

## **ISA 29th Session, Part I – Reading of the Draft Consolidated Text**

### Oral Statement by the Federal Republic of Germany

Delivered in March 2024

#### **Regulation 21 - Termination of sponsorship**

On a general note, Germany seeks clarification on the use of the phrase “terms of sponsorship” and what this entails. It is not clear to us what constitutes the “terms of sponsorship” and we do not find such terminology in the Convention. Does it refer to the sponsorship agreement between the Contractor and the sponsoring State? Presumably yes, but we prefer if this term was better specified, perhaps in the schedule, since it could carry significant repercussions in the present context of termination.

With respect to paragraph 2 bis, we are surprised to see the new edits here, making a reference to the Secretary-General and the requirement to make a determination whether the reasons behind the termination are justified. We disagree with these edits. We are also surprised that the previous version that simply used the terms “immediately suspend” is not featured at all in the consolidated text, despite receiving broad support in the last meeting. We would therefore like to revert to the earlier phrasing, i.e. “... the Contractor must *immediately* suspend”.

Regarding paragraph 3, there seems to be a gap here in instances where there has been a termination of sponsorship but Contractor is seeking the consent of the Council for permission to transfer its rights and obligations under the contract. It should be made clear that the Contractor must suspend all operations in the meantime, since it is unlawful to conduct any activities in the Area without valid sponsorship.

As for paragraph 5, we support the use of the word “promptly” and the deletion of the phrase “as soon as practicable”.