

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 29<sup>TH</sup> 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](mailto:council@isa.org.jm).

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

The Pew Charitable Trusts

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

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**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.**

1. A Contractor shall keep a complete and proper set of books, accounts and financial records, consistent with internationally accepted accounting principles, which must include information that fully discloses **[all revenue and]** actual and direct expenditures **and [liabilities]** for Exploitation, including capital expenditures and operating costs and such other information as will facilitate an effective audit of the Contractor’s expenditures and costs.

**[1. bis The Contractor shall keep the books, account, and records pursuant to paragraph 1 at a place agreed between the Contractor and the [Compliance Committee], and shall make them available for inspection and audit in accordance with these Regulations.]**

2. A Contractor shall maintain maps, geological, mining and Mineral analysis reports, production records, processing records, records of sales or use of Minerals, **[records of port inspections, customs records, processing plant receipt data or records,]** environmental data, archives and samples and any other data, information and samples connected with the Exploitation activities in accordance with **[Standards and taking into consideration Guidelines]** **and** [the Authority’s data and information management policy].

3. **[To the extent practical, a]** [A] Contractor shall keep, in good condition, a representative portion of samples or cores, as the case may be, of the Resource category, **from each sample collection period identified in the applicable [relevant] Standard [s] and [Guidelines, together with biological samples, obtained in the course of Exploitation until the termination of the [Exploitation Contract] [Closure Plan].** Samples shall be maintained taking into account the relevant Guidelines, which shall provide the option for the Contractor to maintain them itself or to have such maintenance performed on its behalf in whole or in part by a third party.

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

Generally, we support all the edits in DR39 but continue to see overlap with DR74 (‘Records and audit’). We therefore repeat our suggestion that these two regulations be aligned to remove duplication or merged.

In terms of specific drafting comments, we recommend retaining ‘liabilities’ in paragraph (1) to ensure a Contractor’s debts are captured by the reporting requirement.

We support retention of paragraph (1)(bis) to avoid essential paperwork being held in a place potentially inaccessible to the ISA, for example in the jurisdiction of a State that is not a member of the ISA.

With regard to paragraph (2), we are unsure whether the reference to the ISA's 'data and information policy' is appropriate, as we have never had an opportunity to see (or provide inputs) to this policy, though we have heard it mentioned repeatedly in LTC and Secretariat reports and understand Contractors have had an opportunity to comment upon it. Publication and public consultation on this policy document would be most welcome. In terms of this regulation, if the policy relates only to the ISA's management of data (and not Contractor's), it may not be appropriate to include it here.

Regarding paragraph (3), we wondered if the ISA may wish to stipulate what should happen to such samples upon termination or expiry of the Exploitation Contract? We note that this is not covered by the Closure Plan requirements in Annex VIII to the draft Regulations.