

**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:** UK

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

Reg 21

TERMINATION OF SPONSORSHIP

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.**

Para 2. A State may terminate its sponsorship by providing to the Secretary-General a written notice describing the reasons for such termination. Termination of sponsorship takes effect ~~[no later than]~~ ~~[12]~~ ~~[6]~~ months after the date of receipt of the notification by the Secretary-General ~~[unless the notification specifies an earlier date]~~, except for termination due to a Contractor's non-compliance under its terms of sponsorship, in which case termination takes effect no later than 6 months after the date of such notification

2 alt. A State may terminate its sponsorship by providing to the Secretary-General a written notice describing the reasons for such termination and the date termination is to take effect taking into account the following timeframes:

(i) Termination due to a Contractor's non-compliance under its terms of sponsorship, negligence or environmental damage: termination to take effect no later than 6 months after the date of receipt of the notification by the Secretary-General;

(ii) Termination due to reasons other than those listed in subparagraph (i) above: termination to take effect no later than 12 months after the date of receipt of the notification by the Secretary-General.

2 alt bis. If the reasons for termination of sponsorship include non-compliance under its terms of sponsorship, negligence or environmental damage, the Contractor must suspend its mining operations until the Council has considered the matter in accordance with paragraph 6 below.

Para 4. A ~~S~~sponsoring State or States is not discharged from any obligations ~~[or deprived of any rights]~~ accrued while it was a ~~S~~sponsoring State by reason of the termination of its sponsorship ~~[nor shall such termination affect any legal rights and obligations created during such sponsorship]~~ ~~[consistent with~~

the requirements of contractors, including as set forth in Annex III, Article 17.2(e) of the Convention].

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

The UK considers that the wording(unless the notification specifies an earlier date), in Para 2 should be consistent with the Exploration Regulations, so should read as “**unless the notification specifies a later date**”.

For para 2 (alt) and 2 (alt) bis – The UK can see value in the idea of distinguishing between a “no fault” termination and a “fault” termination. The former should have a notice period, which would be a minimum not a maximum, with the later having a maximum notice period . So in the event of non-compliance, it will be possible to terminate quickly.

For para 4, the UK does not understand the inclusion of “or deprived of any rights” . Can the proponent explain what “rights” of the Sponsoring State are in issue?