

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 28TH 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:

Open Ended Working Group on Financial Terms of a Contract

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

The Pew Charitable Trusts

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

DR 80

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.

- **Red font** are proposed amendments by the Facilitator in this revised text.
- Our proposed amendments and our questions or comments regarding the facilitator’s remarks are indicated as in-line edits in **blue**. Proposed deletions of text proposed by the facilitator appears in strikethrough and **bold**.

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

We consider that this DR80 should be deleted, as it overlaps and - unhelpfully - conflicts with other provisions in the Regulations including DR103, and Annex X. It is also inconsistent with the Convention, which requires serious, persistent and willful violations of the fundamental terms of the contract, and the rules of the ISA, as well as warnings, before a contractor’s rights under their contract can be suspended or terminated by the ISA.

In addition, there does not appear to be a reason to have a standalone provision here for breach of this Part of the regulations. The same compliance and enforcement regime can apply for all contract violations.