

**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:

Informal Working Group on Institutional Measures

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 5(2) and (3)

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 5 [IWG IM]

Qualified applicants

[...]

2. Each application shall be submitted:

(a) In the case of the Enterprise, by its Director-General;

(b) In the case of a State, by the authority designated for that purpose by it; and

(c) In the case of any other qualified applicant, ~~[by a designated representative, or]~~ [by a designated representative, or](#) by the authority designated for that purpose by the Sponsoring State or States.

3. Each application by an entity referred to in Regulation 5(1)(b) shall also contain, ~~[the information required by Regulation 7 and Annex I, sufficient to enable the Authority to determine whether or not the applicant is qualified to apply according to Regulation 5(1)]~~ [together with the necessary documentation as supporting evidence]: [...]

~~[(e) All information necessary to demonstrate that the Contractor will, throughout the term of their contract, for the purposes of Exploitation and ancillary activities, only use vessels flagged to registries of States that are Members of the Authority, and only use ports located in States that are Members of the Authority, except where non-Member States accept to be bound by the rules, regulations and procedures of the Authority relating to compliance and enforcement, to ensure the Authority can rely upon and require the cooperation of those States for the purpose of securing compliance with the rules, regulations and procedures of the Authority.~~

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

- We remain opposed to deleting the reference to “designated representative” from Draft Regulation 5(2). As previously noted, this reference was consistent with the approach taken in the Exploration Regulations and allowed for an efficient process for applications from private entities.
- Without this language applicants would need to have their Sponsoring State submit their application on their behalf. This would be inefficient and not to lead to any benefits for the Authority. It is the applicant that is primarily responsible for their application and with whom the Authority will engage and negotiate a contract. In such circumstances, there is no benefit from requiring the submission of the application to be done by the Sponsoring State.
- We also oppose the proposed addition of sub-paragraph (e) to Draft Regulation 5(3). This addition would unnecessarily restrict options for contractors in relation to which vessels and ports they will use for the purpose of their activities.
- Requiring contractors to only use vessels and ports from Member States would be extremely problematic – particularly for contractors in the Clarion-Clipperton Zone, given the geographic proximity of ports of the United States. Prohibiting the use of these ports and vessels would hinder emergency response capabilities and also connectivity with global supply chains. It would also be anti-competitive by artificially limiting options for contractors.
- We also note that there is no connection between the Authority’s jurisdiction and contractors’ use of ports. As recognised by the Seabed Disputes Chamber in its Advisory Opinion, once minerals are removed from the Area and are on route to port on the high seas, the Authority’s jurisdiction ends. The Authority should not be attempting to extend its reach to contractor operations outside of activities in the Area.