

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS
DURING THE 29TH SESSION: COUNCIL - PART I**

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:

President's text

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 29bis (1), (2), (3), (4) and (8)

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.

Regulation 29 bis *[President's Text]*

Procedure for suspensions in Exploitation activities

1. ~~Any time that there is a suspension of Exploitation activities~~ if there is a suspension of Exploitation activities mandated by the Authority under these Regulations, the Secretary-General shall notify the Council and publish notice at the Authority's website when activities have been suspended, which shall include the rationale for the suspension, and when the activities have recommenced.

2. ~~Where the Authority requires a suspension of Exploitation activities for contractual breach in accordance with these Regulations is required for any reason by the Authority,~~ the Authority will provide the Contractor with a suspension notice to specify the reason for the suspension, what operations under the Plan of Work must cease, and which, if any, may continue, and any other relevant terms and conditions for the suspension.

3. During a suspension of Exploitation activities ~~for any reason~~ mandated by the Authority:

(a) A Contractor shall notify the Secretary-General as soon as it intends to recommence any or all of the suspended activities no later than [72 hours] before such recommencement, and, where necessary, shall provide to the Secretary-General such information as is necessary to demonstrate that the issue triggering a suspension has been addressed; or

(b) A Contractor shall report to the Secretary-General on at least a monthly basis with regards to the reasons for continuing the suspension, providing such information as is necessary to justify that the issue triggering a suspension continues.

4. If a suspension was required by the Authority, ~~t~~The Secretary-General shall supply all information received pursuant to paragraph 3 to the Commission for review and to make a recommendation to the Council. The Council shall determine when the relevant Exploitation activities should recommence, giving the Contractor no less than 60 Days' written notice where resumption of activities is required.

[...]

8. ~~In cases of where the Exploitation activities were suspended by the Authority and w~~Where the Council requires recommencement of Exploitation activities after a suspension—under this Regulation, and the Contractor does not comply with that requirement, this shall be treated as a serious violation of a fundamental term of the contract and these Regulations, and the Authority shall take appropriate compliance action.

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

- We note that Exploitation activities may be suspended by Contractors for purely commercial reasons and in such instances there is no need for complex procedural regulations and the involvement of the Authority. We consider that subparagraphs 1, 2, 3, 4 and 8 need to be limited to cases where the Exploitation activities were suspended by the Authority and therefore there is a legitimate reason for the Authority's involvement.
- Further, we consider that Draft Regulation 29bis(2) requires clarification in relation to the scope of the Authority to order a suspension. We understand that this regulation is not intended to grant an open-ended ability of the Authority to order suspension for any reason (as such a power would be contrary to the Convention). As such, we have proposed amendments to clarify that any such order or requirement be done only for contractual breach and only in accordance with the Draft Regulations.
- We note that it unnecessary for the Commission to review and for the Council to determine whether the operations can be recommenced in cases of voluntary suspension by a Contractor for commercial reasons. Similarly, there is no need for the Council to require the recommencement of operations in cases of voluntary suspension. Therefore, we have introduced relevant textual edits to subparagraphs 4 and 8 to have these apply where suspension was required by the Authority.