Carbon and Climate Law Review (CCLR) Special Issue:

Legal and Regulatory Aspects of
Greenhouse Gas Emissions Trading in China

CALL FOR PAPERS

The Faculty of Law, University of Copenhagen, and the Carbon and Climate Law Review (CCLR) welcome abstract proposals for a Special Issue on Legal and Regulatory Aspects of Greenhouse Gas Emissions (GHG) Trading in China.

Background and Overarching Theme

As the world’s largest greenhouse gas emitter, China plays a crucial role in global climate action. In 2016, China ratified the Paris Agreement and pledged with its Nationally Determined Contribution (NDC) to achieve a peaking of its carbon dioxide (CO₂) emissions before 2030, to cut its CO₂ emission per unit of GDP by 60-65% from the level of 2005 by 2030, and to increase the share of non-fossil fuels in primary energy consumption to around 20% by 2030.

To this end, China has called for a synergistic approach to concurrently tackle climate change and domestic environmental problems. As part of this approach, Chinese policy-makers have started to develop market-based measures (MBMs) and, in particular, carbon emission trading systems (ETS). Indeed, in 2011, the National Development and Reform Commission (NDRC) of China approved seven regional ETS pilot projects in Beijing, Shanghai, Tianjin, Chongqing, Guangdong province, Hubei province and ShenZhen, and the projects were launched between 2013 and 2014. Based on the experience from these pilot projects, China later announced its plans for the full-fledged nationwide implementation of an ETS starting in late 2017.
China’s national ETS will have significant implications for both Chinese and global stakeholders. The European Commission and China's Ministry of Ecology and Environment already held the first policy dialogue on emissions trading in Beijing in April 2018, within the framework of an ongoing bilateral cooperation project that will run until September 2020. The project aims at promoting mutual understanding between the EU and China, and supporting the implementation and development of China’s ETS. Here, the European experience with MBMs and potential linkages between the Chinese ETS and the EU ETS, currently still the world’s largest carbon market, are relevant.

The effectiveness of China’s ETS will not only rely on institutional design, but also on its policy implementation. Here, establishing a sound legal basis is a prerequisite for successful implementation of the ETS. A number of challenges arise related to emissions measurement, reporting, and verification, lack of sufficient incentives for compliance and weak financial penalties for non-compliance, as well as missing procedural uniformity from pilot projects. As the ETS creates a new market for emission allowances, it will also necessitate a regulatory framework that defines the rights and obligations of market participants, specifies the legal nature of the traded units, and avoids market manipulation and abuse. New laws and regulations promulgated by the National People’s Congress or the State Council are needed to fully address these challenges before the ETS starts operations in 2020.

**Submission of Paper Abstracts**

This CCLR special issue aims to contribute to the literature on, and the development of, the emerging national Chinese ETS by providing a comprehensive analysis of relevant law and policy issues. In particular, articles in this special issue should delve into legal frameworks and regulatory principles for operationalizing different aspects of the Chinese ETS, explore the role and situation of the ETS in the broader Chinese legal system, and identify law and policy challenges as well as opportunities for their solution. Among other issues, these include questions related to enhancing carbon market infrastructure and institutional design in China, refining Chinese ETS laws and regulations, fostering coherence with other Chinese policies and laws, and defining the relationship of the Chinese ETS with other environmental markets in China and abroad.

The issue will be jointly edited by Beatriz Martinez Romera, Wen Xiang, and Michael Mehling, who invite submissions of abstracts (max. 500 words) dealing with specific questions related to the overall theme of the issue. The deadline for the submission of paper abstracts is **15 August 2019**. Abstracts should be sent to beatriz.martinez.romera@jur.ku.dk.

Notification of acceptance will be on 31 August 2019. Authors of selected abstracts will be invited to a workshop to discuss and review the contributions to the journal, which will take place in Copenhagen in the autumn of 2019. Final manuscripts will be due in 31 March 2020, with publication scheduled for June 2020.