

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 31TH 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(s) of Delegation(s) making the proposal:

Germany

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

Topic: Financial Incentives, DR 63

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.

Regulation 63

[Incentives]

4. Please indicate the rationale for the proposal.

Like other delegations who have raised the same point, Germany considers that draft regulation 63 must not stray beyond what Article 13 of Annex III to UNCLOS actually allows. At the same time, there is little value in inserting a provision whose only function is to restate that the Authority must follow UNCLOS. So, we propose deleting text of DR63 where it only serves that purpose.

We also recall that Article 13 of Annex III does require the Council, when setting its rules, regulations and procedures, to provide incentives for joint arrangements with the Enterprise. As far as we are aware, the Council has not yet begun that discussion. It is Germany's view that DR63 would be better used not to remind the Council of its powers, but to exercise them: by actually setting the incentives UNCLOS envisages.