

# Prospects for Guangdong Province's Emissions Trading System

Workshop Co-Hosted by:

Research Center for Climate Change, Guangdong University of Technology  
Harvard Project on Climate Agreements

With the Support of Energy Foundation China

Wednesday – Thursday, June 16 – 17, 2021  
7:30 – 10:30 am U.S. EDT; 7:30 – 10:30 pm CST

## Background and Motivation

Climate change is a global commons problem and, as such, requires cooperation at the highest jurisdictional level – that is, international cooperation among national governments – if it is to be adequately addressed. However, national governments acting independently, as well as subnational governments, can also significantly advance efforts to mitigate climate change. Provinces and municipalities around the world have undertaken initiatives – sometimes working together across national boundaries – to reduce greenhouse-gas emissions. This includes jurisdictions in some of the key countries and regions, such as China, the United States, India, the European Union, and Canada.

China's eight pilot emissions-trading systems (ETSs) – including Fujian Province's – constitute one major set of subnational initiatives to address climate change. The largest of the pilots is Guangdong's. Indeed, the Guangdong ETS is the third largest in the world – after the European Union's and South Korea's, and ahead of California's – if the size of the system is measured by the quantity of emissions covered by the system. Of course, coverage is not the only important characteristic of an ETS; others include the type of target, the stringency of the target, the absolute amount of emissions reduction actually achieved, and degree of compliance by regulated entities. However, Guangdong's system is clearly important in the global effort to address climate change, and lessons from the provincial system are likely to be useful in other jurisdictions – within China and globally.

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## Agenda

Times below are China Standard Time (as “pm”) and U.S. Eastern Daylight Time (as “am”).

### Day 1

#### Wednesday, June 16, 2021

- 7:00 – 7:30 Zoom orientation, including instruction on simultaneous interpretation; please join as soon as possible after 7:00. **Required** of all participants, even those experienced with Zoom.
- 7:30 – 7:45 Welcome and Overview of the Workshop
- Zeng Xuelan  
Director, Research Center for Climate Change  
Guangdong University of Technology
- Robert Stavins  
Director, Harvard Project on Climate Agreements
- Zou Ji  
President, Energy Foundation China
- 7:45 – 8:00 Self Introductions of Participants
- 8:00 – 8:20 “Lessons Learned from Subnational Emissions-Trading Systems”
- Robert Stavins
- 8:20 – 8:50 Discussion
- 8:50 – 9:05 Break
- 9:05 – 9:25 “Status Update on Guangdong Province’s ETS”
- Zeng Xuelan
- 9:25 – 9:45 “Interaction and Coordination Between China’s National ETS and Guangdong’s ETS”
- Duan Maosheng  
Professor and Director, China Carbon Market Center, Tsinghua University
- 9:45 – 10:20 Discussion
- 10:20 – 10:30 Closing Comments

## Day 2

Thursday, June 17, 2021

- 7:15 – 7:30 Zoom preparation; all participants should join meeting by 7:15 pm CST.
- 7:30 – 7:40 Welcome
- Zeng Xuelan  
Robert Stavins  
Fu Sha  
Director, Low Carbon Economic Growth Program; Director, Strategy  
and Planning  
Energy Foundation China
- 7:40 – 8:00 Design Topic 1: “Allowance Allocation and MRV Mechanism”
- Li Weichi  
Deputy Director, Department of Carbon Market  
Research Center for Climate Change  
Guangdong University of Technology
- 8:00 – 8:20 Design Topic 2: “Trading, Carbon Finance, and Price Trajectory”
- Meng Meng  
CEO, Guangzhou Emissions Exchange
- 8:20 – 8:50 Discussion
- 8:50 – 9:05 Break
- 9:05 – 9:25 Design Topic 3: “Offsetting Mechanism”
- Yang Shu  
Senior Engineer, China Quality Certification Centre, Canton Branch
- 9:25 – 10:05 Discussion
- 10:05 – 10:15 Next Steps; Close