

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 29TH SESSION:
COUNCIL - PART I**

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:

Institutional Matters

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 10

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 10 [IWG IM]

Preliminary review of application by the Secretary-General

1. The Secretary-General shall preliminarily review an application for approval of a Plan of Work and determine whether the application contains all the information required by Regulations ~~5 to 8~~ **5 to 8** for further processing.

2. Where ~~the Secretary-General determines~~ **the Secretary-General determines** an application does not contain all the information required by Regulations ~~7 5 to 8~~, the Secretary-General shall, within 45 Days of receipt of the application, notify the applicant, specifying the information which the applicant must submit in order to complete the application, ~~together with a justification in writing as to why the information is necessary~~ and a date by which the application must be completed. Further processing of an application will not begin until the Secretary-General determines that ~~the application is complete, which includes~~ **all required information has been submitted by the applicant, including** payment of the administrative fee specified in appendix II. ~~An application will not be processed further if there is another potential applicant who has a preference and priority and an intention to apply in accordance with regulation 10 (1).~~

~~[3. In case there is a potential applicant who has claims preference and priority in the same area and same Resource category under an Exploration contract in accordance with Article 10 of Annex III to the Convention the Secretary-General shall, before progressing the original application further, confirm the intention of such a potential applicant to apply for approval of a Plan of Work~~

~~for Exploitation within 30 days of the original applicant's application. The new applicant shall then lodge their application within a further 60 days; and the Secretary General shall consider the additional application in accordance with Regulation 10(1) and (2).]~~

3.ALT In case an application is lodged for the same area for which an operator has preference and priority in accordance with Article 10 of Annex III first sentence, the Secretary-General shall, after having made the determinations under para. 1 and 2 of this article, forward the application to the Commission. The Commission shall make a recommendation as to whether the operator's performance has not been satisfactory in accordance with Article 10 of Annex III based on which the Council shall decide whether the operator's preference and priority shall be withdrawn in accordance with Article 10 of Annex III second sentence.

~~[4. Should there be more than one application for the same area and same Resource category, ~~for a potential applicant has confirmed their intention to apply for approval of a Plan of Work pursuant to Regulation 10(2)] the Commission [Secretary General] shall make recommendations to the Council, and the Council shall determine which applicant has preference and priority in accordance with article 10 of annex III to the Convention and section 1, para. 13 of the annex to the Agreement, and taking into account any relevant Guidelines, and in case of any dispute, it shall be submitted to the Commission to make recommendations, upon which the Council shall make the decision.] The Secretary General shall notify the members of the Authority of the determination made, if any, as to whether the applicant has preference and priority.~~~~

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

- Paragraphs 1 and 2: Germany supports the suggested amendments to paragraphs 1 and 2.
- Paragraphs 3 and 4: Germany suggests deleting paragraph 3 as it appears to be inconsistent with the Convention, which states that an exploration contractor has preference and priority for exploitation rights for that same area. In contrast, paragraph 3, seems to say that the exploration contractor only has 60 days to submit a full application for exploitation if another entity has filed an application for the same area. This places undue time pressure on an applicant who may be in the process of preparing an application but will require longer than 60 days. Such time pressure may lead to cutting corners and shorter consultation periods, which are not in the interests of the Authority. Germany therefore supports an alternative para. 3 that better aligns with Article 10 of Annex III to the Convention. The current para. 4 is superfluous: The situation where one applicant has preference and priority is regulated in para 3.ALT and the situation where no applicant has preference and priority is covered by Article 6 para. 3 of Annex III of the Convention.