

China Development Forum 2021

China on a New Journey of Modernisation

14:30-15:30, 20 March 2021

Panel Session III - Venue 4

Boosting the New Peak Goals and Carbon Neutral Vision (1)

Moderator

Gao Shiji, Director-General, Institute for Resources and Environmental Policy,
Development Research Center of the State Council

Speakers

Nicholas Stern, Professor, London School of Economics & Political Science

Jean-Pascal Tricoire, Chairman & CEO, Schneider Electric

Xia Guang, Researcher and former National Supervisory Commissioner for Ecological
and Environmental Protection, Ministry of Ecology and Environment

Mark Cutifani, CEO, Anglo American Plc

Zhang Bo, Chairman, Shandong Weiqiao Pioneering Group Company Limited

Kevin Sneader, Global Managing Partner, McKinsey & Company

Synopsis

Tackling global climate change and global warming is one of the most urgent issues for the international community. China, as a responsible developing country, has proposed a new goal of achieving peak carbon by 2030 and carbon neutrality by 2060. Since President Xi Jinping announced China's new target for carbon emissions reduction, the issue has aroused interest at home and abroad.

As a global economic power and major emitter, the next 10 years will be a crucial period for China as it makes substantial investments in infrastructure and economic transformation. In its 14th Five-Year Plan, China proposes to reach peak carbon as early as possible, showing its determination to save energy and reduce emissions in all industries and across the world. China's proactive measures to reduce carbon emissions will help to control global greenhouse gas emissions. It can become an international case study and role model by taking effective actions in infrastructure construction, energy extraction, power grid reform, land development, the digital transformation of traditional industries, and transportation system management.

To successfully achieve its "2 carbon goals" (peak carbon by 2030 and carbon neutrality by 2060), China also needs to formulate policies to drive society to control carbon dioxide emissions, and guide people to adopt green lifestyles through technological innovation. These policies should have three priorities:

First, the government should develop regulations, promote national planning, and break down the tasks of energy conservation and emission reduction at the level of provinces, municipalities, autonomous regions, districts and counties, enterprises and units, according to their respective stages of development and carbon emissions. It also needs to conduct regular performance assessments and implement an accountability system for leading cadres.

The second priority is to influence the market, for example by encouraging a technological revolution and market-driven systems including green investment, carbon emissions trading, green credit and other ways to support low-carbon projects, providing appropriate financial subsidies and establishing low-carbon cooperation demonstration projects.

The third priority is enhancing social participation, by encouraging the public to participate, emphasizing the "2 carbon goals" and their profound impact, and raising public awareness of energy conservation and emissions reduction, which will drive progress towards carbon neutrality.

When dealing with these challenges, China cannot fight alone. Large enterprises with leading technologies should provide technical and capital support for developing countries and small and medium-sized enterprises, to achieve efficiency through common goals and common language.

Multinationals such as Schneider Electric and Anglo American can draw on their advanced experience of sustainable development in their strategic transformations over the past few years. They can cooperate with Chinese enterprises on de-carbonization, the digital economy, new energy development and application, green electrification, and production efficiency improvements to reduce carbon across the economy.

China's private enterprises can also make a difference in de-carbonization. For example, in the traditional industry in which Shandong Weiqiao Pioneering Group operates, renewable aluminum has been developed through a combination of energy restructuring, industry restructuring and technology investment in the past few years.

Its energy consumption is just 5% of that for raw aluminum production. To push towards China's "2 carbon goals", Shandong Weiqiao Pioneering Group's Chairman, Zhang Bo, suggested his company will align with international standards for mutual recognition, and develop a progressive "2 carbon goals" roadmap based on the characteristics of different industries and regions, to promote the replacement of traditional energy with clean energy, and work with all sectors of society to boost green development.

Over the past few years, China has made great efforts to develop renewable energy – it is home to more than 90% of the world's electric buses and half of the world's electric passenger cars. China will also build a hydrogen-based economy covering its industrial, coal and cement sectors. New digital capabilities can also encourage consumers to make low-carbon decisions and develop more environmentally friendly consumption habits. More flexible ways of working can also help reduce emissions. Overall, in the post pandemic era, an increasing number of businesses and individuals will need to contribute to de-carbonization.

<End>

Acknowledgement: **Deloitte.**
德勤