TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 29TH ISA COUNCIL SESSION:

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.im

1. Name of Working Group:

Informal Working Group on Institutional Measures

2. Name(s) of Delegation(s) making the proposal:

Submitted by UK Seabed Resources (UKSR)

- 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 oppose deleting the reference to "designated representative" from Draft Regulation 5(2). This reference is consistent with the approach taken in the Exploration Regulations and enable an efficient process for applications from private entities.
- Without this provision, applicants would need to have their Sponsoring State submit the application on their behalf, which would be inefficient and provide no benefits to the Authority. The responsibility for the application lies primarily with the applicant, who will be the main point of contact for the Authority during contract negotiations. Therefore, requiring the Sponsoring State to submit the application offers no advantage in such cases.
- Additionally, we oppose the proposed addition of sub-paragraph (e) to Draft Regulation 5(3). Including the proposed text would unnecessarily limit contractors' flexibility in choosing which vessels and ports to use for their operations.
- Requiring contractors to only use vessels and ports from Member States
 would be highly problematic for contractors in the Clarion-Clipperton Zone,
 given the geographic proximity of ports of the United States. Forbidding the
 use of these ports and vessels would hinder robust emergency response and
 also effective connectivity with global supply chains. It would additionally be
 seen as anti-competitive by artificially limiting options for contractors.
- UKSR also questions the connection between the Authority's jurisdiction and contractors' use of ports. It is our understanding that the Authority's jurisdiction ends once minerals are removed from the Area. Consequently, contractor operations outside of activities in the Area should not be regulated or managed by the Authority.