

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS
DURING THE 29TH SESSION: COUNCIL - PART I**

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.

Draft Regulation 71(1)(b)

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 71 [OEWG]

Information to be submitted

1. A royalty return shall include the following information for each royalty return period, in accordance with Standards and taking into ~~consideration account the~~ Guidelines:

[...]

(b) ~~The quantity by Mineral in wet metric tons and dry metric tons and value by Mineral in dry metric tons of the Mineral-bearing ore shipped from the Contract Area; The value, grades and the basis of the valuation (by Mineral and Metal) of the Mineral-bearing ore sold or removed without sale from the Contract Area, as verified by a Suitably Qualified Person and supported by a representative chemical analysis of the ore by a Certified Laboratory, with the cost of weighing and testing to be borne by the Contractor;~~

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

- We are concerned that the reference to a Suitably Qualified Person in Draft Regulation 71(1)(b) could require every ship undertaking activities in the Area to carry a Suitably Qualified Person to verify information regarding ore removed from the Area.
- Such an approach would be excessive, onerous and unnecessary - particularly given the specific properties of nodules.