

Friends of the President Group (United Kingdom)**Modification of an Exploitation Contract (including the Plan of Work)****Proposed amendments to Draft Regulations related to Draft Regulation 57****Introduction**

1. This note, prepared by the United Kingdom, proposes amendments to Draft Exploitation Regulations that interact with Draft Regulation 57 on modification of a Plan of Work. Its purpose is to ensure that those provisions operate coherently and consistently with the Friends of the President Group's latest proposal for DR57, submitted to the ISA Secretariat on 15 June 2026 and contained in the Further Revised Consolidated Text.¹
2. The proposals build on the Group's work to date. The Group's November 2025 proposal distinguished modification of the Plan of Work - comprising the plans and documents scheduled to an Exploitation Contract - from modification of other parts of the Exploitation Contract, which is addressed by Section 16 of the Standard Terms and Conditions in Annex X.
3. During the March to July 2026 intersessional period, the Group considered comments made during the first part of the thirty-first Council session and revised textual proposals concerning the definition of Material Change, DR57 and DR92(1 bis)(j). The Group considered DR57 to be well advanced and not a key outstanding issue for further discussion at the July 2026 Council meeting.
4. As its next step following the July 2026 meeting, the Group decided to focus on provisions related to DR57, including DR58, Section 16 of Annex X and other draft regulations that interact with DR57. The present note contains the United Kingdom's initial assessment and proposed amendments to such provisions. The provisions set out below were identified from a review of the Further Revised Consolidated Text and suggestions made by members of the Group.

Executive summary of key changes proposed

5. Draft Regulation 57 should remain the single general process for notifying, classifying, assessing and approving proposed modifications to a Plan of Work. Related regulations may identify circumstances in which a modification may be required but should not determine whether a Material Change exists or approve modifications outside the Draft Regulation 57 process.
6. Amendments to Draft Regulations 23, 48, 48bis and 58 are intended to ensure that any modification to a Plan of Work generated by a transfer,

¹ [Further-Revised-Consolidated-Text-Rev.3-ISBA-31-C-CRP.1-Rev.3.pdf](#)

environmental review, periodic review or other regulatory process is channeled into Draft Regulation 57 and preserves the respective roles of the Contractor, Commission and Council.

7. Draft Regulation 38 should clarify that the annual report records the status and outcome of modifications already notified under Draft Regulation 57, rather than creating an alternative notification mechanism.
8. Draft Regulation 39 should provide for the location of books, accounts and records to be specified in a schedule to the Exploitation Contract forming part of the Plan of Work, with any change to that location governed by Draft Regulation 57.
9. Draft Regulation 58 should be streamlined by replacing several of the review triggers with a single one based on reasonable grounds to consider that a Material Change should be made to the Plan of Work; deleting the proposed automatic suspension provision; clarifying that reviews are undertaken by the Contractor and verified by any independent expert; and ensuring that any resulting modification proposal proceeds through Draft Regulation 57.
10. Draft Regulations 58(6) and 92 should be aligned so that the Seabed Mining Register and publication provisions consistently refer to findings, recommendations and decisions.
11. Annex X, Section 16 should be clarified to apply only to modifications of terms and conditions of the Exploitation Contract other than the Plan of Work. This preserves the distinction between modifications to approved operational, technical and environmental documentation and amendments to the contractual framework itself - namely the template Exploitation Contract and the Standard Terms and Conditions - and avoids overlapping modification pathways.

Recommended textual amendments

Regulation 23(4 bis) - Transfer of rights and obligations under an Exploitation Contract

12. Proposal: replace current text with:

~~“4 bis. If at the time of the transfer a Material Change arises this [should]/[shall] be addressed in accordance with regulation 57. If a modification to the Plan of Work is a condition of a transfer, the proposed modification shall be notified to the Authority pursuant to this regulation and regulation 57 and shall be assessed in accordance with regulation 57.”~~

13. Reason: “Material Change” should not be said to “arise” at transfer. Under DR57(3), the Commission determines whether a proposed modification

constitutes a Material Change. “Shall” is appropriate because the provision directs the proposal into the mandatory DR57 process rather than creating discretion. The Council may wish to consider whether it is appropriate for the effective date of any resulting modification to be addressed in this provision.

Regulation 38(2)(m) - Annual report

14. Proposal: Retain the provision but recast it as a reporting and status requirement, as follows:

“2. Such annual reports shall be in accordance with applicable Standards and taking into account the Guidelines and include:

[...]

(m) details of any proposed modification to the Plan of Work ~~notified pursuant to regulation 57(2), any change agreed pursuant to regulation 57(6), and the reasons for such modifications status or outcome of the applicable process under regulation 57;~~”

15. Reason: This avoids implying that disclosure in an annual report is sufficient notification of a proposed modification. It also captures minor corrections and gives the annual report a useful record-keeping function without duplicating the Seabed Mining Register. For the avoidance of doubt, the United Kingdom understands the term “proposed modification” used in this sub-paragraph simply to mean a proposal for a modification already notified pursuant to DR57 and is not intended to be broader than that, i.e. it does not include proposals that the Contractor may have contemplated but has not yet notified to the Authority.

Regulation 39(1. bis) - Books, accounts and records

16. Proposal: Use the first formulation (i.e. delete 1. bis. Alt.), with express reference to the location being set out in a new Schedule 15 of the Exploitation Contract (i.e. a Plan of Work). Do not use the alternative permitting agreement with the Compliance Committee:

“1 bis. The Contractor shall keep the books, accounts, and records ~~pursuant referred to in~~ paragraph 1 at ~~a place~~ the location specified in Schedule 15 of the Exploitation Contract, and shall make them readily available for inspection and audit in accordance with these Regulations. Any proposed change in location shall be assessed in accordance with regulation 57.

~~*[1. bis Alt. The Contractor shall maintain books, accounts, and records at a location specified in the Exploitation Contract. If circumstances require a change, the Contractor and the Compliance Committee may mutually agree*~~

~~on an alternative location. In any case, the books, accounts, and records shall be kept in a place that allows them to be readily available for inspection and audit in accordance with these Regulations.]”~~

17. Reason: A modification to an Exploitation Contract should not be effected by informal agreement between the Contractor and the Compliance Committee. As the appropriate location will be specific to each Contractor, this should be included in a Schedule to the Exploitation Contract (i.e. a Plan of Work), which may be modified from time to time using the DR57 process.

Regulation 48(1) - Environmental Impact Statement

18. Proposal: Delete the second sentence:

“(1) An Applicant or Contractor, as the case may be, shall prepare an Environmental Impact Statement in accordance with this regulation, Annex IV, the applicable Standards and taking into account Guidelines. ~~[The] Statement [shall] be considered by the Authority in accordance with Part II or regulation 57 and is required for an application for a Plan of Work pursuant to regulation 7, paragraph 3, subparagraph (d).~~

19. Reason: Draft Regulation 57 does not require an Environmental Impact Statement for every proposed modification. Moreover, the inclusion of this sentence is superfluous; it is clear from the terms of DR7(3)(d) that an Environmental Impact Statement is required as part of the application for approval of a Plan of Work.

Regulation 48 bis(1)(c) - New Environmental Impact Assessment and revised environmental documentation – documentation to be provided

20. Proposal: Amend sub-paragraph (c) as follows:

“(c) details of any ~~Environmental Impact Assessment~~ preliminary assessment conducted or to be conducted, including any ~~or~~ proposed revision of the Environmental Impact Assessment or modification of ~~to~~ the Environmental Plans.”

21. Reason: To clarify that the details to be notified are preliminary ones, prepared ahead of the Authority deciding, in accordance with paragraph 3, whether an EIA and revised EIS are required (see below, proposals at paragraphs 22-23). The current drafting is unclear whether the reference is to any existing EIA. If that was the intention, it is unnecessary to include as the Authority will already have details of any existing EIA in its records.

Regulation 48 bis(3) - New Environmental Impact Assessment and revised environmental documentation - process

22. Proposal: The Commission shall recommend and the Council shall decide if an EIA and EIS are required, and if so, the Commission shall assess the EIS and provide recommendations to the Council, with a copy sent to the Contractor. As Draft Regulation 57 is a Contractor-led process, it would then be for the Contractor to propose modifications. This process does not prejudice any other regulatory action the Authority may take against a Contractor if it fails to make modifications and as a result breaches its obligations:

*“3. The Secretary-General shall transmit the information received from the Contractor under paragraph 1 ~~above~~ to the Commission. The Commission shall assess the information and ~~determine~~ **recommend to the Council** whether the Contractor ~~shall~~ **should be required to** undertake an Environmental Impact Assessment and ~~prepare~~ **propose** a revised Environmental Impact Statement ~~for make modification to the Environmental Plans] or [make] other modification to the Plan of Work in accordance with regulation 57.~~ The Council, based on the recommendation of the Commission, shall decide whether the Contractor is required to do so. The Commission shall assess any Environmental Impact Statement prepared pursuant to this paragraph and shall recommend to the Council any modifications to the Plan of Work it considers necessary or appropriate. Where the Council decides that a modification should be proposed, the Contractor shall prepare a proposed modification in accordance with paragraph 2 of regulation 57, and the proposed modification shall be assessed and decided in accordance with regulation 57.”*

23. Reason: This reflects the UNCLOS functions of the Commission to recommend and the Council to decide, and the Contractor-led process established by the Exploitation Regulations to propose modifications to the Plan of Work.

Regulation 48 bis(4) - New Environmental Impact Assessment and revised environmental documentation - new Mining Area

24. Proposal: Delete paragraph 4:

~~“[4. In order to proceed with Exploitation on a site within the Contract Area, where such Exploitation activity was not covered by the agreed Plan of Work, the Contractor must submit a new Environmental Impact Statement and revised Plan of Work, which must be approved by the Authority in accordance with regulations 11 to 16.]”~~

25. Reason: Paragraph 4 addresses a situation where a Contractor proposes a modification to the Mining Area identified in Schedule 1 (Coordinates and

illustrative chart of the Contract Area and proposed Mining Area(s)) of an Exploitation Contract. The term Mining Area is defined in the Schedule of the Regulations as “the part or parts within the Contract Area from which Minerals will be extracted, as described in a Plan of Work, as may be modified from time to time in accordance with these Regulations.” Any proposal to modify the Mining Area / Schedule 1 should therefore be assessed in accordance with DR57.

26. As a minor drafting point, the United Kingdom proposes that the “(s)” at the end of the term “Mining Area” in the title of Schedule 1 in Annex IX is deleted. This wording is superfluous as the definition of Mining Area already foresees the possibility of multiple “parts” of a Contract Area.

Regulation 58(1) – Frequency and grounds for review

27. Proposal: Retain paragraph 1 but replace the overlapping modification-related grounds in subparagraphs (a) to (a quin), (g) and (h) with a single trigger captured in new sub-paragraph (a). Other amendments are proposed to ensure internal consistency in the Regulations:

“A Plan of Work shall be reviewed at intervals not exceeding five years from the date of signature of the Exploitation Contract. That notwithstanding, the Council may decide to review more frequently, based on recommendations of the Commission, in accordance with the applicable Standards and taking into consideration the Guidelines, including where any of the following events described in subparagraphs ~~[(a) to (h)]~~ have occurred:

(a) there are reasonable grounds to consider that a modification constituting a Material Change should be made to the Plan of Work;

~~(a) bis Alt. information has come to light that was not available when the Plan of Work was approved, including [major] changes in Best Available Techniques, Best Available Scientific Information [or Best Environmental Practices], and shows that more appropriate measures are necessary to deal with the Environmental Effects of the activity;~~

~~[(a)bis)bis Evidence of misrepresentation or material omission in the original application of Plan of Work approval process;~~

~~(a) ter an indication that the cumulative effects of Exploitation activities exceed any environmental thresholds established under the applicable Standards and objectives established under the applicable Regional Environmental Management Plan;~~

~~[(a) quat. New significant information [based on scientific evidence] relevant to the effective Protection of the Marine Environment;~~

~~(a) quin. [Alt. 1 unanticipated impacts resulting in adverse effects] [Alt. 2 Unanticipated effects] on the environmental [or other activities] have arisen, or~~

~~are of a scale or intensity that was not anticipated, when the Plan of Work was approved;~~

~~[(a) sexies a request relevant information has been submitted by [another competent international, regional, subregional or sectoral body] concerning other activities or measure in the Marine Environment pursuant to regulation 31;]~~

~~[(b) an significant Incidents has occurred;]~~

~~[(b)bis. Tthe applicable Regional Environmental Management Plan has been amended following review;-]~~

~~[(c) a recommendations for improvement in procedures or practices has been made following an inspection report under regulation 100.;~~

~~[(g) significant changes in Best Available Scientific Information; and]~~

~~[(h) operational management changes, including changes to subcontractors and suppliers listed in the Plan of Work, whereby the Commission, after review with the Contractor of the Contractor's activities under the Plan of Work, shall recommend to the Council whether any modifications to the Plan of Work are necessary.]~~

28. Reason: A broad trigger is needed where a Contractor has not itself proposed a modification under Draft Regulation 57. The trigger proposed as sub-paragraph (a) empowers the Council to require a review but does not determine that a modification is required or that there has been a Material Change. Detailed environmental and operational grounds otherwise risk overlap with the definition of Material Change and with Draft Regulation 57. Align the description of relevant “bodies” in sub-paragraph (a) sexies with the language used in related DR31 (Accommodation of activities in the Area and in the marine environment) to ensure consistency across the Regulations. Delete “significant” before “Incidents” in sub-paragraph (b) because otherwise it is unclear what sub-category of Incidents are intended to be caught by this provision. The United Kingdom notes that one limb of the definition of Incidents already refers to “a **significant** unanticipated or unpermitted adverse impact [...]” (emphasis added) and proposes it would be appropriate for all Incidents to be caught by this provision.

Regulation 58(1.bis) - Automatic suspension

29. Proposal: Delete paragraph 1.bis.:

~~“1.bis. The occurrence of any of the circumstances set out in paragraphs [1(a)ter, 1(a)quin and 1(b)] shall entail suspension of exploitation activities until the amended Plan of Work has been reviewed and approved.”~~

30. Reason: Automatic suspension on occurrence of selected review triggers would conflate the trigger for review with the consequences of the review and the approval of any amended Plan of Work. Any suspension should be addressed under the regulations specifically governing suspension or emergency measures.

Regulation 58(2) – Conduct of the review

31. Proposal: Refine paragraph 2 as follows:

“2. A review of the Plan of Work under paragraph 1 shall be undertaken by the Contractor ~~and reviewed~~ [and verified by an independent expert ~~or~~ panel of independent experts] in accordance with the applicable regulations ~~and~~ Standards, and taking into account the Guidelines. The ~~Secretary-General Contractor~~ shall invite the Sponsoring State or States [and relevant potentially affected coastal States] to participate in the review. The results of the review shall be compiled as a report [and ~~be~~ accompanied by an endorsement ~~of the report~~ by the ~~independent expert or panel of independent~~ experts] ~~involved on the review~~ and submitted to the Secretary-General on completion of the review.”

32. Reason: This reflects the positions that the Contractor should undertake the review, the function of any independent expert should be verification, the Contractor rather than the Secretary-General should invite its Sponsoring State or States, and the provision should expressly require submission of the report to the Secretary-General. Brackets are retained where the Council has not settled on expert verification or coastal-State participation.

Regulation 58(3) - Consequence of review

33. Proposal: Replace the alternatives with:

“3. The Secretary-General shall forward the report on each review to the Commission, the Council and the Sponsoring State or States. ~~[Alt.1 Where, as a result of a review a Material Change needs to be made to the Plan of Work, the Commission shall recommend the Council and the Contractor shall implement as established in regulations 57] [Alt.2 Any proposed modification to a Plan of Work as a result of a review pursuant to this regulation shall be assessed in accordance with regulation 57] The Commission shall consider the report and recommend to the Council any modifications to the Plan of Work it considers necessary or appropriate. Where the Council decides that a modification should be proposed, the Contractor shall prepare a proposed modification in accordance with paragraph 2 of regulation 57, and the proposed modification shall be assessed and decided in accordance with regulation 57.”~~

34. Reason: This preserves the respective roles of the Commission and Council in respect of a review while ensuring that any resulting proposed modification is considered using DR57. It is preferable to current Alt 1, which is grammatically incomplete and appears to require implementation before approval, and to Alt 2, which does not explain how a review-generated proposal enters DR57.

Regulation 58(4) - Information for the review

35. Proposal: If independent verification is retained in paragraph 2, use the following formulation:

“4. For the purpose of the review, the Contractor shall provide [to the independent expert ~~or panel of independent experts referred to in paragraph 2~~] all information required by ~~the Secretary-General~~ it in the manner and at the times necessary for the purposes of this regulation. ~~[The Secretary-General shall request the Contractor to submit additional data and information as may be required by the independent expert or experts undertaking the review.]”~~

36. Reason: The Contractor should follow the institutional model selected in paragraph 2, i.e. as independent expert/s are involved it should be them not the Secretary-General that requires the information. Square brackets have been retained.

Regulation 58(6) – Publication

37. Proposal: Amend “findings and recommendations” to “findings, recommendations, and decisions”, so the provision reads as follows:

“The Secretary-General shall make publicly available the findings, ~~and recommendations~~, ~~and decisions~~ resulting from a review of a Plan of Work under this regulation ~~[in accordance with regulation 92].”~~

38. Reason: The addition of “decisions” reflects the proposal at paragraph 3 of DR58 above that the Council may make a decision regarding whether the Contractor should propose a modification.

Regulation 92 – Seabed Mining Register

39. Proposal: Delete DR92(j). Retain DR92(1 bis)(j)Alt (as proposed by the Group on 15 June 2026), tracking the amendment proposed above for DR58(6), i.e. replace “findings and recommendations” with “findings, recommendations, and decisions”, so the provision reads:

~~“(j) [any modifications to the approved Plan of Work and its periodic review report including recommendations of the Commission and decision of the Council for each Contract pursuant to regulations 57 and 58] [Any modification to a Plan of Work pursuant to Regulation 57 and the findings and recommendations resulting from a Review of a Plan of Work pursuant to Regulation 58];~~

(j)Alt ~~[~~the Commission’s recommendations and reports and the Council’s decisions regarding proposed modifications of a Plan of Work pursuant to regulation 57, ~~[and the findings, and recommendations, and decisions resulting from any review of a Plan of Work pursuant to regulation 58];~~”

40. Reason: To ensure internal consistency in the Regulations.

Annex X, Section 16 - Scope

41. Proposal: Insert a new opening paragraph 16.0:

~~“16.0 This Section applies to modification of the terms of an Exploitation Contract other than the Plan of Work. A proposed modification to the Plan of Work shall be dealt with in accordance with regulation 57.”~~

42. Reason: The Group’s stated understanding is that the Plan of Work is part, but not the whole, of the Exploitation Contract. Draft Regulation 57 governs the plans and documents scheduled to the Contract, while Section 16 governs revision of the remaining contractual terms.

Annex X, Sections 16.2 and 16.3 - Consent and form

43. Proposal: Delete Section 16.2 and retain Section 16.3, subject to the new scope provision:

~~“16.2 This Contract may be revised by agreement between the Contractor and the Authority.~~

16.3 This ~~Exploitation~~ Contract may be revised only:
 (a) with the consent of the Contractor and the Authority; and
 (b) by an appropriate instrument signed by the duly authorized representatives of the parties.”

44. Reason: Sections 16.2 and 16.3(a) duplicate the same consent requirement. Deleting section 16.2 streamlines the clause without changing its substance.

45. The new Section 16.0 prevents these provisions from being treated as an alternative route for modification of the Plan of Work. Separate modification

processes are justified because they address different legal subject matter and perform different functions. DR57 is designed for modification of a Plan of Work, comprising the operational, technical and environmental documentation approved by the Authority. It provides a dedicated process for assessing and approving such modifications. By contrast, modification of other parts of the Exploitation Contract concerns the contractual framework itself, namely the contract template and the Standard Terms and Conditions. These modifications are therefore more appropriately addressed through Annex X, Section 16, rather than a procedure designed for operational changes to a Plan of Work.

46. Separate procedures preserve the distinction between modification of an approved Plan of Work and amendment of other contractual terms, avoid overlapping approval pathways, and ensure that Annex X, Section 16 cannot be used as an alternative route for modifying a Plan of Work outside the DR57 process.