

**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 81

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 81

Review of system of payments

1. The system of payments adopted under these regulations and pursuant to paragraph 1 (c) of section 8 of the annex to the Agreement, shall be reviewed by the Council five years from the first date of commencement of Commercial Production in the Area and at intervals thereafter as determined by the Council, taking into account the level of maturity and development of Exploitation activities in the Area as well as all observed environmental impacts.

2. The Council, based on the recommendations of the Commission ~~[and in consultation with Contractors]~~, may revise the system of payments in light of changing circumstances ~~in the light of changing circumstances~~ and following any review under paragraph 1 above, ~~taking into account the economic viability of the project save that any revision shall only apply [to existing exploitation contracts by agreement between the Authority and the Contractor] [after five years of Commercial Production have been completed under that exploitation contract] [from five years after such revising would be adopted] [to (i) new exploitation contracts agreed between the Authority and a Contractor after the revised system of payments is in effect; and (ii) existing exploitation contracts if the Authority and Contractors so agree]~~.

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

Germany considers the inclusion of *environmental impacts* as an important aspect of the review. Any revised payment system should then be deployed promptly.