

## China for a Global Shift

China for a Global Shift is a WWF initiative to promote development in China that sustains the planet's natural environment

### 2010: A Year of New Environmental Commitments

As the Chinese New Year has just begun, I would like to send our best wishes for the Year of the Tiger. The tiger is a symbol of energy and strength, features that will help us face this year's environmental challenges.

2009 marked a number of achievements for the China for a Global Shift Initiative. We have organized the first "Finance, Environment and Development Forum", bringing together for the first time high-level experts in these three areas. We have increased the profile of the ecological footprint concept – a way to measure human pressure on the planet – in China's decision-making. We have also strengthened our work on China's relations with Africa.

This year will shape China's 12th Five-Year Plan for Economic and Social Development, a key tool to ensure sustainable development in China and beyond. Because of its stature and growing international influence, China's move to a greener development path can benefit the whole world. WWF will bring its contribution to the formulation of the Plan by offering the ecological footprint as an indicator of sustainability.

We hope to welcome you at the Shanghai Expo in May, when our work on ecological footprint will be featured in the WWF pavilion, and we will keep you up-to-date about our activities with this new quarterly newsletter.

Happy Year of the Tiger!



WWF's China for a Global Shift Initiative and Deputy Country Representative at WWF China.

Dr. Li Lin is Leader of

Dr. Li Lin

# Recommendations to China's 12th Five-Year Plan



In November 2009, WWF's Director General Jim Leape gave a keynote speech at the 2009 Annual Meeting of the China Council for International Cooperation on Environment and Development (CCICED), an influential advisory body to the State Council. Top level government officials, including Chinese Vice Premier Li Keqiang and Minister for Environmental Protection Zhou Shengxian were at the conference.

At the conclusion of the meeting, CCICED put forward several of WWF recommendations to the central government for inclusion in the 12th Five-Year Plan: promote efficiency in all uses of natural resources; consider ecosystems as integrated systems providing value to species, humans and local economies; and build adaptation to climate change into every component of China's development plans.

WWF also suggested to establish metrics to measure the achievement of sustainable development (e.g. the ecological footprint), to reform the financial system as a vehicle for driving sustainability in the economy and to provide adequate funding for the environment.

The 12th Five-Year Plan will define China's economic and social development for the period 2011-2015. The plan will be drafted by the National Development and Reform Commission (NDRC), submitted to the State Council in November 2010 and finally approved by the National Congress in March 2011.

## China contributes to clean energy boom

Clean energy technology is on track to become the third largest industrial sector globally with a rapidly increasing share taken up by China, predicted a WWF report released at the UN climate summit in December 2009.

"Clean Economy, Living Planet - Building Strong Clean Energy Technology Industries" says that by 2020 the industry would be worth approximately 15,500 billion Chinese yuan (1600 billion euros) a year, ranking behind automobiles and electronics as the third largest industrial sector.

The study is the first country ranking by clean energy sales, and found that relative to GDP it is wind energy and insulation pioneer Denmark and bio-ethanol giant Brazil that are leading the way. Germany, with public support for wind and solar energy, is in third place. China is ranked fourth in terms of absolute sales, and sixth relative to its GDP.

The report says countries seeking to develop their clean energy technology sectors should "follow the leaders". Central banks could also help by encouraging the inclusion of "carbon risk" into financial modelling. The report can be downloaded from:

http://assets.panda.org/downloads/rapport\_wwf\_cleaneconomy\_international\_def.pdf



#### **WWF-CCICED Partnership**

Created in 1992, CCICED has built a bridge for dialogue with other countries and has provided a conduit for introducing best practices in China. WWF has been working with CCICED since 1995, when Claude Martin, WWF's Director General at the time, became Council Member. James P. Leape, WWF's present Director General, has been a Council Member since 2007. CCICED and WWF also cooperate on policy research and have published together the first Report on Ecological Footprint in China in 2008.

"Eighteen years of CCICED's successful work could not have been achieved without the support of partners such as WWF," said an official from the CCICED Secretariat. "We are willing to continue cooperation with WWF by supporting each other and developing together, to make an even greater contribution to sustainable development in China."

### Building dialogue on greener capital flows

Chinese financial institutions and regulatory agencies participated in a WWF program focusing on sustainability of international investments, as well as environmental and social risk management. During the study trip to Frankfurt and Paris in November 2009, Chinese financial experts had the opportunity to meet and exchange views with international peers.

Between 2002 and 2008, China's outward investments increased 15-fold and China has become one of the most significant investors in Africa.

As the main capital provider, the financial sector can be an important vehicle in driving sustainability in the economy.

In recognition of the role they play, WWF engages with China's policy and commercial banks and regulators to promote sustainable lending policies. As part of this effort, a second leg of the study tour will be organized in May 2010 to explore practical realities and challenges of sustainable investment in Africa.

### WWF Award to Industrial Bank

The annual Merit Awards were delivered by WWF China last December in Shanghai. The awards recognize corporate partners' contribution to WWF's conservation work. In 2009 the Merit Conservation Supporter Award was given to the Industrial Bank for having been the first Chinese bank to adopt the Equator Principles, an international voluntary set of environmental and social standards for project financing.

Other awards were given to Ermenegildo Zegna for the contribution to nature conservation in the Qinling Mountains, and to Walmart for its participation in Earth Hour.



From left to right: Paul Yin from Zegna, WWF China Country Representative Dermot O'Gorman, Hua Bing from IB and Brian Liao from Walmart.

### Shaking hands with Tanzania

WWF will organize a workshop in April with Tanzanian decision-makers to support development of policy recommendations related to China's investments in the forestry and energy sectors.

How Tanzania can benefit from the opportunities that China presents was debated at a forum hosted in Dar es Salaam by WWF Tanzania and the Tanzania Policy Forum on 29th January 2010. The workshop brought together for the first time over 40 representatives from government and civil society to share knowledge and ideas on the issue. China and Tanzania have a long history of mutual

co-operation, with Tanzania being one of China's largest recipient of aid in Africa. Around 10% of imports into Tanzania are from China, and over 70% of Tanzania's timber is exported to China. In February 2009, China committed over US\$20 million to support projects in infrastructure, mining, agriculture, health and education in the country.

Participants concluded that China can bring important contributions, from technology transfer in renewable energy to experience in poverty reduction. However, there is a need for Tanzania to be more strategic and coordinated in its cooperation with China.

### A call for responsible plantation investments

#### Book the dates

Growth in demand for wood looks set to expand significantly in the near future. China's needs, primarily for housing and furniture and to support export-focused businesses, represent a major demand on global production, and this trend will likely grow. The shortfall in wood supply that seems to emerge will probably be met with plantations, which are increasingly expanding in Asia and Latin America into ecologically sensitive areas. But equally, well-planned and managed plantations can offer sustainable investment opportunities, and help address pressure on natural forests and forest dependent peoples.

WWF has been active in developing the New Generation Plantation Project (NGPP) with industry leaders such as Mondi, Stora Enso and the State Forestry Administration in China to provide good practice guidance and direct future expansion along more sustainable lines. Investment policies and market recognition have an important role to play in supporting responsible plantations. To learn more:

www.panda.org/forestry/newgenplantations.

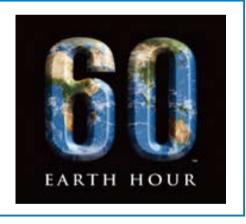
Analysis of China's stimulus package - In April 2010 WWF will launch a report on the impact of China's stimulus package on energy conservation and emission reduction in China. The report was commissioned from the Development Research Centre of China's State Council (DRC).

International Conference on green economy and climate change - WWF and the China Center for International Economic Exchanges (CCIEE) will organize an international conference on "Capacity Building for Combating Climate Change" as part of the Green Economy and Climate Change International Forum taking place in Beijing on 7-9 May 2010.

Shanghai Expo - Visitors to the Shanghai Expo will be invited to calculate their own ecological footprint - their demand on the planet's natural environment - with computers installed at the WWF pavilion. Join us for this and other initiatives at the Expo, from 1st May until 31st October 2010.

#### Earth Hour 2010

After the success of Earth Hour 2009, the world will switch off lights again on Saturday, March 27th 2010, from 8:30pm to 9:30pm. With Earth Hour 2010, WWF will send a message that people support China's efforts to make real change in reducing greenhouse gas emissions and shift towards a low-carbon economy.



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panda .org WWF's mission is to stop the degradation of the planet's natural environment and to build a future in which human live in harmony with nature by:

- · Conserving the world's biological diversity
- Ensuring that the use of renewable natural resources is sustainable
- Promoting the reduction of pollution and wasteful consumption

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