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.

- Name(s) of Delegation(s) making the proposal:
 China
- 2. Please indicate the relevant provision to which the textual proposal refers.
 Regulation 48 ter Test Mining
- 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.

*Note: China's amendments are in Blue

Regulation 48 ter Pilot Test Mining

- 1. Subject to this Regulation, an applicant [or a Contractor] shall conduct #"test Pilot Mining" [prior to submitting an application for a Plan of Work for Exploitation] [before starting any Commercial mining Production under an Exploitation Contract]. Information gathered through #"test mMining Pilot Mining" shall be compiled in a Ttest Mmining Pilot Mining report in accordance with Annex IV, be in accordance with [and take into account] the [applicable] [relevant] Standards and [taking into consideration] Guidelines [and shall inform on the application for a Plan of Work for Exploitation in particular with regard to the protection of the environment].
- 2. "Pilot Mining Test mining" is means an in situ operating of the integrated system of all equipment and all related process steps (e.g. including collector, raiser and release techniques) for Exploitation activities in a Contract Area under appropriate technical, spatial and temporal conditions which allows the provision of evidence to support the information provided conducted by an applicant in its application for a Plan of Work for Exploitation a Contractor in its preparation for commencement of Commercial Production, and to assist the Commission [and the Council] in its evaluation of the application Feasibility Study [against the criteria contained in Regulation 13 and 15.] [to demonstrate that the proposed mining equipment is technically and operationally appropriate, and that assumptions regarding

impacts on the Marine Environment is effectively protected from harmful effects, can be validated. Data collected during test mining can be used to validate numerical models and predict cumulative effects, in accordance with Article 145 of the Convention. "Test mining" should also be undertaken in order to optimize the integrated system with regard to its potential effects on the Marine Environment.]

2.bis [The purpose of the "Pilot Mining Test Mining" is to validate that the proposed mining equipment is commercially and technically appropriate and the effects of the activity, in particular with regard to the Protection of the environment, operates as described in the Environmental Impact Statement/Plan of Work.]

3. "Pilot Mining Test-Mining" in the Area requires a prior approval by the [Commission] [Authority] [consistent with the criteria in Regulation 13(1),] and shall be carried out with reasonable regard for other activities in the Marine Environment, in accordance with Articles 87 and 147 of the Convention, and in accordance with the [applicable] Standard and taking into consideration account the [applicable] [relevant] Guidelines and Recommendations [issued by the Commission under the Exploration Regulations], in particular to ensure effective protection for the marine environment from that the Marine Environment is effectively protected from [harmful effects]/[Serious Harm], including the cumulative effects, in accordance with Article 145 of the Convention.

4. Test Mmining does not have to be undertaken if the [information evidence] pursuant to Pparagraph [12] has been provided through other "Ttest -Mmining" [undertaken] nby the applicant, by other contractors, or in the context of another approved Plan of Work for Exploration or Exploitation. [WhereIn such a case,] the applicant [relies on such information it] shall compile [the information] in its "Ttest -Mmining" report [the information already available] and explain why this [information] is sufficient evidence [for the purpose of paragraph 2 and] the Commission shall, [in its review of an] [application] [request] assess whether the [information provided by the applicant in the Test Mining reportevidence] pursuant to Pparagraph 1 [above is sufficient to has been] demonstrated [compliance with] [the requirements set out in paragraph 2 above in its review of the application] and report to the Council pursuant to Regulations 11-15.

6. [Any] [The] gains from Mineral resources which have been collected during Pilot Mining Test Mining shall be paid to the Environmental Compensation Fund, as established by Regulation 54.

- 7. If a Material Change has been determined in accordance with Regulation 25 and 57 (2), the <u>[Council Commission relevant organ of the Authority]</u> shall <u>consider and</u> determine whether and on which aspects an[y] additional <u>Pilot Mining Test Mining</u> may have to be undertaken <u>based on the recommendation of the Commission</u> in order to provide sufficient information <u>[pursuant]</u> to <u>[satisfy the requirements of]</u> paragraph <u>{2}[above]</u>. In this case, paragraphs <u>{1}</u> and <u>{3}[above]</u> apply.
- 8. After the Pilot Mining Test Mining, the Contractor shall submit to the Commission a Pilot Mining test-mining report. The Pilot Mining Test Mining report shall provide information on the findings from the Pilot Mining test-mining, in accordance with the Standards and taking into consideration Guidelines. The Pilot Mining test-mining report shall provide the Commission with required sufficient information to review the results findings in light of the Environmental Impact Statement/Plan of Work. The Commission shall, without undue delay, review the findings of the Pilot Mining study and make recommendations to the Council.
- 9. The Council Commission shall, without undue delay, consider review the findings of the Pilot Mining test-mining study in light of the Environmental Impact Statement/Plan of Work based on the recommendation of the Commission. If the findings of the Pilot Mining test mining are in accordance with the Environmental Impact Statement/Plan of Work, the Council shall make an affirmative decision and notify the Contractor through the Secretary General. Thereafter the Commission shall notify the Contractor, and the Contractor may commence Commercial Production in accordance with the Contract.]

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

China proposes to distinguish between the Test Mining and Pilot Mining (for detailed analysis, please see China's General Comments on the Test Mining and Pilot Mining). On this basis, this regulation proposes a set of legal norms for the preparatory phase after the signing of the exploitation contract and before the commencement of the commercial production, namely Pilot Mining.

In addition, in paragraph 1, it is recommended to change Commercial Mining to Commercial Production to be consistent with the Schedule to the draft regulations. In paragraph 3, which refers to Article 145 of the Convention, it is recommended to adjust the relevant wording to be consistent with the text of Article 145 of the Convention.