



POLICY NEWS
PROJECT NEWS

Dear readers,

We welcome you back to our first IKI China Update in 2024, as the country emerges from the celebratory period of Chinese New Year and the pivotal political event of the Two Sessions in early March 2024.

With policy updates in the field of the China Emission Trading System as well as initiatives to digitalise and improve existing natural resources governance, China aims to further develop its framework and comprehensive approach to addressing climate change. The remarkable surge in renewable energy capacity, particularly in solar and wind power, reflects China's commitment to the energy transition. With over 216 GW of solar power added in 2023 alone, China's pledge to construct 1,200 GW of renewable capacity by 2030 will likely be achieved five years earlier.

However, climate protection took a backseat due to prevailing economic challenges during the plenary sessions of the Chinese government's Two Sessions from 5 March to 12 March 2024. With a focus on energy security, the only quantified objective in the field of climate change was a 2.5% reduction in energy consumption per unit of GDP and China currently lags behind in the implementation of its climate goals.

The IKI projects in China on the other hand hosted various workshops and events in the first weeks of 2024, from the Gender Capacity Building Workshop organised by GIZ China's NDC Implementation Project to the kick-off workshops for the Sino-German Expert Dialogues on Sustainable Finance and the Urban-Act China Component.

We are looking forward to sharing our insights on Chinese climate policy developments with you in 2024.

With best regards from Beijing,

the IKI China Team

POLICY NEWS

China State Council Released the Interim Regulations on Carbon Emissions Trading Management

The State Council of China has released the first legal framework for carbon market governance. The new regulatory framework provides clearer and stricter guidelines compared to previous rules, including penalties for falsification of emissions data and institutional support for a functional operation of China's Emission Trading System (China ETS). The new regulations will take effect from 1 May 2024.

[Read More](#)

New Policy Supports the Integration of New Energy Vehicles into the Power Grid

China issued a new policy to strengthen the interaction between new energy vehicles (NEVs) and the electricity grid with the overarching goal of promoting a more sustainable and efficient energy system. The policy aims to establish a bidirectional vehicle-to-grid (V2G) system based on charging and battery-swapping facilities by 2030, utilising the flexibility of EV batteries as controllable loads or mobile storage. NEVs could thus serve as mobile virtual power plants, bolstering the grid during peak demand and enhancing its regulation capabilities.

[Read More](#)

China's Installed Solar Capacity Rose by 55.2% in 2023

China added over 216 GW of solar power, about 14% of the world's total in 2023. Data released by China's National Energy Administration (NEA) on 26 January 2024 showed that the country's solar power generation capacity grew by a staggering 55.2% in 2023. The numbers highlight that over 216 GW of solar power have been added during 2023, equivalent to 14% of the world's total installed PV capacity. China's total installed PV capacity thus increased to 609 GW by the end of 2023.

[Read More](#)

Implementation Plan to Promote Railway Decarbonisation

In February 2024, the National Railway Administration of the People's Republic of China published a new plan to promote sustainable railway infrastructure, low-emission transport equipment and optimised operation and maintenance of the Chinese railway system. According to the plan, rail-related energy consumption and CO₂-emission intensity shall be reduced by 10% by 2030, compared to 2020 levels. Until 2030, the electrification rate is intended to increase to 78% and the plan also targets an increase in railway transport with a share of passenger and freight transport by rail of 48% and 22%, respectively.

[Read More](#)

Green Transport Innovation as Part of the 2024 Government Work Report

According to the 2024 Government Work Report presented at the 14th National People's Congress on 5 March 2024, China aims to achieve a decrease of 2.5% in energy consumption per unit of GDP in 2024. To this end, key measures in the transport sector are considered necessary. These entail further research and development in intelligent connected new-energy vehicles, respective charging infrastructures and hydrogen, as well as the improvements of carbon accounting and carbon footprint management systems.

[Read More](#)

Plan Aims to Digitalise the Governance of Natural Resources

On 5 February, the Ministry of Natural Resources issued the "*Overall Plan for Enhancing the Digital Governance Capability of Natural Resources*". It supports the utilisation of new information technologies and envisions setting up a national spatial basic information platform" for natural resources. The plan's goal is to improve the digitalisation level and efficiency of natural resource management and national spatial governance.

[Read More](#)

The General Office of the Communist Party of China Central Committee and the General Office of the State Council issued "The Opinions on Strengthening Ecological Environment Zoning and Control"

The *Opinions on Strengthening Ecological Environment Zoning and Control*" issued by the General Office of the Communist Party of China Central Committee and the General Office of the State Council has pointed out that ecological environment zoning control is an important measure to enhance the modernisation of ecological environment governance. The plan's goal is to ensure ecological functions and improve environmental quality. It implements a differentiated environmental management system in different regions. The plan has made specific arrangements to promote comprehensive ecological environment zoning and control, implement high-level ecological environment protection and strengthen supervision and assessment.

[Read More](#)

The Latest Strategic Framework for Biodiversity Conservation (2023 – 2030) Released

China's National Biodiversity Strategy and Action Plan (NBSAP) released on 18 January 2024, supersedes the 2011 version and outlines four priority areas: biodiversity mainstreaming, addressing threats, sustainable utilisation, and governance modernisation. Moreover, the NBSAP introduces 27 prioritised actions advancing capacity building and technology support for ecosystem protection, restoration, and utilisation. The plan sets a "30 by 30" target, aiming to protect 30% of various ecosystems by 2030, with emphasis on the Nature Reserve system and Other Effective area-based Conservation Measures (OECMs). Regarding funding mechanisms, the NBSAP aims to establish green bonds and market-oriented

participation, while simultaneously providing clearer provisions on integrating biodiversity into climate change adaptation strategies.

[Read More](#)

Accelerating the Establishment of a Waste Recycling System

The General Office of the State Council issued the *“Opinions on Accelerating the Establishment of a Waste Recycling System”* on February 6th, which emphasise the importance of resource recycling and reuse. In this new policy, more quantitative targets are proposed, which provide clear indicators of policy implementation effectiveness. The new Opinions also expand the scope of waste categories to encompass agricultural waste and bulk solid waste, propose additional pathways for resource utilisation and introduce the idea of ‘Extended Producer Responsibility’. In addition, the Opinions propose to draw on the experience of other countries’ relevant regulations and standards.

[Read More](#)

State Council Introduced Programme Aimed at Driving Large-Scale Equipment Renewal and Consumer Goods Replacement

On 7 March 2024, the State Council introduced the Action Programme aimed at driving large-scale equipment renewal and consumer goods replacement (hereinafter referred to as the Action Programme). By 2027, the Action Programme envisages a more than 25% increase in investment scale across various sectors including industry, agriculture, construction, transportation, education, culture, tourism, and medical care compared to 2023. Key objectives include enhancing the energy efficiency of major energy-consuming equipment, boosting the adoption of environmentally friendly production capacities, and significantly elevating the utilisation of digital research and development tools and numerical control processes in industrial enterprises. Additionally, targets for increased recycling of end-of-life automobiles and used home appliances, along with a greater use of recycled materials have been set.

[Read More](#)

Suspension of the Waste Electrical and Electronic Products Treatment Fund

On 17 January 2024, the Ministry of Finance's official website made public the Announcement concerning the Suspension of the Waste Electrical and Electronic Products Treatment Fund. Effective 1 January 2024, the collection of the Waste Electrical and Electronic Products Treatment Fund was suspended. After operating for 11 years and 6 months, the Fund, which commenced on 1 July 2012, ceased to be levied. The central financial authorities will allocate dedicated funds to sustain the disposal efforts of waste electrical and electronic products outlined in the Catalogue for the Disposal of Waste Electrical and Electronic Products.

[Read More](#)

PROJECT NEWS

» **Integrated Urban Climate Action for Low-Carbon and Resilient Cities (Urban-Act) – China Component**



Kick-off Workshop of Urban-Act China Component held in Beijing

GIZ successfully conducted its kick-off workshop of the China Component of the regional Urban-Act Project on 25 January 2024, in Beijing. More than 50 Chinese and international representatives from governments, organisations and institutes attended the launch. The project focuses on integrating climate change considerations into urban planning and promoting sustainable, low-carbon, and resilient urban development. In China, it partners with the cities of Jiaxing, Xiamen, and Xi'an, as well as technical institutes such as SUPDRI, Tongji University, and NCSC.

[Read More](#)

» Sino-German Cooperation on Climate Change – Climate Partnership

Sino-German Expert Dialogues on Sustainable Finance series launched

On 14 March 2024, the kickoff workshop for this series was held to further strengthen peer learning on different asset classes of sustainable finance products in the EU, German and Chinese markets. Experts from financial regulators, commercial and development banks, global initiatives, academia and think tanks, joined this technical exchange. The event covered the topics of policy outlook and overall market development, green and sustainable finance taxonomy, and sustainability disclosure.

[Read More](#)

» Sino-German Cooperation on Climate Change – NDC Implementation

Workshop strengthens gender mainstreaming within IKI projects

Mainstreaming gender practices and gender justice has become a key aspect of IKI project implementation. The German government's International Climate Initiative (IKI) has recognised gender justice as a central element to address the nexus between climate change, biodiversity loss, and gender. To further strengthen gender mainstreaming within IKI Projects in China the NDCI project hosted a Gender Capacity Building Workshop featuring contributions from the IKI Office, Chatham House as well as IKI projects on 29 February 2024.

[Read More](#)



» Sino-German Environmental Partnership

CCICED Scoping Study on Circular Economy launched

The virtual kick-off meeting for the study was held on 27 February. Hosted by Prof. Liu Shijn, Chinese Chief Advisor of CCICED and attended by international and Chinese experts, the meeting aimed to refine the research focus and establish implementation plans. The study draws inspiration from the "Model Germany Circular Economy" to explore implementation experiences and technologies. The research also seeks to foster mutual understanding of circular economy principles and provide policy recommendations to the Chinese government. Deputy Director General Ms. Ilka Hirt (BMUV, international Policy) heads the study, supported by the Oeko-Institut and the Sino-German Environmental Partnership.



[Read More](#)

Follow us on:

» **Website:**

[Sino-German Cooperation on Climate Change](#)

» **LinkedIn:**

[GIZ East Asia](#)

» **WeChat:**

ClimateCooperation (Official Account)



Imprint

Published by:

Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices:

Bonn and Eschborn, Germany

Address:

Sunflower Tower 1100 盛福大厦1100
37 Maizidian Street, Chaoyang District 北京市朝阳区麦子店街37号
100125 Beijing, PR China 100125 北京

E info@giz.de

I www.giz.de/en

www.climatecooperation.cn

The IKI Update newsletter is administered by the International Climate Initiative (IKI) interface project “Sino-German Cooperation on Climate Change – NDC Implementation” and informs regularly about policy and project news of climate, environment, and biodiversity projects in China financed by the IKI and implemented by GIZ.

In charge of this newsletter:

Paul Recknagel, paul.recknagel@giz.de

On behalf of:

[International Climate Initiative](#) (IKI): The IKI is an important part of the German government's international climate finance commitment. Since 2012 the IKI is implemented by the Federal Ministry for Economic Affairs and Climate Action (BMWK) in close cooperation with the Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUV) and the Federal Foreign Office (AA).



Photo credits:

GIZ, © International Climate Initiative / Tinkerbelle

Beijing, March 2024

Not a subscriber yet, but if you wish to receive this newsletter regularly, please click [here](#).

If you no longer wish to receive this newsletter, please click [here](#).