

UPDATE 75
8 September 2023

New AFMA Environmental Products Addendum and Spot Contract

AFMA's Environmental Products Committee has approved new versions of the AFMA Environmental Products Addendum and Environmental Products Spot Contract.

The new versions simplify and modernise the documents, key changes include:

- Removing cash settlement from the Addendum
- Enhancing users' ability to specify "Agreed Environmental Product Characteristics"
- Adding Peak Reduction Certificates to both documents
- Simplifying the failure to deliver mechanics in the Addendum
- Enhancing consistency between the Addendum and Spot Contract

Section 3.11 of the OTC Guide has been substantially revised to include commentary on both documents and template confirmations to be used with the Addendum.