

# China's National Carbon-Pricing System: Challenges and Opportunities

Co-Sponsored by Tsinghua University's Institute of Energy, Environment and Economy  
and the Harvard Project on Climate Agreements

With the Support of the Harvard Global Institute

Wednesday – Thursday, October 14 – 15, 2020 Via Zoom

## Background and Motivation

Climate change poses a severe threat to the global economy, human society, and local and regional communities and ecosystems. China is the largest emitter of the greenhouse gases that cause climate change but is implementing a number of policies to reduce its emissions. The policy with the greatest impact, over time, may be China's national carbon-pricing system.

This research workshop, led by researchers at Tsinghua and Harvard Universities, will address remaining challenges to designing and implementing China's national carbon-pricing system and thereby, it is hoped, contribute to its effectiveness. Participants – experts on carbon pricing from China, the United States, Europe, and Australia – will make brief presentations to facilitate discussion on specific design issues and on longer-term challenges and opportunities, such as policy interaction (e.g., with ongoing market/policy reform of the power sector) and expansion of coverage (integration of pilots; extension to other sectors; evolution toward absolute, economy-wide cap; evolution toward upstream regulation).

This workshop is part of an ongoing collaboration between Tsinghua University's Institute of Energy, Environment and Economy, directed by Professor Zhang Xiliang, and the Harvard Project on Climate Agreements, Directed by Professor Robert Stavins. Most recently, the two programs co-organized a workshop on subnational climate change policy in China (July 2019), on the basis of which the Harvard Project released a [volume of briefs](#) on this topic.

This agenda, speaker presentations, and other materials related to the workshop may be found on a web page for workshop participants [here](#).

The organizers are grateful to the [Harvard Global Institute](#) for support of the initiative of which this workshop is a part. The Institute supports research initiatives that deepen Harvard University's international engagement and promote University-wide scholarship to address pressing global challenges such as climate change, migration, and transnational relations.

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## Agenda

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

**Wednesday, October 14, 2020**

***Status of – and Key Design Issues with – China's National ETS***

- 7:00 – 7:30 Zoom orientation, including instruction on simultaneous interpretation; please join as soon as possible after 7:00 – and in any case by 7:15. **Required** of all participants, even those experienced with Zoom.
- 7:30 – 7:40 Welcome and Overview of the Workshop  
Zhang Xiliang  
Tsinghua University Institute of Energy, Environment and Economy  
Robert Stavins  
Harvard Project on Climate Agreements
- 7:40 – 8:00 Update on the Development of China's National Carbon Market  
Zhang Xiliang
- 8:00 – 8:30 Discussion
- 8:30 – 8:45 Power-Sector Engagement in China's ETS and Allowance Allocation  
Zhang Jingjie  
China Electricity Council
- 8:45 – 8:55 Response  
Billy Pizer  
Sanford School of Public Policy, Duke University
- 8:55 – 9:15 Discussion
- 9:15 – 9:30 Break
- 9:30 – 9:45 MRV and Enforcement  
Zhang Lixin  
China Quality Certification Centre
- 9:45 – 9:55 Response  
Valerie Karplus  
Carnegie Mellon University
- 9:55 – 10:30 Discussion; conclusions; adjourn

**Thursday, October 15, 2020**

***Longer-term challenges to – and opportunities for – China's national ETS***

- 7:30 – 7:35 Welcome  
Zhang Xiliang  
Robert Stavins
- 7:35 – 7:55 Overview of longer-term challenges to – and opportunities for – China's national ETS  
Duan Maosheng  
China Carbon Market Center, Tsinghua University
- 7:55 – 8:15 Discussion
- 8:15 – 8:30 Policy Interactions within a Carbon-Pricing System  
Robert Stavins
- 8:30 – 8:40 Response  
Qi Shaozhou  
Wuhan University
- 8:40 – 8:50 Response: Interactions between ETS and Power-Sector  
Wu Libo  
Fudan University
- 8:50 – 9:10 Discussion
- 9:10 – 9:25 Break
- 9:25 – 9:40 Potential Reforms and Extensions to the Trading Program  
Lawrence Goulder  
Stanford University
- 9:40 – 9:50 Response: Prospects for Guangdong's ETS  
Zeng Xuelan  
Guangdong Research Center for Climate Change, Ministry of Ecology and Environment, Sun Yat-sen University
- 9:50 – 10:20 Discussion
- 10:20 – 10:30 Closing remarks; Adjourn

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## Participants

### **Cyril CASSISA**

Senior Energy Analyst, Environment and  
Climate Change Unit; Coordinator, IEA-China  
Project on China's Emissions Trading System  
International Energy Agency

### **DUAN Maosheng**

Professor and Director, China Carbon Market  
Center (CCMC)  
Tsinghua University

### **VK DUGGAL**

Principal Climate Change Specialist  
Asian Development Bank

### **Jackson EWING**

Senior Fellow, Nicholas Institute for  
Environmental Policy Solutions  
Duke University

### **Lawrence GOULDER**

Shuzo Nishihara Professor of Environmental  
and Resource Economics  
Stanford University

### **Laurent GRANIER**

Senior Environmental Specialist  
World Bank Group

### **Frank JOTZO**

Professor, Crawford School of Public Policy;  
Director, Centre for Climate and Energy  
Policy  
Australian National University

### **Valerie KARPLUS**

Associate Professor of Engineering and  
Public Policy  
Carnegie Mellon University

### **Nathaniel KEOHANE**

Senior Vice President, Climate  
Environmental Defense Fund

### **Paichen LI**

Ph.D. Student in Public Policy (Economics)  
Harvard University

### **Xianling LONG**

Ph.D. Student in Management Science and  
Engineering  
Stanford University

### **Rachel MOK**

Climate Change Analyst  
World Bank Group

### **Richard MORGENSTERN**

Senior Fellow  
Resources for the Future

### **William PIZER**

Susan B. King Distinguished Professor of Public  
Policy, Sanford School of Public Policy  
Duke University

### **QI Shaozhou**

Professor; Director, Climate Change and  
Energy Economics Study Centre  
Wuhan University

**Stian REKLEV**

Director, Co-founder, and China Correspondent  
*Carbon Pulse*

**Alistair RITCHIE**

Director of Asia-Pacific Sustainability  
Asia Society Policy Institute

**Robert STAVINS**

Director, Harvard Project on Climate  
Agreements; A.J. Meyer Professor of Energy  
and Economic Development;  
Harvard Kennedy School

**Robert STOWE**

Co-Director  
Harvard Project on Climate Agreements  
Harvard Kennedy School

**WU Libo**

Professor; Director, Center for Energy  
Economics and Strategy Studies  
Fudan University

**ZENG Xuelan**

Director, Guangdong Research Center for  
Climate Change, Ministry of Ecology and  
Environment  
Sun Yat-sen University

**ZHANG Jingjie**

Division Chief, Department of Environmental  
Protection and Response to Climate Change  
China Electricity Council

**ZHANG Junjie**

Director, Environmental Research Center, and  
Director, Master of Environmental Policy  
Program  
Duke Kunshan University

**ZHANG Lixin**

Deputy Division Chief  
China Quality Certification Centre

**ZHANG Xiliang**

Professor; Director, Institute of Energy,  
Environment and Economy  
Tsinghua University

**ZHAO Xiaolu**

Senior Manager, China Climate Initiative  
Environmental Defense Fund – China

**ZHOU Li**

Associate Professor; Deputy Director, China  
Carbon Market Center  
Tsinghua University