



# CCICED at 20: Activities, Impacts and Future Opportunities Summary Report<sup>①</sup>

## 1. CCICED Background and Characteristics

Two months before the 1992 Rio Earth Summit, the China Council for International Cooperation on Environment and Development (CCICED) held its inaugural meeting in Beijing on April 19, 1992 attended by senior Chinese and a number of international environmental experts. This Council is a high-level international advisory organization to the Government of China. Though it was established as a non-governmental body, there has been strong Chinese governmental involvement and support in addition to participation by many international funding partners. CCICED's 20 year history of activities has taken place over the most significant period of China's rapid economic growth and action on environment and development. These also have been the critical decades for the rise of global agreements concerning sustainable development, in which China is an active participant.

### 1.1 Twin Backgrounds for the Genesis of CCICED

Besides the efforts of individual environment and development advocates in China and the international community, the genesis of CCICED owes much to two important trends.

One was the inevitable need for considering environmental factors in the context of China's reform and opening-up policy. This policy, adopted in 1978, had entered a key stage in the 1990s. But well before, in 1972, a Chinese delegation participated in the UN Conference on the Human Environment held in Stockholm, leading to the formal start of China's domestic environmental protection agenda. To a certain extent, cooperation on

---

① This interpretive Summary Report has been prepared by Chinese members of the CCICED Chief Advisors Group. It is based on a much longer overview report with the same title written by the CCICED Chief Advisors, Dr. Arthur J. Hanson and Prof. Shen Guofang, with inputs from the Chief Advisors Group and others. The purpose of the Summary is to provide an introduction to 20 years of work on environment and development policy advice.



environment was among China's earliest fields of opening-up and international cooperation. The environment became an important vehicle for international cooperation even in times of difficulties in the years ahead. Therefore, the overall reform and opening-up process and the special role of international environmental cooperation formed a political background for the genesis of CCICED.

The second was the need for China to draw upon on-going international environment and development processes and experience as it set out on its own course. The 1987 report *Our Common Future* and particularly the 1992 Rio Earth Summit marked a new era of sustainable development for the world. Industrialized countries had been the leaders on both environmental pollution control and environmental management, with a solid theoretical research base, policy development and practical implementation experience. The Rio Summit called for a global partnership on sustainable development, and North-South assistance on environment and development issues.

Based on a gradually expanding research capacity, formulation of several environmental laws and regulations, and early environmental institutions in the 1970s and 1980s, China had developed some capacities for pollution control and ecological conservation initiatives by the early 1990s, and had actively participated in the path-breaking effort on sustainable development of the World Commission on Environment and Development (WCED) and all processes leading up to UNCED (Rio Earth Summit). China was eager to learn from international society and to pursue international knowledge and experience regarding both large-scale pollution control and in-depth sustainable development applications. This was the basis of practical need for the establishment of CCICED.

## 1.2 Three Elements of Uniqueness

CCICED is comprised of around 50 members each with a term of five years. 2011 is the last year of CCICED Phase 4 and the next five-year phase will start in 2012. There are three major elements of uniqueness that have facilitated successful development of CCICED, making it a unique "brand" nationally and on the world's environment and development stage.

(1) High-level organization with broad range of participation. CCICED includes half Chinese and half international members. The members have comprised key political leaders, business leaders, representatives from international organizations and NGOs. The Council Chairperson is the Vice Premier of the State Council with responsibility for environmental protection. The Minister of Environmental Protection is the Chinese Executive Vice

Chairperson, and the President of the Canadian International Development Agency (CIDA) is the International Executive Vice Chairperson. Over twenty years, 24 international organizations, countries, regional organizations, NGOs, multinational corporations and foundations have funded CCICED activities.

The Council meets with a senior leader of China and forwards its policy recommendations to the State Council each year. Every year more than 200 national and international experts are engaged in CCICED activities. It is evident that no other country has such a high level national mechanism based on outside consultation. The high-level members, competent research teams and broad participation of stakeholders provide solid foundations for CCICED to carry out high-level, diversified and inclusive policy advisory work.

(2) Clear themes and direct access to high-level decision makers. CCICED identifies specific themes based on national and international context, under which key topics requiring priority attention are examined by Task Forces (called Working Groups in early phases) or Special Policy Studies. These studies are jointly carried out by national and international experts who are drawn from a wide range of organizations. Their work takes into account both domestic Chinese needs and international experience. Each year, the findings are presented to CCICED members during the Annual General Meeting (AGM). Based on the AGM discussions, recommendations to the State Council are finalized.

There are three channels for China's Government to receive CCICED policy recommendations: ① Meetings between the State Council Premier and CCICED members. Premier Wen Jiabao has met with the Council 13 times (including when he was Vice Premier); ② Direct participation of the CCICED Chair and leaders of relevant ministries during the AGM. Former CCICED Chairs including Mr. Song Jian (State Councilor), Mr. Wen Jiabao (as Vice Premier), Mr. Zeng Peiyan (Vice Premier), plus Mr. Li Keqiang (the current Vice Premier) between them have participated in 20 AGMs and presented important speeches; ③ Policy recommendations are circulated to the State Council and relevant ministries along with the reports of the task forces and special studies. In addition, policy recommendations are also disseminated to local governments and relevant stakeholders through the CCICED website, roundtable meetings and publications. The unique "Expressway" for the CCICED findings and policy recommendations to reach the national leaders makes CCICED's impact on decision-making incomparable to most other ordinary research organizations.

(3) Strong institutional support and adaptive evolution. In addition to high-profile attention from China's Government plus financial and other support from international



partners (a list of partners is included in the full version of this report), effective internal governance and continuous innovation of the mechanism are key contributors to CCICED's thriving status over the past 20 years. The internal management structure includes: a Bureau that is responsible for key decision-making and development of operation rules; the Secretariat (in the Ministry of Environmental Protection) and the Secretariat International Support Office (at Simon Fraser University in Canada) are CCICED's supporting units. Over the past decade an additional component, the Chinese and International Chief Advisors and their supporting group has contributed. They are responsible for identifying study themes and directions, providing guidance to task forces, drafting an annual Issues Paper and policy recommendations to the Government of China. In order to improve the quality, efficiency and effectiveness of studies, CCICED has carried out a number of reforms and periodic adjustments including identification of themes, improving organizational modes and operation mechanisms. Enhancing this internal supporting capacity of CCICED has been important. Enhancements have included management training, and building the ability to provide integrative analytical skills.

## 2. Activities Over Past 20 Years and Impacts

### 2.1 Key Policy Study Activities

Provision of policy recommendations to the Chinese Government that can have substantive impact on policy formulation and outcomes is the ultimate objective and value of CCICED. Over the past 20 years, CCICED has mobilized several thousand experts through about 62 task forces, special policy studies or working groups on comprehensive and in-depth studies of environment and development issues in China, based on which more than 140 policy study reports have been prepared. Each year 10 or more major policy recommendations are submitted to the Chinese Government. In addition, more detailed recommendations of task forces and special studies are circulated to relevant departments and to others. Identification of new policy study topics is based on two considerations: one is international environment and development agendas and their relative value in terms of knowledge and experiences; the other is the situation of environment and development in China and urgency of need.

CCICED Phase 1 (1992—1996) started just at the time of new global era was ushered in by the Rio Earth Summit, with its new proposals for international cooperation on environment and development. Soon after, China issued its Ten Strategic Policies for China's Environment and Development, and produced China Agenda 21 that, for the first

time, began to mainstream sustainable development concepts into long-term national economic and social development plans. CCICED Phase 1 topics were mainly related to fundamental studies in key areas with emphasis on introduction of basic theory and practical experiences, including biodiversity conservation, energy strategies and technologies, science and technology, resource accounting and pricing, environmental monitoring, pollution control, environment and trade, economic planning and environmental conservation.

During CCICED Phase 2 (1997—2001), there was significant progress on international cooperation on environment and development symbolized by the Kyoto Protocol and implementation of the Global Biodiversity Convention. Bilateral environmental cooperation was becoming active, the UN Millennium Development Goals were adopted, and many good practices of sustainable development started to emerge on the part of businesses, often with leadership by national and international civil society organizations.

Near the turn of new century, China entered a stage of heavy chemical industries, with obvious deterioration of the overall environmental pollution situation. To address the worsening situation, China implemented comprehensive environmental rehabilitation programs with an emphasis on cities and on regional environmental pollution control campaigns, especially since the mid-1990s, and adopted sustainable development and science & education as two basic strategies for revitalization. Transformation of economic growth mode was raised for the first time. China also experienced serious problems and changes during this period: effects of the Asian financial meltdown, the historic 1998 flood, and the impacts of joining the World Trade Organization in 2001.

Under this situation of rising growth but also taking into account both challenges and new economic opportunities, CCICED expanded its Phase 2 to include not only those topics covered in Phase 1, but also others: foresight and early warning topics related directly to the economy and environment, clean production, environment and transport, economic planning and environmental protection, western forests and grasslands, and sustainable agriculture. These topics were not fully included in the central agenda of environmental protection and sustainable development in China at the time. CCICED's efforts in this regard provided a sound theoretical and policy foundations for later actions by China's Government. Drawing on international concepts and experiences was still a sustaining part of the Phase 2.

Phase 3 (2002—2006) was a period of important reform for CCICED based on changing international perceptions of environment and development, and also of transformative change within China. The 2002 Johannesburg World Summit on Sustainable Development



(WSSD) signaled a renewed and more proactive stage of sustainable development in international society, with many new practices and methods worth studying, for example, ideas about recycling and circular economy. Another was the growing emphasis on understanding the value and need for protection of ecological services. The WSSD had a significant influence on Phase 3 work, including building a better understanding of China's role in the world as it started its meteoric rise as an exporting nation.

Within China, the government put forward its overall well-off society strategy in 2002, with objectives of quadrupling GDP (revised in 2007 to quadrupling of per capita GDP) by 2020 and enhanced capacity to implement sustainable development broadly within society in both cities and the countryside. Economy entered a new round of high-speed growth, but the 10<sup>th</sup> Five-Year Plan's environmental objectives were not achieved. Intolerable pressures on resources and environment were becoming obvious, and within government and society there were more active reflections on development modes.

According to this changing environment and development situation and based on past lessons and experiences, CCICED adopted active adjustments to its membership, policy study activities, and operations, including: (1) A broader range of expertise and backgrounds among members; replacement of working groups by task forces with more immediate deadlines for reporting, and more focused study themes; and an increase in the number of international funding partners; (2) Implementation of the Chief Advisors mechanism to provide guidance and advice on CCICED studies and other substantive aspects of the work. (3) An increasing role on the part of Chinese experts in the preparation of policy studies, with the numbers of supporting Chinese experts nearly doubled. These changes allowed the task forces to be established in a more systematic way with carefully drawn themes and focus of work.

There were 21 task forces during Phase 3, covering topics such as sustainable agriculture, sustainable industrialization, sustainable urbanization, and environmental governance. As to the products, although still based in part on external experience, the number of original products tailored specifically to the Chinese context was on the increase. In general the complexity of topics to be addressed also increased, with fewer opportunities to seek "off-the-shelf" solutions.

Based on fruitful achievements during Phase 3, including significant inputs regarding the "11<sup>th</sup> Five-Year Plan", CCICED Phase 4 (2007-2011) has made even more significant progress, to become the most active and successful phase of activity. The successes of Phase 4 included accurate judgments about China entering a strategic transformative change period in its environment and development relationship, more emphasis on overall and

macro level needs of China, enhanced focus to the work, better foresight and strategy analysis of topics, increased integration among the research products, and increased impact of policy recommendations on China's environment and development agenda.

During the Phase 4 period, China experienced many historic events including the global financial crisis, the Wenchuan earthquake, the 2008 ice and snow disaster, the Beijing Olympic Games and the Shanghai World Expo. New development strategy concepts and approaches also were becoming mature, including the theme of scientific development, a development mode change, and the objective of Harmonious Society. New requirements of Ecological Civilization, Resource-Saving and Environmental Friendly Society were put forward by the Government. The "11<sup>th</sup> Five-Year Plan" was the first to adopt mandatory energy saving and emission reduction targets. Green development has drawn broad attention in the past few years.

Recognizing the new situation of environment and development in China and addressing key issues, over the five years of CCICED Phase 4 the following themes were examined in sequence: innovation and environmental friendly society, institutional innovation and harmonious development; energy, environment and development; ecosystem management and green development; and green transformation of economic development. Under the umbrella of these themes, a total of 13 task forces, 5 special policy studies and 3 other studies were carried out.

## 2.2 Key Policy Impacts

It is not an easy task to provide a comprehensive assessment of the policy impact of CCICED's policy recommendations. First, it is difficult to identify a timely response between CCICED's recommendations, the policy decisions and actual changes or outcomes. Even when there is uptake of a recommendation by decision-makers, there may be no immediately measurable action or consequence that can be directly linked, since these depend on both decision-making processes and appropriate enabling conditions. Second, it is not possible to confirm the "cause and effect" relationship between CCICED policy recommendations and decision-making changes. There could be many policy recommendation channels and supporters behind any policy change or formulation. In fact, CCICED remains modest in seeking credit concerning its impact on China's sustainable development. Those devoting their efforts to CCICED activities, and the funding partners generally are satisfied as long as the overall or partial progress of China is consistent with the policy recommendations of CCICED. This satisfaction depends on progress reflected through four aspects:



(1) Improved strategy. Over twenty years, CCICED witnessed the high-speed economic development and grave resource and environmental situation in China. CCICED has provided a significant level of strategy advice to address these interlocked concerns, ranging from broad adoption of market based instruments to its recent advice covering the need for environmental guidelines on Chinese outgoing direct investment (ODI). Especially, CCICED has constantly recommended the mainstreaming of environmental protection into national economic and social development in order to promote integrated progress towards China's sustainable development. Meanwhile, CCICED is also highlighting strategic opportunities for incremental progress of China's sustainable development and major transformation of coordinating environment and development, often through sectoral strategies.

(2) Advances. Introduction of international advanced concepts and policies, technologies and best practices is a major activity of CCICED's studies and recommendations. Currently, one can find ample evidence from CCICED's recommendations about introduction or improvement of many concepts, regulations, governance system and approaches in China's environmental management domain, such as pollution fee, pollution trade, total pollution control, environmental tax, green credit, resources accounting, and full cost pricing, etc.

(3) Foresight. This requires CCICED to stay ahead of the curve for suggesting practices suitable for China's changing economic, social and environmental situation, based on latest trends of international environment and development. This helps to keep China in line with new opportunities, while maintaining its competitiveness and achieving improvements in the environment that are beneficial to both China and the rest of the world. CCICED has started studies and provided recommendations on some issues well before Chinese society, industry and government were fully aware of their significance, for example, biodiversity protection, cleaner production, circular economy, low carbon economy, green development, renewable energy, and green taxation.

(4) Early warning. For issues related to trade and environment, rural environment, forest/grassland rehabilitation policy, transportation pollution, marine pollution, and heavy metal pollution such as mercury etc., CCICED has started relevant studies before they were recognized in China's agenda. It is accepted that these studies have provided good early warning for China to pay timely attention.

In terms of policy impact, there are many cases about which CCICED can feel proud. Early in 2007, CCICED started discussions on low carbon economy, a Task Force was established in 2008 to carry out in-depth study, in 2009 China leaders made official



commitment on low carbon economy, and subsequent pilot activities have been implemented by relevant ministries. After the 2008 financial crisis, CCICED introduced UNEP's green economy concept, and put forward recommendations for China to pursue green development. The "12<sup>th</sup> Five-Year Plan" approved in 2010 has fully incorporated such a concept with specific measures. A package of recommendations on ecosystem compensation was provided by CCICED in 2006, and since early 2009 China has shown its systematic attention through various activities, and relevant legislation is now in process. A similar path was followed much earlier on with regard to circular economy. In 2007, CCICED carried out systematic study on total pollution load reduction, and suggested that China should expand pollution control based on actual improvement of environmental quality. The total pollution load reduction in "12<sup>th</sup> Five-Year Plan" issued in 2011 indicated that NH<sub>3</sub>-N and NO<sub>x</sub> have been included. In 2006 and 2007, CCICED recommended twice to Premier Wen Jiabao to upgrade SEPA to a full ministry status as part of the State Council, and in 2008 the Ministry of Environmental Protection was formally established. Numerous other examples could be cited where it is believed CCICED recommendations have made such direct impacts.

### 3. CCICED Value and Future Opportunities

It is not difficult to perceive the unique value of CCICED through its composition and operational mechanism, its policy studies over 20 years, and its impact on China's policies. There is a strong sense on the part of the various participants in CCICED that the considerable effort expended is worthwhile because it has created a unique knowledge system about China's environment and development and how to deal with diverse challenges. This is leading to important positive impacts within China for the health and well-being of the people of China, and outside of China concerning the global environment and development agenda.

Various high-level figures have given their appraisal on the value of CCICED:

Premier Wen Jiabao said during his meeting with CCICED members in 2010: "The reason the China Council has lasted is because of the sincerity and good cooperation from both sides. For so many years, international experts and friends have sacrificed their free time to study China's problems and put forth recommendations. This has been of great help to China. From a broader perspective, I get the sense this is also your own commitment to Mother Earth, the only home we have."

Vice Premier and current CCICED Chair Li Keqiang mentioned in 2009 AGM that: "For 18 years, CCICED has witnessed the development of environmental protection in



China...many study findings and policy recommendations have been taken up by the Government of China.”

Concerning CCICED findings and policy assessment, UNEP Executive Director Achim Steiner said at the 2007 AGM: “I believe that China is now in the forefront of helping the world to interpret the environment in the context of development—more as a driver for development.”

Huguette Labelle, former CCICED International Executive Vice Chairperson who as Co-chair of the 2006 Special Task Force on Review and Prospects noted: “The CCICED task force on Forests and Grasslands provided an early assessment of performance that was an outstanding example of analysis. The work of this task force was listened to and acted on by the Government of China.”

The 20 years of experiences show that the unique value of CCICED is reflected through four key roles of the Council:

(1) A bridge linking China with international communities, the government with society and intergovernmental agencies towards a harmonious development between man and nature.

(2) A think tank to disseminate new ideas and advanced international experience on sustainable development to policy makers at various levels in China.

(3) A high-level international advisory body in which Chinese and international experts exchange views frankly.

(4) Facilitator to China in introducing its achievements, experience and solutions to international communities.

The Rio+20 summit is approaching in June 2012. Sustainable development implementation by international society over the past 20 years has been full of difficulties: resource and environmental crisis situations are deteriorating in many spots; globally, the financial crisis is still overshadowing all; the MDGs are difficult to achieve, and often there are hurdles for international environmental cooperation. Therefore, there is a need for closer and stronger cooperation among members of the international society. CCICED is a concrete example of the value of such cooperation. Hopefully this experience will be useful to others.

While China is fortunate to be at a key stage for the construction of a “well-off” society, there are still problems of “unbalanced, uncoordinated and unsustainable development”. Resource and environmental constraints on economic and social development are still increasing. Current environmental situation and future trends are: ① There is improvement on certain areas of concern while the overall deterioration has not been stopped; ② The



situation is still grave and environmental pressure is still increasing; and (3) The tasks of ecological civilization and environmental friendly society construction remain formidable. There is a need for a sustainable new road for China's environmental protection with low environmental cost, high benefits and low pollution emissions. It is obvious that sustainable development is the only way towards a bright future for mankind. It is a long journey that needs continuous exploration efforts from CCICED.

For the future of CCICED, Premier Wen Jiabao has given the answer: "On the question of how long this Council will exist, I can tell you that we will continue until the international community is satisfied with China's efforts towards environmental protection. This is not an easy task: it will require the efforts of many generations, perhaps dozens."