

Research on the Path of Carbon Finance Development and Innovation in Guangzhou

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Abstract

The adverse effects caused by global warming have prompted countries to attach importance to and introduce various policies and measures. China is constantly improving the top-level design, bringing carbon peak and carbon neutrality into the overall layout of ecological civilization construction, guiding more social funds to invest in green and Low-carbon fields, and promoting the investment practice of green finance. Improve the green financial mechanism, and promote the innovation of the green financial products and services, give full play to the role of the financial to promote green development, to accelerate the economic and financial greening process, low energy to promote sustainable economic and social development, and thus to achieve carbon was at peak, carbon neutral, provide strong financial support, carbon financial help Guangzhou high-quality high-speed development.

Keywords

Carbon Finance; Development and Innovation; Path.

1. Introduction

As a frontier city of reform and opening up, Guangzhou's financial industry faces higher development requirements under the new normal of economic development. The traditional development mode of high investment, high energy consumption, high pollution and low benefit has a potential crisis of overdraft of environmental carrying capacity. Based on this, Guangzhou takes the development of green finance as the strategic direction, takes the development of carbon finance as a small but precise, accurate and precise starting point and breakthrough, focuses on fostering the development of new industries, new business forms, financial support supply-side structural reform in Guangzhou, and creates a unique "New development mode of Guangzhou".

This paper will analyze the status quo of carbon finance development in Guangzhou and the problems existing in its development mechanism, draw lessons from the development advantages of carbon finance in First-tier cities Beijing and Shenzhen, and put forward innovative countermeasures in line with the development of carbon finance in Guangzhou, to serve the development of carbon finance in Guangzhou.

2. The Definition of Carbon Finance

Green finance refers to financial innovation aimed at achieving environmental protection, encouraging social capital to invest in green projects with environmental benefits through financial instruments such as loans, private investment, issuance of bonds and stocks, insurance and carbon markets.[1]

At present, the domestic and foreign scholars to the definition of carbon finance has not yet formed a unified, most scholars from the perspective of economic development on the environment to consider, carbon finance including bank "green credit", low carbon projects of direct financing, the innovation of greenhouse gas emissions and derivatives and trading, and

related financial intermediary services such as financial system arrangement and financial activity.

3. Business Characteristics of Carbon Finance

3.1. Promoting the Development of Low-carbon Economy

Not only does the development of Guangzhou's financial industry rank first in China, but also in the process of exploring the development of carbon finance, the achievements made in Guangzhou are also ahead of most cities. Under the balance between economic development and environment, Guangzhou took the lead in incorporating PM2.5 index into the environmental air quality evaluation system in 2013, and the environmental situation has been improved. The average concentration of PM2.5 in Guangzhou has decreased from 53 micrograms/cubic meter in 2013 to 20 micrograms cubic meter in 2020.[2] Air quality has improved. It fully reflects the good demonstration effect of the synchronous improvement of economic benefits and ecological benefits of forestry carbon GSP project, and is a vivid embodiment of the practice of "two mountains" theory.

3.2. Economic and Environmental Development

In 2020, the GDP of Guangzhou exceeded 2.5 trillion yuan, up to 2501.911 billion yuan, with a year-on-year growth of 2.7%. Since 2019, Guangzhou has become the fourth pillar industry of Guangzhou, promoting the continuous high-quality and rapid development of the financial industry, expanding the influence of the "Guangzhou Model", and making Guangzhou a highland of green finance innovation and development that affects the world.[3]

3.3. Waiting for Improvement

At present, carbon finance in Guangzhou has shown its initial scale and a good development trend. However, there is still a big gap between the current situation of insufficient product innovation and single business type and Guangzhou's concept of "Low-carbon economy, smart city and happy life" in building a Low-carbon city. Is based on the current situation in Guangzhou building carbon finance market development practice, respectively from the concept of policy, market, three dimensions, the current Guangzhou carbon financial analysis on the problems existing in the practice process, find the key to management, to provide stable expectations to the market, to find carbon financial development path of innovation to provide theoretical foundation and external favorable conditions.

4. Dilemmas in Carbon Finance

4.1. Omissions in the Market Supervision Mechanism

In terms of the domestic situation, there are still omissions in the unified management system of the nationwide carbon emission trading market. Related regulatory systems and statistical rules are of low rank, and there are still unclear detailed rules and optimization rules for disclosure requirements. From the perspective of the international situation, the dominant power of carbon pricing is mainly controlled by developed capitalist countries. China is still in a subordinate position in carbon pricing and trading, and has a small voice. Carbon finance is still in a sporadic pilot state, with unbalanced regional development and lack of a systematic and unified national carbon finance market.

4.2. Insufficient Variety of Carbon Financial Products

In recent years, the development trend of Carbon finance market in Guangzhou is generally good. However, compared with other carbon finance markets at home and abroad, the current carbon finance market products and services are not industrialized enough, and the products

are obviously insufficient in innovation. The development process of other carbon financial derivatives is slow. Most of the products are still in the research and development stage or pilot stage and have not been put into the market operation. Therefore, they cannot meet the requirements of customized and diversified carbon asset management services of emission control enterprises.

5. Innovations of Carbon Finance Development

5.1. Optimizing Reward and Punishment Mechanisms

Carbon financial development at this stage in Guangzhou, the government needs to use administrative means to formulate reasonable rewards and punishment scheme, some low carbon energy saving, green environmental protection enterprise in government purchasing list of supported carbon financial innovation service entity enterprise, the implementation of the low energy consumption, low emissions, such as the preferential tax policy, to incentive mechanism to encourage enterprises to reduce emissions, formed from voluntary control the transition of rows to force control, Change the pattern of economic development.[4]

In addition, Guangzhou government departments at all levels should improve the assessment and supervision mechanism, control the supervision scale, and all decision-making departments should participate in the establishment of multi-objective assessment and two-way evaluation and supervision. While strengthening supervision and optimizing reward and punishment mechanisms, the government should also clarify the relationship between the government and the market. If market forces can properly solve the problem, the government should streamline administration and delegate power; if market forces alone cannot properly solve the problem, the government should take administrative measures to assist the market and make up for coordination.

5.2. Diversifying the Types of Carbon Financial Products and Services

Intensify efforts to promote the green financial innovation process of mainly carbon finance, to improve the carbon trading in further deepening, carbon GSP and near zero carbon pilot demonstration work, in terms of technology, to be based on market demand, Guangzhou carbon finance to the internationalization direction, concentrating on the new green, low carbon industry pattern, open up innovation path, the development of Low-carbon technologies such as carbon capture and sequestration, To make up for the negative impact on the economic and social environment caused by the forced withdrawal of industries with high pollution and high energy consumption under the tight environment of economic growth and employment, and to increase the market demand of the real economy of green finance dominated by carbon finance.

6. Conclusion

To realize the healthy and long-term sustainable development of carbon finance, the key is to improve the ideology and strengthen the incentive effect. Take enterprises as an example, we should strengthen the awareness of low carbon, focus on controlling carbon emission reduction, and assume social responsibility; Incentive enterprise on the technical level to innovation, improve the enthusiasm and initiative, could be obtained by using the credits balance economic benefits, stimulate the enterprises to participate in carbon emissions will, in practice, to further promote the formation of the carbon trading market and the improvement of the system of carbon trading, and create a good environment for carbon finance development. At the same time, enterprises should study, design and develop new carbon financial products, effectively manage carbon assets and realize Low-carbon management according to the operation rules of the market and on the premise of following the rules of the market and based on their own development conditions. Compared with individuals, incentives and constraints should be put

into action to reduce emissions and save carbon. Some mobile phone apps can be used to track individuals' daily carbon footprints and gradually form a social atmosphere of carbon saving and the participation of all people in carbon reduction.

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