

## **General comments on “Inspection, compliance and enforcement” of the Draft Regulations**

Regarding the framework of the “Inspection, Compliance, and Enforcement” (ICE) mechanism, given that the Legal and Technical Commission (LTC) has a wide range of powers under the Convention regarding ICE matters, China believes that the “hybrid model” of establishing a Compliance Committee (LTCCC) under the LTC is very constructive and can serve as a basis for further discussion and a direction for progress. China believes that the next step is to further clarify the affiliation between the LTC and its subordinate LTCCC, the respective functions of relevant organs, and the specific details of the mechanism framework operation.

1. Clarify the affiliation and functional division between the LTC and its subordinate LTCCC. The LTCCC can provide specific supervision and management of inspectors and inspection activities, such as supervising and managing the roster of inspectors, reviewing inspection reports and recommendations, issuing compliance notices, and preparing annual compliance and enforcement reports. Reporting and making recommendations on ICE matters to the Council should be carried out by the LTC, such as reporting inspection results and making recommendations to the Council, and recommending the issuance of emergency orders by the Council. If the council needs to seek recommendations and advice on ICE matters, it should be provided by the LTC.

2. The LTCCC can carry out its work under the current Rules of Procedure of the LTC. If necessary, the Rules of Procedure of the LTC can be revised to further clarify the working procedures of its subordinate committee, rather than formulating the LTCCC’s own Rules of Procedure.

3. In order to improve work efficiency and coordinate the relationship between the LTC and the LTCCC, it may be considered to have Chair of the LTC serve as Chair of the LTCCC.

4. Regarding the Chief Inspector proposed within the framework, it is the body that is preset to carry out daily management of inspectors. China generally believes that it should be possible to have direct interaction between the inspectors and the LTCCC, reducing unnecessary links. If it is indeed necessary to establish such a body, it is also necessary

to further clarify its functions and roles, and carefully evaluate whether to assign this function to an individual or an entity? If it is an entity, China believes that a standing committee can be established within the LTCCC, consisting of the Chair of the LTC/LTCCC and several individual members, to undertake relevant functions.

5. China agrees to establish a periodic review mechanism to continuously improve the implementation of the ICE mechanism. The review should focus on the overall implementation of the ICE mechanism, rather than individual organ under the mechanism. At the same time, the establishment of subsidiary organ of the Council should not be predetermined as the result of the review.

The Convention clearly defines the geographical scope of inspections by the Authority and the powers of inspectors. Article 153(5) of the Convention provides that the Authority shall have the right to inspect all installations in the Area used in connection with activities in the Area. Accordingly, the Exploitation Regulations should limit the geographical scope of inspections to vessels and installations, etc., used in the Area by the Contractor to carry out exploitation activities under an exploitation contract. For those beyond the above-mentioned geographical scope, if inspection is indeed necessary, the Authority shall notify the sponsoring States or flag States to conduct the inspection. Articles 162(2)(z) and 165(2)(m) of the Convention provide that inspectors shall inspect activities in the Area to determine whether this Part, the rules, regulations and procedures of the Authority, and the terms and conditions of any contract with the Authority are being complied with. Accordingly, the inspectors' power should be limited to inspecting, recording, reporting activities in the Area, and the Exploitation Regulations should not grant inspectors enforcement powers.