

Deep Seabed Mining (DSM) Isn't Worth the Financial Risk

1. Low Profit*

DSM has never before happened on commercial scales.

Research commissioned by the International Seabed Authority concluded that minerals may not be worth much once they reach the market.

DSM is much more technically complex than offshore oil and gas -- two-thirds of oil and gas projects exceed their budgets by 50%

2. High Risk

Rules and regulations are not yet complete, and face pages of edits to ensure industry standards are met.

If mining were permitted right now, the regulations do not sufficiently protect anyone (not contractors, investors, local people, nor the environment)
Countries wanting DSM in their waters face legal and regulatory challenges

3. Low Market

EV battery markets are moving away from the nickel, cobalt, copper, and manganese found in deep sea nodules.

New batteries contain lithium, iron, phosphorus, and sodium and are driving the market, according to the International Energy Association

4. High Liability

Operating in the ocean means operating at high pressure, low temperature, unmanned, and miles away from support equipment.

Trials to date have had major mishaps.
There is an unclear liability regime and growing opposition, in addition to potential reputational risks

The bottom line? 27 countries, over 800 scientists, and the fishing industry are calling for precaution. Investment firms are precluding DSM from funding opportunities, and 49 companies are excluding seabed minerals from their supply chains.

Interested in learning more? Check out our report, "Deep Seabed Mining Isn't Worth the Financial Risk" at www.oceanfdn.org



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