

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 30TH 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.

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

Interim Director-General of the Enterprise

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

Draft Regulation 64bis

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.

[Regulation 64bis

Equalization measure

A Contractor, from the date that its Plan of Work has been approved, shall pay the equalization measure as determined in accordance with the applicable Standard governing the equalization measure [subject to the provisions of Annex IV, Article 10 of the Convention].]

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

Article 10(3) provides that the Assembly shall exempt the Enterprise from the payments referred to in paragraph (1) of the same Article and shall leave all of the net income of the Enterprise in its reserves, for a period not exceeding 10 years. This wording – which still applies following the adoption of the 1994 Agreement – reflect a precise choice of the drafters of the Convention, which considered an exemption period appropriate to allow the Enterprise to gather sufficient resources to self-support itself. It is submitted that this provision also applies to the equalization measures envisaged in draft regulation 64bis and should therefore be mentioned therein.