

**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:

Inspection, Compliance and Enforcement

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

The Pew Charitable Trusts

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

DR 103bis

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.

Regulation 103 bis. Termination of Contract

1. An exploitation contract can only be terminated:

- (a) by all parties to the contract by mutual consent;
- (b) by the termination of State sponsorship, in accordance with regulation 21;
- (c) by the Contractor in accordance with the terms of the contract, as covered by section 10 of the Annex X to these regulations;
- (d) by the Authority in accordance with the terms of the contract, as covered by section 12 of the Annex X to these regulations; or
- (e) by expiry of the term of the contract, without renewal.

2. Any suspension or termination of a contract by the Authority shall be by written notice to the Contractor, through the Secretary-General, which shall include a statement of the reasons for taking such action. The suspension or termination shall be effective 60 Days after such written notice, unless the Contractor within such period disputes the Authority’s right to suspend or terminate the contract in accordance with Part XI, Section 5, of the Convention, in which case the contract shall only be suspended or terminated in accordance with a final binding decision in accordance with Part XI, Section 5, of the Convention.

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

We would like to raise again the point that the draft Regulations do not at present list other circumstances under which a contract may be terminated (apart from unilateral termination by ISA for breach of contract, covered in DR103(5)). Setting out all grounds for contract termination seems like a critical inclusion. We note the Facilitator’s previous comment in Fall 2022 that there are several circumstances in which termination may be un-related to compliance or enforcement. For this reason, we agree that a separate section on termination might be more appropriate than including in this ‘Enforcement and Penalties’ section of the Regulations. (But because it is not a matter currently assigned to any other Working Group,

we thought it may be appropriate to bring it up here.)