

The background of the slide features a large, semi-transparent image of a white wind turbine against a light blue sky. The turbine's blades are spread out, and its central hub is visible. The overall aesthetic is clean and modern, emphasizing renewable energy.

Recent Experience with Energy Efficiency Policies and Measures in China

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20% Reduction of EC/GDP from 2006 to 2010

- Become one of restricted indicator in Macroeconomic development planning at first time
 - (1) Annual increasing 7.5% of Per capita GDP
 - (2) 20% reduction of energy consumption per GDP to 2010 compared to 2005
- Be the highest implementing target in the world
 - Annual average reduction rate is 4.4%
- Reflected government's resolution to realize sustainable development
- China is seeking a new development path

Renew EC Low and Developed New Measures and Approaches

- EC as a priority energy strategy was identified under the renewed Energy Conservation Law
- Established a Leading Group for energy conservation and pollution reduction in the State Council. Premier Wen is the group leader
- Developed and issued a series of policies since 2006
- Launched EC actions and ten key EE programs

Key New Policies

- Different-treated Pricing
- Import and Export Tariff Adjustment
- Energy Saving Encouragement Fund
- Surcharge for over used energy in several provinces

New Systems

- Bring EE indicators into the Assessment System for provincial governors' achievements
- Releasing provincial EC/GDP indicators periodically
- Phasing out inefficient capacities and attempt to build incentives and compensation mechanism for the long term
- A system for assessing new production capacities
- Pilot for Grid Dispatch depend on unit efficiency level

Increasing EC and PR Investment

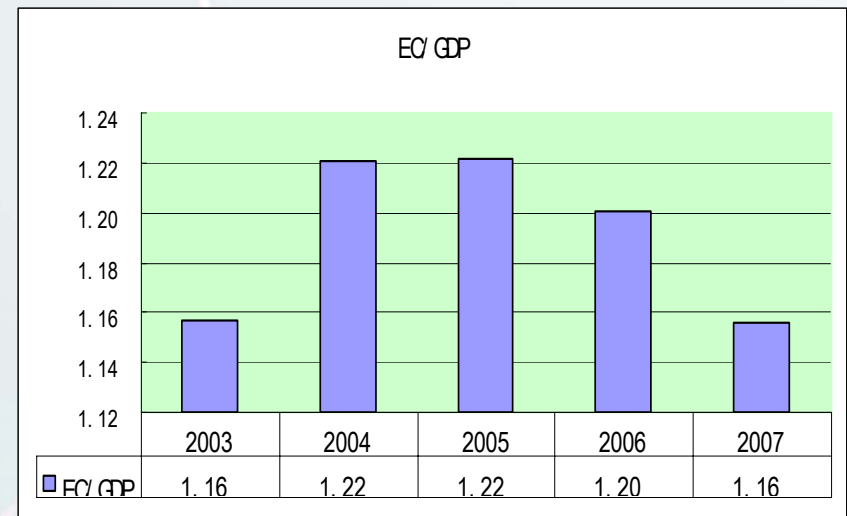
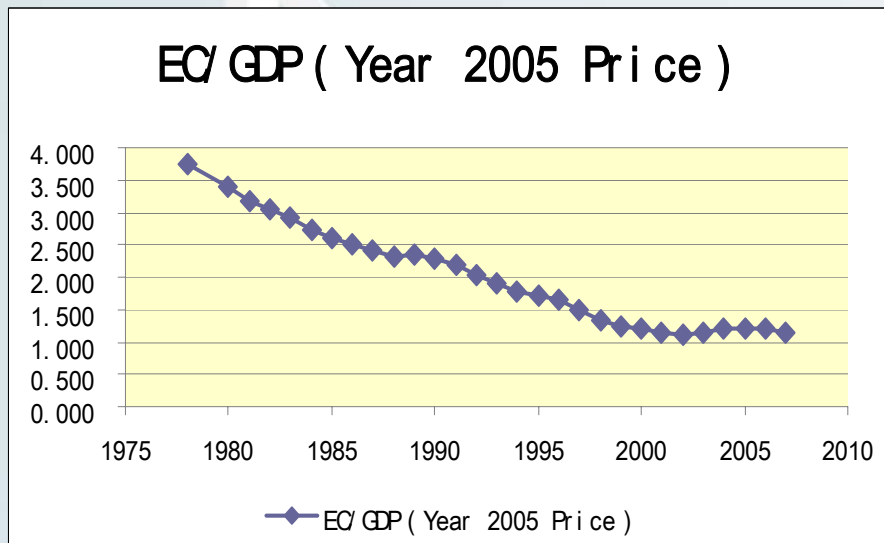
- From Central budget : 23.5 billion Yuan by 2007
 - Encouragement Fund 7 billion Yuan
 - Transfer payment for phasing out 2 billion Yuan
 - Energy statistics and supervision 3 billion Yuan
- From local budget
 - Established EC Funds in 21 provinces
 - 1 billion by 2007 in Shanxi, 300 million in Shandong, 200 million in Yunnan, 100 million in Jiangsu.....

Top-1000 Enterprise energy Conservation Action

- Select near 1000 enterprises with 797 million TCE by 2006
- Took account for 1/3 of total energy consumption and 50% of industrial energy use
- Related to 9 industry sectors
- Target is to save 100 million TCE to 2010
- Major actions
 - Energy auditing, planning and benchmarking
 - Saved 40 million TCE by 2006 and 2007

Results and Achievements

- EC/GDP reduced 1.37% since 2005-2006
- 3.67% reduced since 2005 to 2007



Results of Phasing-out Inefficient Capacities in 2007

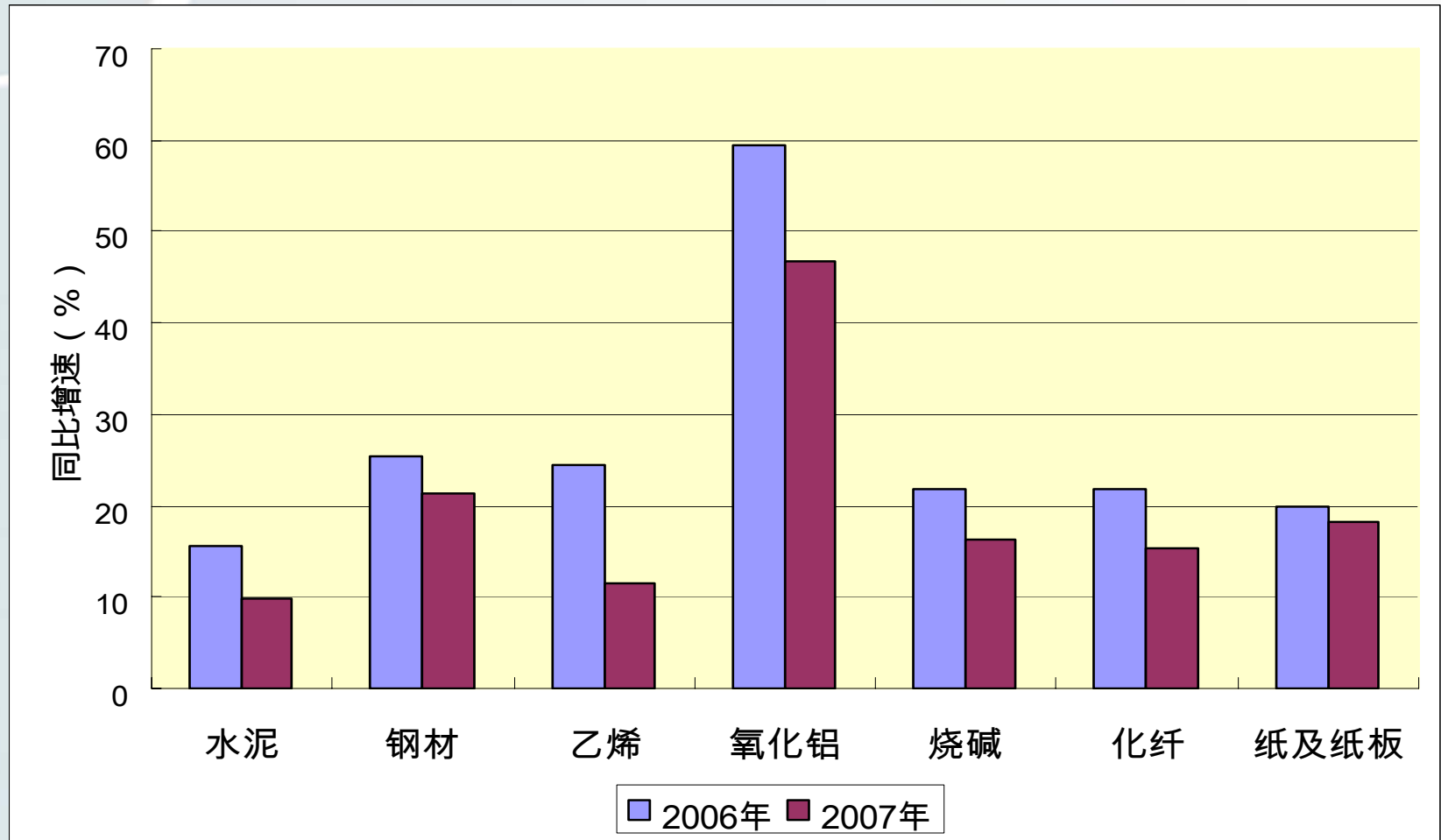
- Closed even bombed out
 - small coal fired power plants with 21.57 GW
 - Small coal mines 11.2 thousands
 - 46.59 million tons of iron capacity and 37.47 million tons of steel capacity
 - 87 million tons of cement capacity



Improved Energy Efficiency in Key Energy Intensive Products in 2007

- Per ton steel comparable energy use reduced 3.1% in large and middle size enterprises ;
- Per kilo watt hour coal use reached 357gce , 10gce/kwh reduced compared to 2006
- Per ton cement energy use reached 116gce of cement with 3.1% reduced

Increase of key product outputs is going down obviously



Increase rate of sectoral investment was changed

Sector	Jan to Nov, 2006	Jan to Nov, 2007
Energy intensive sectors		
Paper	27.4	12.8
Chemical	39.5	20.8
Building material	56.1	34.2
Iron and steel	15.2	0.1
Non-Ferro metal	36.4	25.3
Main tertiary sectors		
Transportation	14.9	29.8
Finance	21.5	30.4
Leasing and business service	21.1	35.4
Research and technical service	12.4	18.6
Healthy, insurance and welfare	18.8	21.9
Culture, sport and entertainment	27.4	29.9
Public management	-5.4	23.5

Source: Website of State Statistics Bureau

Achievement in Buildings

- China is only one developing country to engage in energy efficiency in buildings.
- The implementation rate of EE code was 97% in design and 71% in construction in 2007.
- MOF provides specific funds to pilot EE retrofit in existing buildings of 100 million square meters with around 45 Yuan/m².
- Target: Saving 100 million TCE to 2010 with
 - Improve the code implementing rate
 - EE retrofit
 - Heating system reform
 - Solar use
 - Green Lighting , subsidy program

Lessons and Findings

- Market failed in EE, need authoritative measures
- Governmental efforts need to create joint force——“combined boxing”
- To establish long term EE mechanism must rely on marketing approaches
 - Energy Pricing
 - Taxation system
 - Energy Conservation Fund

Lessons and Findings

- Technology innovation and dissemination are seek not only in industry but also in buildings and transportation.
 - Screen or certificate appropriate technologies
 - Information dissemination
 - Innovate in technologies of industry processes and end users
- China is trying to look for a new development path. The change of life style and consumption mode are the key difficult points
 - Need to summarize lessons in the world wide and propose jointly efforts both developing and developed countries