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DRAFT STATUTORY INSTRUMENTS

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**2023 No.**

**The Vehicle Emissions Trading Schemes Order 2023**

**Part 3**

**The Trading Schemes**

**Chapter 4**

**The Non-Zero-Emission Van CO<sub>2</sub> Trading Scheme (VCTS)**

**Conversion of unused VRTS allowances into VCTS allowances**

**67.**—(1) A VCTS participant may acquire 206 VCTS allowances in exchange for one unused VRTS allowance by making a request to the administrator if—

- (a) the participant's number of units of activity in the VRTS in a scheme year, measured in accordance with [article 56](#), does not exceed the number of VRTS allowances which were allocated to it in accordance with [article 45](#) for that year;
- (b) the participant has more VRTS allowances than it requires (referred to in this article as “unused VRTS allowances”) in order to comply with [article 59](#) (accounting for activity in the VRTS) for that scheme year; and
- (c) the participant did not acquire the unused VRTS allowances by means of borrowing under [article 47](#).

(2) A request under [paragraph \(1\)](#)—

- (a) must be made during the trading window following the scheme year for which the VCTS participant intends to surrender the VCTS allowances to which the request relates; and
- (b) must relate to a whole number of VRTS allowances.

(3) If a VCTS participant makes a request in accordance with [paragraph \(1\)](#), the administrator must update the registry accordingly.