

**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:

President's Text

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 18

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 18 [President's Text]

Rights and exclusivity under an exploitation contract

1. An exploitation contract shall confer on a Contractor ~~[or the Enterprise]~~ the exclusive right to:

(a) Explore for the specified Resource category in accordance with **these Regulations and the approved Plan of Work paragraph 7 below**; and

(b) Exploit the specified Resource category in the Contract Area in accordance with the approved Plan of Work and regulations 18bis and 18ter, provided that ~~[mining operations]~~ **exploitation activities** shall only take place in approved Mining Areas and subject to prerequisites prescribed under regulation 25(6).

...

3. **Notwithstanding the right to conduct marine scientific research in areas beyond national jurisdiction**, ~~The~~ Authority, in consultation with a Contractor, ~~[and with the cooperation of States Parties to the Convention,]~~ shall ensure, ~~[to the extent possible,]~~ that no other entity ~~Contractor~~ operates in the Contract Area for a different category of ~~R~~resources in a manner which might interfere with the rights granted to ~~[or operations of]~~ the Contractor.

4. An exploitation contract shall provide for security of tenure and shall not be revised, suspended, or terminated except in accordance with ~~[Regulation 18.ter.]~~ **[the terms thereof]**.

5. An exploitation contract shall not confer any interest or right on a Contractor in or over any other part of the Area or its Resources ~~[or any other part of the Marine Environment,]~~ other than those rights expressly granted by the terms of the exploitation contract or these regulations [nor limit any freedoms of the high seas].

~~{5.bis. Adverse impacts from activities in the Area carried out under an Exploitation Contract must be limited to the Contract area.}~~

...

7. In relation to exploration activities in the Contract Area conducted under an exploitation contract:

~~{(a) The Contractor may conduct Exploration activities within the Contract Area, in accordance with the proposed Exploration programme included in the Mining Workplan.}~~

~~(b) the applicable Exploration Regulations shall continue to apply as set out in the relevant [Standards and/or] [Guidelines]. In particular, {The Contractor shall continue to [show] exercise due diligence in conducting exploration activities in the Contract Area and shall, together with the reporting of such activities and its the results of its Exploration activities to the Authority in accordance with the applicable Exploration Regulations, including under regulation 38 (2) (k) and relevant Standards, taking account of Guidelines.~~

~~(c) The Contractor shall also take into account:~~

~~(i) any recommendations issued by the Commission pursuant to the Exploration Regulations, and~~

~~(ii) provisions of the Exploration Regulations that relate to the protection and preservation of the marine environment, and environmental baselines and monitoring.~~

~~(d) In order to progress from Exploration to Exploitation of a site within the Contract Area, where such Exploitation activity was not covered by the agreed Plan of Work, the Contractor must submit a new environmental impact statement and revised Plan of Work, in accordance with regulation [46.bis.] and which must be approved by the Authority in accordance with regulations [12 to 16].~~

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

- Para 5bis: Germany strongly supports the inclusion of para 5bis, which will be necessary to protect neighbouring Contract Areas from impacts from mine sites nearby. Impacts from nearby mining sites could undermine a Contractor's baseline studies, monitoring programme, and spatial management (eg PRZ/IRZ), and could thus trigger costly litigation, if one contractor caused harm in the contract area of another contractor. Similarly, para 5bis would protect nearby coastal states from transboundary harm, which would not be permitted under international law.
- Germany also supports the suggested amendments to paragraphs 4, 5 and 7, which offer legal clarity on the rights conferred by a contract.