

**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 64Ter

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.

3.which constitute polymetallic nodules, as set out in the ~~relevant-applicable~~ Standard ~~and applicable~~ Guidelines

4. ~~The Applicable Additional Royalty Rate shall be [8%].~~

~~6(a).the payment is an actual-cash payment, in kind contribution or other financial contribution made by the Contractor...~~

~~6(b)to the Sponsoring State for taxes and/or royalties [related to activities associated with][accruing from seabed mining under] the exploitation contract; and~~

~~6(c) where there is a signed letter from an Independent Auditor confirming the actual cash amount paid by the Contractor to the Sponsoring State for taxes and/or royalties [related to activities associated with][accruing from seabed mining under] the exploitation contract.~~

8. ~~[Draft Regulations 27, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82 and 89 shall apply to the Additional Royalty as they apply to the royalty.~~

9. ~~Appendix IV definitions apply to the Additional Royalty as they apply to the royalty.~~

10. ~~Draft Standard sections 1 to 4 apply to the Additional Royalty as they apply to the royalty.]~~

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

Paragraphs 3 and 4 contradict each other. It would be preferable for the rate to be set out in a standard.

Paragraph 6(a) should not be limited to actual cash payments.

Paragraph 6(b) should not narrow the scope of taxes or royalties “related to activities associated with” or “accruing from seabed mining under” the exploitation contract.

Paragraph 6(c) is not appropriate. Should a State wish to disclose such payments publicly through the EITI or otherwise that is the matter for the State.

Paras 8-10: there needs to be greater clarity here in terms of regulatory obligations. Such cross referencing will be challenging from an interpretation perspective. Relevant provisions will need to be revised accordingly.

The regulation would benefit from worked examples being presented in a Guideline.