

**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:** Protection and Preservation of the Marine Environment
- 2. Name(s) of Delegation(s) making the proposal:** Australia
- 3. Please indicate the relevant provision to which the textual proposal refers.**

DR54(2) - proposed amendments in green; black text and red text is from the Facilitator's fourth revised draft text circulated prior to the November 2023 Council meeting.

- 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.**

1. The Authority hereby establishes the Environmental Compensation Fund. Referred to as "the Fund" in the following.
2. The rules and procedures of the Fund shall be established by the Council on the recommendation of the Finance Committee before the ~~approval of a first plan of work for an exploitation contract~~ ~~beginning of Commercial Production~~ ~~approval of a first Plan of Work for an exploitation contract~~ approval of a first Plan of Work for an exploitation contract] under these regulations.

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

When considering a Plan of Work, it is important that the LTC and Council are able to assess the applicant's financial situation and their ability to deliver the financial cost of the Plan of Work. This will require reference to the financial requirements for the plan, including requirements under the Environmental Compensation Fund.

On that basis, Australia considers it very important that the requirements for the Fund are in place prior to approval of the first Plan of Work for exploitation. We strongly support reverting to the original text.

