

Good Governance Approaches to Sustainable Development in China

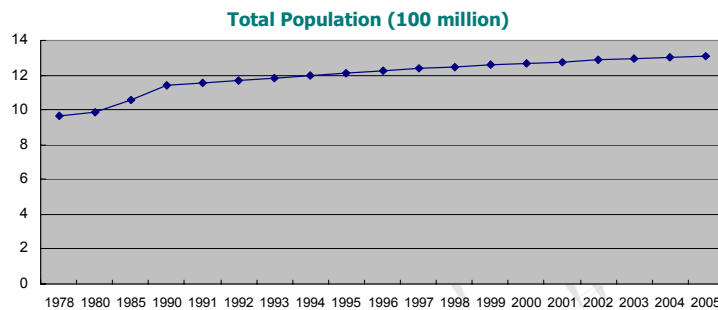
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The National Circumstances of China

1. Huge population & high employment pressure:

- ❖ The total population in Mainland China was 1.31 billion in 2005, 43% of the total population live in cities/towns, 750 M people still live in villages;
- ❖ Every year, 10 M new employment opportunities need to be created in cities/towns, and about 10 M people living in countryside move to cities/towns to find job.

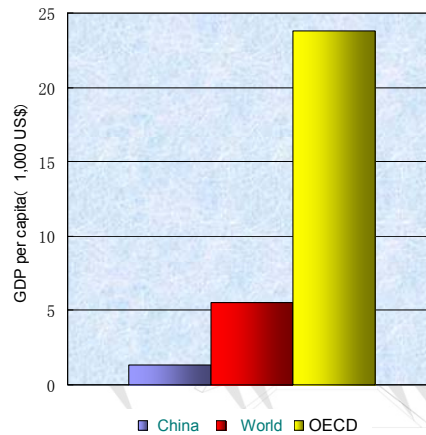


The National Circumstances of China

2. Low level of economic development:

- ❖ The GDP per capita of China in 2005 was USD 1,714 (based on exchange rate of that year), only 1/4 of the world average;
- ❖ By the end of 2005, the annual per capita income of 23.65 million people living in villages was less than 683 RMB (USD 83).

Comparison of GDPs per Capita between China and the World average in 2004

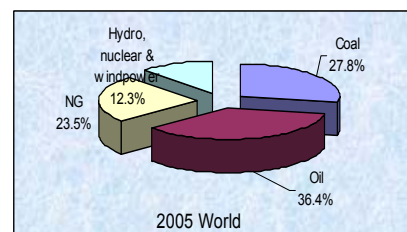
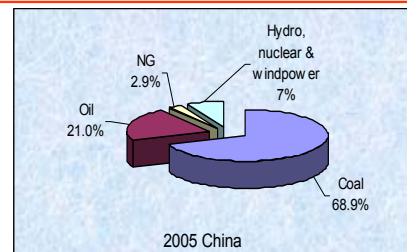


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The National Circumstances of China

3. Coal-dominated energy mix:

- ❖ The primary energy consumption in 2005 was about 1,563 million toe, among which 68.9% came from coal consumption;
- ❖ In 2005, coal accounted for 27.8% of the world's primary energy consumption.



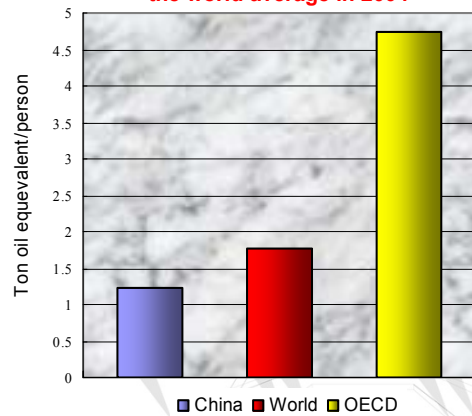
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The National Circumstances of China

4. Low per capita energy consumption:

- ❖ In 2005, the commercial energy consumption per capita was about 1.2 toe, equal to 2/3 of world average and 1/4 of the OECD countries.

Comparison of per capita energy consumptions between China and the world average in 2004



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Efforts of China to Promote NSDS

1. Formulation and implementation of national sustainable development strategy (NSDS):

- ❖ The Government of China issued the sustainable development strategy of China in 1994 - *China Agenda 21*;
- ❖ In 1996, the idea of sustainable development was taken as an important guiding principle as well as a strategic goal for social and economic development;
- ❖ In 2003, the Government of China formulated *the Program of Action for Sustainable Development in China in the Early 21st Century*.

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Efforts of China to Promote NSDS

2. Adoption of a series of policies/measures favorable to SD:

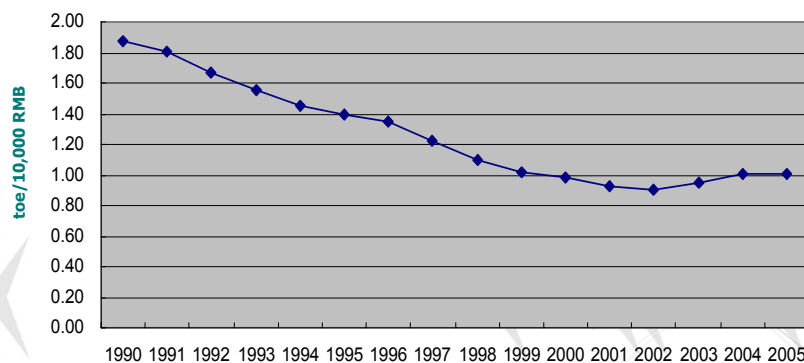
- ❖ In January 1998, the Energy Conservation Law of China entered into force;
- ❖ In June 2003, the State Council issued the Decision on Promoting the Development of Forestry;
- ❖ In February 2005, the National People's Congress reviewed and approved the Renewable Energy Law;
- ❖ In August 2006, the State Council issued the Decision on Strengthening Energy Conservation.

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Efforts of China to Promote NSDS

3. Improve energy efficiency and energy conservation

- ❖ Energy use per 10K RMB Yuan GDP decreased from 1.88 toe in 1990 to 1 toe in 2005 (2000 price) at the rate of 4.1% per annum.

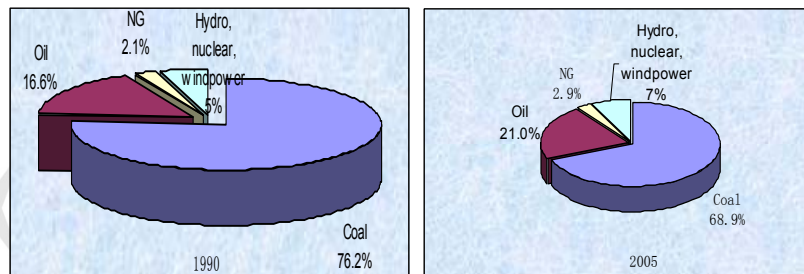


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Efforts of China to Promote NSDS

4. Develop low carbon energy and renewable energy, improve energy structure:

- The percentage of coal in primary energy consumption dropped from 76.2% in 1990 to 68.9% in 2005;
- By 2005, RE utilization reached 116M toe (incl. large hydro), accounting for 7.5% of total consumption.



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Efforts of China to Promote NSDS

5. Carry out forestation and increase forest coverage

- ❖ Forestation 54Mh, storage 1.5bm³, ranking No. 1 in the world;
- ❖ Forest coverage rate from 13.92% in early 1990s to 18.21% in 2005;
- ❖ Estimated net sink 3 billion CO₂ between 1980 and 2005.

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Concepts and Goals of NSDS in China

1. Objectives of NSDS:

- ❖ Growing capacities for SD;
- ❖ Marked progress in economic restructuring;
- ❖ Population aggregate brought under effective control;
- ❖ Significant improvement in the ecological environment;
- ❖ Markedly increased efficiency in utilization of resources;
- ❖ Sustainable path of development characterized.

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Concepts and Goals of NSDS in China

2. Approaches of NSDS:

- ❖ The Chinese Government has adhered to a new industrialization path characterized by high application of science & technology, high economic benefits, low resource consumption, minimum pollution;
- ❖ Has taken family planning, population control and raising population quality as a basic national policy;
- ❖ Has adhered to the basic policy of focusing on both development and saving and put resource saving as the first priority;
- ❖ Has taken environmental protection as one of the basic national policies and adhered to the coordination of socio-economic development with environmental protection and ecological development.

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Concepts and Goals of NSDS in China

3. Main targets of sustainable development in China for the 11th Five-Year Plan period

- ❖ Energy intensity drop by around 20%;
- ❖ Total population: 1.36 billion;
- ❖ Total cultivated land: 120Mh;
- ❖ Total main pollutants emission drop by 10%;
- ❖ Forest coverage rate: 20%.

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Concepts and Goals of NSDS in China

4. Promote 10 key energy conservation projects:

- ❖ Renovation of coal-fired industrial boilers;
- ❖ District CHP;
- ❖ Waste heat and pressure utilization;
- ❖ Oil conservation and switching;
- ❖ Motor system conservation;
- ❖ Energy system optimization
- ❖ Building energy conservation;
- ❖ Green-lighting;
- ❖ Energy conservation in government agencies;
- ❖ Energy saving monitoring and technical service.

Estimated energy saving: 170Mtoe

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Concepts and Goals of NSDS in China

5. Priority Programs of Ecological Conservation:

- ❖ Conservation of Natural Forest Resources;
- ❖ Converting Cultivated Land Back to Forest or Grassland;
- ❖ Converting Grazing Land Back to Grassland;
- ❖ Beijing-Tianjin Sandstorm Source Control;
- ❖ The Shelter Forest System;
- ❖ Wetland Conservation and Restoration;
- ❖ Ecological Conservation and Improvement of the Three-River Headwaters Natural Reserve in Qinghai Province;
- ❖ The Soil and Water Conservation Program;
- ❖ Wild Life Protection and the Construction of Natural Reserves;
- ❖ Integrated Combating Measures for Litho-Desertification.

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China's Needs for NSDS

1. Concrete and effective international cooperation is a must to realize the aforementioned objectives and tasks:

- ❖ The main objectives of China's 11th five-year plan presented under the framework of sustainable development are very ambitious and arduous;
- ❖ To realize these objectives, not only China's own efforts, but also the support from international society on finance and advanced technologies are required.

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China's Needs for NSDS

2. Major needs for advanced technologies:

- ❖ Advanced energy and manufacturing technologies;
- ❖ Environmental protection and comprehensive utilization of resources technologies;
- ❖ Highly efficient transportation technologies;
- ❖ New material technologies;
- ❖ New building material technologies.

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Conclusions

- ❖ China will continue its implementation of the scientific concept of development that is people oriented and focused on comprehensive, coordinated and sustainable development;
- ❖ China will take such measures as expediting economic restructuring, promoting technological advance, beefing up legal system, improving policies, strengthening conservation awareness, establishing and bettering the system and mechanism that facilitates the development of resource-saving society, gradually developing resource-saving growth mode and consumption pattern.

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Thank you



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