

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 27TH SESSION:
COUNCIL - PART III**

Please fill out one form for each textual proposal which your delegation(s) wish(es) to amend, add or delete and send to council@isa.org.jm.

1. Name of Working Group:

President's text

2. Name(s) of Delegation(s) making the proposal:

Australia

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

Draft Regulation 23

4. 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.

Transfer of rights and obligations under an exploitation contract

1. [A Contractor may transfer its rights and obligations under an exploitation contract in whole or in part only with the prior consent of the Council, based on the recommendations of the Commission] ~~[and with notification to the Sponsoring State or States].~~

2. [An application for consent to transfer the rights and obligations under an exploitation contract shall be made] [to] ~~†~~[The Secretary-General [will be informed] jointly by the Contractor and transferee [of the transfer of the rights and obligations under an exploitation contract].

~~**2alt.**— The Secretary General will be informed jointly by the Contractor and transferee of the transfer of the rights and obligations under an exploitation contract.~~

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

Under Article 20 of Annex III to the Convention, the rights and obligations arising under a contract may only be transferred with the consent of the Authority. Mere notification is insufficient.

As a result, Australia supports the text of paragraph 1 without the new text; does not support the amendments in paragraph 2 (preferring the original text); and does not support paragraph 2alt.