

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 29TH 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(s) of Delegation(s) making the proposal:

China Ocean Mineral Resources R&D Association (COMRA)

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

Suspense document-Standard on the Financial Terms of a Contract

(ISBA/28/C/IWG/IM/CRP.2)

3. 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: COMRA’s amendments are in Blue

Calculation of Relevant Metal Value and Aggregate Relevant Metal Value

1. The value of the mineral-bearing ore for a royalty return period shall be the Aggregate Relevant Metal Value for that period.
2. The Aggregate Relevant Metal Value for a royalty return period shall be the aggregate of the Relevant Metal Values for each of the Relevant Metals for that period.
3. The Relevant Metal Value for each Relevant Metal during the royalty return period shall be calculated as follows:

(a) For each Shipment: Quantity x Average Grade of the Relevant Metal x Average Listed Price for the Relevant Metal x *Average Smelting Recovery Rate of the Relevant Metal*

(b) For the royalty return period: the aggregate of the Relevant Metal Values for each Shipment [which commenced loading] in the royalty return period

Where:

(i) Quantity means the quantity (in dry metric tons) of the mineral-bearing ore in each Shipment [which commenced loading] in a royalty return period and calculated in the light of the applicable Guidelines.

(ii) Average Grade is calculated in accordance with this Standard and in the light of the applicable Guidelines.

(iii) Average Listed Price is calculated in accordance with this Standard and in the light of the applicable Guidelines.

(iv) *Average Smelting Recovery Rate* is calculated in accordance with this Standard and in the light of the applicable Guidelines.

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

The smelting recovery rate refers to the percentage of the metal quality in the final product in the raw material during the smelting process. This index reflects the level of production technology and the utilization of resources, and is an important technical and economic index in the smelting process. The smelting recovery rate is directly related to the metal output of the final product, so the smelting recovery rate of the related metal must be considered when calculating the value of the metal.