

Energy Transition and Carbon Pricing Newsletter

Issue No.4 (Jul - Aug 2019)

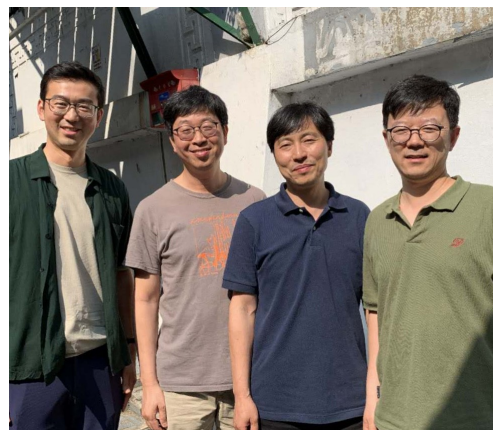
Dear colleagues,

We would like to welcome you to the fourth issue of the Energy Transition and Carbon Pricing Project Newsletter, aiming to provide you with ongoing activities and the progress of our Project. For more detailed information about project progress, please browse our newly launched Project webpage: <http://en.reei.org.cn/ETCP>.

Rock Environment and Energy Institute
China Association for NGO Cooperation

Project Progress

In early July, we traveled to South Korea to visit several [Korean environmental NGOs, think tanks and research institutions](#) in Seoul, Gwangju and Busan, learning their work on energy and climate issues and introducing ETCP project. In terms of project cooperation, [Energy and Climate Policy Institute for Just Transition \(ECPI\)](#) has signed the Memorandum of Understanding (MoU) with REEI.



Additionally, we headed for Ulaanbaatar in early August to discuss with [Mongolian environmental NGOs and research institutions](#) about their researches on energy and air pollution issues as well as exchange ideas on ETCP project.

For more details about field trip summary, please refer to the following link: <http://en.reei.org.cn/ETCP/history-activity>.

HIGHLIGHTS

• Latest News

Energy Transition:

- Solar now 'cheaper than grid electricity' in every Chinese city, study finds;
- IEEFA India: Renewable investment on track with right policy framework

Carbon Pricing:

- In Depth: How China's Emissions Trading Scheme Faltered;
- Gujarat's Emission Trading Scheme is India's First Real Battle in War against Air Pollution

• **Publications**

- IPCC Special Report on Climate Change and Land, IPCC
- Using Carbon Revenues, PMR

• **Upcoming Events**

- Asia Clean Energy Summit 2019, 30 Oct -1 Nov, Singapore

LATEST NEWS

Solar now 'cheaper than grid electricity' in every Chinese city, study finds

Solar power has become cheaper than grid electricity across China, a development that could boost the prospects of industrial and commercial solar, according to a new study. Projects in every city analysed by the researchers could be built today without subsidy, at lower prices than those supplied by the grid, and around a fifth could also compete with the nation's coal electricity prices.

[>> Read more](#)



IEEFA India: Renewable investment on track with right policy framework

Entitled **International Capital Awaits Robust Policy Environment in India's Renewables Infrastructure Sector**, the note reviews India's energy market and finds some recent policy changes favourable for renewable energy investors, but also notes with caution



Why is Pakistan still pursuing coal?

Despite predictions that renewables will compete on price with fossil fuels by 2020, Pakistan remains wedded to China-backed coal power even as its citizens turn away. Energy experts suggest that renewables are Pakistan's future, but the government continues to look the other way. Currently, more than 60% of the electricity generated in Pakistan comes from fossil fuels and this is set to grow. Pakistan has suffered crippling energy shortages in the past and the government has sought to fill this capacity gap with coal power financed by China.

[>> Read more](#)

New Zealand to begin phasing out free allocation

On 31 July 2019 the New Zealand government announced a final set of decisions on changes to its ETS (NZ ETS), including the start of a phase-out of free allocation for the industrial sector. Currently, industrial activities deemed both emissions

some sovereign risk issues that need to be resolved quickly.

[>> Read More](#)

Gujarat's Emission Trading Scheme is India's First Real Battle in War against Air Pollution

The Gujarat government's implementation of a cap-and-trade programme is an important milestone in India's war against air pollution. Although the pilot project specifically targets particulate matter (PM) pollutants in Surat's industrial belt, it has wider ramifications for the country.

[>> Read more](#)

intensive and trade exposed (EITE) receive free allocation under the NZ ETS.

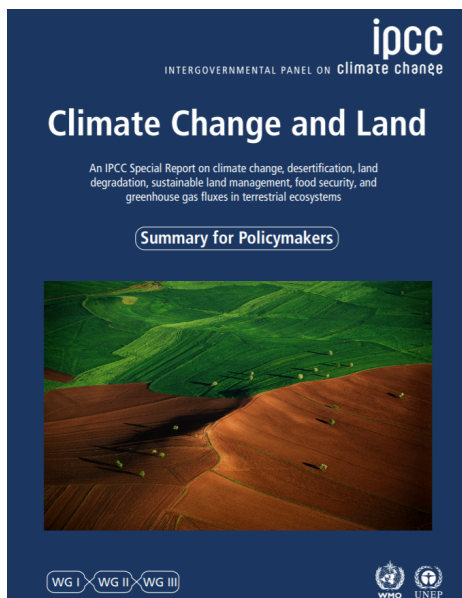
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In Depth: How China's Emissions Trading Scheme Faltered

The development of China's emissions trading market has hit a number of hurdles. The only industry included in the NDRC's 2017 plan was the power sector. Though that industry alone makes for a larger emissions trading market than the EU's, the limited scope and low price of emissions quotas has limited the actual cost to companies of their carbon dioxide emissions. The coal and electricity industries have not seen an impact.

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PUBLICATIONS



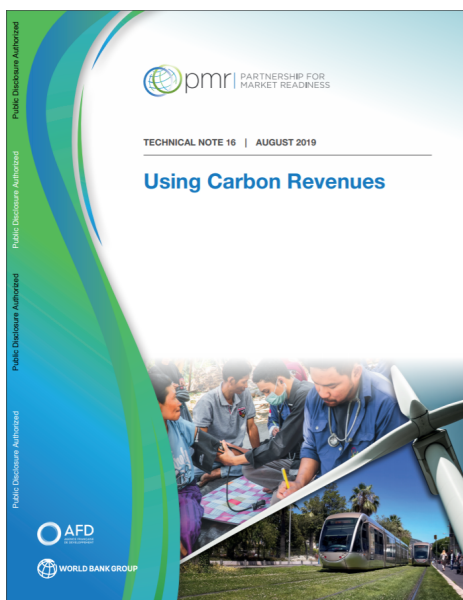
IPCC Special Report on Climate Change and Land, IPCC

Every year this report presents the latest developments in carbon pricing around the world. Every year the impacts of climate change feel more immediate and daunting, this year even more so than usual as extreme weather and numerous scientific reports have started screaming at us. Overall, while we see some encouraging trends, action on carbon pricing is nowhere near where it should be: it still covers only a small part of global emissions at prices too low to significantly reduce emissions.

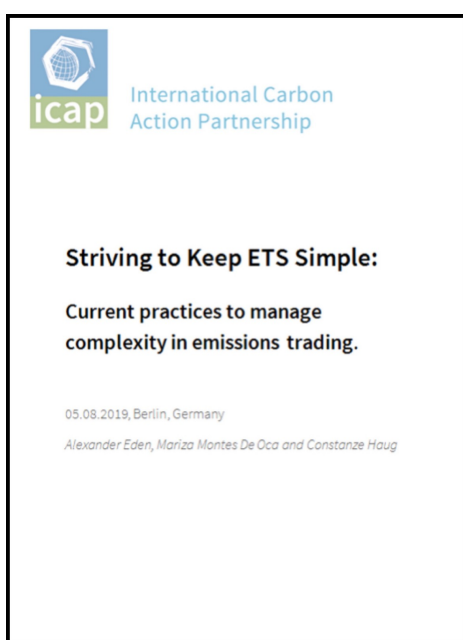
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Using Carbon Revenues, Partnership for Market Readiness (PMR)

Carbon revenues can be crucial in supporting cost-effective climate mitigation, industrial competitiveness and other economic and development objectives. How carbon revenues are used are also critical for public and stakeholder acceptability of carbon pricing. This report provides practical guidance on using carbon revenues by helping policymakers understand the implications, opportunities, and challenges associated with different approaches to carbon revenue use.



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Striving to Keep ETS Simple: Current practices to manage complexity in emission trading, ICAP

The Renewables Global Status Report (GSR) 2019, released annually by the Renewable Energy Policy Network for the 21st Century (REN21, a think tank), digs into the growth rates of various energy sources, the flows of clean energy investment, and the world's progress on its sustainability goals. The underlying data and information in the GSR 2019 show that an array of opportunities exist to extend the benefits of the energy transition throughout the economy.

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UPCOMING EVENTS

The Full Spectrum Solar Power Exhibition & Conference

03-04 September | Malaysia

2nd International Conference on Green Energy and Sustainable Development

18-20 October | Shanghai, China

Renewable Energy India Expo

18-20 September | Noida, India

The 8th International Renewable Energy Conference

23-25 October | COEX, Seoul, South Korea

25th Solar PACES Conference

01-04 October | Daegu, South Korea

Asia Pacific Conference 2019

30-31 October | Bangkok, Thailand

Wind Energy Conference and Exhibition

07-08 October | Bali, Indonesia

Singapore International Energy Week

29 Oct - 01 Nov | Singapore

10th World Energy Congress

16-17 October | Singapore

Asia Clean Energy Summit 2019

30 Oct - 01 Nov | Singapore



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