

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 28TH SESSION: COUNCIL -
PART III**

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:

Open-ended Working Group of the Council on the Financial Terms of a Contract

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

Submitted by Nauru Ocean Resources Inc., Tonga Offshore Mining Ltd. and Blue Minerals Jamaica Ltd.

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

Enclosure V - Definitions

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.

~~["Income" has the meaning given to 'GloBE Income' in the [Pillar 2 Global Anti-Base Erosion Model Rules published by the OECD] from time to time.]~~

~~["monopolize" means the ability to control over 75 per cent of the estimated annual volume of similar mineral-bearing ore exploited, produced or removed from the Area after Commercial Production has occurred in respect of at least two exploitation contracts.]~~

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

- We note that proposed definition of “Income” would change in line with any changes made in the OECD. We suggest it may be preferable to ensure that any changes to the definition of Income require approval by an appropriate body in the Authority. This is particularly important given the central role of the definition in certain financial determinations. A major change to the definition could have substantial impacts upon Contractors’ liabilities and so should be subject to appropriate review.
- Consistent with our submissions on Draft Regulation 23(5), we also consider that it is beyond the remit and expertise of the Authority to attempt to determine a definition of “monopolize” for the purpose of activities in the Area. It is also not necessary as explained in that submission.