UK GREENHOUSE GAS EMISSIONS TRADING SCHEME 2002

APPLICATION OF RULE B17 (EMISSIONS TRADING REGISTRY) (BANKING) AND RULE D6 (CCA PARTICIPANTS) (BANKING)

The present document is issued under rules B17 and D6, as well (in so far as relevant) as rule G5, of the UK Greenhouse Gas Emissions Trading Scheme 2002\(^1\) (“the Scheme”).

**Background**

1. Rules B17 and D6 require that, no later than 31\(^{st}\) December 2005, the Secretary of State will:

   a) for the purpose of imposing any banking restriction, announce the exact percentage of allowances to be cancelled\(^2\); and

   b) issue guidance on the future form of the national registry\(^3\).

**Banking restriction**

2. The Secretary of State announces that she will **not** impose a banking restriction (and, therefore, that no allowances will be cancelled for this purpose) in respect of any category of participant.

**The Registry**

3. The Secretary of State confirms that the Emissions Trading Registry (“the Registry”) established under rule B1(1) will remain as the registry for all transactions\(^4\) under the Scheme, in so far as the CCA component of the Scheme continues to operate during the first Kyoto Protocol compliance period.

4. The Secretary of State also confirms that the Registry will continue to contain an appropriate number of accounts in which all such transactions must continue to be recorded in accordance with the Rules of the Scheme.

\[\text{Chris Leigh} \hspace{2cm} 30 \text{ November 2005} \]

Head of National Climate Change Policy Division, Defra

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1. To which there have been amendments, although these are not relevant to this document.
2. Rule B17(3)(b) and (5) footnotes (c) and (d) respectively, and rule D6(5) and (6) footnotes (b) and (c) respectively. The allowances concerned would otherwise be eligible to be carried over into the first Kyoto Protocol compliance period in an account in the national registry.
3. Rule B17(3)(a) footnote (b) and rule D6(1) footnote (a).
4. See rule B1(2).