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# The 2017 China Carbon Pricing Survey

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## Survey Questionnaire

### Survey questions

#### Section 1: Respondents' background

This first part of the survey aims to identify respondents' profile.

#### Q1-1: Where is your organization located?

- In mainland China (choose your province/region)
- Outside of mainland China (choose your region)

#### Q1-2: How would you classify your organization?

- Company covered, or to be covered, by ETS (to be further specified)
- Company not covered by ETS
- Industry sectoral association
- China national government
- China local government
- Academia
- Government research institute
- Emissions trading exchange
- Financial sector
- Consultancy
- Legal services
- NGO
- Multilateral or bilateral development organization
- Foreign government or embassy
- Other

**Q1-3:** Will your company operate under the national ETS?

- YES / NO / Don't know

**If YES:** Please specify the sector:

- Petrochemicals (incl. Crude oil processing, ethylene)
- Chemicals (incl. Calcium carbide, ammonia synthesis, methanol)
- Building materials (incl. cement, ceramics, clinker, plate glass)
- Iron & Steel
- Non-ferrous metals
- Pulp and paper
- Electricity generation
- Aviation

**Q1-4:** Is your company currently operating under an emissions trading system in China?

- YES / NO

**If YES:** Which of the following (choose one or more)?

- Beijing; Shanghai; Tianjin; Hubei; Guangdong; Chongqing; Shenzhen

**If YES:** Please specify the sector:

- Petrochemicals (incl. Crude oil processing, ethylene)
- Chemicals (incl. Calcium carbide, ammonia synthesis, methanol)
- Building materials (incl. cement, ceramics, clinker, plate glass)
- Iron & Steel
- Non-ferrous metals
- Pulp and paper
- Electricity generation
- Aviation
- Automotive
- Oil & gas extraction
- Textile
- Transportation
- Buildings (e.g., residential, gov. buildings)
- Other (such as manufacturing, services, etc.), please specify

**Q1-5:** Please specify the enterprise type

- Central Government-led State Owned
- Local Government-led State Owned
- Private
- Foreign investment
- Joint venture
- Other

**Q1-6:** How much energy does your company annually consume in China?

(Note: under one legal entity)

- Less than 5,000 tce/year
- 5,000 ~ 10,000 tce/year
- 10,000 ~ 100,000 tce/year
- 100,000 ~ 1,000,000 tce/year
- More than 1,000,000 tce/year

**Q1-7:** Is your organization currently operating under an emissions trading system outside of China?

- YES / NO

**If YES:** If yes, where?

**Q1-8:** In the management structure of your company, what position do you hold?

- Junior staff
- Mid-level manager
- Senior executive
- Other, please specify

## Section 2: Current capacity and level of readiness **[only for industry]**

This section aims to understand the current capacity and the level of readiness of companies to take part in an emissions trading system.

**Q2-1:** Do you think that your company is prepared to perform tasks under an ETS in the following areas?

Please answer for each of the following areas: Monitoring and reporting emissions; Allocation data collection; Administrating allowances; Carbon trading

- Not prepared at all
- Yes, marginally
- Yes, moderately
- Yes, strongly
- Don't know

**Q2-2:** In which areas do you need to receive further training?

(Choose up to 3 areas you would like to receive trainings before the national ETS starts)

- Key features of emission trading and carbon markets
- Monitoring and reporting greenhouse gas emissions
- Verification and accreditation

- Corporate level organization and compliance strategy
- Use of ETS registry
- Data collection for allocation
- Legal framework/regulations
- Carbon finance
- Development and use of CCERs

**Q2-3:** Has your company assigned a dedicated person (internal or external) or formed a dedicated team to handle your ETS obligations?

- YES / NO

**If YES:** How many people are in the team?

**If YES:** What is your team's organizational form?

- Independent company / Department / Decision making team from different departments

**If YES:** What are the competencies of the person(s) you have assigned to handle the ETS obligations?

- Financial / Process engineer / Management / Other

**Q2-4:** Has your company participated in training(s) on ETS?

- YES / NO

**If YES:** Which department/level represented your company in the training(s)?

**If YES:** From which agency did your company receive training?

**Q2-5:** Has your company formulated a compliance strategy for ETS in China?

- YES / NO

**If YES:** Summarise the strategy here (optional)

**Q2-6:** Does the transition from pilot to national ETS require some adjustment to your strategy and/or organizational structure?

- YES / NO

**If YES:** If so, how? (optional)

**Q2-7:** Does your company have an emissions reduction target?

- YES / NO

**Q2-8:** Has your company undertaken internal distribution of allowances between subsidiary companies?

- Yes, intra-company exchange of allowances via a trading desk
- Yes, re-allocation of allowances by headquarters

- No
- Don't know

**Q2-9:** Do you have an internal/ shadow carbon price?

Note: a shadow price is an assumed future price of carbon emissions, which is factored into investment and operational decisions.

- YES / NO

**If YES:** What value is it?

**Q2-10:** Have you conducted internal monitoring and reporting of your company's GHG emissions ahead of the start of China ETS pilots?

- YES / NO

**If YES:** What type of problems were encountered? (optional)

**Q2-11:** What are other preparations are needed in order to be ready for participation in the ETS? (optional)

### **Section 3: Impacts of the emissions trading systems on investment decisions**

This section seeks to understand the impacts of the emissions trading systems on investment decisions.

**Q3-1:** Do you expect the ETS in China to affect your company's investment decisions in 2017? In 2020? In 2025?

- No; Yes, marginally; Yes, moderately; Yes, strongly; Don't know
- Explain your answer (optional):

**Q3-2:** What type of actions are you planning to be compliant?

- Trade allowances in the market
- Use Offsets (CCERs)
- Implementing energy-efficiency measures
- Other, please specify

**Q3-3:** Which do you expect to be the most important policies in motivating companies to reduce GHG emissions in China at different points in time?

(Please select up to 3 options for years 2017, 2020, and 2025)

- ETS
- Subsidies for energy conservation
- Feed-in tariffs for renewable energy

- Mandatory closure of inefficient facilities
- Environmental tax
- Environmental information disclosure
- Energy allowances trading
- Others, please specify (optional)

#### **Section 4: Prices in the pilot systems**

This section covers questions about current carbon price levels and price expectations in the pilots.

**Q4-1:** How do the current prices in ETS pilots compare with your expectations?

- Actual prices are higher than what I expected
- Actual prices are similar to what I expected
- Actual prices are lower than what I expected
- Don't know

**Q4-2:** In your opinion, what are the main factors influencing prices in the ETS pilots?

(Select one or more)

- Cap setting and free allocation
- Compliance period
- Economic growth rate
- Information transparency
- Government regulation and intervention
- Other, please specify
- Don't know

#### **Section 5: The national ETS**

This section covers questions about expectations on design and price in the future national ETS.

**Q5-1:** Regarding the national ETS, what do you expect the intensity of trading will be during the first compliance cycle?

Trading will be:

- Active;
- Moderately active;
- Inactive
- Don't know

**Q5-2:** By when do you expect China national ETS to be fully functional?

e.g. all key building blocks in place, including: legislation/law, cap and allocation management, complete MRVA system, registry, trading platforms, market oversight, etc.

- 2017; 2018-2020; 2021-2025; Later than 2025; Never; Don't know

**Q5-3:** What legal basis do you think is necessary for the start of the national ETS in order to ensure compliance?

- National Law by National People's Congress; National Regulation by State Council; National Regulation at Ministry level; Ministry Notice; Don't know.

**Q5-4:** Do you think a rules-based flexibility mechanism, such as a stability reserve to keep prices from fluctuating too much, is necessary?

- YES / NO / Don't know
- Explain your answer (optional):

**Q5-5:** Do you think a New Entrants Reserve is necessary?

Note: A New Entrants Reserve constitutes a special-purpose pool of emission allowances set aside for new companies entering the carbon market, and companies that increase capacity.

- YES / NO / Don't know
- Explain your answer (optional):

**Q5-6:** How many emissions trading exchanges should operate in the national ETS?

- Within every province
- Several regional platforms
- One national platform
- Don't know
- Explain your answer (optional):

**Q5-7:** How should banking of permits from the pilot systems to the national ETS be managed?

- Full banking of allowances
- Percentage of permits may be banked
- No banking allowed
- Other
- Don't know
- Explain your answer (optional)

**Q5-8:** What should be the level of reporting?

- Enterprise level
- Facility level
- Product level
- Don't know

**Q5-9:** What do you expect the price in the national ETS to be in the coming years?  
(in Yuan per tonne of CO<sub>2</sub>)

- Expected prices for the end of 2017, 2018, 2020 and 2025, Don't know
- Explain your answers (optional):

### **Section 6: China's emissions, international carbon markets and international climate policy**

This section aims to put China national ETS in the context of international carbon markets and international climate policy.

**Q6-1:** When do you expect China's carbon emissions will peak?

- Already peaked, before 2020, 2021-2025, 2026 – 2030, after 2030

**Q6-2:** Do you expect that China will take on a GHG emissions target for 2025 [2030] and, if so, what type?

- 2025: No Target / Intensity Target / Absolute Target / Don't know;
- 2030: No Target / Intensity Target / Absolute Target / Don't know
- Explain your answers (optional):

**Q6-3:** Do you expect that China's national ETS will be linked with any other systems by the year 2025 or 2030?

- Yes, by 2025 / Yes, by 2030 / After 2030 / Never / Don't Know

**If YES:** Which ones? (Select one or more)

**Q6-4:** How do you expect the Paris Agreement will affect progress on carbon pricing? (optional)

**Q6-5:** Are there any other insights or opinions that you would like to share? (optional)

**Q6-6:** Do you have any suggestions for future China Carbon Pricing Surveys? (optional)