

Tsinghua-Harvard Workshop on China's Carbon Pricing System

An Update on China's National Carbon Market Development

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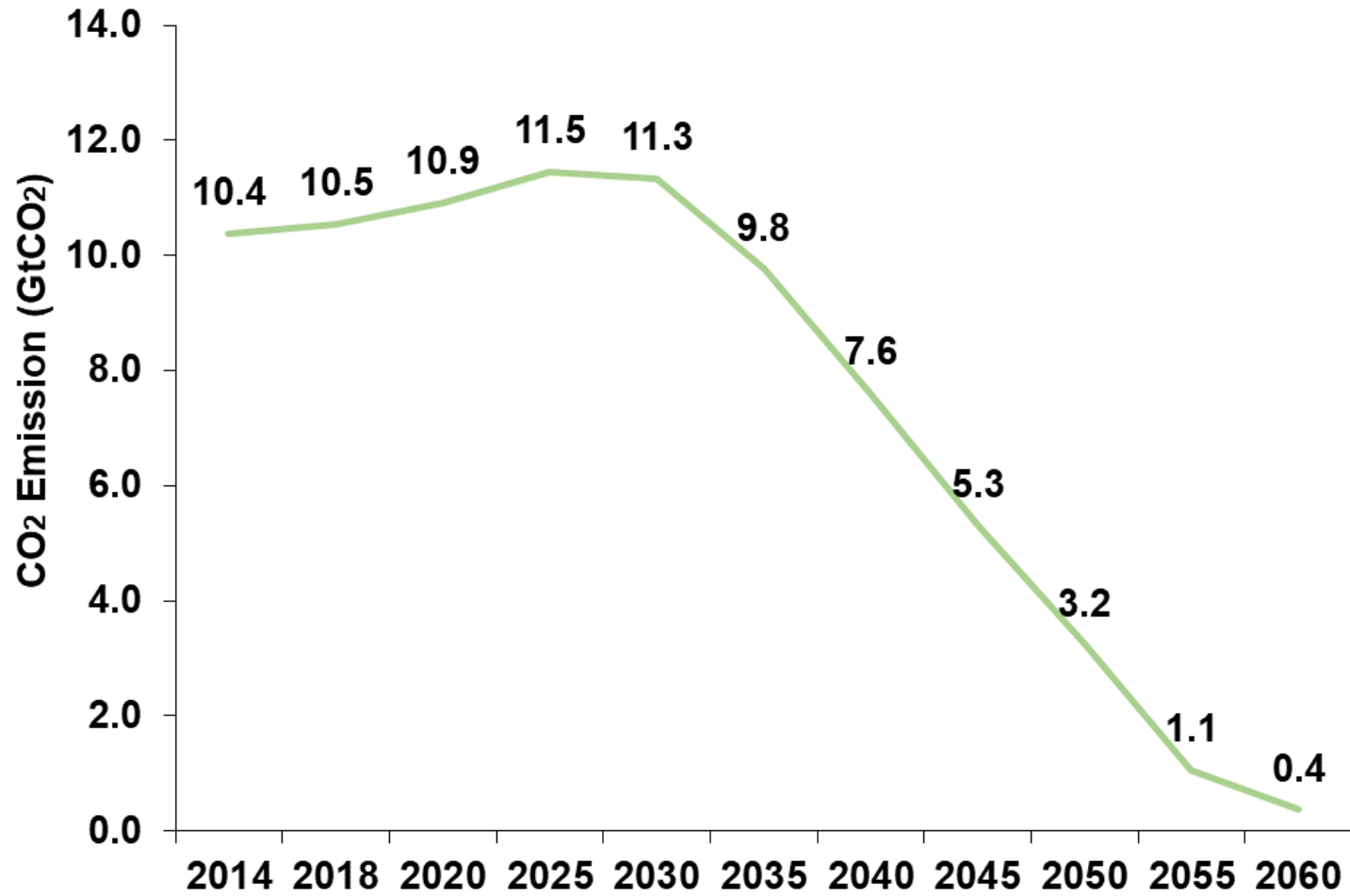


President Xi's speech on China's new climate pledge at UN on September 22

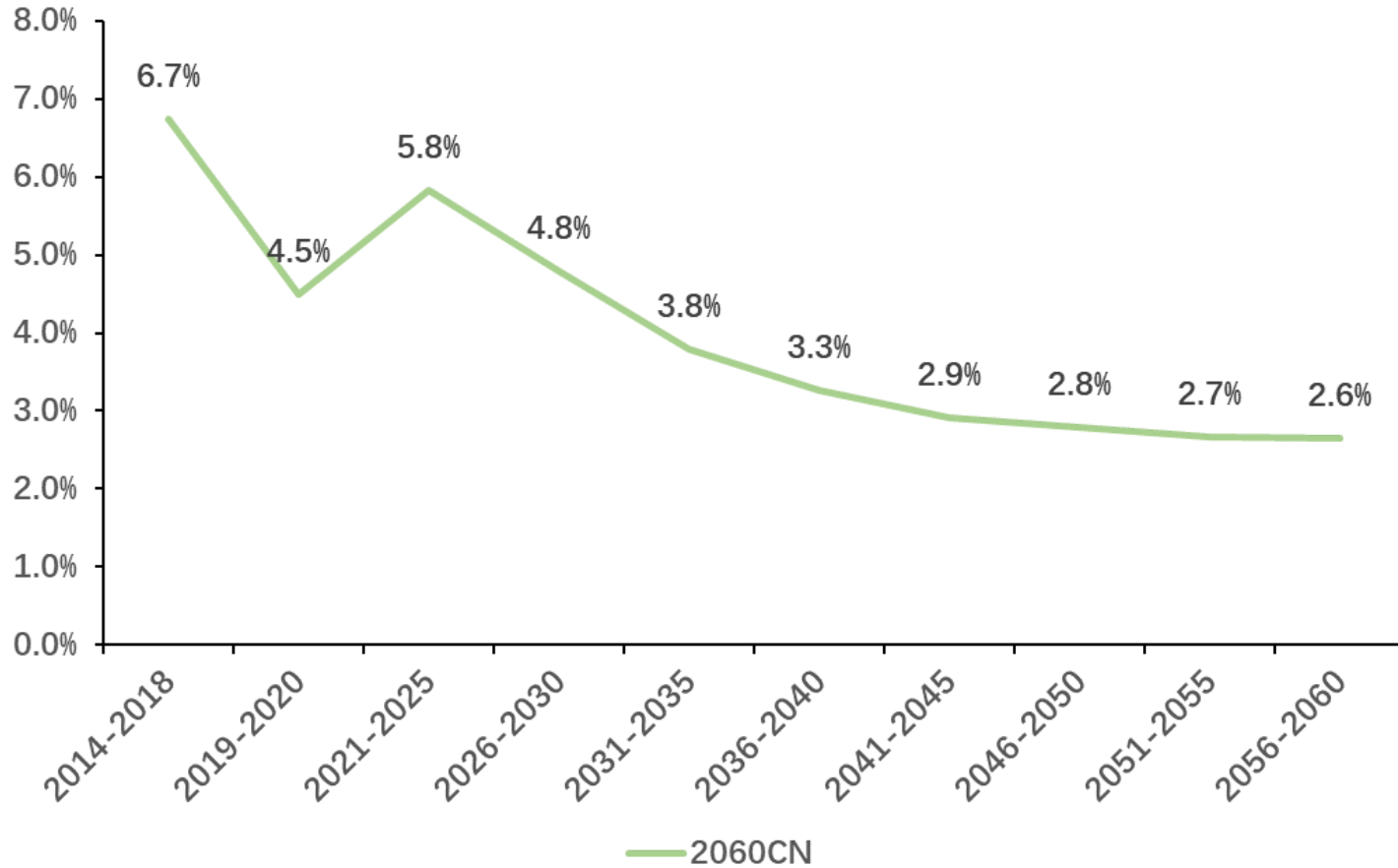
- **New CO2 emissions peaking goal:** Peaking CO2 emissions **before 2030**
- **A version for carbon neutrality:** reaching carbon neutrality **before 2060**



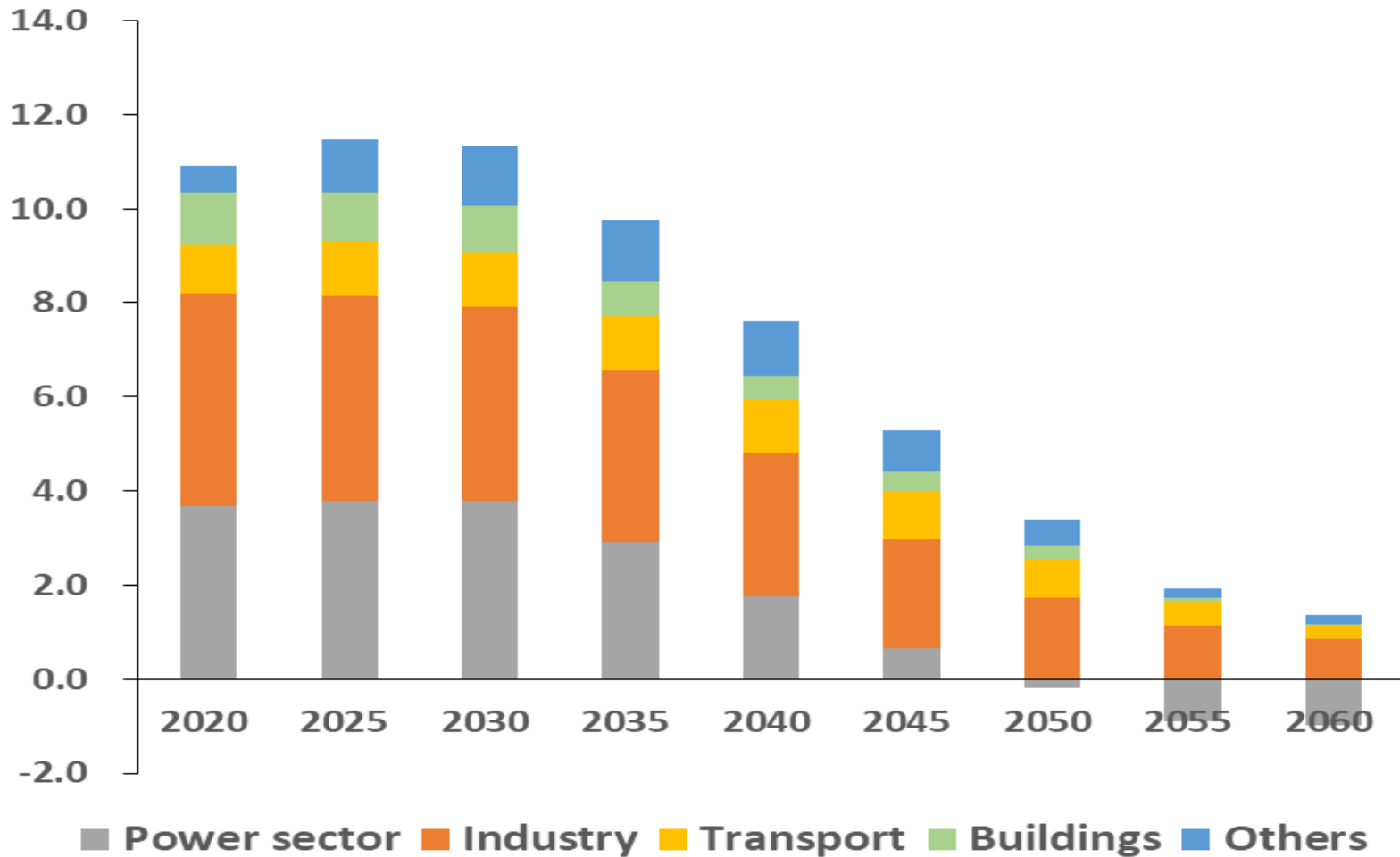
A trajectory of energy and industry process related CO₂ emissions to achieve 2060 carbon neutrality goal from CGEM



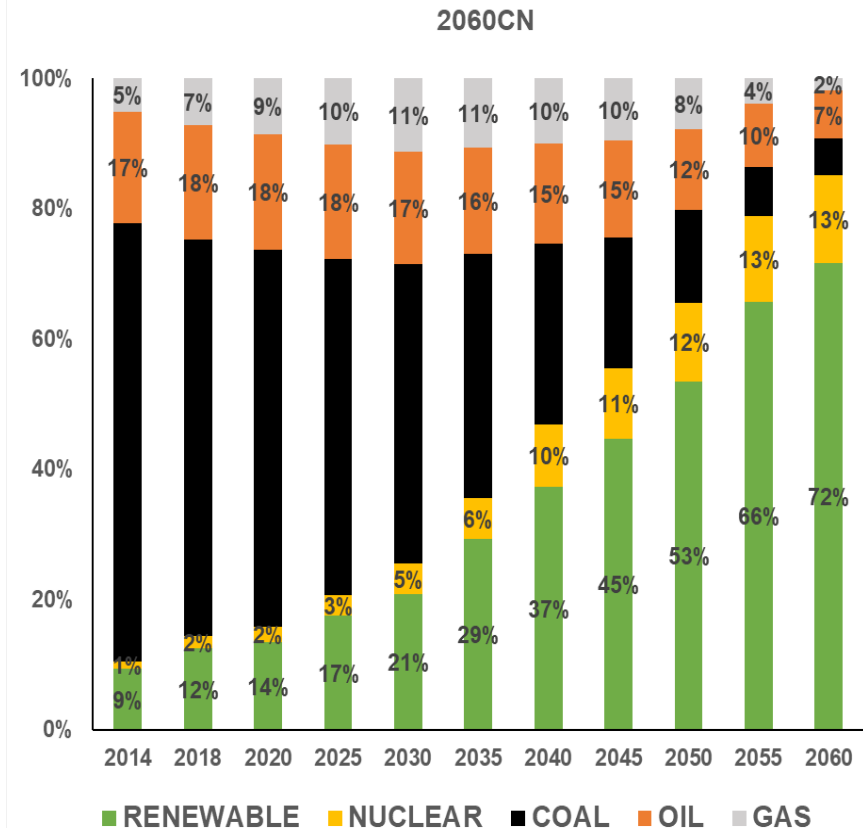
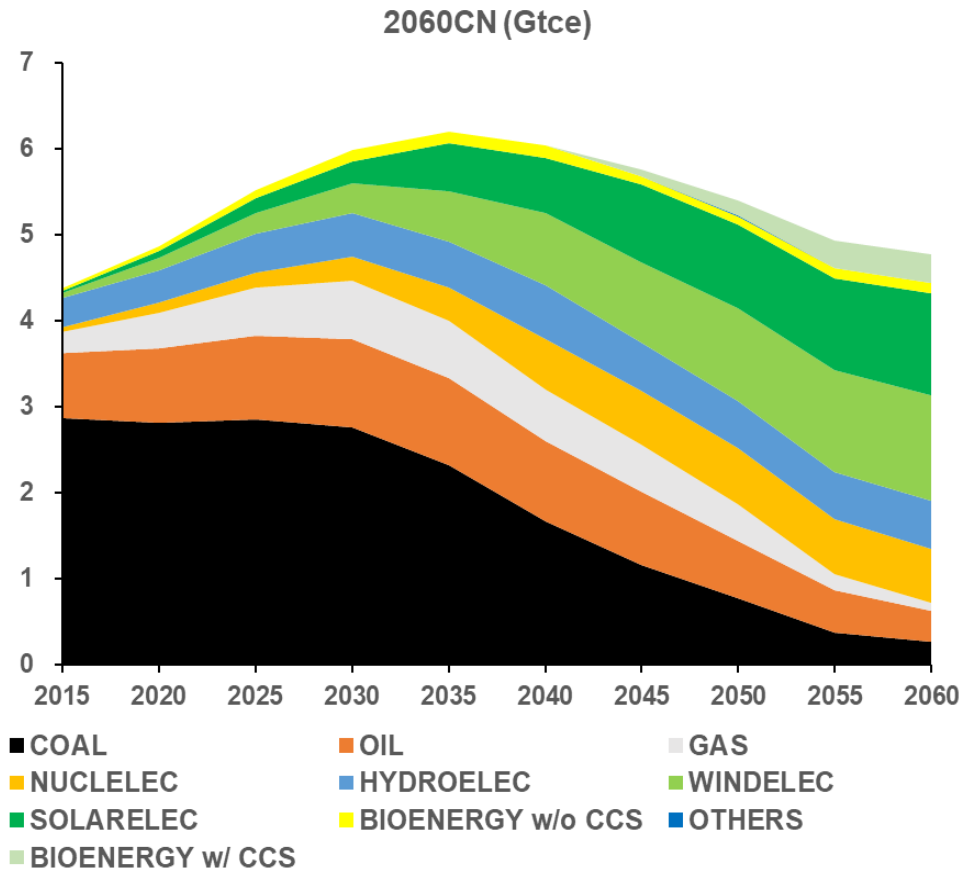
GDP growth rate



Sectoral CO₂ Emissions (GtCO₂)



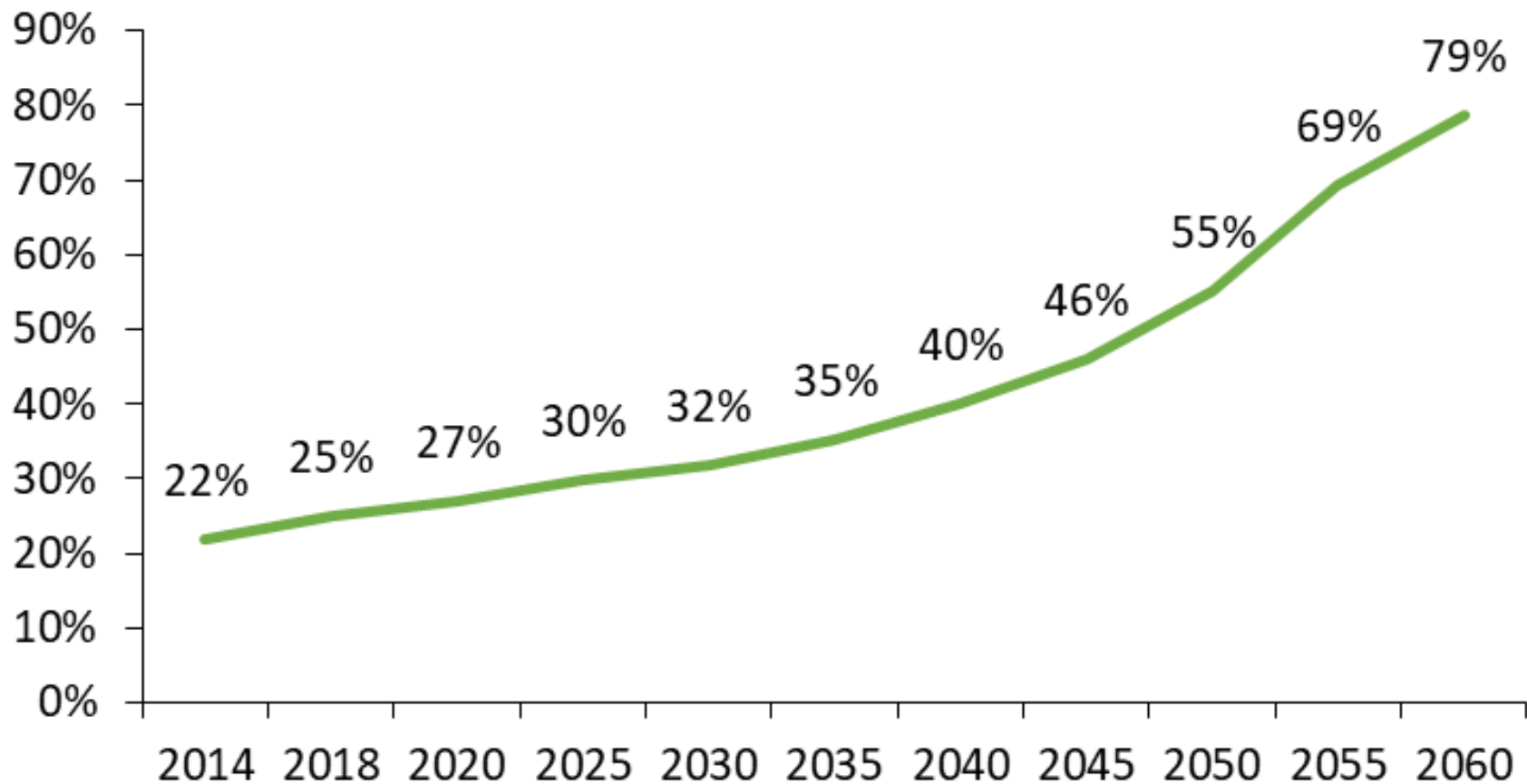
Primary Energy Supply



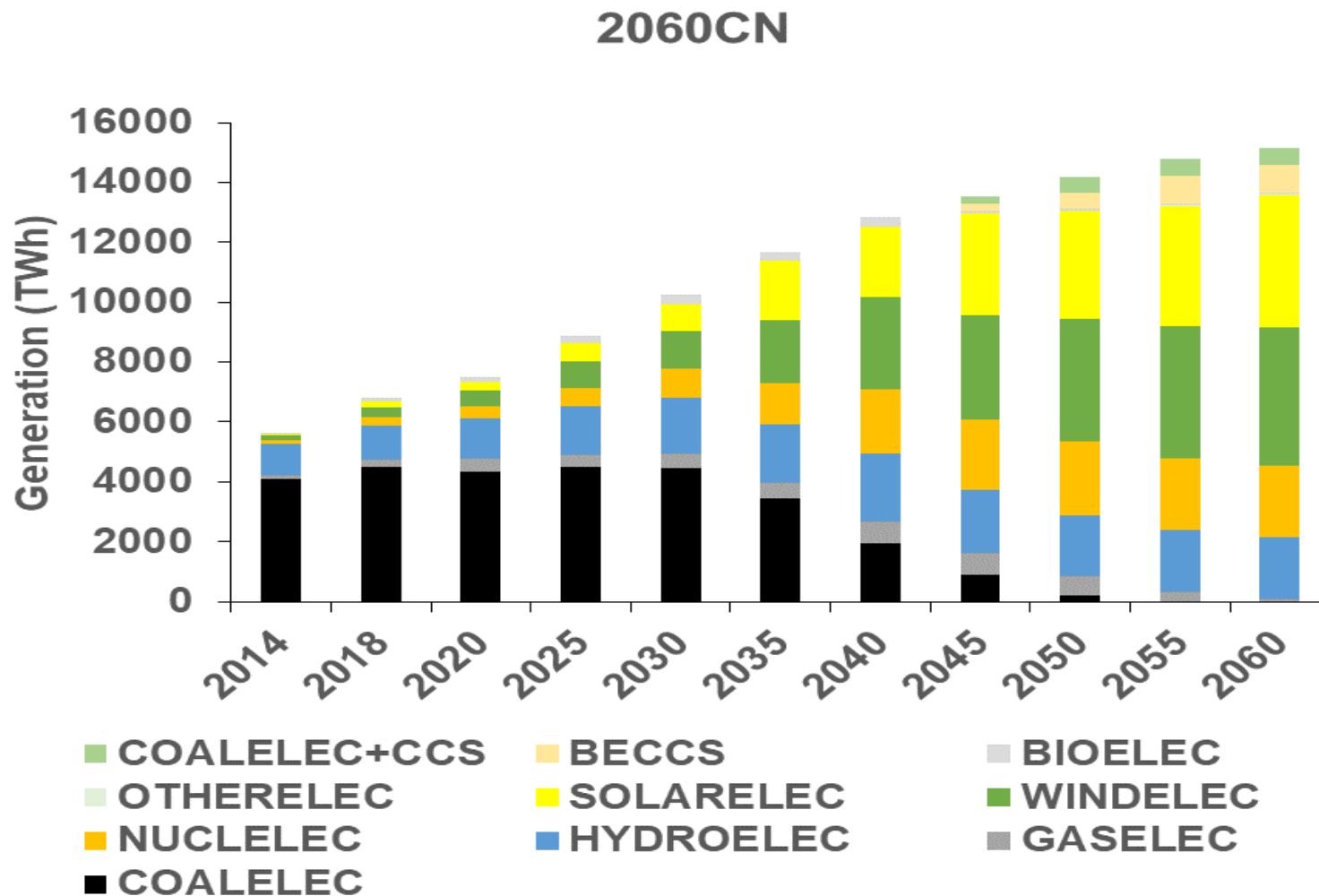
Note: It is largely a renewable energy-nuclear-CCS dominated transformation pathway without considering DAC.



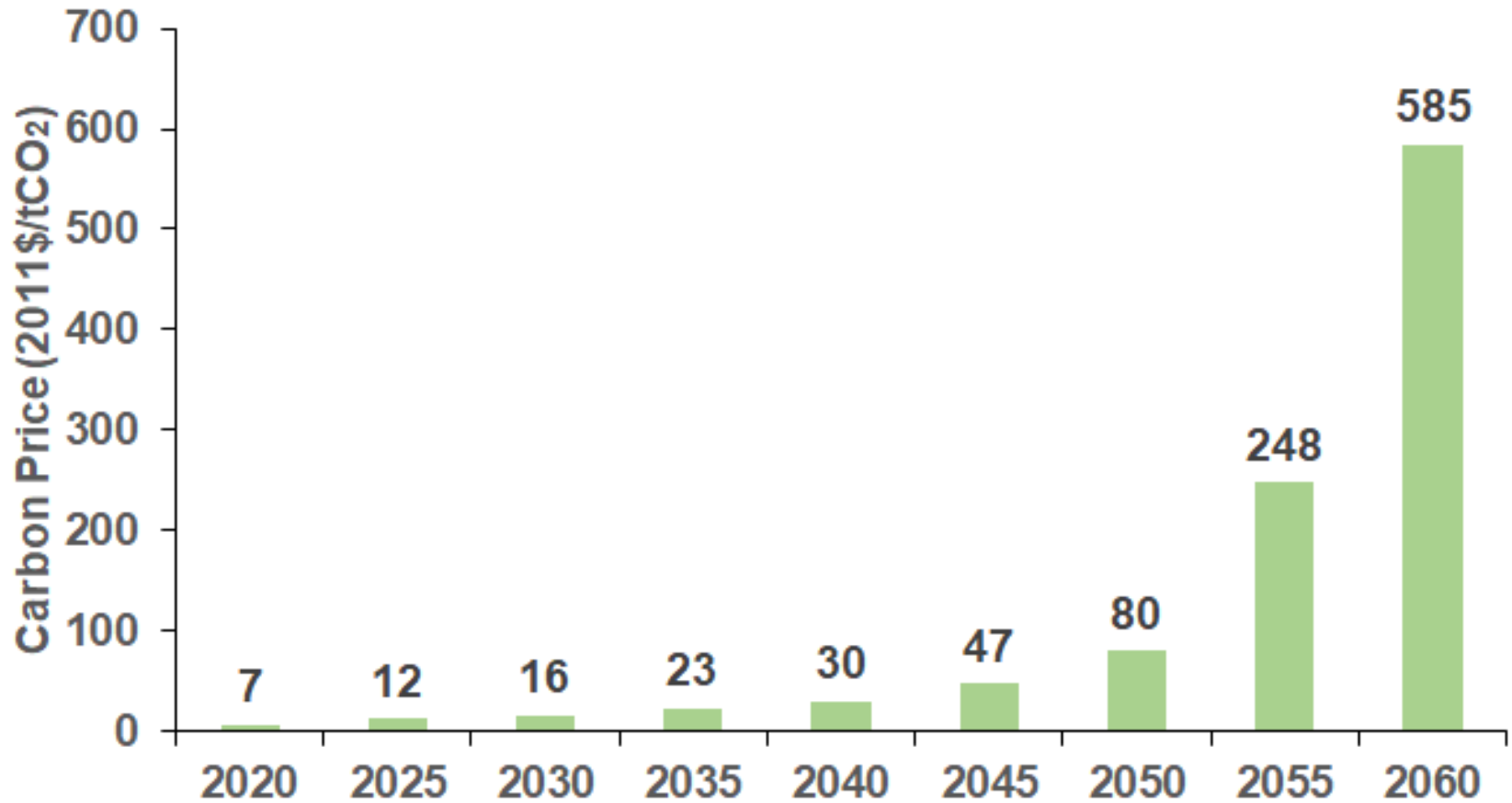
Share of electricity in final energy uses



Electricity Generation Structure



Carbon Price



The Sectoral Coverage of China's ETS

	Sector	Total Emission	Emission covered by ETS	Ratio
Electricity	Thermal power	3643	3643	100%
Industry	Paper and paper products	31	26	85%
	Processing of petroleum	534	534	100%
	Raw chemical materials and chemical products	1191	1072	90%
	Non-metallic mineral products	585	293	50%
	Smelting and pressing of ferrous metals	1486	1159	78%
	Smelting and pressing of non-ferrous metals	77	8	10%
	Total	3904	3092	79%
China		9411	6734	72%



Highlights of National ETS Construction Work in 2020

- Directive on cap-setting and allowance allocation
- Emissions data reporting and verification
- Construction of registration system and trading system
- Legislation - State council's regulation on national ETS

“Accelerate the construction of national ETS.” Vice Premier Han Zheng said yesterday at MEE.



Thank you for your attention!

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