

BUSINESS



Technicians check photovoltaic panels at a solar power station in Yicheng, Hubei province, in September. WANG HU / FOR CHINA DAILY

Clean power use gains support

Newly added renewable capacity to be exempt from energy consumption cap

By ZHENG XIN

zhengxin@chinadaily.com.cn

Newly added renewable capacity will be exempt from energy consumption caps to further promote clean and low-carbon energy transformation and ensure high-quality development in the country, the government said on Wednesday.

Consumption of newly added renewable energy, including wind, solar, hydro, biomass and geothermal power, will not be included in the total energy consumption control in China, said a statement jointly released by the National Development and

Reform Commission, the National Bureau of Statistics and the National Energy Administration on Wednesday.

Based on electricity consumption from renewable energy sources in 2020, the annual increase in power consumption from renewable sources compared with the previous year will be deducted from the assessment of total national and local energy consumption, according to the statement.

The green certificate will be the basic certificate of renewable energy power consumption identification and the government will also actively promote the construction of the

green certificate trading market, as well as the participation of renewable energy in green certificate trading, it said.

China's "dual control" policy — controlling energy consumption and energy intensity — has been a key driver of China's decarbonization since its implementation in 2006. The nation is committed to reducing the energy intensity of its economy by 13.5 percent between 2021 and 2025.

An analyst believes this will have a positive impact on China's emissions trajectory while the discounting of renewable energy from consumption totals will remove a key barrier to developing renewables fast enough to reach carbon neutrality by 2060.

Wei Hanyang, a power market analyst at BloombergNEF, said the energy intensity targets and caps on total energy consumption have helped drive its energy transition and low-carbon development.

"The exemption of using renewables in total energy consumption helps remove a cap on the overall growth of enterprises and stimulates local development," Wei said.

"It will also pass on the stimulus for renewable energy investment." The Institute of Climate Change and Sustainable Development at Tsinghua University estimated that energy intensity will have to be reduced by 14 percent between 2020 and 2025 to put China on course to peak carbon emissions by 2030.

Shandong nuclear plant heats up for cold season

By ZHENG XIN

China's largest nuclear heating project started operations on Tuesday night to provide heat for households, as China has been expanding nuclear heating, illustrating its intentions to decarbonize the sector.

The project will serve an area of 5 million square meters and provide clean heating for 200,000 residents in Haiyang, a county-level city of Yantai, Shandong province, said Shandong Nuclear Power Co, a subsidiary of State Power Investment Corp and also the plant's operator.

As the largest nuclear heating project in the country, it accounts for 92.8 percent of the country's total nuclear heating capacity, said the State-owned enterprise.

Nuclear heating has been a major pursuit around the world as nuclear power delivers non-stop output, said Wei Hanyang, a power market analyst at BloombergNEF.

China seeks to gradually reduce coal use in the heating sector, but natural gas as a replacement still produces carbon emissions. This makes nuclear power an effective option for meeting its decarbonization ambitions in the country, he said.

The Haiyang project is the second nuclear heating project that was put into operation for winter heating in China this year. Hongyanhe Nuclear Power Plant in Liaoning province, the first commercial nuclear heating project in Northeast China, was put into operation earlier this month.

It covers a heating area of 242,400 square meters and replaces the 12 coal-fired small boilers in Hongyanhe town in Liaoning's Dalian, said its operator China General Nuclear Power Corp.

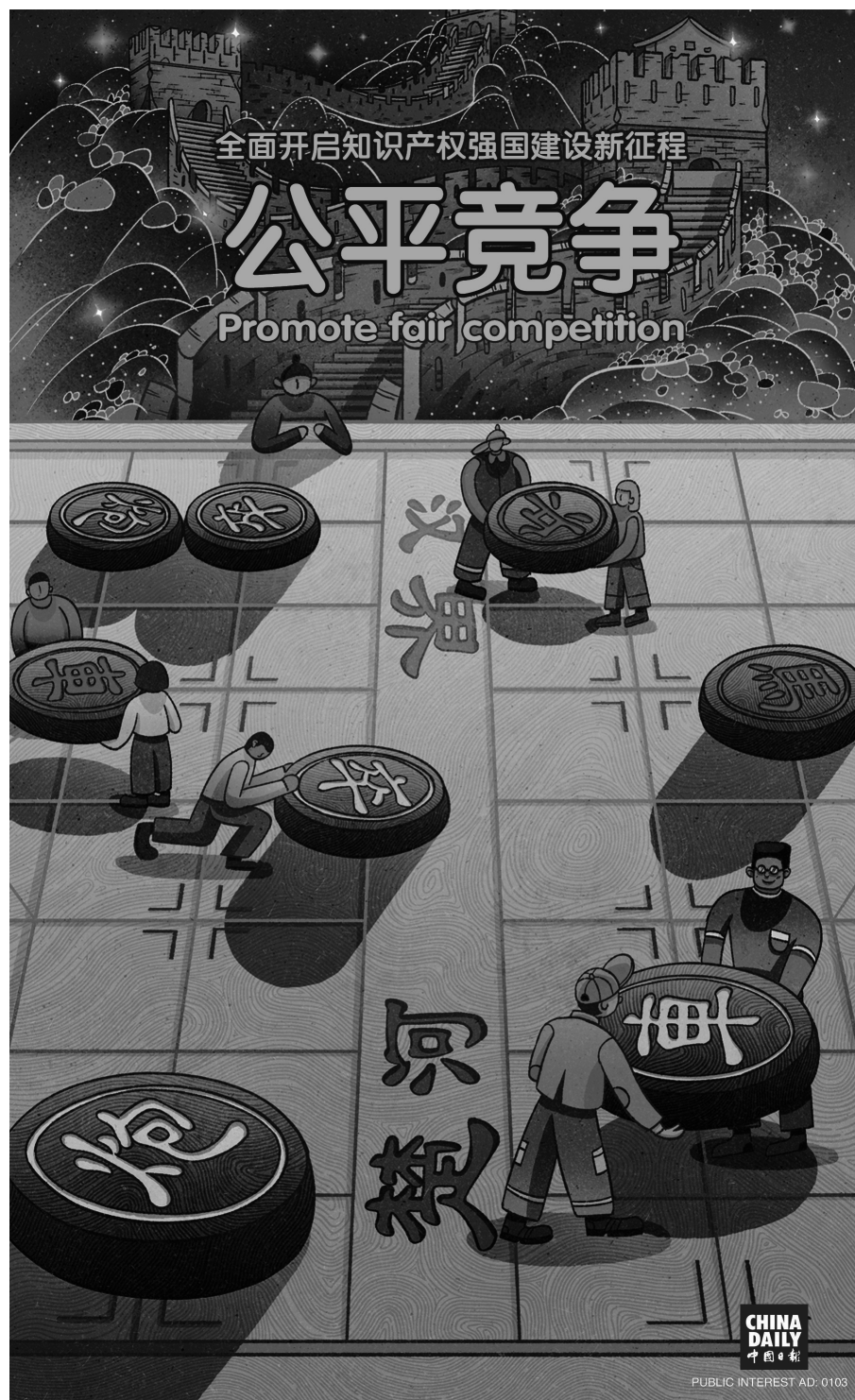
“Nuclear heating was used by more than 200,000 residents in Haiyang for 143 days during the previous winter and the company plans to expand the heating area to the entire Jiaodong peninsula,” said Liu Yongde, chief engineer of State Power Investment Corp.

Liu Yongde, chief engineer of State Power Investment Corp

“Nuclear heating was used by more than 200,000 residents in Haiyang for 143 days during the previous winter and the company plans to expand the heating area to the entire Jiaodong peninsula,” said Liu Yongde, chief engineer of State Power Investment Corp.

The first phase of the company's nuclear heating project in 2019 provided carbon-free heating to 700,000 square meters of area, followed by the second phase, which increased the area to 5 million square meters in 2021.

The third phase of the Haiyang nuclear energy heating project in Shandong currently under construction is expected to start providing clean heating by 2023. The heating area will cover 30 million square meters by then, benefiting around 1 million residents with clean heating and replacing more than 900,000 metric tons of coal consumption and 1.65 million tons of carbon emissions, said the company.



A containership is seen berthing in Qingdao Port, Shandong province, in September. YU FANGPING / FOR CHINA DAILY

Enhanced shipping ties to chart fresh growth course for global supply chain

By LIU YIFAN in Hong Kong
evanliu@chinadailyhk.com

Promoting international shipping cooperation is of great importance in ensuring the smooth flow of global logistics supply chains and boosting the global economy amid an increasingly complex market environment, officials and industry players said at the second World Maritime Merchants Forum in Hong Kong on Tuesday.

Delivering his speech at the opening session of the two-day event, Dai Dongchang, vice-minister of the Ministry of Transport, equated transport with the artery of an economy and a bond between civilizations, saying the shipping industry, as an important part of transportation, plays an irreplaceable role in serving world economic development and global trade.

Dai said China stands ready to work with other countries to promote global shipping cooperation as well as strengthen connectivity in both infrastructure and systems to keep industrial and supply chains secure and smooth.

China has become the most connected country in shipping, boasting the world's second-largest maritime team, Dai told the forum. "China cannot develop itself in isolation from the rest of the world while the world also needs China for its prosperity," he said.

Last month, the Global Sustainable Transport Innovation and Knowledge Center was established as the country's key move to support the implementation of the United Nations 2030 Agenda for Sustainable Development.

Dai said the country will give full scope to the center's functions as an international think tank, cooperation showcase and people-to-people exchange platform to promote the sustainable development of global connectivity.

Addressing the same event, China Merchants Group Chairman Miao Jianmin said variables such as macroeconomics, geopolitics, the COVID-19 pandemic and supply chain restructuring have greatly increased the difficulty of controlling the shipping market's current operating rhythm.

It is crucial to promote the upstream and downstream of transport, trade, ports and other industry chains to give full play to their respective advantages and carry out long-term, stable and effective cooperation to jointly build an "open, inclusive, cooperative and win-win" shipping ecosystem, Miao said.

He also suggested that stakeholders make full use of digital applications and promote green shipping to look for new opportunities in the process of restructuring the global supply chain.

On top of geopolitical tensions and unpredictable markets, decarbonization is also a "grand challenge" that compounds the maritime industry's transformation path, which requires collaboration across the value chain to find solutions, said Knut Orbeck-Nilsen, chief executive officer of DNV Maritime — a Norway-headquartered classification society and advisor to the shipping industry.

Decarbonization, the process of reducing carbon emissions, is defining not only the industry's regulatory agenda but also the environmental, social and governance revolution, he said.

"It is a task that not one player nor even one industry can resolve in isolation. We simply can't do it alone," he said. "China is crucial in this transition. We expect to see many initiatives originating and developing here."

Themed "Together for a Brighter Future", the maritime forum was hosted by China Merchants Group and other organizers, featuring four parallel sub-forums for the shipping market, ports, logistics, and shipbuilding and repair, as well as over 50 livestreaming panel discussions.

Some 120 industry organizations and companies from more than 50 countries and regions spanning the maritime and commercial sectors joined the forum.