#### DRAFT STATUTORY INSTRUMENTS

## 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

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**