

# ETCP NEWSLETTER

Energy Transition and Carbon Pricing

Issue No.14 (Mar-Apr 2021)

Dear colleagues,

Welcome to the 14th issue of [Energy Transition and Carbon Pricing \(ETCP\) Project](#) Newsletter!

Following the United States officially rejoined the Paris Agreement in February, President Biden pledged to reduce US greenhouse gas emissions by 50-52% by 2030 relative to 2005 levels, and achieve net zero emissions by 2050 on the Leaders Summit on Climate he hosted on April 22. Other countries also announced stronger action in the lead-up to the virtual summit, with Japan pledging a 46% reduction by 2030, nearly doubled its current 26% reduction target. China's President Xi Jinping reaffirmed commitments to peak emissions before 2030 and go carbon neutral by 2060 and said China will gradually reduce its coal use from 2025 to 2030. In addition, South Korea President Moon Jae In said that Korea will end public financing of coal-fired power plants overseas and plans to unveil a stronger emissions reduction pledge. World leaders aim to limit global warming to 1.5 degrees Celsius above pre-industrial levels, a threshold scientists say can prevent the worst impacts of climate change. More than half the world's economy are now committed to reductions to achieve the 1.5 degrees Celsius goal, working together to get faster to a climate-neutral, prosperous and equitable future.

Rock Environment and Energy Institute  
China Association for NGO Cooperation

## INSIDE THIS ISSUE

- Project Progress
- Latest News
- Publications
- Upcoming Events

## GET IN TOUCH

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**Project Progress**

# REEI ENERGY AND CLIMATE PODCAST

 Google Podcasts

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In the past two months, five episodes of REEI Energy and Climate Podcast were released, specifically as follows:

- [China's Investments in the Belt and Road Initiative \(BRI\) in 2020](#)
- [Towards 2060 carbon neutrality: focus on the opportunities and challenges on the road to decarbonisation](#)
- [The Establishment of China's Carbon Trading Market II](#)
- [The Establishment of China's Carbon Trading Market I](#)
- [Report Commentary: Pathways of Building Electrification and Urban Energy Transform Report](#)

If you're interested, welcome to listen to and subscribe to our REEI Energy and Climate Podcast! ([Apple Podcast](#); [Spotify](#); [Google Podcast](#); [REEI Link](#) for domestic listeners)

In April, REEI [made suggestions](#) (in Chinese) on the "Interim Regulations for the Management of Carbon Emissions Trading" released by the Ministry of Ecology and Environment of China. Additionally, REEI is working on the policy brief: 'Carbon Neutrality in three East Asian Countries (China, Japan and South Korea)', which is expected to be published in late May. The policy brief will summarize carbon neutrality pathways and main challenges of the three countries.

## Latest News

### China's coal consumption seen rising in 2021, imports steady

China's coal consumption is expected to continue rising in 2021 despite Beijing's pledges to boost the use of clean energy and curb greenhouse gas emissions, the China National Coal Association said on March 3, 2021. China saw overall consumption of the fossil fuel increase by 0.6% in 2020 from a year earlier to around 4.04 billion tonnes.

[ICAP](#) | [Read more](#)



### Japan raises 2030 emissions reduction target to 46%

Prime Minister Yoshihide Suga has announced a new target of 46% in emissions reduction by 2030, up from the current 26% from the 2013 levels. By setting the "ambitious" target, Japan is "ready to demonstrate its leadership for



worldwide decarbonization," Suga said at a virtual summit on climate change hosted by U.S. President Joe Biden.

*Kyodo News* | [Read more](#)

### Japan Cancels Its Last Coal Power Plant Project

A joint venture in Japan has scrapped plans for a coal-fired power plant, leaving the country with no new construction on the horizon as companies drop the dirty fuel amid tighter emissions rules and strong growth outlook for renewables. Kansai Electric Power Co. and Marubeni Corp. won't move forward with a 1.3 gigawatt coal power project in Akita prefecture that was slated to begin operations in 2024.

*Bloomberg* | [Read more](#)

### China publishes new draft national ETS legislation

On 30 March 2021, the Ministry of Ecology and Environment (MEE) of China published new draft national ETS legislation that refines existing measures and places them on a higher level in the Chinese legal hierarchy. The "Interim Regulations for the Management of Carbon Emissions Trading", now open for public consultation, would establish a more robust legal foundation for the policy moving forward.

*ICAP* | [Read more](#)

### China and US pledge climate change commitment

China and the US say they are committed to working together and with other countries on tackling climate change. It comes after several meetings between Chinese climate envoy Xie Zhenhua and his US counterpart John Kerry in Shanghai. They both agreed on further specific actions to reduce emissions, a joint statement on April 18 confirmed.

*BBC News* | [Read more](#)

### Korea sets temporary floor price for ETS

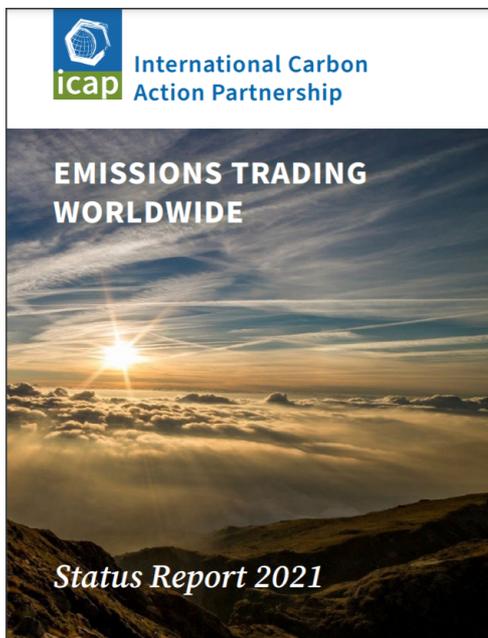
The Korean Ministry of Environment has introduced a temporary minimum price on the secondary market in the Korea ETS in response to a continued decline in prices. The temporary minimum price took effect 19 April 2021 on the Korea Exchange for 2020 allowances and will remain in force for up to a month.

*ICAP* | [Read more](#)

## Publications

### Emissions Trading Worldwide: Status Report 2021, ICAP

ICAP's Emissions Trading Worldwide Status Report 2021 shows significant growth in the coverage of emissions trading systems (ETSs) with the launch of the China National ETS and a strong response to COVID-19 among



systems in force across the globe. It includes insights from policymakers and carbon market experts, infographics and factsheets on each system in operation, under development and under consideration.

[>> Download](#)



### **Global Electricity Review 2021, Ember**

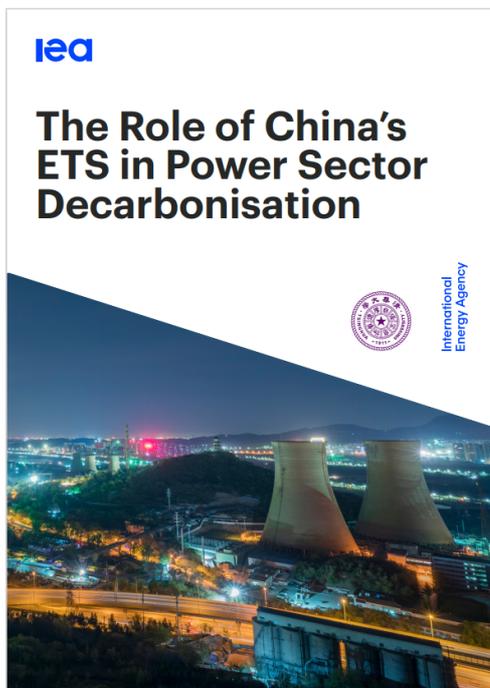
This annual report analyses electricity data from every country in the world to give the first accurate view of the global electricity transition in 2020. It aggregates generation data by fuel by country from 2000. 68 countries comprising 90% of world electricity generation have full-year data to 2020 and have formed the basis of an estimate for changes in worldwide generation.

[>> Download](#)

### **The Role of China's ETS in Power Sector Decarbonisation, IEA**

This report explores how China's ETS can spur emissions reductions from electricity generation and support power sector transformation. It builds on understanding of power sector development and policy trends and relies on in-depth national and provincial scenario modelling of China's power system from 2020 to 2035. It also analyses how the ETS's output- and rate-based design affects overall power sector emissions, technologies and costs, and regional distribution.

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## Upcoming Events

### Net Zero in 2050: A roadmap for the global energy system (IEA)

18 May 2021 | Online

### National Oil Companies' Roles in Renewable Energy and Economic Diversification (IISD)

27 May 2021 | Online

### Global Energy Transition 2021 (Reuters)

21-25 June 2021 | Online

### The Voluntary Carbon Market & Climate Finance: Driving Finance Where it's Most Needed (IETA)

30 June 2021 | Online

### International New Energy Summit 2021

29-30 September 2021 | Ulaanbaatar, Mongolia

### Future of Energy Week (The Economist)

04-07 October 2021 | Online

*\*\* Please note due to COVID-19 these events might be postponed. To find out more information please visit their official websites\*\**



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