



CALL FOR INPUT

Name of submitter	Injy Johnstone
Affiliated organization of submitter	Max Planck Institute for Innovation and Competiton
Email of submitter	injy.johnstone@ip.mpg.de
Date of submission	06/07/2026

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	5. Accounts	2(c), 35(b), 37	The repeated reference to "exceptional circumstances" is undefined and creates broad administrative discretion without clear procedural safeguards. Undefined discretion may reduce predictability, consistency and confidence in registry administration, particularly where account suspensions or terminations may affect the legal status or transferability of A6.4ERs.	Define "exceptional circumstances" within the procedure, including minimum evidentiary thresholds, objective criteria, procedural safeguards, notification requirements and an opportunity for administrative review or appeal prior to suspension or termination, except where immediate action is necessary to protect registry integrity.
2	5. Accounts	22-40	Registry accounts may be suspended or terminated because of irregularities, breaches or exceptional circumstances. However, no public record remains visible. This could limit market confidence and is not on par with the independent oversight standards of existing international registry practice	Require the registry administrator to publish notices of account suspensions and terminations (subject to legitimate cases where confidentiality is invoked), including the legal basis, effective date and current account status. This would strengthen transparency while preserving due process.
3	5. Accounts	39, 82, 89	Administrative cancellation represents an important safeguard of the mandate of environmental integrity within Article 6. However, the draft does not require publication of which units were cancelled, the quantity cancelled, the legal basis or the reason for cancellation.	Require every administrative cancellation to be publicly recorded together with affected serial numbers, quantity cancelled, legal basis, reason for cancellation and date, maintaining an immutable public audit trail.

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)
4	-	47-52	The registry records account holders and authorised representatives but currently contains no mandatory disclosure of beneficial ownership, parent companies or controlling interests. This limits transparency regarding concentration of holdings and potential conflicts of interest.	Require disclosure of the ultimate beneficial owner(s), parent entity (where applicable) and controlling interests for legal entities holding registry accounts, or alternatively maintain a publicly accessible beneficial ownership register for account holders.
5	6. A6.4ERs and CERs	57–59	Distribution forms determine the initial allocation of issued A6.4ERs. However, neither the distribution forms nor the resulting allocations are publicly available in the current draft, preventing independent verification of initial ownership and allocation decisions.	Publish completed distribution forms, or an equivalent public distribution summary, including recipient accounts, quantities distributed and distribution dates, while protecting legitimately confidential commercial information where justified.
6	6. A6.4ERs and CERs	58-59	Invalid issuance instructions, distribution requests and transfers are rejected, yet no information is publicly available regarding rejected requests, reasons for rejection or their frequency. Such information- when aggregated appropriately- could support transparency and continuous improvement of the PACM	Publish anonymised statistics on rejected issuance, distribution and transfer requests together with categorised reasons for rejection as part of annual registry reporting.
7	6. A6.4ERs and CERs	60-62	The registry currently provides for the provision of extremely limited metadata, limiting interoperability, environmental integrity and transparency. Modern carbon market registries have much richer metadata that supports transparency, interoperability and due diligence.	Expand publicly available metadata to include methodology identifier and version, project type, project location, host Party, activity participants, authorisation date, authorisation history, first transfer date, corresponding adjustment status, current registry location, retirement beneficiary, retirement purpose, cancellation purpose and, where applicable, reversal risk status.
8	6. A6.4ERs and CERs	62(c)	The registry records only whether authorisation conditions exist ("C"/"NC"), but does not disclose the conditions themselves. This limits users' ability to assess legal obligations attached to individual units.	Require publication of the substance of authorisation conditions, or provide a hyperlink to the underlying authorisation statement, rather than indicating only whether conditions exist.

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)
9	6. A6.4ERs and CERs	63-68	Most leading voluntary carbon market registries maintain permanent public records of changes affecting credit status. The current draft allows post-issuance authorisation and post-issuance changes without requiring an immutable public audit trail. This limits interoperability because external registry systems cannot independently reconstruct the legal history of a unit.	Require an immutable public authorisation history for every A6.4ER, including timestamps, authorisation statements, subsequent modifications and the justification for each update
10	7. Transfers	84-88	Although first transfer status is recorded, the registry does not clearly indicate whether the associated corresponding adjustment has actually been reflected in the host Party's accounting, which is detrimental to transparency and environmental integrity, and in addition undermine investor confidence that the corresponding adjustment has occurred.	Introduce a publicly visible registry flag confirming whether the corresponding adjustment associated with the first transfer has been reflected by the host Party, together with the applicable accounting period where feasible.
11	8. Interaction with other systems	90-95	The draft establishes technical interoperability with the international registry, Party registries and other systems. However, interoperability increasingly depends upon common metadata, machine-readable information and comparable transparency standards. These differences in levels of detail and transparency between the Article 6.4 registry and leading voluntary carbon market registries may unnecessarily constrain future interoperability, especially as the carbon market becomes increasingly interconnected.	Require the Registry to adopt of common metadata standards, immutable transaction histories, standardised data formats and machine-readable public interfaces (including APIs where appropriate) to facilitate interoperability with Party registries, the international registry and voluntary carbon market registries.
12	8. Interaction with other systems	95	The procedure refers generally to standards and recommended practices but does not specify that these should align with internationally recognised digital interoperability standards.	Require interoperability standards to be developed using internationally recognised digital registry standards, including persistent identifiers, open APIs, standardised metadata and downloadable datasets.

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)
13	9. Reporting and transparency	96-99	While paragraphs 96–99 provide for publication of aggregated statistics and certain account-level information, they fall considerably short of current best practice among major voluntary carbon market registries. Registries such as Verra, Gold Standard, ACR, CAR, Puro.earth and others routinely publish unit-level information, complete transaction histories, retirement information and supporting project documentation. Lower transparency standards may reduce market confidence and limit future interoperability between registry systems.	Expand paragraphs 96–99 to require publication of complete unit-level lifecycle information for every A6.4ER, including serial numbers, authorisation status, authorisation history, first transfer status, transaction history, retirement and cancellation records, together with hyperlinks to all underlying project documentation.
14	9. Reporting and transparency	96-99	The registry could become a global transparency platform by displaying additional project and unit-level information that is now standard practice across leading registries.	Expand the public interface to display project location, methodology, activity participants, authorization dates, first transfer dates, retirement dates, cancellation purpose, corresponding adjustment status, authorisation history and links to supporting documentation.
15	9. Reporting and transparency	96-101	The procedure contains no provision for downloadable datasets, machine readable public information or APIs. Modern registries increasingly provide these tools to facilitate interoperability, due diligence, research and automated reconciliation.	Require the registry administrator to provide downloadable datasets and publicly documented APIs for non-confidential registry information, subject to appropriate security safeguards as is practice on other leading international carbon registries.
16	9. Reporting and transparency	98-101	The procedure does not require reporting on registry performance, despite the registry's central role in the PACM becoming the pre-eminent international carbon market standard.	Expand annual reporting to include registry uptime, transaction processing times, failed transactions, cybersecurity incidents, planned maintenance and operational performance indicators.