



GFS Notice of Decision

1.22 Treatment of Emissions Trading Schemes

GFS Notice of Decision¹:

Permits in emission trading schemes will continue to follow the *GFSM 2014* recording of:

- valuing permits at the issuance value and recording as *taxes on the use of goods and on permission to use goods or perform activities* (GFS code 11452) at the time the emission occurs – for which the time of surrender of the permits can be used as a proxy;
- recording an *other accounts payable* (GFS code 3308) in the government accounts to reflect the timing difference between when the payments for the permits are received (usually at auction) and when the emission occurs.

However, there will no longer be a *contract, leases, and licenses* nonfinancial asset recorded in the accounts of the permit holder to reflect the difference between the market value and the value at issuance as per *GFSM 2014* (paras. 5.81 and A4.48-A4.49). Instead, when traded at values different to the issuance price, this will be accounted for through revaluations before and after the sale. Similarly, when permits are surrendered, they are revalued in the accounts of the holder to their issuance value (which is zero in the case of freely issued permits).

The post-[2025 SNA](#) and [BPM7](#) Research Agendas (paras A5.60 and A15.43 respectively) identify the need for more guidance on the treatment of emission permits issued freely by governments, multi-country emission permit schemes and the typology of emission permits. GFS experts plan to work with SNA and BPM experts to develop this additional guidance. If this research can be undertaken and the conclusions agreed ahead of the GFSM Update, it may require amendments to the above decision.

GFS Related Documents:

GFS Proposed Recommendations Document	GFSM PR 1.22
GFS Discussion Note	Not applicable
GFS Global Consultations	March 2025
Discussions at GFSAC Meeting(s)	May 2025

¹ The final language used in the updated GFSM will be subject to review during the manual drafting phase to ensure consistency throughout the updated GFSM.



SNA/BPM Related Documents:	
Guidance/Issue Note	SNA GN WS.7 ; Summary of Workshop and Proposed Recording for WS.7
Global Consultation(s)	SNA Consultations: December 2023 ; June 2022
Discussions at the AEG/BOPCOM ² Meeting(s)	Joint AEG/BPOCOM: July 2023 ; October 2022 AEG: February 2024 ; July 2023 ; October 2022 ; April 2022

² AEG = Advisory Expert Group on National Accounts, BOPCOM = Balance of Payments Committee