

TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 27TH SESSION:

COUNCIL - PART I

Informal Working Group – Inspections, Compliance and Enforcement

Please fill out one form for each textual proposal which your delegation(s) wish(es) to amend, add or delete.

1. Name(s) of Delegation(s) making the proposal: Republic of Costa Rica

2. Please indicate the relevant provision to which the textual proposal refers.

Regulation 102, Part XI - ISBA/25/C/WP.1

3. Kindly provide the proposed amendments to the regulation or standard or guideline in the text box below, using the “track changes” function in Microsoft Word. Please only reproduce the parts of the text that are being amended or deleted.

Regulation 103

Compliance notice and termination of exploitation contract

1. At any time, if it the Compliance Committee reports to the Council and to the Secretary General ~~appears to the Secretary-General~~ on reasonable grounds that a Contractor is in breach of the terms and conditions of its exploitation contract, the Secretary-General shall issue a compliance notice to the Contractor requiring the Contractor to take such action as may be specified in the compliance notice.

...

4. The Contractor shall be given a reasonable opportunity not exceeding 30 days to make representations in writing to the Secretary-General concerning any aspect of regulatory action taken by the Authority under paragraph 1 ~~the compliance notice~~. Having considered the representations, the Authority ~~Secretary-General~~ may confirm, modify or withdraw the action ~~compliance notice~~.

...

5. If a Contractor, in spite of warnings by the Authority, fails to implement the measures set out in a compliance notice and continues its activities in such a way as to result in serious, persistent and wilful violations of the fundamental terms of the contract, Part XI of the Convention and the rules, regulations and procedures of the Authority, the Council shall ~~may~~ suspend or terminate the exploitation contract by providing written notice of suspension or termination to the Contractor in accordance with the terms of the exploitation contract.

....

5 bis: The Secretary General shall make public any compliance notice and shall present an annual report to the Council on any compliance notices the Authority has issued.

[7bis. The Council will bring to the attention of the Assembly instances of not compliance, as established in article 162 \(2\)\(a\) of the Convention.](#)

4. Please indicate the rationale for the proposal. [150 word limit]

1- A compliance Committee is the ideal body to exercise oversight of the inspection, compliance and enforcement. Costa Rica believes there should be a Compliance Committee to exercise oversight over the Inspectorate, to receive reports and disseminate information under Regulation 100, to address any complaints pursuant to Regulation 101, as well as being responsible for the issuance of compliance notices under Regulation 103 (instead of the SG as his functions are of administrative nature).

We see the Compliance Committee, formed by members appointed by the Council.

2- Paragraph 5: The suspension or termination of a contract should not be optional; it must be mandatory if after warnings the contractor continue with the violation.

3- Paragraph 5 bis: There should be public access to compliance information.

4- Regarding paragraph 4, Costa Rica consider Is important to have a time limit for the contractor representations.

We believe the inspection mechanism and the appointment of inspectors, (supervised by the Compliance Committee) should also be undertaken by the Council (on the recommendation of the LTC) prior to the adoption of the Draft Regulations.