

Welcome to EDF China Carbon Pricing Newsletter

SPECIAL EDITION-ETS Newsletter

Have Your Say on Measures for China's National Emissions Trading System

Dear friends and colleagues,

On November 2nd, China's Ministry of Ecology and Environment (MEE) [issued two new measures \(draft for comments\)](#), which will be the foundation for the upcoming National Emissions Trading System, including the "National Carbon Emissions Trading Management Measures (Trial)" (the "Measures"; please check the English translation by EDF [here](#)), which highlight the measures for allowance management, trading, verification, supervision and accountability. The new measures also include the "National Carbon Emissions Registration Transaction Settlement Management Measures (Trial)", which specify the requirements for the operation and regulation of the infrastructure system (the consultation of this draft was closed on November 11th).

The issuance of the two new measures follow the "[Guiding Opinions on Promoting Investment and Financing to Address Climate Change](#)" (the "Opinions"), which was co-released by the MEE, National Development and Reform Commission (NRDC), The People's Bank of China (PBC), China Banking and Insurance Regulatory Commission (CBIRC), and China Securities Regulatory Commission (CSRC). The Opinions highlight that a reliance on market mechanisms is required to promote climate investment and finance. The National Emissions Trading System (ETS) formulates the price of carbon, and the Opinions point out that the establishment and further development of the National ETS (including allowing institutional and individual investors to participate, and incorporating derivatives) will attract more capital to address climate change.

EDF is now inviting related stakeholders and experts from industry associations, international organizations and research institutions to our workshops and seminars, to discuss the Measures before we send the MEE our feedback.

We look forward to hearing your comments. Please find the attached comment guide for your use, and return your comments to us by replying to this email by November 20th. Please ensure that your comments are relevant to specific articles

in the Measures and adhere to the format provided. Suggestions for new articles are also welcome.

We greatly appreciate your ideas and suggestions and will translate your comments into Chinese before sending them to the MEE. You may opt to submit your comments anonymously, and we will uphold your choice accordingly.

Please feel free to share the newsletter with other acknowledged experts.

As always, please do not hesitate to let us know if you would like to follow up on the above topic on China's ETS and anything else you may wish to know. We would love to hear from you.

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2020 is the final year of the "13th Five-Year Plan" and the foundation year of the "14th Five-Year Plan". China's Ministry of Ecology and Environment stated that a Nationwide ETS with complete institutions, active trading, strict supervision, and highly transparency will be built during the 14th Five-Year Plan period. EDF will continue to follow up the construction of China Nationwide ETS, bringing you first-hand news and insightful analysis. For more information or to get in touch with an EDF spokesperson, please contact EDF China at China@edf.org.

Environmental Defense Fund (edf.org), a leading international nonprofit organization, creates transformational solutions to the most serious environmental problems. EDF links science, economics, law and innovative private-sector partnerships. Connect with us via [EDF's Official WeChat Account \(Chinese\)](#), [EDF Voices](#), [Twitter](#) and [Facebook](#).