TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 28TH SESSION: COUNCIL - PART II

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

1. Name of Working Group:

Open Ended Working Group

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

Canada and Australia

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

Regulation 63: Incentives

- 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.
 - The Council may, taking into account the recommendations of the Commission, [in accordance with the Standards and taking into account the Guidelines,] provide for incentives to Contractors, [in accordance with the Standards and taking into account the Guidelines]—including financial incentives, on a uniform, transparent and non-discriminatory basis, to Contractors-to further the objectives set out in article 13 (1) of annex III to the Convention.

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

Regarding Draft Regulation 63 paragraph 1, Canada and Australia would like to propose the addition of "transparent" in addition to "uniform" and "non-discriminatory basis" which are from Article 13 (1) of Annex III to the Convention. Transparency is a cross cutting priority and we are of the view that this should apply to how incentives are designed and applied. We would also suggest that "transparency" be similarly to added to Regulation 62, alongside the reference to "uniform" and "non-discriminatory basis". We have also suggested some reordering of the text to improve its flow.