

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

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 on Financial Terms.

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

Republic of Nauru

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

Regulation 81

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 Council, based on the recommendations of the Commission [and in consultation with Contractors], may revise the system of payments in the light of changing circumstances ~~in the light of changing circumstances~~ and following any review under paragraph 1 above, taking into account the economic viability of the project save that any revision shall only apply [to existing exploitation contracts by agreement between the Authority and the Contractor.] ~~[after five years of Commercial Production have been completed under that exploitation contract] [from five years after such revising would be adopted] [to (i) new exploitation contracts agreed between the Authority and a Contractor after the revised system of payments is in effect; and (ii) existing exploitation contracts if the Authority and Contractors so agree].~~

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

Any revision to the system of payments must be consistent with the 1994 Agreement, Section 8 of which specifies that “changes may apply to existing contracts only at the election of the contractor. Any subsequent change in choice between alternative systems shall be made by agreement between the Authority and the contractor.”.