

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

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 and send to council@isa.org.jm.

1. Name of Working Group:

Informal Working Group on Institutional Matters

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

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

Regulation 4 Rights and legitimate interests of coastal States and duty to notify

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 4

Rights and legitimate interests of coastal States ~~and duty to notify~~

4.4 Such measures shall include consulting with any potentially affected coastal State ~~in accordance with Article 142 of the Convention~~ prior to submitting an application for approval of a Plan of Work.

4.12 ".....the Contractor shall be ~~strictly~~ liable for any response and clean-up costs, and for any damage that cannot be fully contained, mitigated or repaired, the Authority, shall require the Contractor to pay compensation, proportionally to the damage caused ."It is suggested that this paragraph be moved to the "responsibilities" section and that the word "strictly" be deleted.

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

Regarding the title, Article 142 of UNCLOS provides the basis of the rights and obligations of coastal States. The title of this regulation should be consistent with the title of the article 142 of UNCLOS. And according to article 142, it is required to notify the coastal States only if activities in the Area, with respect to resource deposits in the Area which lie across the limits of relevant coastal States' national jurisdiction. The notification obligation is not universal and should not be included in the title.

Regarding paragraph 4, Article 142 of UNCLOS provides the basis of the rights and obligations of coastal States. Paragraph 1 of Article 142, referring to the consideration of "the rights and legitimate interests of the coastal State", refers only to cases where "activities in the Area with respect to resource deposits in the Area which lie across the limits of national jurisdiction". Paragraph 2's requirement for "prior notification of the coastal State" was also limited to the case in paragraph 1. Neither of the preceding two paragraphs deals directly with environmental protection matters. Paragraph 3 provides the environmental protection matters, but provided only for the right of the coastal State to take the necessary measures for environmental protection, and did not provide for notification of or consultation with the coastal State on environmental protection matters.

Regarding paragraph 12, Paragraph 12 relates to the contractor's liability and is more appropriately placed in the "responsibilities" section. The contractor's responsibility is provided for in article 22 of annex III to the UNCLOS, i.e. "The contractor shall have responsibility or liability for any damage arising out of wrongful acts in the conduct of its operations ". That is to say, the contractor is liable for damage arising from the wrongful act. This paragraph characterizes the contractor's liability as strict liability, which is beyond the scope of liability under the UNCLOS. So we suggest to delete the word "Strictly".