

GLOBAL VIEWS



MA XUEJING / CHINA DAILY

TIAN HUIFANG

Greening the Belt and Road

Investments to promote the sustainable development of countries participating in the initiative can make huge contributions to the fight against climate change

As the pressures of climate change continue to mount, there is an urgent need for a form of growth that embraces conservation. This is particularly important for countries along the Belt and Road routes.

Most countries participating in the Belt and Road Initiative are developing countries and emerging economies, and they still rely on extensive economic growth and suffer from the resultant severe air and water pollution. Their overall carbon emissions have accounted for more than 60 percent of the global total. Sixty percent of the countries most vulnerable to climate change are participating in the Belt and Road Initiative. These countries have high population densities, high exposure to climate-related disasters, weak infrastructure and governance and lack the capability to mitigate and adapt to the effects of climate change.

To address this situation, the construction of the Belt and Road Initiative needs not only effective environmental pollution treatment and prevention measures, but also green financing instruments that change the incentive mechanism for resource allocation at the very beginning of financing and investment.

In 2017, the Chinese government issued its Guidance on Promoting Green Belt and Road and Belt and Road Ecological and Environmental Cooperation Plan. According to the two official documents, in three to five years China will establish a pragmatic and efficient system for environmental cooperation and exchanges, including support and service platforms, and formulate and implement a series of environmental risk prevention policies and measures. It will also carry out a number of important ecological projects that produce the desired results in five to 10 years. In the keynote speech at the opening of Second Belt and Road Forum for International Cooperation in April 2019, President Xi Jinping stressed that China will adhere to openness, environmental-friendliness and integrity when advancing the Belt and Road Initiative and build infrastructure characterized by its high quality, sustainability, risk resilience, reasonable pricing, inclusiveness and accessibility.

China's efforts have injected new

impetus into the implementation of the United Nations 2030 Agenda for Sustainable Development and brought new development opportunities to countries participating in the Belt and Road Initiative. Till now, the participating countries and international organizations have signed nearly 50 multilateral and bilateral agreements on ecological and environmental cooperation. In January 2018, the Five-Year Plan of Action on Lancang-Mekong Cooperation (2018-22) was released to address environmental issues along the river and to achieve the overall goals of environmental protection and sustainable development in the region. The Belt and Road Initiative International Green Development Coalition (BRIGC) was established in April 2019, after the second Belt and Road Forum, to promote international consensus, understanding, cooperation and concerted actions to realize green development along the Belt and Road routes, and to facilitate the countries participating in the Belt and Road Initiative realizing the sustainable development goals.

Accordingly, over 130 Chinese and international organizations have joined the Coalition, and positive progress has been made in the areas of research and capacity building. China has also launched the Belt and Road Ecological Big Data Service Platform, the Green Silk Road Envoy Programme and the Belt and Road South-South Cooperation initiative on climate change.

Whether Belt and Road investment can be matched with the vision of low-carbon development path of the Belt and Road Initiative depends largely on whether low-carbon projects can be promoted through stricter standards for overseas financing. At the end of November 2018, Green Investment Principles (GIP) for the Belt and Road, a set of principles for greening Belt and Road investments, was officially launched in London, strongly supported by the governments of China and United Kingdom and global financial communities. GIP is based on the United Nations Responsible Investment Initiative (UN PRI), and aims to incorporate low-carbon and sustainable development issues into the Belt and Road Initiative. It seeks to strengthen the environmental and social risk management of investment projects, ensure

investment projects are environmentally friendly, incorporate climate adaptation and social inclusion, and support the implementation of the UN Sustainable Development Goals and the Paris Agreement by expanding green investment and reducing high-carbon and polluting investment. As of March 2020, 37 global large financial institutions have signed the GIP, and 11 organizations had agreed to provide official support. The contracted financial institutions promise to uphold the concept of green finance and social responsibility, use their broad international vision and extensive international network to connect domestic and foreign capital markets, and to become practitioners, promoters and leaders of Belt and Road greening investment.

Currently, the Belt and Road Initiative has shown great resilience against the backdrop of the pandemic's major impact on the global economy. In terms of the information provided by State Councilor and Foreign Minister Wang Yi in a news conference on May 24, 2020, despite the outbreak of the COVID-19, in the first quarter of this year, China's Belt and Road Initiative investment grew by 11.7 percent and the trade volume increased by 3.2 percent. There is great potential for the development of environmental standards for the construction of green infrastructure, as well as the research and development, demonstration and application of green technologies by China and Belt and Road countries. The decisions around green infrastructure in the Belt and Road Initiative countries in the next decade will therefore make great contributions in the global fight against climate change. If this cooperation potential can be translated into real investments, then after the outbreak, the green development of the Belt and Road will be of great significance to the global economic recovery and achieving the global sustainable development goals.

The author is a senior research fellow of Institute of World Economics and Politics at the Chinese Academy of Social Sciences. The author contributed this article to China Watch, a think tank powered by China Daily. The views do not necessarily reflect those of China Daily.

LIU XUEYE AND LI ANG

Higher ambitions

Chinese cities are trying to raise their carbon-reduction targets and integrate them with their long-term development plans

The goal of the Paris Agreement is to control the global average temperature increase to less than 2 C above the pre-industrial level, and if possible to limit the temperature increase to 1.5 C. Limiting temperature rise to 2 C means that emissions in 2050 will have to be reduced by 40 to 70 percent compared to 2010, while the more ambitious 1.5 C target means that there will have to be "zero emissions" by 2050.

To push this forward, the parties to the Paris Agreement are invited to inform the Convention Secretariat this year of their long-term low greenhouse gas emission development strategies.

But country-level long-term strategies are not the only game in town.

According to United Nations Environment Programme cities consume 78 percent of the world's energy and produce 60 percent of global carbon emissions. This means that city-level long-term strategies, typically called Climate Action Plans, have the potential to play a significant role in the realization of global targets.

According to the Global Climate Actions platform of the UN Framework Convention on Climate Change, there are currently 392 cities working toward carbon neutrality. The deep decarbonization and carbon-neutral goals of these cities, and their supporting Climate Action Plans, can serve as a reference for China's cities.

Since 2010, China has launched 87 low-carbon pilots. As of October last year, most of these low-carbon pilots had proposed carbon emission peak years before 2030, the peak year that the Chinese government has set for the country in its Nationally Determined Contribution. Of these, the peak-year targets of 59 cities will be before 2025, with 16 cities peaking before this year.

But what comes after these Chinese cities reach their intended peaks? How can China's cities work toward deep emissions cuts or carbon neutrality in the long term?

As the first step toward further emissions reduction, the cities in China that have performed well in their carbon-reduction efforts to date could develop long-term Climate Action Plans. These plans could contribute to local 14th five-year development plans, and allow local short-term actions to align with long-term goals.

Raising ambition is the key step forward. An analysis by innovative Green Development Program found that 66 international cities

have made clear commitments to long-term climate goals, such as deep decarbonization, carbon neutrality or zero carbon. Most of these cities have set milestones and defined sectoral targets to support their overall goal.

In designing long-term climate action plans, global best practices can serve as a reference. The same analysis by innovative Green Development Program shows that the cities around the world with commitments to carbon neutrality have employed six key elements: accounting for all greenhouse gases that need to be reduced; setting a clear target year; writing carbon targets into law or other formal policy instruments; preparation of action plans; and taking carbon offsets and aviation emissions into consideration.

The cities in China that consider taking on deep decarbonization or carbon neutrality goals will need to improve significantly in the setting of standards and policy goals, making sure to pair these with new economic incentives and support policies. Improving their carbon-reduction targets in the most emission-intensive sectors should be the top priority in local climate action plans: buildings, transportation, electricity and solid waste.

Drawing from international experiences, China's buildings industry can go further by improving energy efficiency standards and increasing electrification rates. Passive housing and integrated design demonstration projects should be scaled up, setting the scope of these pilots to achieve near-zero energy consumption. Heating systems should move away from fossil fuels toward solar, heat pump and biomass systems. Improving the minimum energy performance standards of air conditioners would also produce quick gains. Finally, cities could reduce energy consumption in buildings' operational phase by carefully monitoring energy consumption and promoting demand-side behavioral changes.

Decarbonization of the power industry is the key to achieving climate protection goals globally. Because cities are the main consumers of China's electricity, they can accelerate this process. Many Chinese cities have already set targets for prioritizing renewable energy, improving energy efficiency, and reducing peak demand. Despite that, the potential of renewable energy for powering cities is often underestimated. In Chongqing, for example, the technical availability of solar PV was 100 megawatts in 2010, increasing

to 42,600MW in 2019. This large jump was caused by efficiency improvements in solar PV power generation, as well as rapid increases in total building area and concomitant solar PV potential. Policy goals could be regularly updated to reflect increasing renewable energy potential.

Transportation is the third-largest global CO2 emission source after power and industry. Transportation demand in China's cities is continuing to increase, especially passenger transportation. Transportation policies in global cities focus on transportation planning, electrification, demand management, public transportation, non-motorized traffic, and shared travel methods. China's cities can consider setting roadmaps to phase out fossil fuel vehicles, establishing low-emission zones, electrifying 100 percent of public transportation, and continuing to increase non-motorized travel and public transit.

In 2016, poor waste management led to 1.6 billion tons of CO2 emissions, accounting for 5 percent of global emissions, mostly from methane leaks in open landfills. City-level climate action plans often adopt a full-cycle management method to reduce waste generation, including food waste. Through source reduction, reuse, classified recycling, organic compost fermentation and other steps, the volume of waste landfills can be significantly reduced, leading to reduced emissions. To achieve a carbon neutral target, some leading cities have proposed zero-waste and zero landfill goals. China's cities have started carrying out zero waste campaigns, a positive step forward that is consistent with long-term climate goals.

China is now drawing up its 14th Five-Year Plan for Social and Economic Development (2021-25), a process that will lead to the creation of corresponding development plans at the city level. As this planning process unfolds, Chinese cities have an opportunity to incorporate strategies that set a foundation for long-term ambitious climate goals into their local five-year plans, with global practices as a reference.

Liu Xueye is an analyst and Li Ang is a senior analyst at the innovative Green Development Program, an independent environmental think tank based in Beijing. The authors contributed this article to China Watch, a think tank powered by China Daily. The views do not necessarily reflect those of China Daily.



MA XUEJING / CHINA DAILY