



Equity, Benefit-Sharing and Financial Architecture in the International Seabed Area

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I. Executive Summary

1. Purpose and scope

The principle of equitable sharing of the benefits derived from deep-seabed mining, as articulated in the United Nations Convention on the Law of the Sea (UNCLOS), rests on a legal expectation that any mineral exploitation of the common heritage of humankind be structured in a manner capable of producing demonstrable and material distributive outcomes, with particular regard for developing States. Upon examination of the proposals submitted by the Finance Committee of the International Seabed Authority (ISA) between 2022 and 2025¹, this briefing finds that it remains uncertain whether the proposed benefit-sharing architecture is capable of meeting that expectation. **Behind repeated references to equity and intergenerational justice lies a financial architecture in which the revenues available for sharing are clearly insufficient to sustain or justify industrial deep-seabed mining.**

This analytical brief provides an independent legal, economic and political assessment of the benefit-sharing proposals developed by the ISA Finance Committee on the basis of publicly available documents published between 2022 and 2025. It is intended to inform delegates, decision-makers, journalists and civil society actors engaged in current and forthcoming multilateral discussions on the governance of activities in the Area.

This paper is presented as an independent expert analysis authored by Harvey Mpoto Bombaka² and

Ben Tippet³. It is made available by Greenpeace International, which holds observer status at the International Seabed Authority and commissioned the work, to inform and support public and diplomatic debate. The views expressed herein are solely those of the authors.

2. Methodological clarification

This briefing examines benefit-sharing as only one dimension of a much broader legal, political, ecological, and moral debate surrounding deep-seabed mining. It does not presume the acceptability of such activities, nor does it suggest that higher or more evenly distributed financial returns would, in themselves, render deep-seabed mining legitimate or justify the opening of this new frontier. It further recognises that low or unevenly distributed revenues are neither the sole nor even the primary reason why the commencement of exploitation in the Area remains questionable. Where financial figures and projections are discussed, they are used exclusively as analytical stress tests, designed to assess the distributive implications of the institutional architecture currently under consideration.

These scenarios are purely hypothetical: at present, activities in the Area remain limited to exploration, and no commercial exploitation contract has yet been triggered or implemented, nor could such activation occur in the absence of an applicable regulatory framework for exploitation.⁴

The analysis therefore seeks to determine whether the benefit-sharing proposals formulated to date would be capable, in principle, of generating meaningful and predictable benefit-sharing outcomes consistent with the requirements of UNCLOS, without claiming to be exhaustive or to resolve the broader normative questions surrounding deep-seabed mining.

3. Dual Structure of the Benefit-Sharing Architecture under Review

Importantly, the Finance Committee's work does not proceed on a single track. It combines (i) technical reflection on criteria and formulas for the equitable sharing of potential monetary revenues derived from deep-seabed mining⁵, and (ii) the parallel development of a Common Heritage Fund conceived as an **alternative or complement to direct monetary redistribution**.⁶ This briefing therefore examines both dimensions of the proposed architecture: the size and structure of the distributable monetary base, and the institutional choice to channel revenues through a programmatic, fund-based model focused on research, training and capacity-building.

In this context, it is important to distinguish between two analytically distinct categories of non-financial benefits, which operate under different legal logics. Within the Finance Committee's framework, and in accordance with Article 140 of UNCLOS, non-financial benefits refer exclusively to programme-based advantages derived from activities carried out in the Area and financed by mining revenues, such as research, training, capacity-building, technological cooperation and regulatory support for developing States.⁷ These benefits are institutionally embedded in the proposed architecture and are contingent upon the commencement of exploitation.

By contrast, the non-monetary ecological benefits associated with intact deep-sea ecosystems— such as biodiversity protection, ecosystem integrity, climate regulation and other planetary services—are significantly threatened by mining activities⁸ but do not fall within the scope of Article 140 benefit-sharing mechanisms. While this report focuses on

the benefit-sharing mechanisms within the scope of Article 140, the environmental costs of deep-seabed mining constitute some of the most significant reasons for a moratorium and are discussed at length in other reports⁹.

4. Geographical Focus of the Analytical Brief: African States, Pacific Island States and Brazil

To illustrate the distributive effects of the proposed benefit-sharing system, this analytical brief presents indicative calculations for three representative groups of States within the ISA. These groups were selected to reflect the diversity of economic circumstances and political positions across the membership.

Brazil is included as a major emerging economy and influential member of the BRICS group, whose economic weight and diplomatic posture make it a key actor in the debate. Pacific Island States represent Small Island Developing States (SIDS) located in the region where deep-sea mining exploration is most advanced. These countries currently hold some of the strongest and most visible positions on both sides of the deep-sea mining debate. African States constitute a region comprising a significant number of Least Developed Countries, including Landlocked Least Developed Countries. The African Group has also been one of the strongest regional advocates for allowing more time for discussions on benefit-sharing within the ISA.

These three categories therefore offer a coherent and policy-relevant snapshot of how the proposed system would distribute revenues across markedly different economic and geopolitical contexts.

1 ISA, ISBA/29/FC/2 https://www.isa.org.jm/wp-content/uploads/2024/05/ISBA_29_FC_2.pdf; ISA, ISBA/30/A/8-C/12 https://www.isa.org.jm/wp-content/uploads/2025/07/ISBA_30_A_8-ISBA_30_C_12-Report-of-the-Finance-Committeefv-AUV-1.pdf; ISA, Technical Study No. 31 https://www.isa.org.jm/wp-content/uploads/2023/04/ISA_Technical_Study_31.pdf

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4 While certain legal interpretations have suggested that, in theory, applications for exploitation could be examined in the absence of adopted exploitation regulations following the expiry of the two-year period referred to in section 1, paragraph 15, of the 1994 Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea— following the notification submitted by Nauru in June 2021—this possibility remains highly contested. To date, no commercial exploitation contract has been approved or implemented on this basis. Both the Council of the International Seabed Authority and a majority of States have acknowledged that the absence of an adopted regulatory framework for exploitation, combined with unresolved environmental obligations under UNCLOS, precludes the authorisation of commercial deep-seabed mining activities in practice.

5 See: ISA, Technical Study No. 31 https://www.isa.org.jm/wp-content/uploads/2023/04/ISA_Technical_Study_31.pdf; Squires, D. (2025). Fair, Equitable, Efficient, and Just Sharing of Royalties from Deep-Seabed Mining. Report to the Finance Committee of the International Seabed Authority, April 2025. <https://equitablessharing.isa.org.jm/Documents/Fair,%20Equitable,%20Efficient,%20and%20Just%20Sharing%20Royalties%20from%20Deep-Seabed%20Mining-Report%20to%20the%20Finance%20Committee%20of%20the%20International%20Seabed%20Authority.pdf>

6 ISA, ISBA/29/FC/2 https://www.isa.org.jm/wp-content/uploads/2024/05/ISBA_29_FC_2.pdf; ISA, ISBA/30/A/8-C/12, Section IX https://www.isa.org.jm/wp-content/uploads/2025/07/ISBA_30_A_8-ISBA_30_C_12-Report-of-the-Finance-Committeefv-AUV-1.pdf.

7 ISA, ISBA/29/FC/2, Annex, Draft financial regulations of the Common Heritage Fund, regs.3–4 https://www.isa.org.jm/wp-content/uploads/2024/05/ISBA_29_FC_2.pdf

8 Amon, D. et al. (2025). Delivering Benefits to Humankind: Opportunities for the International Seabed Authority Under a Deep-Sea Mining Moratorium. The Deep-Sea Conservation Coalition. pp. 2-7, 13-17 <https://deep-sea-conservation.org/wp-content/uploads/2025/04/Opportunities-for-the-ISA-under-a-Deep-Sea-Mining-Moratorium.pdf>

9 Amon, D. et al. (2025). Delivering Benefits to Humankind: Opportunities for the International Seabed Authority Under a Deep-Sea Mining Moratorium. The Deep-Sea Conservation Coalition. pp. 2-7. <https://deep-sea-conservation.org/wp-content/uploads/2025/04/Opportunities-for-the-ISA-under-a-Deep-Sea-Mining-Moratorium.pdf>

KEY POINTS AT A GLANCE:

- The expected revenues remaining available for distribution to Member States after mandatory internal allocations (administrative costs, the Enterprise, and targeted economic assistance) are extremely limited, making material redistribution structurally residual
- Under a reasonable scenario of six mining sites being opened by the early 2030s, and under the proposed sharing arrangement set out in the 2025 report to the Finance Committee by Dale Squires, countries can be expected to receive the following royalties per year:

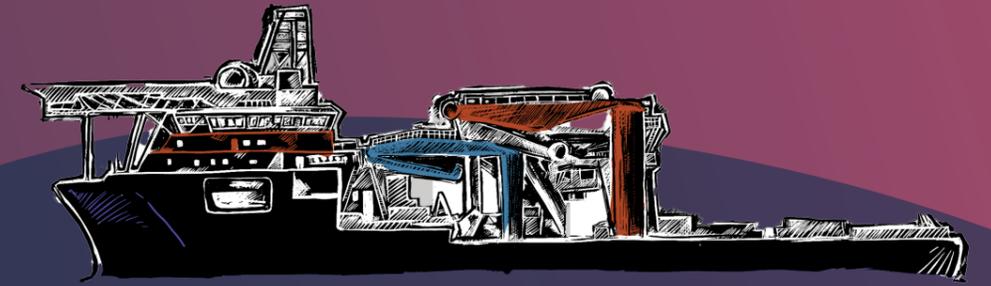
- On average each year, **African countries are expected to receive 0.49% per country** of total ISA royalties. This corresponds to the average country receiving \$344,000 in 2018 US dollars per year in the medium term (2028–2030), \$1,775,000 per year in the long term (2031–2035) and \$3,448,000 per year in the very long term (2036–2056).

- The average **Pacific Island State is expected to receive \$46,000 per year** in 2018 dollars in the medium term (2028–2030), \$241,000 per year in the long term (2031–2035) and \$468,000 per year in the very long term (2036–2056).

- **Brazil is expected to receive \$2,334,000 in 2018 dollars per year** in the medium term (2028–2030), \$12,169,000 in the long term (2031–2035) and \$23,638,000 in the very long term (2036–2056).

- These revenues make up a tiny fraction of GDP, **roughly 0.001% of GDP** year in the medium term - effectively a rounding error in the national accounts.

- **Mining companies will receive the vast bulk of revenues from deep-sea mining** according to the discounted cash-flow model developed for the ISA by a Massachusetts Institute of Technology (MIT) team (referred to henceforth as the “MIT model”). Under the assumption of 6 mines, private mining contractor revenues are expected to receive 98% of the revenues - \$5,439,000,000 annually for all companies in the medium run from 2028-2030. In the long term, their share of revenues marginally decrease to 94% of revenues, equivalent to \$12,096,000,000 per year for all companies. These are the gross revenues that mining companies will receive before fixed and variable costs of setting up and running the mines. The profits of mining companies will therefore be lower, but cannot be reliably estimated on the basis of publicly available information alone.



- **No guaranteed minimum payout floor is currently planned for developing countries** (including Small Island Developing States in the Pacific), even though the principle of equitable sharing remains affirmed.¹⁰
- Because the residual distributable base is so limited, non-financial benefits become the principal deliverable by default rather than by collective distributive choice, raising a structural distinction between:
 - non-financial benefits chosen as an expression of equity, and
 - non-financial benefits imposed by economic constraint in the absence of redistributable revenues
- The proposed Common Heritage Fund centralises revenues intended to finance ISA-managed research and capacity-building, which are legitimate non-financial benefits under UNCLOS. However, the model does not demonstrate how this programmatic approach would deliver predictable, material benefit-sharing outcomes at scale when distributable revenues are marginal.
- On the legal front (UNCLOS, arts. 136–140, 148, 150, 160(2)(g)), the requirement of effective benefit-sharing is not demonstrated in the absence of a guaranteed minimum payout floor

and clear public triggers¹¹; and although art. 82(4) establishes a parallel obligation for certain coastal States, it likewise lacks any operational criteria guaranteeing concrete distributive outcomes.

- Given all these elements, **calling for a global moratorium on deep-sea mining remains the most coherent position** — not as an ideological stance, but as a measure of legal and institutional precaution required by the absence of demonstrable distributive outcomes under the current interpretation of Part XI of UNCLOS.

¹⁰ See ISA Technical Study No. 31 https://www.isa.org/jm/wp-content/uploads/2023/04/ISA_Technical_Study_31.pdf; ISA, ISBA/29/FC/2, 58–15 https://www.isa.org/jm/wp-content/uploads/2024/05/ISBA_29_FC_2.pdf; ISA, ISBA/30/A/8–C/12, Section IX, none of which provide for a guaranteed minimum payout or automatic distributive threshold https://www.isa.org/jm/wp-content/uploads/2025/07/ISBA_30_A_8-ISBA_30_C_12-Report-of-the-Finance-Committee-fv-AUV-1.pdf.

¹¹ The “triggers” (the order according to which revenues must first cover administrative costs, then the Enterprise, then economic assistance) constitute accounting priorities, not sharing guarantees. As a result, any redistribution remains contingent upon the residual balance left after internal priorities have been satisfied. ISA, ISBA/29/FC/2, §10–12 <https://www.isa.org/jm/wp-content/uploads/2024/05/2407295E.pdf>; ISA, ISBA/30/A/8–C/12, Section IX https://www.isa.org/jm/wp-content/uploads/2025/07/ISBA_30_A_8-ISBA_30_C_12-Report-of-the-Finance-Committee-fv-AUV-1.pdf.

5. Structural Weaknesses of the Proposed Financial Architecture

Genuine equity does not derive from statements of principle, but from measurable distributive outcomes. From a revenue-distribution perspective, the central weakness of the proposed architecture lies in the structurally limited scale of revenues available for sharing, combined with the absence of binding safeguards ensuring that developing States receive material and equitable, predictable benefits. In such conditions, redistribution is not eliminated, but becomes residual by design.

Where the redistributable base is narrow, allocation formulas – however refined – cannot produce meaningful redistributive outcomes. The central problem therefore does not lie in the weighting formula itself, but in the narrowness of the redistributable base and in the absence of an automatically triggered guaranteed minimum payout floor. This constitutes an additional structural weakness, compounding the many environmental, social and governance risks associated with deep-sea mining.

As a result, non-financial and programmatic benefits increasingly assume a central role within the architecture, not necessarily by deliberate collective choice, but as a consequence of budgetary constraint. However, where such non-financial benefits become predominant, they must be assessed in light of the corresponding non-financial losses associated with mining activities, including the degradation of intact deep-sea ecosystems and the erosion of essential ecological functions. While such benefits are legitimate under UNCLOS, their predominance reflects the limited distributive capacity of the system rather than the realisation of equitable sharing as an outcome.

Taken together, these features indicate that the proposed financial architecture does not, at this stage, demonstrate an ability to deliver predictable and equitable, in both material and distributive terms, benefit-sharing for developing States, despite repeated references to equity within the governing documents.

6. Legal and Political Implications

The proposed benefit-sharing architecture raises a fundamental question as to its conformity with the distributive requirements of UNCLOS. While the allocation remains formally compatible with the Convention, the absence of guaranteed minimum distributive outcomes means that equitable sharing, as required under Articles 136 to 140, is not demonstrated in practice.

In a context where the revenues remaining are insignificant, non-financial benefits tend to assume a dominant role by default rather than by deliberate collective choice. This configuration does not negate the legitimacy of such benefits under UNCLOS, but it raises a normative ambiguity as to whether they can substitute for material redistribution without weakening the common heritage regime as envisaged under Part XI of the Convention.

The current proposals of the Finance Committee, although framed by repeated references to equity, operate in a context where benefit-sharing remains residual and deferred. Given the structurally limited revenues available, developing States would receive only modest and diluted returns. In this configuration, sharing functions more as a management of scarcity than as a corrective to inequality, and the benefit-sharing regime risks losing its normative substance. Compliance with UNCLOS therefore remains, at this stage, more declared than demonstrated.

Taken together, these elements indicate that the current proposals do not yet demonstrate an operationalisation of equitable benefit-sharing capable of meeting UNCLOS expectations, particularly with regard to developing States. In the absence of demonstrable distributive outcomes, calls for a precautionary pause or a moratorium emerge as a legally and institutionally coherent response.



II. Recommendations and Way Forward

Demonstrable distributive safeguards and full transparency in benefit-sharing emerge as minimum conditions for political legitimacy and public trust when assessing the current benefit-sharing proposals. These safeguards are framed here not as technical prescriptions, but as criteria for assessing whether the current proposals meet the equity obligations embedded in UNCLOS. Benefit-sharing arising from activities relating to deep-seabed resources constitutes a decisive test for the credibility of the multilateral system and for the future of the principle of the common heritage of humankind. Although the ISA Finance Committee has taken an important step by proposing an institutional and financial structure, the mechanisms in their current configuration do not yet evidence compliance with UNCLOS distributive aspirations nor material economic equity for countries of the Global South.

In order to restore the balance between governance, distributive justice and sustainability, several orientations are necessary. In this perspective, the present briefing does not seek to design or recommend any operational benefit-sharing regime; it identifies the limitations of the current proposals, showing why maintaining the current trajectory without corrective safeguards would be incompatible with an equity-based interpretation of UNCLOS.

1. Reform options and institutional safeguards

First, it is essential to make clear, before any governance mechanisms are approved, that explicit and enforceable distributive safeguards be articulated within any Common Heritage Fund model.¹² These guarantees are invoked here as political and legal benchmarks for assessing the legitimacy of proposed configuration, rather than as technical drafting proposals. Their purpose is

to emphasise that, under the current architecture, demonstrable equity has not yet been evidenced or operationally secured by the Authority.

In parallel, States Parties, and developing States in particular, should ensure that the work of the Finance Committee is effectively directed and framed by the political organs of the Authority, so that its recommendations remain anchored in the consultative and technical functions established by UNCLOS and the 1994 Implementing Agreement, rather than acquiring de facto normative or policy-shaping force through technocratic interpretation alone. In this respect, the Council retains a central responsibility in guiding the Finance Committee's work and in assessing its proposals against the distributive objectives of Part XI. These adjustments must reaffirm UNCLOS obligations, particularly those relating to equitable development and intergenerational solidarity. They also require clarifying that economic assistance is a strictly compensatory instrument, distinct from general redistribution. The central point is that, without verifiable distributive outcomes (monetary or otherwise), the system cannot claim to satisfy the equity standard that UNCLOS imposes as an organising principle. Pending such reform, and in light of persistent scientific and distributive uncertainties, a global moratorium on deep-sea mining emerges as the position most consistent with international law and the precautionary principle. This is not a refusal of progress, but an act of collective responsibility aimed at preserving the legitimacy of the common heritage regime in the face of the risk of premature and inequitable implementation. What the moratorium is not: it does not block science or capacity-building; it ensures that no industrial deployment will take place under conditions that fail to demonstrate equity, transparency and environmental integrity.

In this light, the moratorium is framed as a safeguard: it should remain in place as long as existing regulatory pathways risk deepening inequalities, undermining ecosystem integrity, or eroding the credibility of the common heritage of humankind.



2. Key Takeaway

At a moment when decisions on the future governance of the deep-sea are approaching a critical juncture, the political context presents a unique opportunity to place questions of equity, legitimacy and global justice at the centre of the debate on marine resource governance. Regions and States that have historically been marginalised within international economic regimes, including many developing countries, are particularly well placed to articulate broader call for universal ocean justice, grounded in the principle that the resources of the deep-seabed constitute a collective heritage of humankind. States may therefore wish to consider halting the progression of the current benefit-sharing proposals at the March 2026 ISA meetings, and to reflect, in the lead-up to the July 2026 ISA session, on the suitability of a global moratorium on deep-seabed mining in light of the benefit-sharing, governance and legal-coherence issues documented in this briefing, based on the right of peoples to participate equitably in the collective wealth of the blue planet. The moratorium is framed here as a principled stance grounded in equity, legality and collective responsibility.

The common heritage of humankind is not merely a legal category: it is a universal political project, that of an economic humanism applied to the oceans. Reducing it to a management mechanism betrays its emancipatory potential. Safeguarding this vocation requires re-examining the direction of governance itself, with a view to reasserting distributive justice as a core organising principle, aimed at preventing the consolidation of structural inequalities and preserving the legitimacy of the common heritage regime.

In conclusion, the way forward does not lie in accelerating exploitation, but in strengthening the legal and moral legitimacy of the regime. The moratorium is not an obstacle to progress, but a step of collective wisdom: one that ensures that the deep ocean, the last frontier of the common good, does not become the frontline of a new global inequality.

Only a regime capable of evidencing real benefit-sharing outcomes – not residual or symbolic ones – can claim fidelity to both the letter and the spirit of UNCLOS and the common heritage of humankind.

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Back Cover Image: A nodule collector is launched during mining gear testing in the Pacific. © Marten van Dijk / Greenpeace