

CCICED 2010 Progress Report

Zhu Guangyao, Secretary General of CCICED

2010 presented many difficulties and challenges to China's sustainable development: climate change, the uncertain world economy, and frequent natural disasters. There is an increasing contradiction between rapid economic growth and the carrying capacity of resources and the environment. It is inevitable that China must shift its economic growth mode for long-term development, attach greater importance to ecology and environment, and achieve harmony among economic development, resources utilization, and the environment.

CCICED activities in 2010 were consistent with environment and development trends both in China and the world. With the support of the Chinese Government, CCICED has strengthened communications and coordination with Chinese and international partners over the past year. Under the leadership of the CCICED's Bureau, the work plan approved at the 2009 Bureau Meeting has been successfully executed, with a focus on the management of ecosystems. CCICED has actively explored effective ways for achieving green development during economic transformation in China, accomplished the tasks set and achieved the objectives that were expected.

The Chinese government and all stakeholders have provided continued support to CCICED in the past year. When meeting with International Members and representatives of the Council during the 2009 Annual General Meeting, Premier Wen Jiabao clearly pointed out: "The long-term existence of CCICED and the high attention it receives from all parties has demonstrated its strong vigor and vitality". In his speech at the opening ceremony of the 2009 CCICED Annual General Meeting, Mr. Li Keqiang, Chairman of CCICED and Vice Premier of the State Council, pointed out, "CCICED has witnessed the progress in environmental protection. Many of its findings and policy recommendations have been adopted by the Chinese Government. I hope that each Member will, taking full advantage of CCICED, expand their fields of study and develop more innovative ideas based on China's reality and development trends, and make contributions to the promotion of sustainable

development both in China and the world”.

As the host organization of CCICED, the Ministry of Environmental Protection has further strengthened its leadership and support to the CCICED Secretariat, and in turn, the capacity of the CCICED Secretariat has been further improved. Relevant departments of the Chinese Government, including the Ministry of Foreign Affairs, the National Development and Reform Commission, the Ministry of Finance, the Ministry of Commerce and others have attached great importance to the work of CCICED. They have supported CCICED in various ways, and contributed continuously to making the Council an effective platform for international cooperation in the field of environment and development.

CCICED developed wider partnerships over the past year and increased its influence. At present, CCICED has 19 main partners ranging from the government agencies of other countries, international organizations, to NGOs, including Canada, Norway, Sweden, Germany, Britain, Japan, the Netherlands, Italy, Australia, France, Denmark, EU, UNEP, UNDP, UNIDO, WWF, US Environmental Defense, the Rockefeller Brothers Fund and Shell Company. The financial and intellectual contributions of these partners have provided strong support to the ongoing development of CCICED.

A summary of the major areas of progress made by CCICED in 2010 follows.

1 Contributions of Chinese and International Members

Chinese and International Council Members have played an important role in the promotion of the Council, and contributed to the progress made. They have actively taken part in CCICED policy studies over the past year. In particular, six Chinese and International Council Members have served as co-chairs or experts of the new Task Forces and special policy research projects. They have contributed time, resources, experience and wisdom to the policy research. Fifteen Chinese and International Members attended the 2010 CCICED Roundtable Meeting to voice their opinions and suggestions. Due to the joint efforts of Council members and other participants, the 2010 Roundtable Meeting was a success. CCICED research findings were disseminated widely. Also, recommendations to the Chinese government were brought to the attention of government departments and local officials on adjusting environment and development policies during the key period of economic transition and green development. These policy recommendations were well received by relevant departments of the Chinese Government.

2 Policy Research Activities

As a high-level international advisory institution in the field of environment and

development, CCICED has focused the wisdom, experience and expertise of Chinese and international experts on the formulation of policy recommendations, CCICED's principal mandate.

The main focus of the Council's work in 2010 related to the management of ecosystems and green development, covering land ecosystems, marine ecosystems, China's ecological footprint, water ecological functions, and soil protection. Task forces and special study experts analyzed and studied the current status in these areas and future development trends for different types of ecosystems, and put forward countermeasures and policy recommendations in order to facilitate sustainable management of ecosystems and green development in China.

The following policy research projects completed their work in 2010:

- (1) Task Force on Ecosystem Service and Management Strategy in China (2009-2010)
- (2) Task Force on Ecosystem Issues and Policy Options Addressing the Sustainable Development of China's Seas (2009-2010)
- (3) China Ecological Footprint Report 2010 (2010)
- (4) Policy Framework Research on Improving Service Functions of Aquatic Ecosystem (2010)
- (5) Developing Policies for Soil Environmental Protection in China (2010)

Meanwhile, the following three new Task Forces approved at the 2009 Bureau Meeting were launched in 2010:

- (1) Task Force on the Development Mechanism and Policy Innovation of China's Green Economy (2010—2011)
- (2) Task Force on Low Carbon Industrialization Strategy in China (2010—2011)
- (3) Task Force on Investment, Trade and Environment (2010—2011)

The selection of members for the three Task Forces was completed, and their work has officially begun. They will report to the 2011 AGM.

New experts, both Chinese and international, have overcome such difficulties as cultural and language barriers, deepened their understanding of the areas under study, followed CCICED research guidelines, and combined international experience with Chinese realities to focus on the interaction between China and the world. Donors and cooperation partners have provided their support to the Council and its research projects, helping ensure their smooth operations.

3 2010 CCICED Roundtable Meeting

CCICED held its 2010 Roundtable Meeting in Shanghai on March 25-26, 2010. This

was the Council's third roundtable meeting since 2008. The theme of the meeting was "Low Carbon Transformation for Green Urban Development". Participants included 15 Chinese and International Council Members, mayors of 15 Chinese cities, heads of 34 local EPAs (Environmental Protection Agencies), relevant departments of the State Council, experts and scholars from home and abroad, and representatives from embassies international organizations, and Chinese and international corporations. They shared the 2009 Council policy recommendations to the Chinese government and had in-depth exchanges on such topics as low carbon transformation for green urban development, energy efficiency and environmental challenges for urban development, and environment and economic policy for urban green development.

Based on the concept of low carbon economy and low carbon cities and on international practice and experience in developing a green economy and achieving low carbon transformation for green urban development, the roundtable meeting put forward five policy recommendations on achieving urban green development in China: 1) Strengthen green leadership of the government and develop and implement strategic plans and roadmaps for green development and low carbon transition in cities; 2) Identify a system of indicators for green economy and green development transition with systematic innovation; 3) Scientifically choose urban development modes and improve consumption behaviours and patterns to reduce urban consumption of energy; 4) integrate resources, optimize energy mix and raise energy efficiency to facilitate low carbon transition in cities; and 5) strengthen the demonstration and replication of green development and low carbon transition in cities. These policy recommendations have been submitted to relevant departments of the central and local governments and have attracted high attention.

4 Dissemination of CCICED Achievements

To expand the influence of CCICED and share its findings, the Secretariat developed a special information plan, which has been followed up on successfully with the support of the Secretariat International Support Office.

Seizing the opportunity presented by the Roundtable Meeting, CCICED expanded the dissemination of CCICED policy recommendations and research findings.

CCICED compiled and printed numerous publications, including *Collections of the CCICED 2009 Annual General Meeting*, *CCICED Annual Policy Report 2009*, *CCICED Findings on Environment and Development Policies*, *Report of the CCICED 2010 Roundtable Meeting*, *CCICED Special Policy Report*, and *CCICED Annual Work Report*, through which CCICED activities and achievements were presented to the public,



stakeholders and relevant government departments.

CCICED established closer contacts with cooperation partners for better understanding and support through information briefings and electronic CCICED Updates, and strengthened domestic and international communications.

CCICED took full advantage of multimedia to strengthen the dissemination of its findings and achievements. It has made a video program for the first time providing a systematic and comprehensive introduction to CCICED. The Secretariat continuously improved Chinese and English websites of the Council and conducted on-line broadcasting of the CCICED AGM and the Roundtable Meeting. All of these activities have received a good response.

5 Preparation for CCICED Phase V

The year 2010 is the fourth year of CCICED Phase IV. To meet the requirement of Chinese senior leaders and the need for on-going dialogue and cooperation on global environmental issues and to foster continuous cooperation with the international community on environment and development, the Ministry of Environmental Protection commenced preparation in early 2010 for CCICED Phase V. These preparations included the followings:

- (1) development of basic principles to guide preparation of CCICED Phase V;
- (2) consultation with main donors and cooperation partners of CCICED;
- (3) consultation with relevant departments such as the Ministry of Foreign Affairs, Ministry of Finance and Ministry of Commerce;
- (4) organization of donor meetings for CCICED Phase V to solicit comments and suggestions.

The preparation for CCICED Phase V has attracted high attention of Chinese and international partners and donors, and received a positive response from all stakeholders in respect to their continued support to CCICED Phase V. A framework for CCICED Phase V will be completed by the end of 2010 and submitted to the Chinese Government for approval in early 2011.

6 CCICED Operation and Management

In 2010, led by the Secretary General and Deputy Secretary General, the Secretariat and its International Supporting Office, Chief Advisors and their supporting expert group operated smoothly with improved efficiency and better management.

6.1 The Secretariat and its International Supporting Office

Major activities of the Secretariat and its International Supporting Office over the past year included the following:

(1) Coordinate and manage CCICED policy research activities, provide overall support and assistance to the establishment and operation of policy research projects. In support of the research activities of five Task Forces, three special policy study projects and two background papers, the Secretariat organized and took part in more than 40 meetings and events related to these projects, and provided support to the operation of each research activity.

(2) Strengthen the management of the operation of Task Forces and special study projects, including standardizing management methods and developing guidelines for developing project proposals and for the compilation of study reports.

(3) Maintain and strengthen contacts and communications with Chinese and International Council Members, listen to and adopt their comments and suggestions on CCICED's work, deliver relevant information to them in a timely fashion, invite them to take part in CCICED activities and provide services in support of their work.

(4) Maintain close contacts with donors and cooperation partners, and continuously expand cooperation partnerships with Chinese and international stakeholders. Keep closer contacts with national government departments, local governments and enterprises.

(5) Design, prepare and organize major activities such as the CCICED AGM and the Roundtable Meeting, and continuously improve organizational capacity and working methods.

(6) Further standardize and strengthen the management of financial contributions to CCICED, in providing financial support to policy studies and other activities.

6.2 Chief Advisors and their Supporting Expert Group

The work mechanism for Chinese and International Chief Advisors worked very well over the past year. The Chief Advisors have played a key role in the smooth execution of the Council's workplan, particularly in policy research. The activities of the Chief Advisors and the Supporting Group over the past year included the following:

(1) Providing comprehensive suggestions to the Secretary General on the establishment of CCICED Task Forces and other policy research projects.

(2) Holding joint meeting of Chief Advisors and the Secretariat each quarter, and holding monthly work meeting of the Chinese Chief Advisor and Supporting Group to



ensure effective implementation of each activity.

(3) Providing academic guidance and assistance for task forces and special policy study projects ensuring effective communications among relevant parties.

(4) Drafting AGM documents such as Draft Policy Recommendations to the Government of China and the CCICED Issues Paper based on research findings.

(5) Drafting the 'Progress on Environment and Development Policies in China and CCICED Policy Recommendations Impact' document; tracking and analyzing the influence of policy recommendations of CCICED.

Annex: 2010 Financial Report of CCICED



Annex

**China Council for International Cooperation on Environment and Development
Phase IV (2007 – 2011)**

Report on Funding: 2010

1 Introduction

Phase IV of the China Council for International Cooperation on Environment and Development (CCICED) was inaugurated at the November 2007 Annual General Meeting. The year 2010 marks the third year of full Council operations. Due to the timing of the AGM and the availability of financial data, this report on funding covers the period from 1 October 2009 to 30 September 2010.

2 Phase IV contributions

The Council's operation and activities for Phase IV are supported financially by the Government of China and a wide range of international donors. Details of donors' contributions or commitments appear in Table 1. Contributions were made in a number of currencies. The USD\$ equivalent amounts shown were calculated using exchange rates valid on 30 September 2010. The real US\$ value of a contribution will vary depending on when it was made available and when it was used over time to meet Council expenses.

3 Core Funding and Dedicated Funding

As in Phase III, Phase IV funding can be categorized as Core Funding and Dedicated Funding. Generally, Core Funding, which accounts for approximately 80 percent of total funding, can be deployed flexibly to finance the full range of the Council's operations, including the Annual General Meetings, Task Forces/Special Policy Studies, Roundtable Meetings, Chief Advisor Group, and the Secretariat, and thus helps ensure that the Council can respond in an unrestricted and prompt manner to changing priorities and circumstances. Dedicated Funds are funds that are provided to the Council for a specific purpose, usually to support the work of a particular Task Force, Special Policy Study, or pilot project. These Dedicated Funds, which account for approximately 20 percent of total contributions, are concentrated on policy studies and help ensure that high-priority policy research activities



have access to sufficient resources.

4 Management of funds

Most funds are administered by the Council Secretariat (SERI) in Beijing or by the Secretariat International Support Office (SISO) situated at Simon Fraser University in Canada, which manages the contributions to the Council on the part of CIDA, AusAID, French AFD, and British DFID, and funds from Norway's, Sweden's, and Denmark's contributions that are allocated to meet the international costs of specific task forces. In all, these funds represent approximately 40 percent of total Council funding. In a few instances, donors manage their contributions through their own offices.

During 2009/10, the Secretariat and SISO have continued to apply standard Guidelines on the use and management of funds used to meet international costs related to task forces. These Guidelines establish standards and limits for reimbursable costs, which were based in turn on the regulations and other conditions set by major donors on the use of their funds, and are designed to ensure consistency across all task forces. In addition, a number of procedures and contract and other templates are used to facilitate task force financial management.

5 Expenditures 1 October 2009 to 30 September 2010

Phase IV Expenditures from 1 October 2009, to 30 September 2010 are summarized, by donor, on Table 2. The total expenditure is USD 4 764 139. A number of other costs related to this period were processed through donor financial systems either before or after the October 2009 – September 2010 period (for example, for the 2009 and 2010 Annual General Meetings). These costs were included in last year's data or will appear in the 2010-2011 figures.

Table 1 CCICED Phase IV – Donor Contributions-September 2010

	Donor	Amount in original currency	Approximate value in US\$ at 30 Sept 2010 rates (see Note 1)	Details
1	China	19 000 000 RMB	2 837 725	Core Fund
2	Canada	6 950 000 CAD	6 747 250	Core Fund
3	Norway	13 500 000 NOK	2 296 310	Partially allocated by donor to Task Force on Low Carbon Economy
4	Germany	1 000 000 EUR	1 363 000	Partially allocated by donor to Task Force on Economic Instruments
5	Sweden	9 000 000 SEK	1 134 000	Partially allocated by donor to Task Force on Low Carbon Economy
6	Australia	1 000 000 AUD	965 850	Core Fund
7	Italy	400 000 EUR	545 200	Core Fund
8	Netherlands	375 000 EUR	511 125	Partially allocated by donor to Task Forces.
9	US EDF	500 000 USD	500 000	Managed by EDF.
10	EU	50 000USD +300 000EUR	458 900	Allocated by donor to Task Force on Ecosystem management and other policy reports.
11	France	300 000 EUR	408 900	Allocated by donor to Task Force on Urban Energy Efficiency.
12	Shell (China) Limited	400 000 USD	400 000	Allocated by donor to Pilot project on Low Carbon City.

	Donor	Amount in original currency	Approximate value in US\$ at 30 Sept 2010 rates (see Note 1)	Details
13	UNDP	378 000 USD	378 000	Allocated by donor to Task Force on Rural Development and Climate Change
14	Demark	2 000 000 DKK	365 737	Allocated by donor to Task Force on Coal
15	Japan	30 000 000 JPY	359 310	Allocated by donor to Task Force on Environment and Health
16	UK/DFID	200 000 POUNDS	314 240	Allocated by donor to Task Force on Low Carbon Economy and Task Force on Low Carbon Industrialization.
17	WWF	35 000USD +140 000EUR	225 820	Allocated by donor to Eco-footprint Joint Project
18	Rockefeller Brothers Fund	130 000 USD	130 000	Allocated by donor to Task Force on Environment and Health
19	UNIDO	40 000 USD	40 000	Allocated by donor to Task Force on Low Carbon Industrialization
20	UNEP	35 000 USD	35 000	Allocated by donor to Environment and Development Outlook study and Task Force on China Oceans and Coasts
	TOTAL (USD\$)		20 016 367	

Note 1: the value in US\$ of a contribution will vary depending on when it was made available and when it was used over time to meet Council expenses. To provide notional amounts based on a consistent exchange rate, rates valid on 30 Sept. 2010 were used.

Table 2 Expenditures: CCICED Phase IV
October 2009-September 2010

US dollars

Category	China	Canada	Australia	UK	Denmark	Norway	Sweden	France	Germany	Italy	Netherlands	EU	WWF	UNEP	EDF	Total
1. Task Forces / Special Studies																—
Low-Carbon Economy		80 471	9 999	85 784		94 826	120 342									391 422
Economic Instruments		1 758	8 173													9 931
Energy Efficiency and Urban Development						99 000	90 000	87 010								276 010
Sustainable Use of Coal		17 847	4 173		45 320	1 060										68 400
Rural Energy															100 000	100 000
Ecosystem Management	30 100	220 411	23 589									180 000				454 100
Oceans	30 100	258 292	139 878				179 299							10 000		617 569
Green Development	22 575	17 086				1 920										41 581
Low Carbon Industrialization	22 575	24 414	13 628													60 617
Investment and Trade	22 575	30 023	17 309													69 907
China E&D Outlook		13 100	4 803											25 000		42 903

Category	China	Canada	Australia	UK	Denmark	Norway	Sweden	France	Germany	Italy	Netherlands	EU	WWF	UNEP	EDF	Total
Special Study: Water	22 575															22 575
Special Study: Soil Protection		5 598														5 598
China's Eco-footprint									196 250				219 800			416 050
other policy background repots												50 000				
Subtotal	150 500	669 000	221 552	85 784	45 320	196 806	389 641	87 010	196 250	-	-	230 000	219 800	35 000	100 000	2 626 663
2. Council AGM	90 300	14 168	126 955			117 638	58 597			45 000						452 658
3. Roundtable meeting	57 190	28 411	17 609			56 438	46 668			12 040						218 356
4. Secretariat operations (SERI)	284 667					4 500	4 500			67 043	88 625					449 335
5. Chief Advisor Group	60 200	275 652	9 104			47 183	44 050									436 189
6. SISO Administration / Training		580 938														580 938
Total expenditures	642 857	1 568 169	375 220	85 784	45 320	422 565	543 456	87 010	196 250	124 083	88 625	230 000	219 800	35 000	100 000	4 764 139