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Name of submitter	Molly Brown
Affiliated organization of submitter	BURN
Email of submitter	molly.brown@burnmfg.com
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Document reference number and title: (Recommendation from the MEP to SBM020) Draft procedure: Article 6.4 mechanism registry (SBM 021 post-meeting version)				
Item	Section no. (as indicated in the document)	Paragraph/Table/Figure no. (as indicated in the document)	Comment (including justification for change)	Proposed change (including proposed text)
1	4. General	11	As drafted, account holders have no recourse if a transfer fails due to a fault on the registry's side.	Add an error-correction process for transfers caused by a confirmed registry system error (as distinct from user error), with a fixed timeline for investigation and reversal or remedy.
2	5. Accounts	22	These grounds are undefined and left to the registry administrator's discretion, with no independent review and no provision addressing a wrongful suspension or appeal mechanism. For an account holder with live, unsold A6.4ERs, this creates open-ended exposure to having assets frozen	Define the grounds for suspension in objective terms, provide the account holder an opportunity to respond before or shortly after suspension, set a maximum suspension period, and establish an appeal mechanism.
3	3. Terms and definitions	8g	Para. 8(g) and section 5.5: the term "entity account" (and "entity account holder") is used throughout sections 5.1-5.5 and elsewhere, but section 3 (Terms and definitions) defines only "account holder" in general terms; "entity account" itself is not separately defined. The provisions governing suspension and termination (sections 5.1.2-5.1.4) apply specific consequences to "entity accounts" without the term being defined, requiring account holders to infer its scope from context across multiple sections. A clear definition would remove this ambiguity and ensure consistent application of the suspension and termination provisions.	Add a definition of "entity account" to section 3 and clarify its relationship ((if any) to "authorized entity account," "non-activity participant authorized entity account," and "activity participant account."

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4	5. Accounts	22	Para. 22(d)-(e): entity accounts may be suspended “when the account holding entity’s authorizing Party requests the account be updated to suspended status,” with no stated grounds required for this trigger, in contrast to paras 22(a)-(c), which each specify a basis (irregularity, breach, or exceptional circumstances). Unlike paras 22(a)-(c), which each require a stated basis before suspension, para. 22(e) as drafted permits an authorizing Party to request suspension of an entity’s account without any cause requirement at all. This asymmetry leaves entity account holders, including activity participants, unable to understand or respond to a suspension triggered this way	Clarify whether a Party-requested suspension under para. 22(e) must be grounded in circumstances equivalent to those in paras 22(a)-(c); if so, state this explicitly. If para. 22(e) is intended to operate as independent, require that the request nonetheless specify a reason, with notification of that reason to the account holder consistent with para. 24
5	5. Accounts	47-49	Para. 47-49: entity account opening is subject to identity verification and payment of fees, with no stated timeline for the registry administrator to complete these steps. Without a specified timeline on account opening, a prerequisite for receiving issued A6.4 ERs, can be delayed indefinitely, with no means of holding the registry administrator to account.	Set a maximum processing period for verification and invoicing (for example, 20 business days from a complete submission), with escalation to the Supervisory Body if exceeded.
6	6. A6.4ERs and CERs	56	Para. 56(f)-59: issuance of the balance of A6.4ERs depends on “focal points” completing a distribution form; an invalid form is not processed, and notification to focal points occurs “as appropriate.” “Focal point” is undefined throughout the procedure. “As appropriate” notification gives the registry administrator unreviewable discretion over a step that controls when developers receive their credits.	Define “focal point” in section 3. Additionally, where a distribution form is rejected, require direct notification to the activity participant specifying the deficiency identified, rather than notification “as appropriate.”

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7	7. Transfers	73	Para. 73: a transfer to another account holder requires the recipient's acceptance, with no maximum response period specified. An open-ended acceptance window leaves the transferring party's units encumbered indefinitely if the recipient does not respond. A defined window aligns registry mechanics with standard commercial settlement practice.	Introduce a maximum response window for the recipient (for example, 21 business days), after which the transfer automatically expires and reverts to the sender, with notification to both parties.
8	7. Transfers	-	It is essential that the Article 6.4 registry becomes a global marketplace where private sector actors can buy and retire credits for compliance schemes such as CORSIA, or ETS systems globally. Without interoperability (and tradability) the investment for PACM, and for mitigation and adaptation measures, will be unable to reach host countries and people who most need it. Although implied, as "account holders" can include private bodies, there is no explicit recognition anywhere in the document that transfers as described will be undertaken by private bodies for retirement. It would help if the transfer section of the document outlines some use cases for "other international mitigation purposes".	Kindly explain how the CORSIA use case will work, and how private entities can trade and retire AERs.
9	9. Reporting and transparency	100-101	Para. 100-101: monthly holdings and transaction reports are disseminated to the DNAs of participating Parties, not directly to authorized entity account holders. Activity participants bear the commercial exposure associated with their own holdings but currently depend entirely on the host Party to share this information.	Extend the monthly reporting obligation, or an equivalent account-level report, directly to authorized entity account holders in respect of their own accounts.

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10	9. Reporting and transparency	102-106	Para. 102-106: the registry is provided on an “as-is” basis, with no warranty as to security or accuracy, and no defined process in the event of a confirmed breach or system failure. Combined with the finality-of-transfer rule in para. 11, the current drafting leaves account holders without recourse in the event of a confirmed system-side failure. A notification and reconciliation procedure is consistent with the best-practice standard referenced in para. 102 itself.	Establish an incident-response procedure for confirmed security breaches or registry-attributable system errors, including notification within a fixed period (for example, 72 hours), a record-reconciliation process, and a stated remediation pathway.