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:

OEWG

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 80

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 80 [OEWG]

Monetary penalties and suspension or termination of exploitation contract

Subject to regulation 103 (6), [and depending on the seriousness of the breach,] the Council may impose a monetary penalty [or][and may] suspend or terminate the exploitation contract in respect of a [gross and persistent] [material breach] [violation] under this Part [or of the contract] [and company principals would be barred from direct or indirect involvement with any Contractor or Subcontractor operating in the Area for a period of 10 years].]

- 5. Please indicate the rationale for the proposal. [150-word limit]
- Germany suggests deleting DR 80 as it conflicts and overlaps with DR 29bis, 103, and Annex
 X. The terminology used across these provisions is inconsistent which could lead to legal
 uncertainty. Germany believes that the same compliance and enforcement rules should
 apply to any contract violations and hence there is no need to have a standalone provision
 for violations of the financial terms.