



Pursuing a low-carbon growth agenda in China

Seminar on OECD report for the G20

Investing in Climate, Investing in Growth

Beijing, Westin Beijing Financial Street Hotel

12 December 2017, 9:00-12:00

DRAFT PROGRAMME

Background

The OECD undertook a major project for the German G20 presidency on growth and investment opportunities arising from the transition to a low-emission, climate-resilient economy. The resulting report, [*Investing in Climate, Investing in Growth*](#), commissioned by the German Federal Ministry for Environment, Nature Conservation, Building and Nuclear Safety, was launched at the Petersberg Climate Dialogue in Berlin in May 2017, in the presence of Mr. Xie Zhenhua, Special Representative of the Chinese Government on Climate Change Affairs.

The report provides an analysis of how climate goals can be achieved while simultaneously spurring economic growth, competitiveness and well-being. It shows that combining strong climate action with fiscal and structural reforms will boost growth in both the short and long term. The relevance of this work was recognised by an explicit reference in the G20 Leaders' Declaration issued during the G20 summit this past July.

China has seen an unprecedented level of infrastructure investment, totalling USD 1.3 trillion in 2014, which is higher than in all developed countries combined. At the same time, increased efforts are needed to establish a legal and policy framework conducive to promoting green production and consumption, and a sound economic structure that facilitates green, low-carbon and circular development, as highlighted recently by President Xi Jinping in his remarks at the

19th Party Congress. In these remarks, President Xi Jinping announced that China would take action in this regard, and that it would, more broadly, take the lead in fostering international co-operation on climate change to ensure the survival of mankind.

Climate change and other environmental issues are also gaining increasing importance within China's broader economic policy agenda. In its 13th National Economic and Social Development Plan (2016-2020), China has included a chapter on "Actively Addressing Climate Change", which calls for actions to control GHG emissions in the energy and industrial sectors. Reductions in the release of major pollutants also remain a priority.

Objective of the seminar

As a follow-up to the DRC/OECD workshop held in Beijing in April 2017 "Growth, Investment and the Low-Carbon Transition in China and the World", the 12 December seminar will provide the opportunity to discuss the report's key findings and the way forward in the Chinese context.

Addressing how China's growth agenda might effectively take into account the country's low-carbon transition objectives will be the central focus of the seminar. The event seeks to bring together representatives from the government, academia, business and civil society, to solicit views and inputs on the discussion of the opportunities and challenges China is facing in its transition to a low-carbon economy.

Programme

9:00-9:30 **Registration and coffee**

9:30-10:00 Welcome remarks by :

- **Chang Jiwen, Deputy Director-General of DRC's Institute for Resource and Environmental Policy (tbc)**
- **Johannes Regenbrecht, Deputy Head of Mission, German Embassy Beijing**
- **Anthony Cox, Acting Director, OECD Environment Directorate,** including a presentation on the key findings of the report *Investing in Climate, Investing in Growth*.

10:00-11:00 **Session 1: Pursuing a low-carbon transition along with China's growth agenda: What role do technology, innovation and finance have to play?**

The session will explore the main drivers of China's economic growth and development, and the levers that can be used to support a low-carbon transition with a focus on new technologies, innovation and finance for low-carbon, climate-resilient infrastructure. In particular, it will be discussed how, in the Chinese context, growth-enhancing policies can be aligned with policy packages to mobilise investment in low-carbon infrastructure and technologies.

The session will also look at how financial institutions can incorporate climate-friendly investment mechanisms to mitigate risks and mobilise capital from both private sources as well as public, and provide an accurate evaluation of climate-related risks.

Introduction and moderation: Chinese representative/expert (tbc) and Christian Kastrop, Director, Policy Studies Branch, OECD Economics Department

Discussion with the following panellists:

- **Jiahua Pan**, Director General and Professor, Institute for Urban and Environmental Studies, Chinese Academy of Social Sciences (*confirmed*)
- **Hu Weiwei**, Founder and President, Mobike (*invited*)
- **Li Niu**, Director and Associate Professor, Division of Macroeconomic Research, Economic Prediction Department, State Information Centre (*confirmed*)
- **Xue Lan**, Professor/Dean, School of Public Policy and Management, Tsinghua University (*invited*)
- **Chang Jiwen**, Deputy Director-General of DRC's Institute for Resource and Environmental Policy (*confirmed*)

Questions for discussion:

- How can the main drivers of China's economic growth support its transition to a low-carbon economy?
- What are the key policy instruments, and their relative effectiveness, to align economic growth and development with a low-carbon, climate resilient future for China?
- What are key characteristics of a financial system conducive to low-carbon investment?

11:00-11:50 **Session 2: Investing in the right type of infrastructure for China's low-carbon development pathway**

Investment in modern, smart and clean infrastructure in the next decade is a critical factor for sustainable economic growth. The OECD estimates that USD 6.3 trillion of investment in infrastructure is required annually on average between 2016 and 2030 to meet development needs globally. An additional USD 0.6 trillion a year over the same period will make these investments climate compatible.

Current economic conditions provide many governments with the opportunity to invest in the right infrastructure to reignite growth at the same time as paving the way to achieve the Paris Agreement outcomes. The session will explore the challenges and opportunities faced by China in pursuing a low-carbon development pathway. The discussion will also provide valuable insights from China's efforts in integrating environmental and sustainable development goals in the Belt and Road initiative.

Introduction and moderation: Chinese representative/expert (tbc) and Anthony Cox, Acting Director, OECD Environment Directorate

Discussion with the following panellists:

- **Gao Jifan**, CEO, Trina Solar (*invited*)
- **Xiao Wang**, Economist, Asian Infrastructure Investment Bank (*confirmed*)
- **Li Lailai**, China Country Director, World Resources Institute (*confirmed*)
- **Yin Hong**, Vice Director of Urban Finance Research Institute, ICBC (*invited*)
- **Zhou Dadi**, Professor, Energy Research Institute, National Development and Reform Commission (*invited*)
- **Zhou Goumei**, Acting Director General, China-ASEAN/China-SCO/Lancang-Mekong Environmental Cooperation Center, Ministry of Environmental Protection, China (*invited*)
- **representative of Energy Foundation** (Ji Zou unavailable) (*invited*)
- **Peter Ling-Vannerus**, Chief Representative, SEB Beijing Office (*invited*)

Questions for discussion

- What are key policy barriers in China for investment in green infrastructure, including in renewable energy, energy efficiency and public transport? What are the policy priorities to strengthen China's domestic enabling conditions?
- What are the key barriers faced by local and international green infrastructure project developers in mobilising finance from institutional investors?
- Which policy levers are available to create an enabling investment environment for the transition?

11:50-12:00 Closing remarks by:

- **Chinese Government representative**
- **German Government representative (tbc)**
- **Anthony Cox, Acting Director, OECD Environment Directorate**

The seminar will be followed by a buffet reception, from 12:00 to 13:30.