

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 28TH SESSION: COUNCIL -
PART III**

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:

IWG – Institutional matters

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

Submitted by Nauru Ocean Resources Inc., Tonga Offshore Mining Ltd. and Blue Minerals Jamaica Ltd.

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

Draft Regulation 84(4)

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.

~~4. Where an annual reporting fee remains unpaid after the date it becomes due and payable:~~

~~(a) this constitutes a violation of the fundamental terms of the contract for the purposes of regulation 103, and~~

~~(b) a Contractor shall, in addition to the amount due and payable, pay interest on the amount outstanding, beginning on the date the amount became due and payable, at an annual rate calculated by adding 5 per cent to the special drawing rights interest rate prevailing on the date the amount became due and payable.~~

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

- We oppose making a failure to pay annual reporting fees a violation of the fundamental terms of a contract per Draft Regulation 103. This exposes Contractors to significant legal liability immediately upon missing a single fee payment.
- We suggest that the details governing late fees and accumulated interest be addressed in a Standard or Guideline or under the compliance and enforcement regulations.