

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 27<sup>TH</sup> SESSION:  
COUNCIL - PART 3**

***Informal Working Group - Environment***

*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:**

African Group of 47 Member States

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

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**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.**

Replace (a) – (e) with:

- a.) the prescribed upfront Environmental Compensation Fund fee paid prior to the commencement of mining; and
- (b) Any income received by the Fund from the investment of monies belonging to the fund

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

Regarding the type of monies, in our view general fees and penalties are unlikely to provide sufficient financing for the Environmental Compensation Fund. As such there likely needs to be a specific additional fee that is in some way related to the likely costs the ECF may have to bear in a reasonable worst-case scenario.

Moreover, thought needs to be given to how the Fund would finance compensation for an environmental disaster that occurred in the early years of mining. Clearly if the Fund is financed from annual fees or a royalty then its balance will be low during the initial years of mining, and yet significant unexpected Environmental costs are as likely to occur in the first few years of mining as in later years. This problem speaks to the need for significant upfront payments to the Fund prior to mining commencing.