

TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 27TH SESSION:

COUNCIL - PART VII

Informal Working Group on Financial terms

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.im.

1. Name of Working Group:

Informal Working Group on Financial terms

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

China

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

Regulation 71 Information to be submitted

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.

***Note: China’s amendments are in Blue**

1. A royalty return shall include the following information for each royalty return period, in accordance with Standards and taking into account the Guidelines:

.....

~~-(e) [Details of all revenues and operating costs associated with activities in handling and processing, to the degree available.]~~

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

The revenues and operating costs related to handing and processing activities may involve the contractor's trade secrets and have no direct effect on the calculation of royalty.