

**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:

OEWG.

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

Republic of Nauru

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

Regulation 23

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.

1. A Contractor may transfer its rights and obligations under an exploitation contract in whole or in part only with the prior written consent of the ~~[Sponsoring State], and the~~ Council ~~[(such consent not to be unreasonably withheld)]~~, based on the recommendations of the Commission ~~[and with notification to the Sponsoring State]~~.

3. The Commission shall consider and decide whether to recommend to the ~~Council~~ Council to consent to the application for consent to transfer within 90 days of the date it receives the application at its next available meeting, provided that the documentation has been circulated at least 30 Days prior to that meeting.

~~4[d ter Has provided written assurances of the Transferee’s holding, subsidiaries, affiliated and ultimate parent companies, agencies and partnerships, as applicable, accepting responsibility as set out in regulation 18bis.]~~

~~4 ALT: An application to transfer the rights and obligations under an exploitation contract shall be subject to the requirements under regulations 5 to 16.~~

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

Para 1: National sponsorship laws or sponsorship agreements will govern the transfer of rights and obligations in a domestic context and we propose the reference to sponsoring States is removed. This regulation should only cover the circumstances contemplated by article 20, annex III to the Convention which also requires that consent not be unreasonably withheld by the Authority.

Para 3: We see it as challenging to link the Commission’s consideration and approval of matters or documents to its twice-yearly meetings and a potential for undue regulatory delay for time sensitive matters and is unduly burdensome to both the Commission and contractors.

We proposed in several submissions that the Commission should examine matters received by it within say 90 days of receipt to ensure there is no unnecessary delay in regulatory

processes and given the Commission is empowered to work intersessionally. This is perhaps a matter for general consideration as we review a consolidated text.

Para 4(d ter): as per our submission on 18bis, we do not consider the Authority has the power to mandate this requirement.

Para 4alt: para 4 provides for greater clarity on the necessary requirements.