



## China carbon emissions expected to peak well ahead of 2030: NGO

English.news.cn 2015-09-08 18:53:38

BEIJING, Sept. 8 (Xinhua) -- A survey of China-based experts and businesses has shown strong confidence that carbon price levels in China will rise over time, and that carbon pricing will increasingly affect investment decisions.

Over 80 percent of the survey respondents expect that China will meet its target of peak emissions by 2030, and many expect that the peak will be reached significantly sooner.

The 2015 China Carbon Pricing Survey was conducted by China Carbon Forum (CCF), an independent Beijing-based non-profit organization, and climate change consultancy ICF International. It collected over 300 responses from stakeholders in China's emerging carbon market.

The Chinese government has announced that a national emissions trading scheme (ETS) will be established in early 2017, although many of the survey respondents expect that it could take until 2020 or so before the national ETS will be fully functional across mainland China.

Prices in the national ETS are expected to steadily rise from about 40 yuan (6.29 U.S. dollars) per tonne of CO<sub>2</sub> emitted in 2017, to about 70 yuan per tonne in 2025.

China is quickly gaining experience with carbon trading through the seven ETS pilots, and is making every effort to establish a national ETS by 2017, said Wang Shu of the National Development and Reform Commission's Climate Change Department.

According to the survey by China Carbon Forum, it is expected that the cost of emitting carbon will rise over time. "The policy framework of China's carbon market should factor in this rising carbon price, and establish appropriate market regulation mechanisms, while actively enhancing the capacity of market participants based on their actual needs, to maintain a healthy and stable carbon market," Wang said.

Zou Ji, deputy director of the National Center for Climate Change Strategy and International Cooperation, a government-affiliated think tank, said that the government is moving towards market-based methods for environmental protection to mitigate climate change.

"This survey is enlightening as it quantifies the positions and expectations of market participants," Zou said.

Dimitri de Boer, vice chairman of China Carbon Forum and a co-author of the study, believes its results will bolster confidence in China's action on climate change.

"As governments around the world are preparing for the climate conference in Paris in November, they are carefully looking at China and its efforts to mitigate greenhouse gas emissions."

China currently has seven pilot emission trading schemes, but prices have been depressed in recent months due to over-allocation of allowances. It is expected that prices will quickly rebound, reaching 33 to 55 yuan by the end of 2016.

The survey suggests that until 2025, China's mix of policy instruments to control carbon emissions will markedly shift towards carbon trading, tax, and information disclosure, although most respondents expect that a carbon tax will eventually be introduced, there remains much uncertainty over its timing.

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