

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 28<sup>TH</sup> 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](mailto:council@isa.org.jm).*

- 1. Name of Working Group: President's Text**
  
- 2. Name(s) of Delegation(s) making the proposal: Australia**
  
- 3. Please indicate the relevant provision to which the textual proposal refers.**

DR21(4), DR21(8) - proposed amendments in green; black text and tracked changes text is from the President's draft 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.**

.....

4. A Sponsoring State or States is not discharged from any obligations accrued while it was a Sponsoring State by reason of the termination of its sponsorship nor shall such termination affect any legal rights and obligations created during such sponsorship ~~[consistent with the requirements of contractors, including as set forth in Annex III, Article 17.2(e) of the Convention].~~

5. The Secretary-General shall [promptly] notify, ~~[as soon as practicable,]~~ the members of the Authority of a termination or change of sponsorship.

6. After a Sponsoring State has given a written notice in accordance with paragraph 2 above, the Council, based on the recommendations of the Commission, which shall take account of the reasons for the termination of sponsorship, especially in the case of termination of contract that also equates to a material breach of compliance with the terms of the exploitation contract [may]/[shall] require the Contractor to suspend, or continue the suspension of, its mining operations until such time as [the Contractor has proved to the satisfaction of the Council that the breach of compliance with the exploitation contract has been addressed and a new certificate of sponsorship is submitted.

7. [Nothing in this regulation shall relieve a Contractor of any obligation or liability under its exploitation contract, and the Contractor shall remain responsible and liable to the Authority for the performance of its obligations under its exploitation contract in the event of any termination of sponsorship.]

8. [If a Sponsoring State terminates its sponsorship of a Contractor, this has no impact on the sponsorship of that Contractor by any other Sponsoring

State except in circumstances where the sponsorship termination occurred due to the reason in subparagraph 2(i),. Where the reason for termination of sponsorship is due to the reason in subparagraph 2(i), any other Sponsoring State or States will also be deemed to have terminated sponsorship of the Contractor that is non-compliant under its terms of sponsorship.]

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

On paragraph 4, Australia proposes deleting the bracketed text. Annex III, Article 17(2)(e) of the Convention relates to the right of an Operator to renounce their rights in the area covered by the Plan of Work, not rights and obligations of the sponsoring state, and so is not a relevant reference to include here.

On paragraph 8, this is a textual suggestion previously suggested by Australia. It appears that part of the text has been omitted from the draft text and so Australia suggests the following addition to clarify the meaning of the paragraph.