Market participation rules in the national and provincial Chinese ETS

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Chinese ETS

Regional pilot ETS

National ETS
China’s national ETS started operating in 2021. Power sector (including combined heat and power, as well as captive power plants of other sectors). Compliance obligations are currently limited. It is expected that during the “14th five year plan” period (2021-25), energy-intensive industries, petrochemicals, chemicals, building materials, steel, nonferrous metals, paper, and domestic aviation will gradually brought into national ETS, one sector at one time.

MARKET PARTICIPATION:

Currently only compliance entities. The Draft Interim Regulations indicate that other types of institutions or individuals may be allowed later in the market, without a specific timeline.
Guangdong is among the few pilots that are open to foreign investors. Guangdong also allows unincorporated organizations, such as securities companies and trusts, to trade in its carbon market.
financial institutions

- **BANK:** trading captial settlement
- **Securities company/trust company:** Institutional investors
- **Carbon finance service**
- **Exchange:** trading product design, market linking.
Thank you for listening.

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