

TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 27TH SESSION:

COUNCIL - PART VII

Informal Working Group on Financial terms

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 Financial terms

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

China

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

Regulation 74 Proper books and records to be kept

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.

***Note: China's amendments are in Blue**

4. A Contractor shall maintain all records for the duration of the contract and a period of ~~10~~ 2 years following the expiry or cancellation of the contract [and including duration of the Closure Plan,] and make such records available for ~~inspection and~~ audit under regulation 75.

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

(1) Considering that the records of the land-based practice are generally kept for two years after the expiration or cancellation of a contract, it is proposed that records be kept for two years.

(2) Audit and inspection are two different issues. Part XI of the Draft Regulations " Inspection, compliance and enforcement ", already contains provisions on matters relating to inspection, so it is proposed that regulation 75 should only deal with audit matters, and that the contents relating to inspection should be provided for in Part XI.