**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 29TH 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.

1. **Name of the Working Group**

   Financial Terms of an Exploitation Contract

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

3. **Please indicate the relevant provision to which the textual proposal refers.**
   DR62

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.**

   The text is reproduced as given in the Consolidated Text of 16 February 2024. Proposed suppressions are marked with double strikethrough.

   The Council shall, based on the recommendations of the Commission, apply the provisions of this Part on a transparent, uniform and non-discriminatory basis ~~manner~~, and shall ensure equality of financial treatment [and comparable financial obligations for Contractors] [~~to counter any disparity arising out of any grossly incomparable concentration of given resources~~].

5. **Please indicate the rationale for the proposal. [150-word limit]**
   It is not for international regulations to compensate or "counter" disparities arising from the natural disposition of mineral resources throughout the oceans. To assume this role would not be consistent with the approach taken by UNCLOS, which recognizes the existence of significant differences in national maritime spaces and associated resources and does not try to "counter" such disparities. UNCLOS Part XI allows compensation due to the need of developing States or to environmental harm. Moreover, the new attribution to counter disparities arising out of different concentrations of resources would insert an element of uncertainty in the executive functions of the Council. Therefore, we would prefer to delete the final part of proposed Regulation 62.