

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

Informal Working Group - Environment

Please fill out one form for each textual proposal which your delegation(s) wish(es) to amend, add or delete.

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

Federal Republic of Germany

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

Draft Regulation 55

3. 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 55

Purpose of the Environmental Compensation Fund

1. Based on the polluter pays principle the Contractor shall pay for any necessary measure to limit, remedy and compensate any damage to the Area arising from the mining activities.

2. In cases where situations may arise, where a Contractor does not meet its liability in full while the Sponsoring State is not liable under Article 139 (2) of the Convention, the contractor's payment is insufficient to limit, remedy and compensate any damage to the Area arising from the mining activities, the compensation fund may be used.

3. The purpose of the Fund is to finance the funding of or compensation for the implementation of any necessary measures designed to prevent, limit or remediate [designed to prevent, reduce and control and if appropriate and feasible, limit and remedy] mitigate or compensate for any loss or damage to the marine environment of the Area or coastal states, arising from exploration exploitation activities in the Area. This includes the restoration and rehabilitation of the Area when technically and economically feasible and in accordance with Good Industry Practice, Best Environmental Practices and Best Available Techniques when the costs of such measures and efforts cannot be recovered from a Contractor or Sponsoring State, as the case may be for environmental damage outside of consented activity. Compensation shall include the costs for implementation of any necessary measures designed to prevent, reduce, mitigate, limit, and remediate any damage to the marine environment and its resources.

2. Based on the precautionary principle the contractor shall pay for any necessary measure to limit, remedy and compensate any damage to the Area arising from the mining activities.

3.2. In cases where the contractor's payment is insufficient to limit, remedy and compensate any damage to the Area arising from the mining activities, the compensation fund may be used.

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

We suggest restructuring of the DR in order to highlight first the general purpose. Furthermore, the polluter pays principle should be referred to rather than the precautionary principle. For Paragraph 2 (in new order) we suggest using text from the 2011 Advisory Opinion, as per our edits.