

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

President's text

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:

China

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

Regulation 23

Transfer of rights and obligations under an exploitation contract

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.

***Note: China's amendments are in Blue**

3. ~~The Commission~~ Council, shall on the recommendation of the Commission ~~[consider the application for consent to]~~ ~~[review and confirm the]~~ transfer at its next available meeting, provided that the documentation has been circulated at least 30 Days prior to that meeting.

4. The Commission shall ~~[consider whether]~~ ~~[ensure that]~~ the transferee:

(c) Has submitted a form of application as set out in regulation 7 if the ~~Secretary General Council~~, based on the recommendation of the Commission, considers that there is a ~~[Material Change]~~ to the Plan of Work;

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

Regarding paragraph 3, according to Article 20, Annex III, of the Convention, rights and obligations arising from a contract are only transferable with the consent of the Authority and such transfer shall be in accordance with rules, regulations and procedures of the Authority. According to the delegation of functions of the Authority, the Council is mandated to approve the transfer. It shall, based on the recommendation

of the Commission, consider the information submitted by the proposed transferee in accordance with paragraphs 11 and 12 of Section 3 of the Annex to the 1994 Implementing Agreement.

Regarding paragraph 4, in accordance with Article 166, paragraph 3, the Secretary-General shall perform administrative functions. Whether there are material changes in the plan of work is not an administrative matter, which is beyond the mandate of the Secretary-General. Pursuant to Article 153, paragraph 3, and Article 165 paragraph 2(b), the plan of work shall be reviewed by the Commission, based on whose recommendation the Council makes a decision.