

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 28TH 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 of Working Group:

OEWG

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

Federal Republic of Germany

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

DR 74

Red text is in original draft; **blue text** indicates Germany's textual proposals

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 74

Proper books and records to be kept

1. ...

2. The Contractor shall prepare such records in conformity with internationally accepted accounting principles, including those that apply appropriate environmental, social and governance standards and disclosure requirements, including but not limited to, IFRS, ISSB, TFCD, TFND, that verify, in connection with each Mining Area, inter alia:

- (a) Details of the quantity and grade of each Mineral recovered from each Mining Area;
- (b) Details of sales, shipments, transfers, exchanges and other disposals of ~~the Minerals~~ each Mineral from the Mining Area, including the time, destination, value and basis of valuation and the quantity and grade of each sale, shipment, transfer, exchange or other disposal;
- (c) Details of all eligible capital expenditure and liabilities by category of expenditure and liability [incurred in] [in connection with] each Mining Area [or in direct support of activities within the Mining Area]; and
- (d) Details of all revenues and operating costs associated with activities in the Mining Area.
- (e) Details of any sales, shipments, transfers, exchanges and other disposals of any Minerals, to the degree available.

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

Regarding Draft Regulation 74, Germany would like to add additional language in paragraph 2, to clarify that internationally accepted accounting principles should include appropriate environmental, social and governance standards and disclosure requirements.

Para 2(e): Germany proposes to add this provision. For companies to fulfil their environmental disclosures requirements (“Scope 3”) they will need to be able to collect relevant information from the entire value chain. Given the responsibility of the Authority to protect the marine environment, it is important to clarify that such environmental and other standards and disclosure requirements under international accounting principles apply and all relevant information is provided to the Authority.