amend as necessary its rules of procedure. Such rules shall include procedures for the presentation of minority reports.
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4. Each member of the Advisory Committee shall appoint a representative with suitable scientific qualifications who may be accompanied by other experts and advisers.
5. The Advisory Committee may seek the advice of other scientists and experts as may be required on an ad hoc basis.
6. The Advisory Committee shall adopt and amend as necessary its rules of procedure. Such rules shall include procedures for the presentation of minority reports.
7. The Advisory

7. The Advisory Committee may by consensus establish separate subcommittees to deal with:

- (a) scientific and environmental matters;
- (b) technical matters.

8. The official languages of the Advisory Committee shall be English, French, Russian and Spanish.

ARTICLE XVII (Convening of Advisory Committee)

1. The Advisory Committee shall be convened for its first meeting either:
 - (a) pursuant to a decision of the Commission; or
 - (b) if the Commission has not been convened pursuant to Article XI, within [...] days of the circulation of a request by not less than [...] parties to the regime.
2. The Advisory Committee shall meet thereafter as often as may be necessary to fulfil its functions.
3. In the case where the Commission has not been convened the following financial provisions shall apply:
 - (a) the costs of meetings of the Advisory Committee shall be shared equally amongst the members;
 - (b) decisions on matters involving expenditure shall be taken by consensus.

/ARTICLE XVIII

ARTICLE XVIII (Functions of Advisory Committee)

1. The Advisory Committee shall provide a forum for consultation and cooperation concerning the collection, exchange and evaluation of ecological, technical and other information needed to assess and monitor the possible impact of mineral resource activities on the Antarctic environment.
2. In particular it shall:
 - (a) prepare scientific, technical and environmental guidelines in accordance with Article XXVIII;
 - (b) identify the types of ecological, technical and other information which would be required in order to carry out its functions;
 - (c) consider and make recommendations on possible research projects which would assist in assessing the possible environmental impact of Antarctic mineral resource activities;
 - (d) make recommendations concerning areas where Antarctic mineral resource activities should be prohibited;
 - (e) make recommendations in accordance with paragraph 1 of Article XXVI as to whether the opening of a general area for exploration applications would present unacceptable risks to the environment;
 - (f) make recommendations, in elaboration of the principles of Article III, concerning measures relating to the protection of the Antarctic environment and the promotion of safe and effective exploration and development techniques, including
/equipment

ARTICLE XVIII Cont.

equipment specifications, seasonal or area operating requirements, monitoring, safety or other technical conditions;

- (g) identify the types of information which should be included in notifications made under paragraph 1 of Article XXV or in applications made under paragraph 1 of Article XXVII;
- (h) carry out such other functions as are specified elsewhere in this regime or as may be directed by the Commission.

3. Reports of the Advisory Committee shall be published.

/ARTICLE XIX

ARTICLE XVIII Cont.

- equipment specifications, seasonal or area operating requirements, monitoring, safety or other technical conditions;
- (g) identify the types of information which should be included in notifications made under paragraph 1 of Article XXV or in applications made under paragraph 1 of Article XXVII;
- (h) carry out such other functions as are specified elsewhere in this regime or as may be directed by the Commission.
3. Reports of the Advisory Committee shall be published.

/ARTICLE XIX

ARTICLE XIX (Decision-making by Advisory Committee)

1. Except as provided elsewhere in this regime, decisions of the Advisory Committee on matters of substance shall be taken by a majority of two-thirds of the members present and voting. The question of whether a matter is one of substance shall be treated as a matter of substance.

2. Decisions on matters other than those referred to in paragraph 1 of this article or provided for elsewhere in this regime shall be taken by a simple majority of the members present and voting.

ARTICLE XX (Regulatory Committee)

1. The Regulatory Committee shall consist of:
 - (a) the sponsoring state lodging an application in accordance with Article XXVII;
 - (b) the party or parties to the regime (if any) which maintain rights of or claims to sovereignty in the block to which an application under Article XXVII refers;
 - (c) the two states which, prior to the entry into force of the Antarctic Treaty, had asserted a basis of claim in Antarctica;
 - (d) up to two parties designated by the party in (a) above, provided that the combined total of (a) plus (c) plus (d) shall not exceed four;
 - (e) up to three parties designated by the party or parties in (b) above, provided that the combined total of (b) plus (e) shall not exceed four.
2. Each member of the Regulatory Committee shall be represented by one representative who may be accompanied by alternate representatives and advisers.
3. Except as provided in paragraph 4 of Article XXIX and paragraph (1) of Article XXXI, decisions of the Regulatory Committee shall be taken by a simple majority of the members present and voting.

ARTICLE XXI (Secretariat)

1. The Commission may establish a Secretariat to serve the Commission and the Advisory Committee.
2. The Commission may appoint an Executive Secretary according to such procedures and on such terms and conditions as the Commission may determine. His term of office shall be for four years and he shall be eligible for re-appointment.
3. The Commission may authorise such staff establishment for the Secretariat as may be necessary and the Executive Secretary shall appoint, direct and supervise such staff according to such rules and procedures and on such terms and conditions as the Commission may determine.
4. The Executive Secretary and Secretariat shall perform the functions entrusted to them by the Commission.

/ARTICLE XXII

ARTICLE XXII (Financial Provisions)

1. The Commission, at its first meeting, if it deems that further meetings are necessary, shall make budgetary provision for its activities and, as appropriate, the activities of the Advisory Committee and Secretariat.
2. Each member of the Commission shall contribute an equal share to the budget.
3. Decisions on budgetary matters shall be taken by consensus.
4. The financial activities of the Commission, the Advisory Committee and the Secretariat, shall be conducted in accordance with financial regulations adopted by the Commission and shall be subject to an annual audit by external auditors selected by the Commission.
5. Each member of the Commission, the Advisory Committee and the Regulatory Committee shall meet its own expenses arising from attendance at meetings.
6. A member of the Commission that fails to pay its contribution for two consecutive years shall not, during the period of its default, have the right to participate in the taking of decisions in the Commission.

CHAPTER III : PROSPECTING

ARTICLE XXIII (Prospecting)

1. A sponsoring state shall notify the Commission, or if it has not been convened, all of the parties to the regime, in the event that it or an operator under its sponsorship, intends to engage in prospecting for mineral resources in the area to which the regime applies.

2. Such notification shall:
 - (a) identify the general area in which prospecting would occur;
 - (b) specify the anticipated duration of prospecting activities;
 - (c) provide details of the resources which are the subject of the prospecting activity and the methods proposed to be used in such activity.

/ARTICLE XXIV

ARTICLE XXIV (Limitations on Prospecting)

1. Prospecting shall be prohibited in any area designated as a Specially Protected Area or a Site of Special Scientific Interest under Recommendations made pursuant to Article IX(1) of the Antarctic Treaty.
2. Prospecting shall also be prohibited in any area designated by the Commission.
3. Prospecting shall not confer any rights or title to resources upon the prospector.
4. Prospectors shall comply at all times with measures adopted pursuant to the Antarctic Treaty or this regime for the protection of the Antarctic environment.
5. Sponsoring states shall, on an annual basis, until the cessation of the prospecting activity, circulate to other parties, or to the Commission, a general report on the prospecting activity.
6. Paragraph 5 of this Article shall not be interpreted as requiring the disclosure of detailed proprietary data.

Footnote

The contents of any provisions on prospecting will need further consideration in the light of the decision on the scope of the definition of "Prospecting" in Article I.

CHAPTER IV : EXPLORATION

ARTICLE XXV (Notification)

1. A sponsoring state shall notify the Commission, or in the event that the Commission has not been convened, all of the parties to the regime, when an operator under its sponsorship intends to initiate a programme of exploration for mineral resources to which the regime applies.
2. Such notification shall be given at least [...] days prior to the proposed date for the initiation of the programme.
3. Notifications shall include:
 - (a) details of the operator seeking to initiate the exploration;
 - (b) details of the resource to be explored;
 - (c) precise coordinates of the area of interest;
 - (d) details of proposed method or methods of exploration;
 - (e) an assessment of the possible impact upon the Antarctic environment of the exploration programme;
 - (f) a statement of measures planned to mitigate any impact on the Antarctic environment;
 - (g) such other details as may be determined by the Commission on the advice of the Advisory Committee.

/ARTICLE XXVI

ARTICLE XXVI (Action by Commission and Advisory Committee)

1. A notification referred to in Article XXV shall be considered by the Advisory Committee which shall, within [...] days, recommend to the Commission whether the general area to which the notification referred should be opened for exploration applications or whether that would present unacceptable risks to the Antarctic environment.

2. The Commission shall meet to consider the recommendation of the Advisory Committee and may, by consensus, determine whether the general area should be opened for exploration applications or whether that would present unacceptable risks to the Antarctic environment.

ARTICLE XXVII (Receipt of Applications)

1. Where the Commission has made a determination pursuant to Article XXVI that a general area is open for exploration applications, sponsoring states may lodge with the Secretariat applications from operators for blocks within that area in accordance with any decision of the Commission relating to block sizes.

2. In the event that two or more applications are lodged in respect of the same block or in respect of blocks that overlap they shall be dealt with by the Advisory Committee and the Regulatory Committee in the order in which they are lodged with the Secretariat.

Footnote

The above represents one, and by no means the only, method of dealing with the problem of competing or overlapping bids.

ARTICLE XXVIII (Scientific, Technical and Environmental Guidelines)

The Advisory Committee shall meet within [...] days of an application under Article XXVII having been lodged with the Secretariat and, taking into account the principles set out in Article III, and any relevant measures which may have been adopted by the Commission, in accordance with the functions exercised by it under Article XIII, shall prepare scientific, technical and environmental guidelines relevant to the exploration activity referred to in the application.

Such guidelines shall include:

- (a) detailed measures for the protection of the environment;
- (b) procedures for monitoring exploration activities;
- (c) data collection and reporting requirements;
- (d) requirements to deal with emergency or unforeseen situations;
- (e) criteria for suspension, modification or cancellation of any exploration permit for failure to comply with relevant measures or in the event of the identification of unforeseen risks to the environment;
- (f) liability bonding and insurance requirements.

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- (d) requirements to deal with emergency or unforeseen situations;
- (e) criteria for suspension, modification or cancellation of any exploration permit for failure to comply with relevant measures or in the event of the identification of unforeseen risks to the environment;
- (f) liability bonding and insurance requirements.

ARTICLE XXIX (Management Scheme)

1. A Regulatory Committee shall be convened within [...] days of an application under Article XXVII having been lodged with the Secretariat. A separate Regulatory Committee shall be convened in respect of each exploration application. The task of the Regulatory Committee shall be to draw up a management scheme to cover both exploration and development (hereinafter referred to as the "Management Scheme").
2. The Regulatory Committee shall designate one of its members to present a draft Management Scheme.
3. The Regulatory Committee may, in appropriate cases, designate more than one member to present a draft Management Scheme.
4. The designation referred to in paragraphs (2) and (3) of this Article shall be decided by a simple majority of the members of the Regulatory Committee, which majority shall include the members in categories (a) and (b) of paragraph 1 of Article XX.

ARTICLE XXX (Scope of Management Scheme)

The draft Management Scheme shall give effect to any relevant measures adopted by the Commission in accordance with the functions exercised by it under Article XIII and take fully into account the scientific and environmental guidelines drawn up by the Advisory Committee pursuant to Article XXVIII and shall prescribe terms and conditions relating to the following:

- (a) the law applicable to the operator and persons employed by the operator in connection with the proposed exploration activities;
- (b) licensing arrangements;
- (c) inspection and enforcement of the Management Scheme;
- (d) the reimbursement by the operator of the costs of the implementation of the Management Scheme;
- (e) the payment of taxes and royalties;
- (f) technical and safety specifications, including standards and procedures to ensure safe operations and full observance of the environmental principles set out in Article III and specific environmental protection measures;
- (g) the monitoring of all aspects of the operation to be conducted and the preparation of adequate plans and equipment for dealing with accidents;
- (h) depletion policy;
- (i) time limits and diligence requirements;
- (j) data collection, reporting and notification requirements;

- (k) liability, bonding and insurance;
- (l) the suspension, modification or cancellation of an exploration permit for failure to comply with the Management Scheme or the provisions of this regime or in the event of the identification of unforeseen risks to the environment;
- (m) decommissioning;
- (n) relinquishment.

ARTICLE XXXI (Adoption of the Management Scheme)

1. The draft Management Scheme shall be presented to the Regulatory Committee for approval by a simple majority, which majority shall include the members in categories (a) and (b) of paragraph (1) of Article XX.
2. The Regulatory Committee shall refer the approved Management Scheme to the Commission. Upon receipt, the Commission may adopt the Management Scheme and shall then authorise the issue of an exploration permit, in accordance with the Management Scheme.
3. In the event that the Commission fails to adopt the Management Scheme as referred by the Regulatory Committee, it shall be referred back to the Regulatory Committee for reconsideration in accordance with the procedures specified in accordance with Article XXIX.

ARTICLE XXXII (Security of Tenure)

Subject to compliance with the regime and any measures adopted thereunder including the Management Scheme, an operator shall have:

- (a) security of tenure in respect of the block dealt with in the Management Scheme;
- (b) the sole right to apply for a development permit in respect of such block.

ARTICLE XXXIII (Monitoring)

The Advisory Committee and the Regulatory Committee shall monitor the operator's compliance with a Management Scheme and report thereon to the Commission on a regular basis.

CHAPTER V : DEVELOPMENT

ARTICLE XXXIV (Notification of Application for Development Permit)

1. At any time during the validity of a Management Scheme and not less than [...] days prior to the proposed commencement of development activities the operator may, through the sponsoring state, lodge with the Secretariat a notification of its intention to seek a development permit.
2. The notification shall include such particulars as may be established by the Commission from time to time.
3. The Secretariat shall refer all notifications lodged pursuant to paragraph 1 of this Article to the Advisory Committee.

ARTICLE XXXV (Review of Notifications)

1. The Advisory Committee shall review any notification referred to it pursuant to paragraph 3 of Article XXXIV with a view to determining whether:

(a) it reveals any significant modifications to development activities envisaged at the time the Management Scheme was adopted;

(b) there are any significant environmental considerations unforeseen at the time the Management Scheme was adopted.

2. The Advisory Committee shall complete its review within [...] days of the lodging with the Secretariat of a notification pursuant to paragraph 3 of Article XXXIV.

3. If, on the completion of its review, the Advisory Committee determines that paragraph 1 (a) or (b) of this Article applies it shall draw up appropriate guidelines for the modification of the Management Scheme which it shall refer to the Regulatory Committee.

4. Within [...] days of the adoption by the Advisory Committee of the guidelines for the modification of the Management Scheme the Regulatory Committee shall meet to consider the appropriate modification of the Scheme. In no case shall such modification relate to the matters referred to in sub-paragraphs (c), (d), (...) of Article XXX.

5. Upon adoption of the modified Management Scheme, the Regulatory Committee shall refer it to the Commission.

6. If, on the completion of its review, the Advisory Committee determines that neither sub-paragraph (a) nor sub-paragraph (b) of paragraph 1 of this Article applies it shall refer the original Management Scheme to the Commission.

7. Upon receipt of:

(a) the modified Management Scheme referred to it under paragraph 5 of this Article; or

(b) the original Management Scheme referred to it under paragraph 6 of this Article;

the Commission shall, without further review, authorise the issue of a development permit in accordance with the modified Management Scheme or the original Management Scheme as the case may be.

CHAPTER VI : LINKS WITH INTERNATIONAL ORGANISATIONS

ARTICLE XXXVI (Cooperation with international organisations)

1. The Commission shall cooperate with:
 - (a) the Antarctic Treaty Consultative Parties;
 - (b) the United Nations and its relevant specialised agencies;
 - (c) the Commission for the Conservation of Antarctic Marine Living Resources, the Scientific Committee on Antarctic Research, and the International Union for the Conservation of Nature;
 - (d) any other relevant international organisations.
2. The Commission shall, as appropriate, seek to develop a cooperative working relationship with any international organisation which may have competence in respect of mineral resources in areas adjacent to those covered by this regime.
3. The Commission may enter into agreements with the organisations referred to in this Article.

CHAPTER VII : DISPUTES SETTLEMENT

- to be elaborated

CHAPTER VIII : FINAL CLAUSES

- to be elaborated