

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 27<sup>TH</sup> SESSION:  
COUNCIL - PART I**

***Informal Working Group - Institutional matters***

*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:**

ITALY

**2. Please indicate the relevant provision to which the textual proposal refers. 47**

DR 5

**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 5, general remark.

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

Italy supports Norway relating to the issue of effective control.

The nationality of a company is already a critical issue, but the level of control required for a Country to sponsor a private company remains a debated issue.

In 2014, the LTC noted that the decision to grant sponsorship through a certificate is in itself valid to demonstrate the possession of the requirements of effective control over the private company. The Commission considered that effective control was an assessment that each Country must carry out under its own conditions and through its own national laws.

However, we would like to highlight that Article 4 (3) of the Annex III to UNCLOS provides that the Authority itself is called to develop criteria and procedures for the implementation of the provisions on sponsorship. For the consequences it can entail, we find the Regulations, and particularly Regulations 5 and 6 are relevant to develop such rules and procedures on sponsorship with a view to ensure that the requirement of effective control is duly met.