

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 29<sup>TH</sup> SESSION:  
COUNCIL - PART II**

*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](mailto:council@isa.org.jm).*

**1. Name(s) of Delegation(s) making the proposal:**

The Kingdom of the Netherlands

**2. Please indicate the relevant provision to which the textual proposal refers.**

Regulation 18bis (Obligations of the Contractors)

**3. 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.**

2. ~~In accordance with the Exploitation Contract or the Parent Company Liability Statement, as the case may be, the Contractor and its Managing Company, its holding, subsidiaries, affiliated and Ultimate Parent companies, agencies and partnerships shall have responsibility or liability for any damage arising out of wrongful acts in the conduct of its (a) the Contractor’s operations or (b) the operations of its subsidiaries or sub-contractors in the performance of the Plan of Work, account being taken of contributory acts or omissions by the Authority,~~ and shall be held liable for the actual amount of damage.

3. In the event that Contractors fail to comply with their payment obligations under these Regulations, ~~holdings and Ultimate Parent Companies~~ their Managing Company shall be held responsible to effect such payments to the Authority on behalf of Contractors.

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

These changes are part of the Kingdom of the Netherlands’ effort to provide sufficient legal basis in the regulations and Exploitation Contract to ensure that parent companies of Contractors are jointly and severally liable towards the Authority for damage caused by a Contractor.

The Kingdom of the Netherlands does so by introducing a so-called “Parent Company Liability Statement” as a new Annex XI, which will form a compulsory schedule to the Exploitation Contract, signed by a parent company of the Contractor (one that qualifies as a so-called “Managing Company”). This provides a contractual basis for such joint and several liability.

Simultaneously, the Kingdom of the Netherlands submits proposals to Draft Regulations 7, 23 and 24, Annex IX and the Schedule. These submissions should be read together. We will explain these changes further in a paper on the topic, to be shared prior to Part II of the 29<sup>th</sup> Session.