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STATUTORY INSTRUMENTS

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**2021 No. 484**

The Greenhouse Gas Emissions Trading  
Scheme Auctioning Regulations 2021

PART 6

Appointment and Functions of Auction Platform

**Functions of the auction platform**

**23.**—(1) The appointed auction platform must provide the following services to the auctioneer as more particularly delineated in the contract appointing it—

- (a) providing access to the auctions, pursuant to regulations 13 to 19, including the provision and maintenance of the necessary internet-based electronic interfaces and website;
- (b) conducting the auctions in accordance with regulations 4 to 7;
- (c) announcing and notifying the results of an auction, pursuant to regulation 44;
- (d) providing, or ensuring the provision of, the requisite clearing system or settlement system needed for—
  - (i) the handling of payments made by successful bidders or their successors in title and distribution of the proceeds of the auctions to the auctioneer, pursuant to regulations 27 and 28;
  - (ii) delivering the auctioned allowances to successful bidders or their successors in title, pursuant to regulations 29, 30 and 31;
  - (iii) managing collateral including any margining, provided by the auctioneer or bidders, pursuant to regulations 32 and 33;
- (e) surveying the auctions, notifying suspicions of money laundering, terrorist financing, other criminal activity or market abuse as required by regulations 38 and 39, administering any required remedial measures or sanctions including the provision of an extra-judicial dispute resolution mechanism, pursuant to regulations 37 to 42 and 47(1);
- (f) reporting, pursuant to regulation 26.

(2) At least 20 trading days prior to the opening of the first bidding window, the auction platform must be connected to at least one clearing system or settlement system.

(3) Within three months from the date of its appointment, the auction platform must submit its detailed exit strategy to the FCA.

(4) For the purposes of this regulation, “exit strategy” means one or more documents determined in accordance with the contracts appointing the auction platform concerned, setting out detailed measures planned to ensure the following—

- (a) the transfer of all tangible and intangible assets necessary for the uninterrupted continuation of the auctions and the smooth operation of the auction process by an auction platform’s successor;

- (b) the provision of all information relating to the auction process, that is necessary for the procurement procedure for the appointment of the auction platform's successor;
- (c) the provision of the technical assistance that enables the contracting authorities or the auction platform's successor or any combination of these, to understand, access or use the relevant information provided pursuant to sub-paragraphs (a) and (b).