

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

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:

Open-ended Working Group of the Council on the financial terms

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

Submitted by Nauru Ocean Resources Inc. and Tonga Offshore Mining Ltd.

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

Part III, Draft Reg. 38(2)(b) and 38(2)bis.

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.

Such annual reports shall be in accordance with relevant standards and guidelines and include:

[...]

(b) The quantity and quality of the Resources recovered ~~extracted~~ during the period and the volume of Minerals and metals produced ~~recovered~~, marketed and sold during the Calendar Year, reported against the Mining Workplan;

[...]

~~{(2)bis. The Secretariat shall arrange for the effective management of the submitted information in order to overcome existing gaps in knowledge concerning the marine ecosystems including their sensitivity and resilience, the determination of environmental quality standards and appropriate exploitation equipment.~~

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

- We support the original wording of Draft Reg. 38(2)(b).
- The revised wording is unclear regarding its intended scope (e.g., whether “extracted” and “produced” Resources, Minerals and metals includes material lifted from and redeposited on the seafloor).
- We separately consider that Draft Reg. 38(2)bis is out of place in the current section, which otherwise deals exclusively with a Contractor’s annual report.
- We suggest removing this provision and placing it elsewhere in the regulations.