

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

### Oral Statement by the Federal Republic of Germany

Delivered in July 2024

#### **Regulation 103 - Compliance Notice**

We regard this provision a central one, in order to make all other regulations we are negotiating here meaningful, effective and enforceable. This regulation needs to be developed in consistency with DR 102.

We believe the first line of paragraph 1 could be clearer. It currently states: “at any time, if it appears to the Compliance Committee [...]” . This is the first step, which then leads to the next step, which is the issuance of a compliance notice. Which wording to choose here will depend on what DR 102 will contain. As proposed for DR 102, the Compliance Committee should be allowed to examine and investigate non-compliance. Of course, the criteria and parameters require further thinking, which we have also noted in the proposed text under

In para 5, we can accept the proposed edits as it incorporates text from Art. 18 of Annex III to UNCLOS. We query if this provision should be extended to include the other event under Art. 18 of Annex III to UNCLOS, which applies to situations where the contractor has failed to comply with a final binding decision of the dispute settlement body.

As for para 5 alt, we believe this should be amended to 5 bis, as we do not consider this para to be an alternative to para 5.

Regarding para 6, given the wording of “in lieu of”, which we note is language taken from UNCLOS, we believe that further criteria need to be developed to clarify when monetary penalties should be imposed as opposed to suspension or termination. This would help create a level-playing field and ensure consistency in such discretion