

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

Oral Statement by the Federal Republic of Germany

Delivered in July 2024

Regulation 77 - Anti-avoidance rule

In **paragraph 1**, we wish to highlight a drafting error: Paragraph (d) should not be a separate paragraph as it spells out the consequence of what happens if paragraphs (a), (b), or (c) are met.

Germany supports the inclusion of **paragraph 2.ALT** instead of paragraph 2. The additions in 2.ALT helpfully include roles for other ISA organs, including the LTC and the Finance Committee, in the management of payments.

Germany also supports the inclusion and suggested changes to **paragraph 4** but prefers to refer to “*serious, persistent and wilful violation*” which is consistent with Article 18 of Annex III to the Convention relating to contractor compliance.