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DRAFT STATUTORY INSTRUMENTS

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**2021 No. \*\*\*\***

**CLIMATE CHANGE**

The Greenhouse Gas Emissions Trading  
Scheme Auctioning Regulations 2021

*Made* - - - - - \*\*\*

*Coming into force* \*\*\*

THE GREENHOUSE GAS EMISSIONS TRADING  
SCHEME AUCTIONING REGULATIONS 2021

PART 1

General Provisions

1. Citation and commencement
2. Interpretation
3. Meaning of UK ETS authority

PART 2

Auction Design

4. Auctioned products
5. Submission and withdrawal of bids
6. Auction clearing price and resolution of tied bids
7. Auction clearing price

PART 3

Auction Calendar

8. Calendar for individual auctions
9. Annual volumes of allowances
10. Adjustments of the auction calendar
11. Circumstances preventing the conduct of auctions
12. Cost containment mechanism

#### PART 4

##### Access to Auctions

13. Persons who may submit bids directly in an auction
14. Means of access
15. Training and helpline
16. Persons eligible to apply for admission to bid
17. Requirements for admission to bid
18. Submission and processing of applications for admission to bid
19. Refusal, revocation or suspension of admission

#### PART 5

##### Appointment of the Auctioneer and its Functions

20. Appointment of the auctioneer
21. The auctioneer's functions

#### PART 6

##### Appointment and Functions of Auction Platform

22. Appointment of the auction platform
23. Functions of the auction platform

#### PART 7

##### Appointment Requirements for the Auctioneer and the Auction Platform

24. Appointment requirements applicable to the auctioneer
25. Appointment requirements applicable to any auction platform

#### PART 8

##### Reporting on Transactions

26. Obligation to report transactions

#### PART 9

##### Payment and Transfer of the Auction Proceeds

27. Payment by successful bidders and transfer of proceeds
28. Consequences of late or non-payment

#### PART 10

##### Delivery of the Auctioned Allowances

29. Transfer of the auctioned allowances
30. Delivering the auctioned allowances
31. Late delivery of the auctioned allowances

#### PART 11

##### Management of Collateral

32. Collateral given by the bidder
33. Collateral given by the auctioneer

## PART 12

### Fees and Costs

34. Structure and level of fees
35. Costs of the auction process

## PART 13

### Auction Surveillance, Remedial Measures and Sanctions

36. Monitoring of auctions
37. Monitoring the relationship with bidders
38. Notification of money laundering, terrorist financing or other criminal activity
39. Notification of market abuse
40. Maximum bid-size and other remedial measures
41. Market conduct rules or any other contractual arrangements
42. Conduct rules for other persons authorised to bid on behalf of others

## PART 14

### Transparency and Confidentiality

43. Publication
44. Announcement and notification of the auction results
45. Protection of confidential information
46. Language regime

## PART 15

### Final Provisions

47. Right of appeal
48. Correction of errors  
Signature

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### SCHEDULE — List of the elements referred to in regulation 18(5)

1. Proof of eligibility pursuant to regulation 16(1) or (2).
2. The applicant's name, address, telephone and electronic mail address.
3. The account identifier of the applicant's nominated holding account.
4. Full details of the applicant's nominated bank account.
5. The name, address, telephone and the electronic mail address of...
6. For legal persons, proof of: (a) their incorporation stating—
7. For legal persons or unincorporated associations or other legal arrangements,...
8. For natural persons, proof of their identity, by means of...
9. For operators, their permit (within the meaning of article 4...
10. For aircraft operators, the emissions monitoring plan issued under article...
11. Such information as is required to carry out the customer...
12. The applicant's latest audited annual report and accounts including the...
13. The VAT registration number, if any, and, where the applicant...
14. A statement that, to the best of the applicant's knowledge,...
15. Proof of compliance with the requirements of regulation 17(2)(g).

**Draft Legislation:** This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument: The Greenhouse Gas Emissions Trading Scheme Auctioning Regulations 2021 No. 484

16. Proof that the applicant satisfies the requirements of regulation 17(3)....
17. A statement that the applicant has the necessary legal capacity...
18. A statement that to the best of the applicant's knowledge...

Explanatory Note