

Policies to support renewable energy investment in China

Liuja

Hanoi, Vietnam

2016-06-30

Feed-in tariff : noteworthy success

Wind

- Onshore : 0.49-0.61 CNY/kWh
- offshore: 0.75, 0.85CNY/kWh

Bio-power

- 0.75 CNY/kWh for agricultural and forestry residual
- 0.65CNY/kWh for MSW power
- 0.25 CNY/kWh subsidy for biogas power



风电的区域固定电价
Wind power Feed-in Tariff (declined since year 2015)

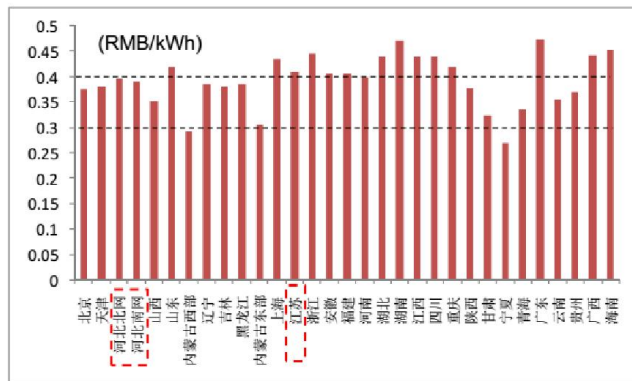


Large -scale Solar PV

- Regional FIT 0.9, 0.95, 1.0 CNY/kWh

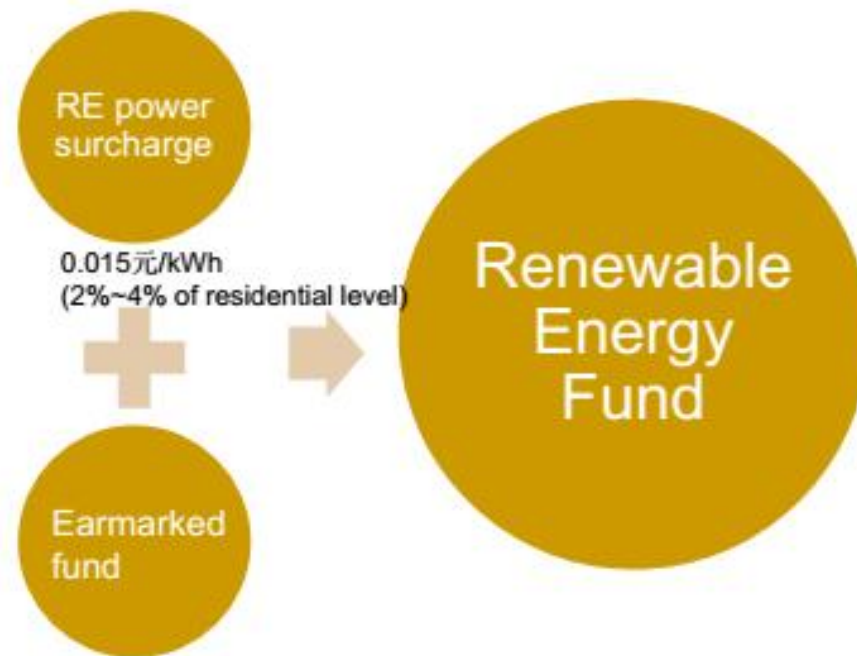
Distributed Solar PV

- 0.42 CNR/kWh subsidy



FIT for Coal-fired Power by province

Mechanism to Fund RE Power in China

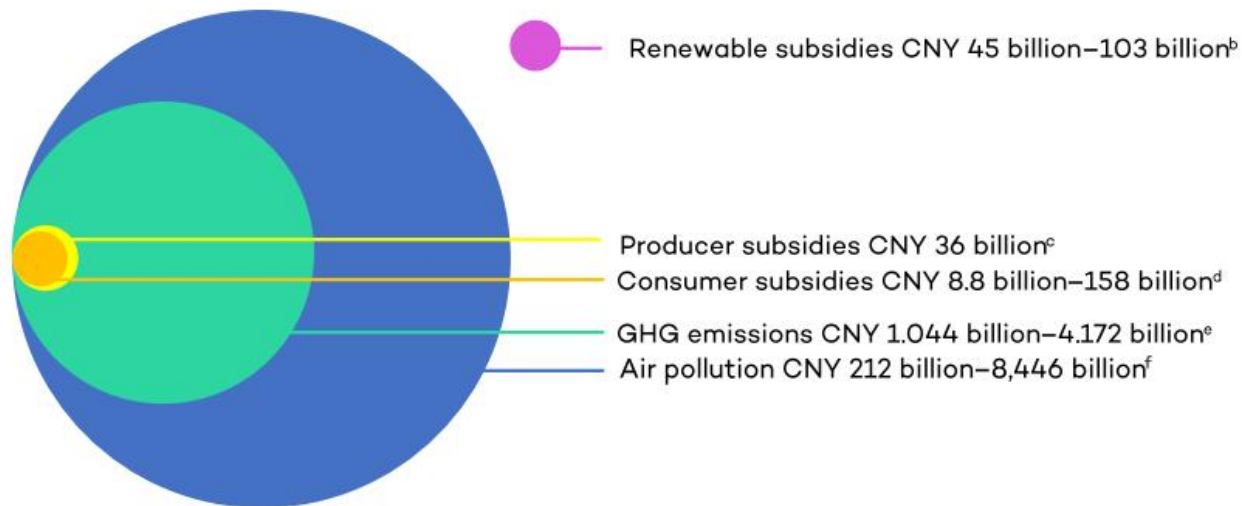


Other policies

- Tax rebate
- Direct support to the R&D and pilot projects
- Target orientation: government will set the annual goal for RE development to give an expectation to the market (the actual condition is always beyond the expectation)
- Green debt: supporting policy was released at the end of 2015, open a new way of financing for some projects with lower capital cost

Planned and potential policies and mechanisms

- Renewable Portfolio Standard (RPS) and Green certificate Trading
- Domestic power system reform.
- Phasing out of fossil fuel subsidies (FFSs) and coal consumption controlling in the long term



Carbon tax

- Uncertainty still exists for the legal process
- The law for environmental tax is being discussed right now.
- Debate about carbon tax. If miss this opportunity, the time for carbon tax will be delayed.

能源税收		澳大利亚	比利时	加拿大	丹麦	法国	德国	希腊	意大利	日本	荷兰	新西兰	瑞典	英国	美国	中国
石油产品	含铅/无铅燃料税	√	√		√	√	√		√		√	√	√	√	√	√
	碳税				√						√		√	√	√	
	硫税						√		√		√		√		√	
	石油污染收费	√														
其他能源产品	碳税					√					√		√	√	√	
	硫税						√		√		√		√		√	
	氮税						√						√			
	执照税	√	√	√	√	√	√	√	√	√	√		√	√	√	√
	车辆税															
	购置税		√	√	√			√	√		√		√		√	√
使用税		√	√	√		√		√	√	√		√			√	

注：由于各国均征收所得税、关税和消费税，因此本表中没有列出各国均征收的税种。

ETS

Started in October, 2011, announced by NDRC.

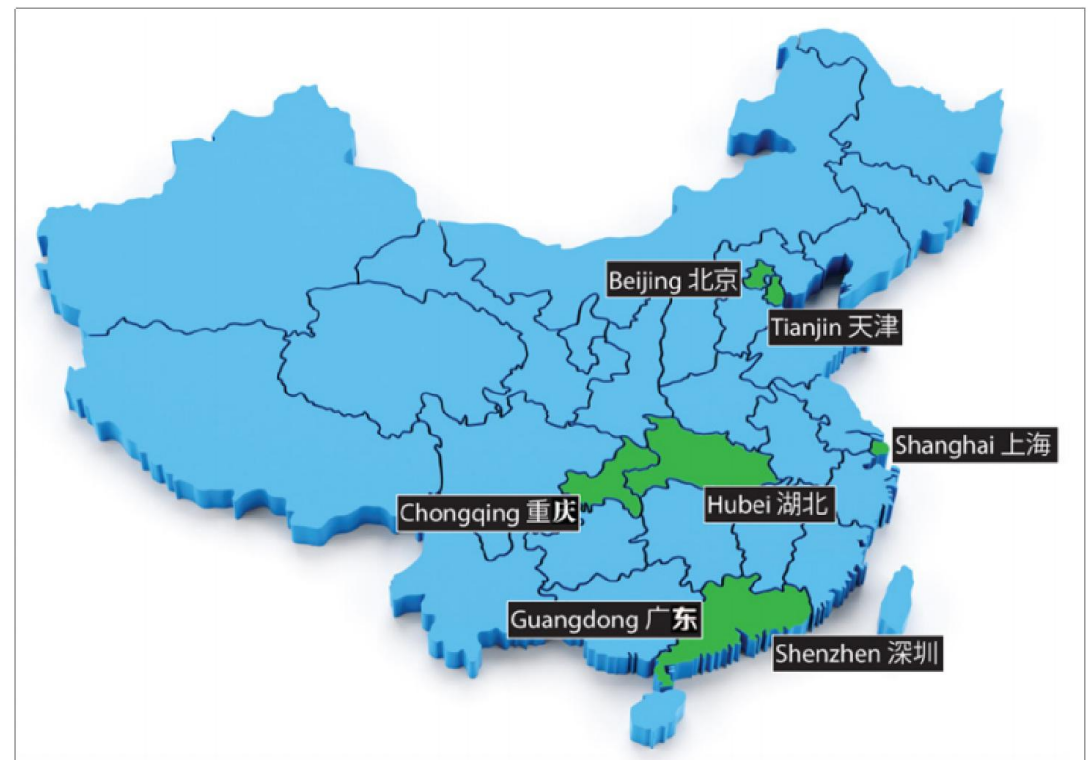
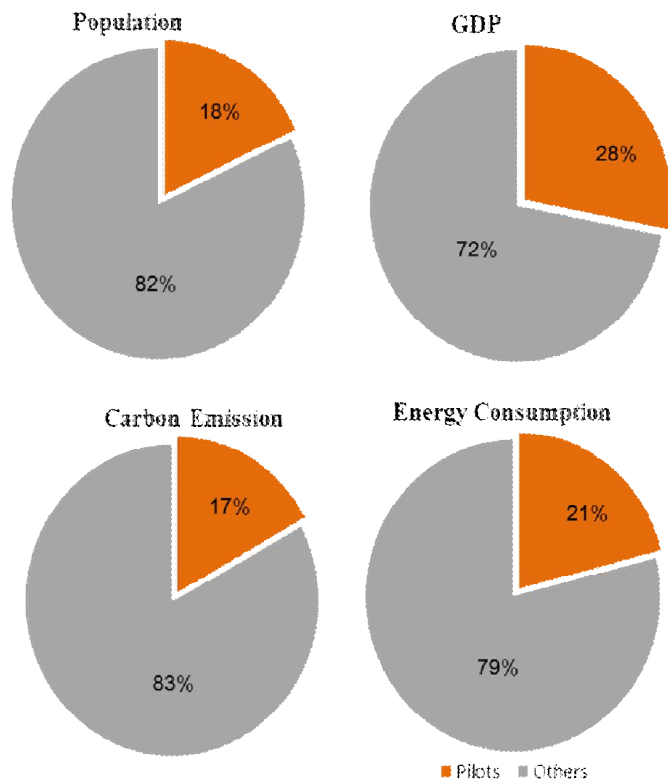


Illustration provided by IETA.

ETS: Main institutional arrangements

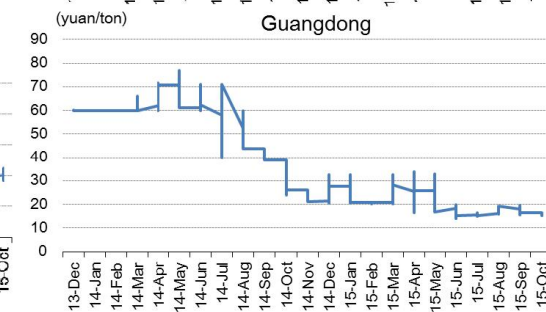
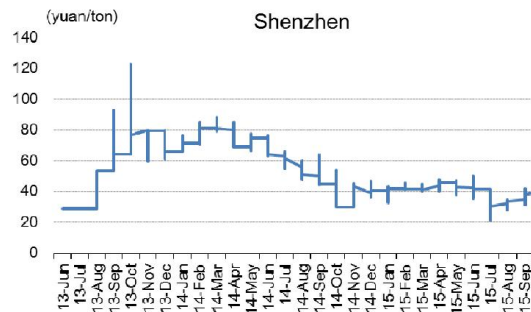
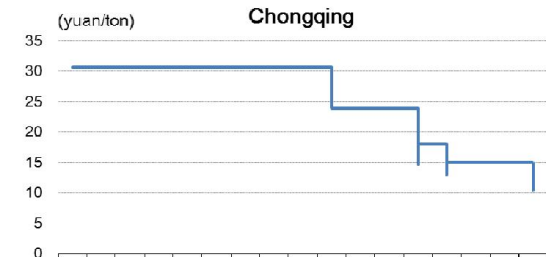
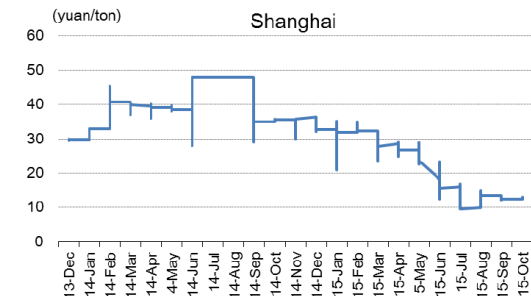
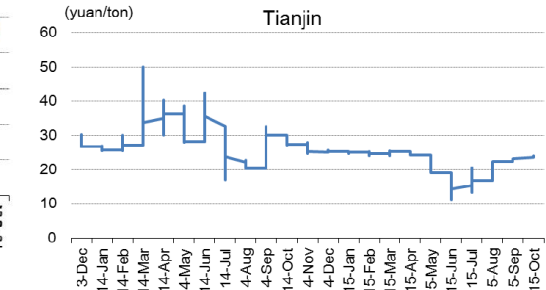
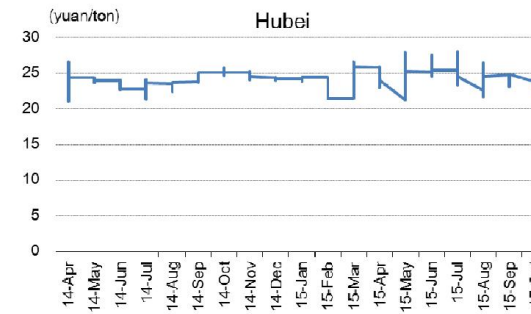
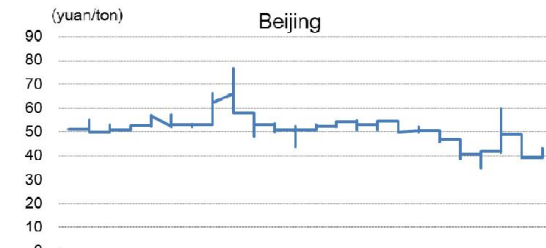
Coverage

- Only CO₂: data availability
- Sectors: power, heating, iron & steel, cement, petroleum, chemical, etc.

Pilots	Threshold	Num. of entities	Percentage
Beijing	>10 000tCO ₂ e/y	415(2013); 543(2014)	40
Tianjin	>20 000tCO ₂ e/y	114	60
Shanghai	Industry:>20 000tCO ₂ e/y Other: >10 000tCO ₂ e/y	191	50
Hubei	> 60 000tce/y	138	35
Guangdong	>20 000tCO ₂ e/y, or >10 000tce/y	184(2013); 190(2014)	55
Chongqing	>20 000tCO ₂ e/y	242	40
Shenzhen	Industry:>3000tCO ₂ e/y Commercial B. >20 000m ² Public B. >10 000m ²	Industry:635 Building:197 Total:832	40

Carbon Price in ETS pilots

- Beijing around 50 yuan/t
- Tianjin around 30 yuan/t
- Chongqing around 15 yuan/t
- Guangdong around 20 yuan/t
- Shenzhen around 40 yuan/t
- Hubei around 25 yuan/t
- Shanghai around 10 yuan/t



Thanks for your attention!
Any suggestions and questions are welcomed.

Liuja

Email: Liuj@eri.org.cn; liujia9988@gmail.com