

# NDRC Released the Interim Measures on Voluntary Emission Reductions of GHG Trading and Management

National Development and Reform Commission issued the *Interim Measures on Voluntary Emission Reduction of GHG Trading and Management* (hereafter referred to as “Interim Measures” ) on June, 13th, 2012, which is formulated to encourage project-based voluntary emission reductions and ensure the proper operation of trading activities.

The Interim Measures is seen as a vital document to ensure the orderly implementation of voluntary emission reduction activities and mobilize the initiative of the whole society to consciously participate in carbon emission reduction activities, gradually accumulate experiences for cap-and-trade carbon emission market and lay foundation for technical and rules.

The Interim Measures is mainly divided into six chapters, which involves the supervision of voluntary emission reductions of GHG trading, the management of the project emission reductions, the emission reductions trading, validation and verification management and other provisions.

According to the Interim Measures, the business entities registered within China can apply for GHG voluntary

emission reductions projects and the issuance of voluntary emission reductions of GHG. Domestic and foreign institutions, companies, groups and individuals can take part in the trading of Voluntary Emission Reductions of GHG. As the national authority in charge of GHG voluntary emission reductions trading, NDRC supervises the trading activities of GHG emission reduction in China in accordance with Interim Measures.

The Interim Measures set out guidelines on Chinese voluntary domestic carbon trading. The regulation will open the door for foreign companies e.g. APP, UPM, Stora Enso, APRIL to participate in Chinese voluntary carbon trading. Previously the foreign companies have been excluded from the Clean Development Mechanism ( “CDM” ) under Kyoto Protocol which is a compliance market approach of carbon trading. Only Chinese or Chinese-controlled companies could apply for CDM projects. However, the details of the Chinese domestic carbon trading have not yet decided. Beijing, Tianjin, Shanghai, Chongqing, Guangdong, Hubei and Shenzhen have become the pilot domestic carbon trading areas. ❗

(Compiled by Beijing Peacecarbon Environmental Technology Ltd)