

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 28<sup>TH</sup> 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](mailto:council@isa.org.jm).*

**1. Name of Working Group:**

Informal Working Group – Environment.

**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.**

Draft Reg. 54(2).

**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.**

2. The rules and procedures of the Fund shall be established by the Council ~~on the recommendation of the Finance Committee before the approval of a first plan of work for a exploitation contract under these regulations.~~ prior to the commencement of Commercial Production.

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

- We consider it is arbitrary and unfairly prejudicial to prevent approval of a first plan of work for exploitation until after the Finance Committee has recommended rules and procedures for the Environmental Compensation Fund (ECF).
- The ECF’s rules and procedures should be adopted by the Council prior to the commencement of Commercial Production. This will allow the Finance Committee to accurately quantify the Fund based on the approved plan of work and the Contractor’s programme of activities.
- We understand the Finance Committee is yet to commence preparing the Fund’s rules and procedures, despite an ECF study completed some years ago.
- We consider that the Council should direct the Finance Committee to immediately prepare these rules and procedures for the Council’s consideration at its next session in July 2023.