

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

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:

OEWG

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

Federal Republic of Germany

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

DR 38

Red text is in original draft; **blue text** indicates Germany's textual proposals

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 38

Annual report

2. Such annual reports shall be in accordance with relevant Standards and Guidelines and include:

...

- (g) The actual results obtained from environmental monitoring programmes, including observations, measurements, evaluations and the analysis of environmental parameters, reported against, where applicable, any criteria and thresholds pursuant to the applicable Standards, and against the Environmental Management and Monitoring Plan, and taking into account environmental goals and objectives pursuant to these Regulations and the applicable Regional Environmental Management Plan [~~technical Standards and indicators, including environmental objectives and standards, pursuant to the applicable Regional Environmental Management Plan and the Environmental Management and Monitoring Plan~~], together with details of any response actions implemented under the plan and the actual costs of compliance with the plan;

(g)bis a statement indicating whether and how the results obtained from environmental monitoring programmes help to reduce knowledge gaps, particularly with respect to environmental impacts of activities in the Area;

(g)ter details of all revenues and operating costs associated with activities in handling and processing, including carbon emissions, to the degree available to support transparent identification of BEP.

- (h) A statement that all risk management systems and procedures have been followed and

remain in place, together with a report on exceptions and the results of any verification and audit undertaken internally or by independent competent persons, [appointed or employed by the Contractor];

- (i) Evidence that insurance is maintained, including the amount of any deductibles and self-insurance, together with the details and amount of any claims made or amounts recovered from insurers during the period;
- (j) [Details of any changes made in connection with subcontractors engaged by the Contractor during the Calendar Year;]
- (j)bis Details about any changes made to the Contractor's business structure or collaborations, including but not limited to their subcontractors, holding, subsidiaries, affiliates and Ultimate Parent companies, agencies and partnerships;
- (k) The results of any Exploration activities, including updated data and information on the grade and quality of Resources and reserves identified in accordance with the International Seabed Authority Reporting Standard for Reporting of Mineral Exploration Results Assessments, Mineral Resources and Mineral Reserves [and applicable Standards and Guidelines];
- (l) A statement that the Contractor's Financing Plan is adequate for the following period; and
- (m) Details of any [proposed] [significant] modification to the Plan of Work [and the reasons for such modifications];
- (n) Details of any changes made to the Contractor's Environmental Management System in accordance with Regulation 46;
- (o) Details of any consultations carried out with coastal States, other marine users, or any other Stakeholders, including pursuant to Regulations 31;
- (p) A summary of any complaints or whistleblowing reports received during the reporting period and details of how these have been dealt with;
- (q) A summary of any performance assessments pursuant to regulation 52, or review of activities pursuant to regulation 58 during the reporting period;
- (r) A summary of how the Contractor has dealt with any inspection reports, inspector instructions, compliance notices, monetary penalties or any other regulatory monitoring or enforcement action taken by the ISA or the sponsoring State in relation to contractor compliance during the reporting period;
- (s) Evidence that the Environmental Performance Guarantee has been paid or maintained in accordance with the contract terms.
- (t) A summary report of the discharges registered in accordance with regulation 50(5).
- (u) The planned date of Closure, and an explanation of any changes to the date, if applicable, in accordance with regulation 59.

†(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.†

2(ter). In reviewing annual reports, the Commission shall prepare for the Council a report that summarises trends or findings from the annual reports, including but not limited to any knowledge and information relevant to the continuous improvement of the regulation and management of activities in the Area, with a particular emphasis on information relevant to better understanding marine ecosystems and the impacts of activities in the Area on such ecosystems.

3. Annual reports shall be published in the Seabed Mining Register, except for Confidential Information, which shall be redacted. [To this end, Contractors shall structure the annual reports such that any Confidential Information can be clearly identified and extracted.]

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

- Para 2: Germany suggests a number of additions to the annual reports, several of which are mentioned throughout the draft regulations.
- Para 2(g)ter we suggest adding a requirement to transparently report all revenues and operating costs associated with the handling and processing of minerals to support the identification of BEP. Knowing the carbon footprint of different contractors would incentivize the optimization of processes to ensure carbon footprints are kept as low as possible. This could also be included in DR 71.
- Para 2(j)bis: Germany suggests introducing language from DR 18bis to ensure consistency.
- Para 2(n)-(u): Germany supports a number of additions to the annual reports suggested by Pew.
- Para 2.bis and 2.ter: Germany supports the inclusion of para 2.bis and suggests, an additional para 2.ter to ensure a clear process for the Council to receive information of trends etc from the annual reports which may support the Council in updating the Mining Code. The overall intention is to ensure the Authority can use all submitted information to reduce scientific uncertainties and improve the knowledge base upon which the Mining Code rests.