

Small Trading Participant: A Case Study

A small industrial business found emsTradePoint offered the perfect solution when they needed just 29 NZUs to meet their carbon obligations.

The business, which sells laboratory equipment and chemicals through Australasia, was struggling to procure the small number of emissions units to meet their Emissions Trading Scheme obligations. With just 29 tonnes of CO₂e to cover, they needed just 29 New Zealand Units (NZUs).

However, they didn't know of a company who would sell them such a small number of NZUs. Most carbon trades are traditionally in larger quantities, upwards of 5,000 NZUs.

Up until 2021, Emissions Trading Scheme participants had a Fixed Price Option where they could pay a fixed price to the government per NZU they were obliged to surrender. That option was removed, and participants must now acquire NZUs in alternative ways. The Government hosts four carbon auctions per year where participants can bid on an amount of NZUs sold by Government with the amounts starting at a minimum of 500 NZUs – far too many for this small industrial business and many others.

With only two weeks before their NZUs were due to the Government, and running out of options, they enquired with emsTradePoint.

emsTradePoint were able to help, as there is no minimum trade size on their carbon trading platform. Participants of all sizes can buy or sell NZUs.

emsTradePoint also has no sign-up fees, so joining was a quick and easy process. Trade fees are only \$0.04/NZU.

Participants are offered customised training when they join the platform, with options including one-on-one over the phone as this business chose, or via online training videos on our website.

The newly joined business placed a bid on emsTradePoint's exchange, which was matched at the same price by a seller the very same day.

In just eight days from first contacting emsTradePoint, the small industrial business had the carbon units in their Registry Account, and their obligations met. They easily fulfilled their Emissions Trading Scheme obligations for the year and will be able to continue to do so for future years.

emsTradePoint can facilitate carbon trades with quantities in the tens of thousands, or as small as 1 unit. With no sign-up fees, simple onboarding and low trade fees, Emissions Trading Scheme participants can meet their NZU obligations easily and quickly.

To join the platform, find more information on the forward carbon product, or see recent carbon trades completed on emsTradePoint, visit www.emstradepoint.co.nz.