

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 27<sup>TH</sup> 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](mailto: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 29

Reduction or suspension in production due to market conditions

**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**

Regulation 29

Reduction or suspension in production ~~due to market conditions~~

2. If the Contractor proposes to continue the reduction or suspension for more than 12 months, the Contractor shall notify the Secretary-General in writing, at least 30 Days prior to the end of the 12-month period, giving its reasons for seeking a further reduction or suspension of that length of time. ~~[If business practices are suspended due to global economic conditions or force majeure, the contractor shall be allowed to maintain a longer suspension,]~~ The Commission shall, upon determining that the reasons for the reduction or suspension are reasonable, including where the prevailing economic conditions make Commercial Production impracticable, ~~[of for other circumstances beyond the Contractor's control]~~ recommend approval of the suspension to the Council. The Council shall, based on the recommendation of the Commission, ~~[consider] [decide on]~~ the reduction or suspension requested by the Contractor. The Contractor may apply for more than one suspension. ~~[During the period when the Contractor reduces or suspends production, the annual fixed fee or royalties paid by the Contractor shall be exempted or deducted appropriately].~~

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

Regarding the heading, there are other *force majeure* factors such as perils of sea and war that could lead to the reduction or suspension of production in addition to market conditions. Market conditions should not be the only reason for reduction or suspension in production.

Regarding paragraph 2, the Contractor shall be allowed to maintain a longer suspension due to global economic conditions, war or unpredictable business cycles, etc.