



BPMR Mission: Shenzhen

An Industry-to-Industry Dialogue on Emissions Trading and Carbon Market Readiness

Part of the “Business Partnership for Market Readiness (BPMR)” Mission series

October 28, 2014
Shenzhen, China

I. Introduction

Shenzhen is one of seven ETS pilots that explore emissions trading at the local level during the 12th five-year plan. As Shenzhen launched its emissions trading system in 2013, helping Shenzhen companies and industries prepare for operating under an ETS is an important and critical step for its ETS going forward. The IETA Business Partnership for Market Readiness (BPMR) will assist in preparing Shenzhen companies to become ‘market ready’ for the Shenzhen ETS during this exciting Mission, held in partnership with the Shenzhen Development and Reform Commission, China Shenzhen Climate Exchange, and the British Embassy Beijing.

II. Background

The International Emissions Trading Association as a supporter of the global carbon market and a promoter of dialogue and exchanges between various stakeholders commits itself to promoting communication and collaboration between industrial enterprises and government departments over carbon emissions trading issues worldwide. In April 2012, the International Emissions Trading Association held in Beijing a workshop on how industrial enterprises take part in and prepare for carbon emissions trading and produced good results. Following this it launched the “Business Partnership for Market Readiness” and had its 1st Mission in Guangdong and Shenzhen in February 2013. IETA’s 2nd BPMR Mission was held in Seoul, Korea in September 2013. The 3rd BPMR Mission took place in Shanghai in October 2013, followed by a Mission to Beijing and Tianjin in February 2014. The Shenzhen Mission will be the 7th BPMR Mission. Details of all the BPMR Missions are available [here](#).

Main points of the Mission:

- **Industry readiness:** Improve the understanding and knowledge of Shenzhen industry on the role and function of carbon emissions trading scheme.
- **Knowledge transfer:** Enhance the ability and skills of Shenzhen industry to participate in the Shenzhen ETS (B-ETS).
- **Policy preparation:** Assist the competent authorities in Shenzhen find out how to prepare and develop procedures for participation by industrial emitters of B-ETS, and to gather their opinions.

III. Main Elements and Topics



The Dialogue includes the following topics:

- Trading strategies and companies' internal allowance management
- MRV at the installation level: how to carry out MRV best practices on a day-to-day basis
- Financial products and trading
- Interactive (practice) trading on an Exchange
- Understanding the functions of a Registry
- GHG auditing and verification
- Data quality and quality control
- IT tools and fundamental infrastructures
- Mitigation measures

IV. Schedule and Details

(1) Time: 1 day, October 28, 2014

(2) Meeting Location: Novotel Bauhinia ShenZhen (博林诺富特酒店, 侨城东路 2002 号)

(3) Organizers: [IETA](#), China [Emissions Exchange](#)

(4) Foreign Supporters: UK Consulate-Guangzhou

(5) Local Supporters: Shenzhen Municipal Commission of Development and Reform

(6) Simultaneous translation will be provided throughout

(7) A post-Mission workbook will be developed and put on the IETA website by a media firm or, by the IETA Secretariat.

BPMR MISSION AGENDA

Morning – Seminar

Time	Session	Speakers
Opening Remarks		
9:00-9:10	Opening remarks by Shenzhen Municipal Government	Mr. Li Ganming, Shenzhen Municipal Government
9:10-9:20	Opening remarks by President of IETA	Mr. Dirk Forrister
9:20-9:30	Opening remarks by UK Consulate General Guangzhou	Mr. Neal Carlin, Head of Climate Change and Energy, UK FCO
9:30-9:45	Overview of First Year Performance of Shenzhen ETS	Officer from Shenzhen DRC
9:45-10:10	Innovation of Shenzhen carbon market	Ms. Peggy Chen, CEO, China Emissions Exchange
10:10-10:25	Tea Break	
Experience Sharing: How do industrial enterprises prepare and participate in ETS Theme 1: Preparing for and participating in an ETS (Examples and best practices from European/California companies that prepared for and		



participate in the EU ETS and California market)		
Time	Session	Speakers
10:25-11:00	Carbon Market Readiness: How can companies prepare and thrive in a carbon market? Lessons from the BPMR's Co-Chairs	Karl Upston Hooper, Greenstream /Dan Barry, BP
11:00-11:30	ETS Compliance: Rules and Policies that EU and California Operators Follow	Karl Upston Hooper, Greenstream and Alex Rau, Climate Wedge
11:30-11:45	Question and Answer Session	
11:45-12:15	All about Allowances: Allowance management strategies from the experts	Francisco Grajales Cravioto, Vattenfall
12:15-12:30	Question and Answer Session	
12:30-13:30	Lunch	



Afternoon: Break-Out Group Sessions

	Group 1 Power/Gas	Group 2 IT Manufacturing	Group 3 Non-IT Manufacturing
13:30-14:30 Theme 2: MRV Best Practices	Caspar Chiquet, South Pole and Francisco Grajales Cravioto, Vattenfall	Emily Spears, BP, and Kristian Bruning, Climate Wedge	Karl Upston Hooper, Greenstream and Lu Tao, Ruby Canyon
14:30-15:30 Theme 3: Offsets and Carbon Asset Management	Massimiliano Varriciu, EDF Trading, and James Liu, Statkraft	Fulvio Bartolucci, Solvay	Li Xing, BP
15:30-15:45	Break		

The break out sessions will divide the participants into 3 different groups by company type. 1 session will focus on best practices in MRV, and the following session will focus on how to manage carbon offsets and properly classify them as a commodity asset. The MRV and offsets session will also focus on carbon offset accounting and reporting guidelines for the EU ETS and the California carbon market. Each group will discuss in a different part of the room (or a separate room).

Late Afternoon- Seminar

Time	Session	Speakers
Theme 4: Operational Impacts		
15:45-16:10	Best practices in carbon market participation without a trading desk	James Liu, Statkraft and Caspar Chiquet, South Pole
16:10-16:35	Case studies from the Kyoto Protocol and EU ETS: Obstacles and lessons learned when preparing for an ETS (overlapping policies, registries, international carbon teams, etc.)	Emily Spears, BP
16:35-16:50	Question and Answer Session	
Theme 5: ETS Infrastructure		
16:50-17:05	Launching of comprehensive report of Shenzhen market 2013	Peggy Chen, CEO of CEEX
17:05-17:30	Putting the extra C in CCER: Lessons from the CDM and carbon trading for the Chinese CER	Fulvio Bartolucci, Solvay
17:30-17:45	Summary of B-PMR Mission and Closing Statements BPMR	IETA, Shenzhen Climate Exchange
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