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STATUTORY INSTRUMENTS

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**2023 No. 994**

**The Greenhouse Gas Emissions Trading Scheme  
Auctioning (Amendment) Regulations 2023**

**Regulation 12 amended (cost containment mechanism)**

4.—(1) Regulation 12 is amended as follows.

(2) In paragraph (1)(b)—

- (a) in paragraph (iv) for “if the industry cap for a scheme year (determined in accordance with Article 16a(6)(a) of the Free Allocation Regulation)” substitute “if, for a scheme year referred to in column 1 of the table in regulation 9(10), the number of allowances set out in the corresponding entry in column 3”;
- (b) in paragraph (v) for “40,984,970 allowances (the flexible share)” substitute “28,081,237 allowances”.

(3) After paragraph (1C) insert—

“(1D) For the purposes of paragraph (1)(b)(iv)—

- (a) the references in paragraphs (1A) and (1B) to the final annual number of allowances approved under Article 16b of the Free Allocation Regulation<sup>(1)</sup> must be read as including, in relation to allowances to be allocated for the 2024 and 2025 scheme years, a reference to any increase added to the amount included in column A of the allocation table under article 34B(3A) of the Trading Scheme Order (free allocation for 2024 and 2025 scheme years: lime and malt extract)<sup>(2)</sup>;
- (b) the reference in paragraph (1B) to an error in an application for free allocation under the Free Allocation Regulation must be read as including a reference to an error in any information provided under article 20(4) of the Greenhouse Gas Emissions Trading Scheme (Amendment) Order 2023<sup>(3)</sup>;
- (c) the reference in paragraph (1B) to the exercise of functions under the Free Allocation Regulation must be read as including a reference to the exercise of functions under article 20 of the Greenhouse Gas Emissions Trading Scheme (Amendment) Order 2023.”.

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(1) EUR 2019/331, amended by [S.I. 2020/1557](#), [2021/1455](#), [2022/1173](#) and (with effect from 1st January 2024) [S.I. 2023/850](#). “Free Allocation Regulation” is defined in article 4(1) of [S.I. 2020/1265](#).

(2) Article 34B(3A) is inserted by [S.I. 2023/850](#) with effect from 1st January 2024.

(3) [S.I. 2023/850](#).