

ISA 29th Session, Part I – Reading of the Draft Consolidated Text

Oral Statement by the Federal Republic of Germany

Delivered in March 2024

Regulation 24 - Change of Control

On paragraph 1, which defines the term ‘change of control’, Germany is fine with moving this to the Schedule. We do believe, however, that the definition needs to be tightened to ensure that situations where there are changes in the identities of majority ownership and not just 50 percent or more of the Contractor, which is not one and the same. We would like to hear the views of others.

Germany welcomes the addition of the last sentence in this para requiring the Secretary-General to promptly notify the Council and the Commission upon receiving a notification relating to change of control and any further information thereto.

We can support the edits made to paragraph 3. In particular, we support the change from ‘Secretary-General’ to ‘Commission’ here as we are of the view that the functions in this para are not administrative functions and requires the Commission to make appropriate determinations that the Council must have oversight over.. Since the Commission considers these matters when an application is submitted and reports to the Council, it is only appropriate that changes in control that fall under this regulation should also undergo the same process. Otherwise, by circumventing the Commission and the Council, the process may be open to abuse. We also strongly support the inclusion of sub-paragraph (e), and we agree that all the sub-paragraphs should be read conjunctively.

Regarding paragraph 4, Germany again supports the change from Secretary-General to Commission, in line with our comment above. Moreover, we see the need to extend the determination to include operational capability (in addition to financial), which might be affected as a result of the change in control. We therefore disagree with the proposed deletion of ‘operational’ here. Finally, we support the addition of the last sentence, which makes it clear that the Council will consider the report and recommendations of the Commission at its next meeting with a view to taking a decision.