

**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:

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. 56(a)

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.

(a) The prescribed percentage or amount of fees paid ~~prior to the commencement of mining~~ after approval of a plan of work and before the commencement of Commercial Production by Contractors or the Enterprise to the Authority;

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

- We do not consider it practicable to require Contractors to pay a prescribed percentage or amount of fees “*prior to the commencement of mining*”.
- Contractors should not be forced to contribute to the Fund prior to approval of their plan of work. Before approval, Contractors will have no certainty that their plan of work will be approved, and an exploitation contract granted.
- We note that currently the Draft Regulations do not consider or propose refunds of Contractors’ contributions if their plans of work are not approved.
- The amount of fees or contribution percentage should also be quantified based on the approved plan of work and the mining workplan.
- We support and suggest amended regulatory text requiring Contractor contribution after the plan of work is approved and before the commencement of Commercial Production.