

California-China Climate Institute

China Climate Policy Briefing

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In This Issue

The National People's Congress approved the 14th Five-Year Plan this month. In this issue, we highlight the [key energy and climate elements in the 14th Five-Year Plan](#). In order to execute the 2021 plan, the [State Council assigned tasks](#) to various agencies. We highlight these tasks, assignments, and deadlines in [Appendix I](#).

Additionally, we cover the Central Committee on Finance and Economics' [remarks on carbon peaking and carbon neutrality strategies](#); the Ministry of Ecology and Environment's new [documents on greenhouse gas emissions reporting processes](#), among other policies and announcements.

Laws and Regulations

[The 14th Five-Year Plan for Economic and Social Development and Long-Range Objectives through the Year 2035](#)

Approved by the National People's Congress on March 11, 2021

The 14th Five-Year Plan's economic and social development goals include economic development, economic reform, societal civilization, ecological civilization, social welfare, and national governance. Here are the highlighted goals in the plan related to carbon and energy:

- Unit gross domestic product (GDP) energy consumption to reduce by 13.5%;
- Unit GDP carbon intensity to reduce by 18%;
- Forest coverage to reach 24.1%;
- Share of non-fossil energy consumption to reach 20%;
- Energy production capacity (energy security) will be larger than 4.6 British thermal units of carbon equivalent (BtCe); and
- Achievements in the green transition of production and ways of life.

The 2035 long-range objective is to achieve modernization by 2035. The 2035 environmental objectives are: by 2035,

- Green production and ways of life will be widely formed;
- Carbon emissions will steadily decline after reaching its peak;
- The ecological environment will be fundamentally improved;
- The goal of building a beautiful China will basically be achieved.

The Ministry of Ecology and Environment released three documents related to the greenhouse gas emissions reporting process for companies and provincial regulators

Released on March 29-30, 2021

[Notification on Enhancing the Management of Related Works on Greenhouse Gas \(GHG\) Emissions Reporting from Companies](#)

The Notification specifies that the companies in the eight emission-intensive sectors emitting over 26000 tons of carbon dioxide equivalent per year should report their greenhouse (GHG) emissions. Companies will report their 2020 emissions data on <http://permit.mee.gov.cn> (Chinese, publicly accessible) by September 30, 2021. The data verification process will be completed by December 31, 2021 (the power sector's deadline will be April 30 and June 30). The Notification further specifies deadlines for emission quota approvals and settlement compliance to be December 21, 2021 (September 30 for the power sector).

[Guidance on Greenhouse Gas Emissions Accounting and Reporting from Companies \(Power Generation Sector\)](#)

Released by the Ministry of Ecology and Environment

In order to guide the companies (in the power generation sector) to better report their emissions, the Ministry of Ecology and Environment attached a second guidance document to the first Notification. Different from the previously-released public comment version, the final version for the power sector guidance requires higher data quality with the monthly reporting requirements.

[Guidance on Verifying Greenhouse Gas Emissions Reporting from Companies \(Pilot\)](#)

Released by the Ministry of Ecology and Environment

In order to guide the provincial ecology and environment departments to verify the submitted emission reports, a third document introduces a stricter verification process, requiring on-site verification for almost all companies, and outlines detailed verifying steps for officials.

Conferences and Announcements

Division of Work for executing the 2021 Government Work Plan

State Council: March 25, 2021

The State Council assigned the tasks in the 2021 Government Work Plan to various departments. The *Ministry of Ecology and Environment (MEE)* and other departments will lead the task on air pollution control and reach 70% clean energy for winter heating in northern areas by December 2021. The *People's Bank of China (PBOC)* will lead the effort to introduce policies on providing financial support for green and low-carbon development and devise instruments for supporting the reduction of carbon emissions. The *National Development and Reform Commission (NDRC)* and other departments will lead the green transition of production and ways of life. The [Appendix I](#) table lists the detailed tasks, responsible departments, and deadlines.

[The central government revealed its strategies to achieve carbon peaking and carbon neutrality - the 9th Meeting of the Central Committee on Finance and Economics](#)

Meeting held on March 15, 2021

The National Development and Reform Commission, the Ministry of Ecology and Environment, and the Ministry of Natural Resources reported their carbon strategy to the Chinese leaders. The strategy focuses on the following aspects: energy system, pollution and carbon reduction in the industry, buildings, and transportation sectors, technology, policy and market systems, ways of life, carbon sequestration, international collaboration, and governance. The meeting raised new energy to be the dominant part of the to-be-built new electricity system for the first time. President Xi emphasized that carbon peaking and neutrality are components of eco-civilization construction at the meeting. [Appendix II](#) provides a list of the strategy's key points.

China is working on an Iron and Steel Industry Decarbonization Pathway

Announced at the China Iron and Steel Development Forum on March 20, 2021

Industry decarbonization pathway draft goals included peaking by 2025 and reducing by 30% to peak level by 2030. Meanwhile, Baowu Group, the world's [2nd largest](#) steel company, announced its decarbonization goals to peak by 2023, reduce by 30% to peaking levels by 2025, and carbon neutrality by 2050.

Compiled by Steven Zhu, Graduate Student Volunteer at CCCI

Appendix I: Division of Work for executing the 2021 Government Work Plan

Institution	Tasks	Deadline
<p>(CBIRC) China Banking and Insurance Regulatory Commission, (MEE) Ministry of Ecology and Environment, (MIIT) Ministry of Industry and Information Technology, (MNR) Ministry of Natural Resources, (MOF) Ministry of Finance, (MOFA) Ministry of Foreign Affairs, (MOHURD) Ministry of Housing and Urban-Rural Development, (MOT) Ministry of Transport, (MST) Ministry of Science and Technology, (NDRC) National Development and Reform Commission, (NEA) National Energy Administration, (PBOC) People's Bank of China, (SAMR) State Administration for Market Regulation, (SASTIND) State Administration of Science Technology and Industry for National Defense, (STA) State Taxation Administration, National Forestry and Grassland Administration</p>	<p>We will take solid steps toward the goals of achieving peak carbon dioxide emissions and carbon neutrality. We will draw up an action plan for carbon emissions to peak by 2030. China's industrial structure and energy mix will be improved. While promoting the clean and efficient use of coal, we will make a major push to develop new energy sources, and take active and well-ordered steps to develop nuclear energy on the basis of ensuring its safe use. We will expand the catalog of corporate income tax credits for environmental protection and the conservation of water and energy, and promote the development and application of new types of energy-efficient and eco-friendly technologies, equipment and products, and the cultivation of energy-saving and environmental protection industries to ensure the conservation and efficient use of resources. We will accelerate the development of national markets for trading energy use rights and carbon emissions rights, and improve the system to control both the total amount and intensity of energy consumption. We will enhance the carbon absorption capacity of ecosystems.</p>	<p>Continue advancing throughout the year</p>
<p>(PBOC) People's Bank of China</p>	<p>We will introduce special policies on providing financial support for green and low-carbon development, devise instruments for supporting the reduction of carbon emissions</p>	<p>Release related policies by the end of June 2021</p>
<p>(MOHURD) Ministry of Housing and Urban-Rural Development</p>	<p>We will fully implement the sustainable development strategy, consolidate the gains in our endeavors to keep our skies blue, our waters clear, and our lands pollution-free, and transition to eco-friendly production and ways of life.</p>	<p>Continue advancing throughout the year</p>
<p>(CMA) China Meteorological Administration, (MIIT) Ministry of Industry and Information Technology, (MNR) Ministry of Natural Resources, (MOA) Ministry of Agriculture and Rural Affairs, (MOF) Ministry of Finance, (MOHURD) Ministry of Housing and Urban-Rural Development, (MOT) Ministry of Transport, (MPS) Ministry of Public Security, (MST) Ministry of Science and Technology, (NEA) National Energy Administration, (SAMR) State Administration for Market Regulation</p>	<p>We will continue to intensify efforts to improve the environment. We will strengthen comprehensive measures and joint efforts on air pollution prevention and control, and step up coordination on the control of fine particulate matter and ozone pollution. Clean heating will account for 70 percent of all heating in northern China.</p>	<p>Complete by the end of December 2021</p>

<p>(MOA) Ministry of Agriculture and Rural Affairs, (MOF) Ministry of Finance, (MOHURD) Ministry of Housing and Urban-Rural Development, (MWR) Ministry of Water Resources</p>	<p>We will clean up sewage outfalls into seas and rivers and black, malodorous water bodies in cities. We will enhance our capacity to collect urban household sewage and to treat waste water from industrial parks. We will take stringent measures to prevent soil pollution at the source, and take stronger action to address agricultural pollution from non-point sources.</p>	<p>Continue advancing throughout the year</p>
<p>(MIIT) Ministry of Industry and Information Technology, (MOFCOM) Ministry of Commerce, (MOHURD) Ministry of Housing and Urban-Rural Development, (MPS) Ministry of Public Security, (NHC) National Health Commission, (SAMR) State Administration for Market Regulation, (SPB) State Post Bureau, General Administration of Customs</p>	<p>The ban on the importation of solid waste will remain in place. Urban household waste sorting will be promoted in a well-planned way, the use of eco-friendly express delivery packaging will be encouraged, and the collection and treatment of hazardous waste and medical waste will be improved.</p>	<p>Continue advancing throughout the year</p>
<p>(MNR) Ministry of Natural Resources, (MOF) Ministry of Finance, (MOHURD) Ministry of Housing and Urban-Rural Development, (MOJ) Ministry of Justice, (MOT) Ministry of Transport, (MST) Ministry of Science and Technology, (MWR) Ministry of Water Resources, National Forestry and Grassland Administration</p>	<p>The formulation of regulations on compensation for environmental conservation will be put on the agenda. We will enforce a ten-year fishing ban in the waters of the Yangtze River, and carry out major biodiversity protection projects. We will systematically promote comprehensive control of desertification, rocky desertification, and soil erosion, continue to launch large-scale land greening programs, protect the marine environment, and protect and restore ecosystems. We hope that our common home will have clearer waters and the skies above it will be bluer.</p>	<p>Continue advancing throughout the year</p>