

**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 [council@isa.org.jm](mailto:council@isa.org.jm).

**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.**

DR 74: Proper books and records to be kept

**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.**

**Regulation 74**

**Proper books and records to be kept**

1. A Contractor shall keep and maintain, at a place agreed by the Contractor and the Secretary-General, complete and accurate records relating to the Minerals recovered in order to verify and support all returns or any other accounting or financial reports required by the Authority in relation to Exploitation.
2. The Contractor shall prepare such records in conformity with internationally accepted accounting principles that verify, in connection with each Mining Area, inter alia:
  - (a) Details of the quantity and grade of ~~the each~~ Minerals recovered from each Mining Area;
  - (b) Details of sales, shipments, transfers, exchanges and other disposals of ~~the each~~ Minerals from the Mining Area, including the time, destination, value and basis of valuation and the quantity and grade of each sale, shipment, transfer, exchange or other disposal;
  - (c) Details of all eligible capital expenditure and liabilities by category of expenditure and liability ~~incurred in connection with~~ each Mining Area; and
  - (d) Details of all revenues and operating costs associated with activities in the Mining Area or in direct support of activities within the Mining Area.
3. A Contractor shall supply and file such records at such times as may be required by the Authority under these regulations and within 60 Days of the receipt of any such request from the Secretary-General.
4. A Contractor shall maintain all records for the duration of the contract and a period of [...] years following the expiry or cancellation of the contract and make such records available for inspection and audit under regulation 75.

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

Regarding regulation 74, paragraph 2 (a) and (b), Canada and Australia are of the view that the word "each" should immediately precede the word "Mineral", so that is explicit that

contractors will need to report for individual minerals and not an aggregate. On paragraph (c), "Incurred in" is not clear and should be reworded. On paragraph (d), costs for support activities that may physically be outside of the Mining Area should also be reported..