

THE PEW CHARITABLE TRUST'S COMMENTARY

***ON THE REVISED CONSOLIDATED TEXT: DRAFT REGULATIONS ON
EXPLOITATION OF MINERAL RESOURCES IN THE AREA,
DATED 29 NOVEMBER 2024 (ISBA/30/C/CRP.1)***

Key

Black font, red font, and grey text-boxes are replicated from the Draft Regulations text.

Blue font represents commentary or edits proposed by The Pew Charitable Trusts.

Regulation 70

Payment of royalty shown by royalty return

1. A Contractor shall pay the royalty due for a royalty return period on the Day the royalty return is required to be lodged [in accordance with the applicable Standards].
2. A **C**ontractor shall declare the currency to be used in the payment of royalties in the Exploitation Contract. The **C**ontractor may only change the currency to be used in the payment of royalties if approved by the Council or otherwise on the anniversary of the **5th** ~~year~~ year of Commercial Production and at the end of every subsequent **5th** ~~year~~ year of Commercial Production.
3. All payments made to the Authority shall be made net and shall be free of any deductions, transmission fees, levies or other charges.
- [4. The Council may approve the payment by way of instalment of any royalty where it determines that any circumstances of **F**orce **M**ajeure exist, that justify payment by instalment, in accordance with ~~{relevant}~~ ~~{applicable}~~ Standards, [and **taking** into consideration the Guidelines.]

It seems to us that there should be wording in the Standard Contract template and terms (in Annexes IX and X), or the Finance Plan (Annex III) to reflect paragraph (1)'s stipulation that the currency will be stated in the Contract. We do not see it there currently.