
DRAFT STATUTORY INSTRUMENTS

2023 No.

The Vehicle Emissions Trading Schemes Order 2023

Part 3

The Trading Schemes

Chapter 1

The Non-Zero-Emission Car Registration Trading Scheme (CRTS)

Allocation of CRTS allowances

13.—(1) The administrator must allocate CRTS allowances in accordance with [paragraphs \(2\) to \(7\)](#), and subject to [paragraph \(8\)](#).

(2) Except where a CRTS participant falls within [paragraph \(3\)](#), or where [paragraph \(5\)](#) or [\(7\)](#) applies, the administrator must allocate to a CRTS participant for each scheme year a number of CRTS allowances which is equal to P multiplied by T, where—

- (a) P is the percentage shown in column 2 of the Table in Part 1 of [Schedule 6](#) for that scheme year; and
- (b) T is the total number of cars of which the CRTS participant is the manufacturer and which were registered during that scheme year.

(3) The administrator must allocate to a low-volume CRTS participant a number of CRTS allowances for a scheme year which is equal to the number of cars of which the low-volume CRTS participant is the manufacturer and which are registered during that scheme year, subject to a maximum of 2,499 CRTS allowances.

(4) [Paragraph \(5\)](#) applies for the purpose of calculating the number of CRTS allowances to be allocated to a CRTS participant where—

- (a) the CRTS participant is not a low-volume CRTS participant for the scheme year for which the calculation is made (referred to in this paragraph and in [paragraph \(5\)](#) as “the transition year”);
- (b) the CRTS participant was a low-volume CRTS participant for the scheme year immediately preceding the transition year; and
- (c) the transition year is not the 2030 scheme year.

(5) Where [this paragraph](#) applies, the administrator must allocate to the CRTS participant a number of CRTS allowances for the transition year which is equal to the higher of—

- (a) the number of cars of which the CRTS participant is the manufacturer and which were registered during the transition year, subject to a maximum of 2,499 CRTS allowances; or
- (b) the number which results from the application of the formula in [paragraph \(2\)](#) for the transition year.

(6) [Paragraph \(7\)](#) applies for the purpose of calculating the number of CRTS allowances to be allocated to a CRTS participant which—

- (a) was a low-volume CRTS participant by virtue of [Part 2 of Schedule 4](#) for the 2029 scheme year; and
 - (b) is the manufacturer of fewer than 2,500 cars, but more than 999 cars, which were registered during the 2030 scheme year.
- (7) Where this paragraph applies, the administrator must allocate to the CRTS participant a number of CRTS allowances for the 2030 scheme year which is equal to the higher of—
- (a) the number of cars of which the CRTS participant is the manufacturer and which were registered during the 2030 scheme year, subject to a maximum of 2,499 CRTS allowances; or
 - (b) the number which results from the application of the formula in [paragraph \(2\)](#) for the 2030 scheme year.
- (8) The allocation of allowances in accordance with this article may not result in the allocation of part of a CRTS allowance which is smaller than one tenth of a CRTS allowance, and a CRTS participant's allocation of CRTS allowances must, where necessary, be rounded to the nearest decimal place accordingly.