

Summary of the 2023 Annual General Meeting of the China Council for International Cooperation on Environment and Development: 28-30 August 2023

Despite continuing sustainable development challenges linked to protracted and interlinked global crises, “a new paradigm of high-quality green development is well underway.” Citing a recent trade-climate scenario report by the World Economic Forum, an Issues Paper prepared for the meeting envisioned that 15% of the global merchandise trade by 2030 could be made up of low-carbon goods.

China’s central role in driving this paradigm shift, and the lessons it offers for developing countries in particular, was a key theme at the 31st Annual General Meeting (AGM) of the China Council for International Cooperation on Environment and Development (CCICED), which convened under the theme, “Green Transition for High-Quality Development: Modernization in Harmony with Nature.”

Numerous examples of the positive feedback loops that link low-carbon development, digitalization, and market-based innovation were highlighted at the meeting. An often-cited success was China’s 2023 renewable energy targets, demonstrating that trade-offs between energy security and low-carbon energy development are no longer needed. In particular, China’s leadership in creating new, data-driven smart cities and regions based on data center integration, and its contribution to bridging data gaps in monitoring the Sustainable Development Goals (SDGs) and associated innovations in “integrated policymaking and governance,” were showcased.

The need to further enhance synergies to tackle the triple planetary crisis, including through more innovative financing mechanisms, was a core concern. A promising tool highlighted by various speakers was the innovative use of enhanced international green credit arrangements, such as debt-for-nature swaps. In its draft Policy Recommendations, the AGM encourages the Chinese government to, *inter alia*, “maintain strategic determination and firmly implement the ‘dual-carbon’ goal.” This goal refers to China’s commitment to peaking carbon dioxide (CO₂) emissions before 2030 and achieving carbon neutrality by 2060.

The AGM also offered specific proposals on how to accelerate implementation of the landmark Kunming-Montreal Global Biodiversity Framework (GBF), calling for, among other actions: establishing a biodiversity expert group to facilitate engagement, coordination, and implementation at the national and international

levels; and developing a systematic and comprehensive methodology to assess the ecological and environmental impacts of subsidy policies, beginning with agriculture, forestry, and fisheries as pilots.

The AGM discussions drew on proposed pathways and policy recommendations contained in eight “Special Policy Studies” (SPS) undertaken in the preceding year:

- Pathways for Achieving Carbon Neutrality and China’s Role in Global Climate Governance;
- Pathways and Policies of Blue Economy in Supporting Carbon-Neutrality Target;
- Collaborative Mechanism for Pollution Reduction, Carbon Reduction, Green Expansion, and Growth;
- High-Quality Development of River Basins and Adaptation to Climate Change;

In This Issue

A Brief History of CCICED	2
Report of the 2023 AGM	3
Opening Session	3
Open Forums	6
Implementing the Kunming-Montreal Global Biodiversity Framework towards Harmony with Nature	6
Building a Green BRI to advance Global South-South Cooperation	8
Driving High-Quality Industrial Development through Green & Digital Dual Transformation	10
Synergizing the Efforts on Climate Change and Forging the Path to Green Prosperity	12
Building Green Consensus and Empowering Financial Innovation	14
Integrating Land and Ocean to Promote Collaborative Governance	15
Policy Research Dialogue	18
Upcoming Meetings	18
Glossary	18



Huang Runqiu, CCICED Executive Vice Chairperson and Minister of Ecology and Environment, China, opens the 2023 AGM of the CCICED.

- Promoting Digitalization and Green Technologies for Sustainable Development;
- Trade and Sustainable Supply Chains;
- Innovative Mechanism of Sustainable Investment in Environment and Climate; and
- Sustainable Development Innovation Mechanism Boosted by the Belt and Road Initiative (BRI).

The AGM also adopted the CCICED progress report for 2022-23 and workplan for 2023-2024.

Representing the first in-person AGM of the CCICED in three years, the meeting was held at the Beijing Hotel in Beijing, China, and drew more than 500 high-level experts from government, research, the private sector and civil society delegates.

This report covers plenary and parallel Open Forum discussions on Monday and Tuesday, 28-29 August. A closing session took place on Wednesday, 30 August, but is not covered in this report.

A Brief History of CCICED

Established in 1992, CCICED is a high-level international advisory body whose Membership includes experts from governments, businesses, international organizations, research institutions, and social organizations from China and abroad.

CCICED's main tasks are to study critical environment and development issues facing China and to provide policy recommendations to the Chinese government. By providing a platform for international exchange on sustainable development, the Council seeks to "enable the international community to understand China and support China's engagement in the world." CCICED pursues this aim by carrying out comprehensive,

cross-sectoral, and multidisciplinary research that integrates environmental, economic, and social concerns. It draws on advanced international concepts, policies, technologies, and best practices, with the aim of advancing ecological civilization and sustainable development.

CCICED's research is organized under four Task Forces, which address: global environmental governance and ecological civilization; green urbanization and environmental improvement; innovation, sustainable production, and consumption; and green energy, investment, and trade. The latter includes consideration of China's Green BRI.

CCICED seeks to balance gender, geographic regions, nationalities, and areas of expertise among participating experts, and is making efforts to increase the involvement of youth, the private sector, and civil society in its work.

Research and Policy Recommendations: Since its inception, CCICED has carried out hundreds of research projects involving over 1,000 Chinese and international experts. It has also put forward hundreds of policy recommendations on issues such as pollution control, cleaner production, biodiversity conservation, energy and environment, circular economy, low-carbon economy, ecological compensation, social dimensions of environmental protection, sustainable consumption, media and public participation policies, corporate social responsibility, green supply chains, and green finance. In addition, the Council has partnered with national and local authorities to pilot its policy recommendations, including those on sustainable consumption, environmental information disclosure, and environmental risk management.

CCICED's annual policy recommendations are circulated as official government documents by the Ministry of Ecology and



Chair Huang Runqiu, CCICED Chinese Executive Vice Chairperson and Minister of Ecology and Environment

Environment to China's State Council and local governments, providing a reference for policymakers at all levels. Many of the Council's recommendations have been incorporated into subsequent policies, institutions, systems, and standards. Since 2008, the support team for CCICED's Chinese and international chief advisors has produced an annual report that tracks progress on China's environment and development policies and the impact of CCICED's policy recommendations.

Annual General Meeting: The Council meets once a year at an AGM to consider the reports and recommendations of the Task Forces and SPS groups that work throughout the year on various aspects of environmental and sustainable development policy. Experts from governments, academia, the business community, and civil society discuss the research findings and recommendations arising from CCICED's reports. At the conclusion of the meeting, the Council, drawing from these reports and AGM discussions, considers a set of policy recommendations, which are then forwarded to the Chinese government.

No AGM was held in 2020 due to the COVID-19 pandemic. The 2021 AGM took place in a hybrid format under the theme "For Nature and Humanity: Building a Community of Life Together." Marking the 30th anniversary of CCICED, the 2022 AGM convened as a hybrid session under the theme "Building an Inclusive, Green and Low-carbon Economy," and reviewed results from CCICED's Phase VI in preparation of the launch of the seventh phase of the the Council's work.

Report of the 2023 AGM

Opening Session

Chair Huang Runqiu, CCICED Chinese Executive Vice Chairperson and Minister of Ecology and Environment, opened the plenary session on Monday. He noted that China has put "ecological civilization" high on its national agenda, and integrated green development into its economic and social development processes. He underlined some of the country's achievements in its "battle for blue sky, clear water, and clean soil," including: preserving 1 billion mu of land, making the

country first globally; and exceeding 1,300GW renewable energy capacity.

Regarding the CCICED work programme, Huang suggested, *inter alia*: focusing on achieving the 2030 and 2060 dual carbon targets for peaking and neutrality; promoting policy exchanges and practice cooperation between China and other countries; and providing comprehensive solutions and pathways for achieving the SDGs.

Steven Guilbeault, CCICED International Executive Vice Chairperson and Minister of Environment and Climate Change, Canada, highlighted Canada's and China's leadership in the adoption of the Kunming-Montreal GBF. He stressed the adoption of the Framework was the result of active and responsive multilateralism, noting this is what is required to address the current triple planetary crisis of climate change, biodiversity loss, and pollution.

Guilbeault called for urgent solutions to help the world chart a net-zero and nature-positive future for everyone, highlighting that within the CCICED, some of the best minds from all over the world are working to solve the world's biggest challenges.

Recognizing current unstable and uncertain world circumstances, Xie Zhenhua, CCICED Vice Chairperson and China's Special Envoy on Climate Change, stressed the need to balance the immediate need for stability with the long-term need for sustainable development. He commended the common consensus among the international community that long-term energy transition on the basis of security, and green and low-carbon development, are the way forward. He shared some of China's achievements in climate action, including reducing its carbon intensity by 48% compared to 2005, reducing coal energy consumption from 68% in 2012 to 56% in 2022, and increasing non-fossil energy consumption from 9.7% in 2012 to 17% in 2022.

Xie underlined that an effective response to the climate crisis requires global cooperation and implementation of actions. He highlighted China's contribution to South-South cooperation by, for instance, entering into 46 cooperation agreements on climate change with 39 developing countries.



Xie Zhenhua, CCICED Vice Chairperson and China's Special Envoy on Climate Change



Inger Andersen, CCICED Vice Chairperson and UNEP Executive Director

Inger Andersen, CCICED Vice Chairperson and Executive Director, United Nations Environment Programme (UNEP), applauded CCICED's recommendation to focus in 2023 on areas such as emission reductions, green finance, and GBF implementation. She highlighted China's advancements, particularly in having one-third of the world's new installed capacity of renewable energy. She highlighted the CCICED recommendations to formulate a systematic coal power phaseout policy, echoing the UN Secretary General's call for no new coal power plants domestically or financed abroad. She underlined that China holds the promise of leading the world in demonstrating climate action. Noting China is estimated to produce 30% of the world's plastic, she highlighted the tremendous opportunities for Chinese research and development to invest in reinventing the products that are "enveloped in plastic."

Kristin Halvorsen, CCICED Vice Chairperson and Director, CICERO Center for International Climate Research, underlined the need to avoid short-term solutions that lock in unsustainable pathways and put long-term goals at risk. She stressed governments must review how public and private funding is allocated, and increase direct investment into activities that are in line with climate and nature goals.



Kristin Halvorsen, CCICED Vice Chairperson and Director, CICERO Center for International Climate Research

Halvorsen supported CCICED's perspective on how climate and environmental policies can contribute to sustainable economic growth and urged cooperation in seeking solid and suitable solutions, highlighting CCICED as an area for such cooperation. She said the world has a lot to learn from China when it comes to green investments and nature conservation, noting the country produces 60% of the world's new electric cars.

Achim Steiner, Administrator, United Nations Development Programme, via video message, called for "connecting the dots" across global conventions and environmental agreements on climate, nature, food, and energy. He stressed the need to "recalibrate our economies" to put environmental impact at the core of every decision, such as by redirecting financial flows towards low-emission, nature-positive investments. He also called for eliminating nature-harming subsidies at the domestic level, establishing nature-positive enterprises, and strengthening environmental governance.

Introduction of the CCICED Work Report (2022-2023) and Work Plan (2023-2024): Introducing the reports, Zhao Yingmin, CCICED Secretary General and Vice Minister of Ecology and Environment, China, noted that, despite unprecedented challenges faced, the Council has achieved all its established targets. He highlighted policy research to support the Government of China's decision-making, including eight SPS. Zhao announced plans for nine new SPS covering, among other issues, the pathway for China's carbon neutrality, global climate governance, and sustainable maritime governance.

Introduction of CCICED Issues Paper and Policy Recommendation Draft: The CCICED chief advisors introduced the thematic document for the session, titled "Green transition for high-quality development, modernization in harmony with nature." Scott Vaughan, CCICED International Chief Advisor, emphasized the large expansion in green technology, noting that the global market will exceed USD 1.7 trillion. On the question of implementation, he emphasized the need to fill the gaps to transition from policy into action.

Liu Shijin, CCICED Chinese Chief Adviser and former Deputy President, Development Research Center of the State Council, China, highlighted the challenges surrounding the policy recommendations, including inflation and extreme



Scott Vaughan, CCICED International Chief Advisor



Jennifer Morris, Council Member and CEO, The Nature Conservancy

weather events linked to climate change. He noted the need for more ambitious goals for clean energy and energy storage development that integrate modern electricity grid formulations. Among other issues, he called for consideration of the most optimal solutions and windows of opportunity for the energy transition.

During the ensuing discussion, Børge Brende, President, World Economic Forum, recalled that CCICED has not only conceptualized key policy innovations, but also orchestrated their implementation, calling for solutions that would lead other developing countries. Jennifer Morris, Council Member and CEO, The Nature Conservancy (TNC), highlighted opportunities in debt conversion towards nature conservation. Hu Baoling, Special Advisor and Honorary Dean, Research Institute of China Green Development, Tianjin University, discussed approaches for building a new green economic system.

Naoko Ishii, Council Member and Executive Vice President, University of Tokyo, noted the challenges posed by geopolitics in international discussions. Dirk Messner, President, German Environment Agency, noted that while there is much progress in achieving consensus on various issues, there is a delay in implementing these decisions. Eva Svedling, Council Member and former State Secretary, Ministry of Environment, Sweden, focused on the importance of addressing debt issues and the enormous risk they present for sustainable development.

Ana Toni, Secretary of Climate Change, Ministry of Environment, Brazil, highlighted China's leadership for countries in the global South in looking for nature-positive development policies, such as those which mitigate carbon emissions while also combating poverty. Tomas Anker Christensen, Climate Ambassador, Denmark, recalled the importance of the global stocktake under the Paris Agreement on climate change, and urged cooperation for the benefit of multilateralism.

Li Xiaojiang, CCICED Special Advisor and Co-Lead, SPS River Basins, called for more attention to non-traditional

disasters, including drought and extreme heat. Xue Lan, Council Member, noted the Chinese economy is still facing enormous challenges. He proposed considering the risks of climate overshoot, and greater attention to adaptation, particularly in developing countries.

Gong Ke, Co-Lead, SPS Digitization, and Executive Director, Chinese Institute of New Generation Artificial Intelligence Development Strategies, called for greater attention to how we use our policy institutions and markets to drive sustainable development. Jos Delbecke, Council Member and Chair, Climate Policy and International Carbon Markets, European Investment Bank, offered perspectives on the European Green Deal and ongoing geopolitical dynamics linked to the war in Ukraine.

Zhang Hongjun, Council Member and Partner, Holland & Knight, said the success of CCICED should be replicated in other thematic areas and noted US-China relations will not change for the foreseeable future, despite having some positive moments. Jo Tyndall, Council Member and Director, Environment Directorate, Organisation for Economic Co-operation and Development (OECD), stressed the need for system-wide approaches to tackle the triple planetary crisis. Marco Lambertini, Council Member and Special Envoy for the World Wide Fund for Nature (WWF), emphasized the need to link the climate and biodiversity agendas and called for meeting commitments for biodiversity conservation.

Xie Zhenhua, CCICED Vice Chairperson and China's Special Envoy on Climate Change, called for additional recommendations for employment opportunities in new industry sectors. Wang Jinnan, Council Member and President, Chinese Academy of Environmental Planning, proposed the expansion of markets based on ecological products and natural capital. Eric Solheim, Council Member and Senior Advisor, World Resources Institute (WRI), noted growing political consensus on the urgency of addressing climate change and biodiversity loss, suggesting the problem could be the lack of a people's movement for the environment.



Jo Tyndall, Council Member and Director, Environment Directorate, OECD



Dais during the Forum on Implementing the Kunming-Montreal GBF (L-R): **Kristin Halvorsen**, CCICED Vice Chairperson and Director, Center for International Climate Research; **Steven Guilbeault**, CCICED International Vice Chairperson and Minister of Environment and Climate Change, Canada; **Huang Runqiu**, CCICED Vice Chairperson and Minister of Ecology and Environment, China; and **Inger Andersen**, CCICED Vice Chairperson and Executive Director, UNEP



Steven Guilbeault, CCICED International Vice Chairperson and Minister of Environment and Climate Change, Canada

Open Forums

On Tuesday, six Open Forum discussions took place in parallel in the morning and afternoon, with the session on climate change taking place in hybrid format. Each Forum comprised of opening keynote addresses followed by thematic panel discussions.

Implementing the Kunming-Montreal Global Biodiversity Framework towards Harmony with Nature

This Forum was jointly organized by WRI and WWF. Opening the session, moderator Zhou Guomei, CCICED Deputy Secretary General and Director General, International Cooperation Department, Ministry of Ecology and Environment, China, highlighted the role of China and Canada in achieving the GBF.

Huang Runqiu, CCICED Chinese Executive Vice Chairperson and Minister of Ecology and Environment, China, highlighted the value of the GBF, including the 30x30 targets and the Global Biodiversity Framework Fund (GBFF), as well as other means of implementation. Calling the GBF “ambitious, balanced, practical, effective and enforceable,” he underscored aspects related to gender diversity, health, and lowering the risk for endangered species, as well as links with climate change, desertification, and food security. He expressed hope that CCICED can play a bigger role in making effective recommendations to achieve solutions on biodiversity protection.

Minister Steven Guilbeault, noting the importance of resource mobilization for biodiversity, highlighted the creation of the GBFF and Canada’s CAD 200 million pledge. He spoke about Canada’s achievements in biodiversity conservation, recognizing that ambitious goals for nature require whole-of-government and whole-of-society approaches, and emphasized that rapid implementation demands a global commitment to sustain political momentum.

Inger Andersen discussed the importance of implementing the GBF, emphasizing we only have seven years to achieve the targets, and noted the CCICED’s support in stepping up implementation. She focused on finance, changes in domestic regulatory policy, and restoring ecosystems, stressing “we need to integrate nature in everything that we do.”

Kristin Halvorsen called for innovative solutions from both the public and private sectors, as well as encouraging NGOs to facilitate collaboration between actors and sectors.

Moving Towards Nature Positive: Progress and Prospects of the “30x30” Target: Opening the session, Moderator Marco Lambertini, Council Member and WWF Special Envoy, highlighted the potential of the GBF to halt and reverse biodiversity loss through promoting nature-positive actions.

Invited speakers provided further reflections. Jennifer Morris noted that CCICED is one of the few existing, truly multilateral collaborations on nature and on the climate crisis that exist today. She said in addition to protecting 30% of the world’s terrestrial, inland water, and coastal and marine areas, a lot more is needed in other areas. She applauded the Chinese government for its ambition to achieve 30x30, and its published plan to build the world’s largest national park system.

Ilka Hirt, CCICED Special Advisor and Deputy Director-General for International Policy, German Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection, highlighted Germany’s efforts in implementing biodiversity action. She urged learning lessons from previously unfulfilled biodiversity targets to effectively reverse the trend of biodiversity loss.

During open discussions, delegates addressed, among other issues: achieving nature-positive solutions and restoring ecosystems; nature-based solutions leading to solutions to many problems; alignment with the SDGs; the role of Japan in achieving the enhancement of biodiversity; the need for financing for protected areas and avoiding “paper parks;” the threat of agriculture for biodiversity; challenges for developing

countries, noting that incentives work better than punitive measures in supporting implementation; challenges of food industries in China; the importance of forest resources for local communities; and the importance of the Amazon and Congo River Basins.

Mainstreaming Biodiversity Conservation: Global Trade and Supply Chains: Introducing the session, Moderator Aniruddha Dasgupta, Council Member and President and CEO, WRI, stressed that achieving the 1.5°C target is not possible without considering nature. He emphasized the importance of China's trade and trade policies on global sustainability, observing that most countries in the world consider China as their primary or most important trading partner.

Invited speakers provided further reflections. Naoko Ishii stressed that natural capital should be a foundation of economic development, noting that if the world can follow the Chinese experience, the global goals for nature can be achieved.

Manish Bapna, Council Member, CCICED Finance SPS Co-Lead, and President and CEO, Natural Resources Defense Council (NRDC), said mainstreaming trade and supply chains requires connecting biodiversity, climate change, pollution, the environment, economics, and finance. He recommended strategies on subsidies, illegal and unsustainable trade, soft commodities, and business and information disclosure to halt and reverse biodiversity loss to get to nature positive.

Eva Svedling said the GBF is very ambitious, and high ambition requires high innovation, including new methods, engaging new actors, taking risks, human capital, and financial resources. She noted the required financial innovation is not just about novelty and financial mechanisms and models, but also innovation in rethinking which actors are relevant and the roles they can play.

Mark Halle, CCICED Special Advisor and Director for Trade and Investment, International Institute for Sustainable Development (IISD), suggested a focus on how nature markets play out in the Chinese context, as well as bringing the



Aniruddha Dasgupta, Council Member and President and CEO, WRI

experience of sustainable finance and putting nature markets into ecological transition plans.

Ana Toni highlighted the outcome of the 2023 Amazon Summit, noting opportunities for countries in the region to work together on common problems faced. She stressed the limits of “command-and-control” policies to halt deforestation, suggesting the creation of incentives for local people to conserve nature.

Issues highlighted during the discussion included: the need to reduce harmful trade subsidies; land conversion and agriculture being the greatest sources of biodiversity loss; the limits of command-and-control policies and using public funds to mitigate negative externalities in biodiversity and supply chains; and the impact of activities surrounding minerals used for technology in biodiversity.

Investing in Nature: Innovative Mechanisms and Practices for Conservation Finance: Moderator Jennifer Morris opened the session by observing that USD 44 trillion of global GDP is directly dependent on nature; hence, she said we are undermining our economies by not investing in nature.

Jo Tyndall, Council Member and Director of the Environment Directorate, OECD, pointed out that the same pool of money is destined for all the environmental challenges being discussed. She explained that more than 75% of funding comes from public budgets, so there is a need to scale up, particularly from the private sector. She said governments should continue to examine new opportunities to scale up the use and ambition of incentives, including taxes on activities that harm biodiversity, saying that relevant taxes only amount to around USD 10 billion per year, or 1% of revenue generated from all other environmentally-related taxes.

Ma Jun, CCICED Special Advisor and President, Institute of Finance and Sustainability, highlighted disconnects between finance and bankable projects for biodiversity. He proposed developing a framework for financing biodiversity, involving taxonomy, disclosure, financial products, incentives, and capacity building.

Nathalie Bernasconi-Osterwalder, Vice-President, Global Strategies and Managing Director, Europe, IISD, reflected on positive trends around green finance, and the synergies



Nathalie Bernasconi-Osterwalder, IISD Interim Co-CEO and Interim Co-President



Hua Jingdong, Vice-Chair, International Sustainability Standards Board

between climate finance and biodiversity. Noting a focus on reducing greenhouse gas (GHG) emissions will not be enough, she recommended adopting diverse and innovative financial instruments to increase financial flows to biodiversity conservation, including thematic bonds and loans, debt-for-nature swaps, and financial risk management tools.

Hua Jingdong, Vice-Chair, International Sustainability Standards Board, highlighted emerging trends in sustainable financing, including incorporating risks and opportunities related to climate, biodiversity loss, and other environmental factors in business planning and reporting.

In subsequent discussions, speakers called, for, *inter alia*:

- developing guidelines for investing in biodiversity that mirror similar guidelines for climate change;
- protecting the Amazon region through monitoring investments for products coming from that region; and
- establishing a nature-based infrastructure center to explore how to increase the monetary value of nature-based products;

Discussions also explored the role of national and subnational jurisdictions in GBF implementation, through, *inter alia*: including nature-based solutions in statutes; connecting marine regions and policies, and promoting sustainable supply chain management; creating certification for sustainability standards; and establishing hybrid financing models to minimize the risks to nature.

Building a Green BRI to advance Global South-South Cooperation

This Forum was organized by the BRI International Green Development Coalition (BRIGC). Moderator Zhao Yingmin emphasized that the BRI is consistent with the philosophies, principles, and targets of the SDGs, and that ensuring synergies between the BRI and the 2030 Agenda will provide new pathways for sustainable development. He outlined the CCICED's desire to focus on the practical needs of BRI participating countries in infrastructure, investment, and financing, and deepen cooperation on green development. He concluded by highlighting that while the BRI originated in



Erik Solheim, Council Member, Vice President, BRIGC, and Senior Advisor, WRI

China, its results and opportunities for sustainable development belong to the whole world.

Erik Solheim, Council Member, Vice President, BRIGC, and Senior Advisor, WRI, shared some personal experiences of the BRI's impact in participating countries, describing the construction of new roads linking the airport to the town center in Sri Lanka, a railroad in Mombasa, Kenya, and the first metro system in Viet Nam. He stressed that although the first 10 years of the BRI have experienced some difficulties and challenges, overall, the BRI has been an astonishing success story of assisting developing countries. On future prospects, Solheim called for a continuation of such "connectivity corridors," as well as a focus on green energy investment.

Ana Toni said the BRI is a way to link sustainability, and the environmental, social, and economic growth of countries like Brazil and China. She noted that around 48% of Brazil's energy sector is based on renewable energy, the power sector is 89% renewable, and the country is already well ahead in terms of renewable energy but can still improve. Toni said the country can learn from China's experience of achieving an energy transition to increase Brazil's renewable energy capacity and help meet the substantial regional demand in South America.

Christie Ulman, Council Member and President, Sequoia Climate Foundation, recognized that CCICED has played a significant role in modernizing environmental governance in China. She mentioned an increased opportunity for China to work with like-minded developing country leaders to promote new international norms. She identified lessons learned from China's own experience of developing renewable energy-related industries and deploying them, including that such a transition requires a high-level strategic vision and a fit-for-purpose package of both the software and the hardware.

Ulman welcomed China's commitment to supporting countries, national green development aspirations, and a deeper collaboration on green development in the South.

Zhang Hongjun, Council Member and Chair of the Board of Energy Foundation China, called on BRIGC to:

- increase cooperation with more businesses and enterprises, in order to leverage the role of corporate members of the BRIGC and create a business model for successful South-South cooperation;
- increase its international activities and hold more international events; and
- provide facts and real-life examples, noting that opinions may not be recognized, but facts will be fully recognized and understood.

Huang Haiqing, Council Member and Executive Director and Chair of the Board, China Everbright Environment Group, stressed that the combination of effective markets and effective government will help the BRI go far and inject momentum into the global economic recovery. He underlined the need for cooperation, particularly in infrastructure and industries.

Innovative Mechanism on BRI Green and Low-Carbon Cooperation: During this session moderated by Erik Solheim, the following speakers shared their reflections: Zhang Jianyu, CCICED Special Advisor, Deputy Co-Leader of CCICED SPS, and Executive President, BRI Green Development Institute; Zhang Minwen, Deputy Director General, International Economics and Finance Institute; Galit Cohen, CCICED Special Advisor, Advisor and Director, Program on Climate Change of Institute for National Security Studies, Israel; Zafar Makhmudov, CCICED Special Advisor and Executive Director, Regional Environmental Centre for Central Asia; Bernice Lee, CCICED Special Advisor, and Research Director Futures, Chatham House-Royal Institute of International Affairs; Yu Ping, CCICED Special Advisor and former President, China Council for the Promotion of International Trade; Knut Halvor Alfsen, CCICED Special Advisor and former Head Research Director, Center for International Climate and Environmental Research, Oslo; and Wang Jianguo, Director, Royal Golden Eagle China Energy Management Committee.

Zhang Jianyu underlined that green BRI spurs new investment, and described China's contribution to global, low-



Zhang Jianyu, CCICED Special Advisor, Deputy Co-Leader of CCICED SPS, and Executive President, BRI Green Development Institute

carbon, and green development. He stressed the need to improve the BRI's innovation mechanism in investment and financing, and to use innovative measures to catalyze renewable energy investment, financing, and cooperation.

Zhang Minwen stressed the importance of mobilizing the private sector to participate in the low-carbon green transition, through, for instance, developing countries ensuring they have a well-developed policy and market environment. She noted that in developed countries, 80% of green investment comes from the private sector, while in developing countries, the share is only 15% and underlined the need to further engage the private sector in the green and low-carbon transition of developing countries in the BRI.

Galit Cohen underlined that technological innovation requires nurturing communities of innovation by providing them with training, networking, and implementation.

Zafar Makhmudov cited examples of the BRI's achievements in Kazakhstan, such as forestation and reforestation projects, which aim to increase green cover and combat desertification. He suggested that BRI projects in Central Asia could further focus on improving water resource management by modernizing irrigation systems, promoting sustainable water use, and addressing water scarcity challenges.

Knut Halvor Alfsen recommended that BRI countries should: have quantified targets and strategies; ensure qualified personnel select the projects to be financed; and include environmental experts in the project selection process, who should have veto power to reject projects that may be economically attractive, but are environmentally harmful.

Specific proposals highlighted by various speakers included the need to:

- use China's strength and experience to help the BRI help countries resolve risk prevention and control challenges;
- improve the enabling policy environment for BRI green projects and enhance trade cooperation to support renewable energy;
- couple digital and green development to achieve synergy;



L-R: **Liu Shijin**, Chinese Chief Advisor, CCICED; **Scott Vaughan**, International Chief Advisor, CCICED; and **Xie Zhenhua**, China's Special Envoy on Climate Change, with an interpreter.

- increase renewable energy investment, noting that in developing countries, renewable energy investment demand is USD 1.7 trillion, but in 2022, developing countries only had access to around USD 540 billion in clean energy investment;
- share knowledge, identify opportunities, and conduct workshops to glean insights into the latest trends in climate innovation;
- combine overseas development assistance with international trade and development;
- leverage the role of multilateral development banks as leading players in the response to climate change, by using their financial strength and expertise;
- promote “cooperative internationalism,” with the BRI taking the lead in demonstrating South leadership in cooperative, environmentally-sound development;
- organize green and low-carbon trade forums and exhibitions to build high-level foreign cooperation and demonstrate win-win cooperation; and
- build the capacity of businesses to optimize their own energy structure to improve energy utilization efficiency so that they can pursue green and low-carbon development.

In the subsequent general discussion, one participant urged the BRI not only to consider the cost-effectiveness and economic feasibility of projects, but to focus on the impact on the ecosystem. Another participant underlined the importance of cities, noting the abundance of civil wisdom and insight at the city level, and opportunities that exist, for instance, in solid waste management.

Driving High-Quality Industrial Development through Green & Digital Dual Transformation

This Open Forum was co-hosted by Nankai University, Chinese Institute of New Generation Artificial Intelligence Development Strategies, German Environment Agency (UBA), and the World Economic Forum. It was co-chaired by: Gong Ke, Executive Director, Chinese Institute of New Generation Artificial Intelligence Development Strategies; Gim Huay Neo,



Gong Ke, Co-Lead, SPS Digitization, and Executive Director, Chinese Institute of New Generation Artificial Intelligence Development Strategies



Liu Shijin, CCICED Chinese Chief Adviser and former Deputy President, Development Research Center of the State Council, China

CCICED Special Advisor and Managing Director, Centre for Nature and Climate, World Economic Forum; and Dirk Messner, Council Member and President, UBA.

Liu Shijin identified some positive examples of green-digital convergence, including the rise of green consumption and production, circularity, and green innovation, as well as the rise of digital financial systems and institutions. He stressed the need for countries to tap into the benefits of these fast-moving trends through adopting a dynamic mindset that encompasses not just the hardware but software aspects of green development.

Dou Shuhua, Council Member and Vice Chairperson, Environmental Protection and Resources Conservation Committee, discussed the contribution of artificial intelligence (AI) and other digital technologies in bringing about the needed institutional and governance innovations that underpin China’s ecological civilization.

Noting that digital transformation is already with us, Tomas Anker Christensen, Council Member and Climate Ambassador, Denmark, said the real question is how fast we can move it to scale. He highlighted the annual China Energy Transformation Outlook report, co-produced by Danish and Chinese research agencies, which lays out a blueprint for how China can achieve a green transition without compromising economic growth. Christensen also identified three critical digitalization challenges at the heart of the green transformation: tripling renewable energy production through a smart and integrated grid, a well-functioning marketplace, and enabling policies and regulation; increasing green hydrogen production to transform the heavy industry and transport sectors; and enhancing energy efficiency in the building, data processing, and other high usage sectors.

Dual Transformation and Sustainable Development: Guo Huadong, Director General, International Research Center of Big Data, noted that only nine of the 17 SDGs have globally available data, which only half of the world’s countries are able to utilize. He outlined several Chinese big data initiatives to address this gap, including the launch of an international research center for big data for the SDGs in 2021 and an

associated SAT-1 special purpose satellite. Previewing China's upcoming 2023 SDG report, he noted it shows "more good news than bad" with 92 SDG-related indicators achieved ahead of time and SDG indicator utilization rate increasing by 33.7%.

Dirk Messner identified three important dynamics taking place in parallel: the challenge of linking digitalization to the sustainability transformation; understanding what a digital economy and society "actually looks like"; and the role of humans in the face of powerful AI-driven problem-solving mechanisms and algorithms. Messner highlighted four key insights from the CCICED digitalization task force:

- identifying the most important digital technologies and innovations that form a new techno paradigm will have a profound impact on the industries, economies, and societies of the future;
- digitalization is not a sector but an aggregation of general purpose technologies that can be applied across economies and science systems and in political decision-making processes;
- the capabilities of digital technologies transcend improvements in efficiency and can spur systemic changes and the governance of complex systems; and
- these advanced technological capabilities are what is needed for sustainability transformations, but we need to learn how to bring them together as digitalization is still driving unsustainable growth.

Liu Gang, Director, Nankai Institute of Economics, traced the roots of China's recognition that the high-quality development pathway is "inevitable and a prerequisite to our survival." He described successful technological innovations over the past decade, noting they combine value-driven and efficiency-driven governance paradigms to improve productivity and "fairness" across all economic sectors. Giving examples, he described one pharmaceutical company that was able to maintain the price of a generic drug for more than 10 years despite increases in raw materials while also raising wages, and how digitalization of some of the poorest rural regions is enabling farmers "to make money from live streaming."

Ismo Tiainen, CCICED Special Advisor and Director General, Ministry of the Environment, Finland, outlined his country's approach to green and digital transformation, driven by its "open and collaborative ecosystem" to co-develop and implement digital solutions to environmental challenges. On the enabling role of government, Tiainen stressed the importance of setting ambitious targets, strategies, and sustainable measures used to scale up low-carbon solutions and business models, which gives industries the confidence to invest in sustainable solutions. While cautioning that global production chains pose a key challenge to achieving a circular economy, he stressed that the EU alone could cut industrial emissions by more than half by 2050 based on current knowhow and technologies.

High Quality Development of Industries in the Context of Dual Transformation: Shan Zhiguang, Director, Information

and Industrial Development Department, State Information Centre, China, discussed the rationale for channeling computing resources from eastern China to data centers in western China as a first step towards building a nationally integrated big data center. He noted the aim is not only to increase resource and energy utilization efficiency, but also foster integrated policymaking through data centralization and sharing. Posing the question: "How do we green such a big project?" he highlighted several associated energy policies and regulations that promote the integration of data center planning and the further promotion of electric grid connectivity.

Three invited speakers provided perspectives from the private sector. Chen Dapeng, Director, Wuxi Internet of Things (IOT) Innovation Promotion Center, described IOT as a foundation for the digitalization of industry sectors by bridging the physical and virtual worlds. He stressed that the ultimate goal of local government-led enterprise, which currently integrates 3,000 businesses, is to spur disruptive change across a range of economic and social sectors, while also serving as an incubator for key technologies, and strengthening innovation in public services.

Zhou Wenwen, General Manager, Energy Cloud, Alibaba Cloud Intelligence, reflected on the role of data companies in helping China achieve its dual carbon targets, highlighting the development of a technology-based tool to enable small- and medium-sized enterprises to do their carbon accounting and promote more sustainable practices. He said Alibaba released its first carbon neutrality action report in 2021, and is actively involved in carbon accounting of all venues of the first Olympic gaming week, including through building a mobile app to encourage fans to contribute to decarbonization of the games.

Xu Hao, Head, Carbon Neutrality Laboratory, Tencent Holdings, highlighted some specific challenges faced by the technology sector, including: the need for climate startups to grow fast in response to the urgency of the climate crisis; how to go beyond energy efficiency measures to decarbonize the industrial sector as a whole; and how to integrate measuring, reporting and verification into nature-based solutions. Among his company's innovations, he highlighted the TanLIVE platform for connecting climate startups with investors, an innovation library offering carbon-related technology reports in a structured way, and the development of visualization models based on gaming technology. On lessons learned, Xu highlighted challenges with data quality and consistency; limits to computing power, which calls for new ways to mine data and discover value; and the need to generate bankable business models.

Wrapping up the session, Gong Ke applauded the lively exchange and sharing of good practices and inspiring examples from around the world. Among common challenges, he noted the need for: better coordination and integration of data centers to optimize their efficiency and computing power; tackling the digital divide and other negative social impacts; and countering geopolitical threats to international cooperation and other risks.



Zhang Hongjun, Council Member and Partner, Holland & Knight, and Xie Zhenhua, CCICED Vice Chairperson and China's Special Envoy on Climate Change

Synergizing Efforts on Climate Change and Forging the Path to Green Prosperity

This Forum was jointly organized by the Energy Foundation China, Children's Investment Fund Foundation, Institutes of Science and Development of the Chinese Academy of Sciences. Moderator Zhang Hongjun highlighted the Forum's focus on the relationships between green industry, economic growth, sustainable development, and security, and on international cooperation on climate change.

Minister Guilbeault called for decarbonizing industry as an environmental and economic necessity, stressing that a clean, low-carbon, and sustainable future is not just an environmental priority but will also support strong economic outcomes. He outlined some of CCICED's efforts in identifying viable routes for achieving decarbonization, such as studies on leveraging markets and on the relationship between trade, supply chains, and sustainability. Guilbeault emphasized the decarbonization process may require tough policy choices, giving the example of Canada's decision to phase out fossil fuel subsidies as a tough, but correct, choice.

Xie Zhenhua underlined that economic growth, energy security, and climate change can be addressed through green, low-carbon and high-quality development. He emphasized that environmental protection and responding to climate change will not hinder, but will promote, economic growth. Xie cited the example of China, which over the last decade, used 3% energy growth to support 6% economic growth, and stressed that the key to a green, low-carbon development is the development of a new energy system.

Inger Andersen lamented that although renewable energy capacity is on the increase in China, so is coal capacity, noting that some of the approved coal plants should not advance to the implementation stage. She praised China's efforts in transforming and electrifying the country's fleet at a record rate, encouraging experience and knowledge sharing with other countries.

Andersen called for action on non-carbon GHG emissions, such as methane emissions, stressing these are also substantial drivers of climate change. Citing data by the International Energy Agency (IEA) showing China to be the world's largest methane emitter, she highlighted actions on methane emissions as "low-

hanging fruit" and encouraged the country to join the Climate and Clean Air Coalition to reduce Short-Lived Climate Pollutants and its Global Methane Pledge.

Forging the Path to Green Prosperity through Economic Recovery: This session was moderated by Bernice Lee. The following speakers gave keynote speeches: Laurence Tubiana, Council Member and CEO of the European Climate Foundation; Tomas Anker Christensen, Council Member and Climate Ambassador of Denmark; Erik Bergl f, Chief Economist of the Asian Infrastructure Investment Bank; and Zou Ji, CCICED Special Advisor, International Co-Lead of CCICED Climate Special Policy Study, and CEO and President of Energy Foundation China.

Tubiana underscored that supply chains are important for decarbonization and called for actions such as export controls on fossil fuel-based products and green certification schemes to "green" supply chains.

Four invited speakers provided their reflections during the panel discussion: Gim Huay Neo, CCICED Special Advisor and Managing Director, Centre for Nature and Climate at the World Economic Forum; Jo Tyndall, Council Member and Director of the Environment Directorate, OECD; Laura Cozzi, Director of Sustainability, Technology and Outlooks and Chief Energy Modeller, IEA; and Wang Jinzhao, Director General, Research Department of Industrial Economy at the Development Research Center of China's State Council.

Gim Huay Neo stressed encouraging modern energy management systems that can help cut emissions and increase energy productivity, saying this is low-hanging fruit.

Speakers identified key issues for consideration and suggested possible measures for achieving green prosperity, including:

- adopting green stimulus measures for promoting the needed energy transition;
- fully realizing the huge potential of renewable energy;
- building green infrastructure, such as energy storage facilities;
- aggregating consumer purchasing power to send a strong market signal to encourage investment in green goods and services; and
- mainstreaming green prosperity to ensure government spending is directed towards green measures rather than to environmentally harmful activities.

Achieving Synergetic Effects of Economic Growth, Energy Security, and Climate Change Mitigation through Construction of a New Energy System: This session was moderated by Alexander Fisher, Program Director of Climate Ambition, ClimateWorks Foundation.

The following people gave keynote speeches: Qiu Baoxing, Council Member, Academician of the International Eurasian Academy of Sciences, and former Vice Minister of Housing and Urban-Rural Development, China; Hal Harvey, Council Member and Founder, Energy Innovation LLC; Wang Zhongying, former Director-General and Research Fellow of the Energy Research Institute of China's National Development and Reform Commission; and He Kebin, Council Member, Academician



Hal Harvey, Council Member and Founder, Energy Innovation LLC

of the Chinese Academy of Engineering, Professor, School of Environment and Dean, Institute for Carbon Neutrality, Tsinghua University.

Harvey underlined the need to “double down” on speed and scale, and to intensify cooperation and collaboration, noting that “adopting a thousand diluted measures is a recipe for failure.”

The following speakers provided their reflections during the panel discussion: Lord Adair Turner, Honorary Fellow, Royal Society of the United Kingdom, and Chair, Energy Transitions Commission; Liu Yiyang, Deputy Secretary-General and Press Spokesperson of the China Photovoltaic Industry Association; and Wade Crowfoot, Secretary, California Natural Resources Agency.

Crowfoot underlined that his state’s economy has grown to be the fifth largest in the world by gross domestic product (GDP), not despite, but because of, their clean energy transition. He noted that, for instance, zero emissions vehicles are the state’s top manufacturing export.

To promote the needed synergies, speakers called for:

- action by cities, noting they are the major consumers of electricity and producers of GHG emissions, as well as drivers of technology innovation;
- recognizing climate action as a revenue-creating opportunity, not as a “cost;” and
- developing carbon capture and storage (CCS) systems so they are available for specific sectors, such as cement, where they are needed, but recognizing that CCS will play a smaller role in decarbonization than previously expected.

Global Climate Governance System and China’s Role in the Polycrisis: This session was moderated by Zou Ji, CCICED Special Advisor, and CEO and President of Energy Foundation China.

The following gave keynote speeches: Kate Hampton, Council Member, International Co-Lead of CCICED Climate Special Policy Study, and CEO, Children’s Investment Fund Foundation; Su Wei, former Deputy Secretary-General of



Wang Yi, Council Member, Chinese Co-Lead of CCICED Climate SPS, Member, Standing Committee of the National People’s Congress, and Deputy Director, National Committee of Experts on Climate Change

China’s National Development and Reform Commission; Hideki Minamikawa, Council Member and President, Japan Environmental Sanitation Center; Christie Ulman, Council Member and President, Sequoia Climate Foundation; and Wang Yi, Council Member, Chinese Co-Lead of CCICED Climate SPS, Member, Standing Committee of the National People’s Congress, and Deputy Director, National Committee of Experts on Climate Change.

The following speakers provided their reflections during the panel discussion: Jos Delbeke, Council Member, first European Investment Bank Chair on Climate Change Policy; Zhang Minwen, Deputy Director General, International Economics and Finance Institute, China’s Ministry of Finance; Ana Toni, National Secretary for Climate Change, Ministry of Environment and Climate Change, Brazil; and Ju Jiandong, Unigroup Chair Professor, Tsinghua University PBC School of Finance.

Hampton emphasized the need for: efficacy, by, for example, promoting renewable energy and ensuring a clean energy transition; legitimacy and trust, through better representation of climate vulnerable and poor countries; and better distribution of the benefits of the clean energy transition along the supply chains. Wang called for increased mutual trust and confidence, and said China should focus on just transition, capacity building, and sharing experiences with other economies.

Delbeke called for good business incentives to drive the huge infrastructural investment required for the energy transition, such as carbon pricing schemes. He gave the example of Europe, where the carbon price is €100 per tonne of CO₂, which will raise about €50 billion per year. He said this additional revenue will be spent on low-carbon and social transformation, such as ensuring a just transition in coal mining communities. Toni stressed the need for measures to simultaneously fight against climate change and poverty, rather than governments having to choose one or the other.

Other issues highlighted in the discussion included the need for:

- strong leadership to promote the large-scale introduction of renewable energy and adoption of the latest technologies, with Japan's initiative to promote large scale renewable energy in the steel industry cited;
- adoption of mitigation and adaptation measures at both national and regional levels;
- cooperation in science, technology, and environmental protection, which require systems thinking, with China benefiting from a systemic approach to cooperating with other emerging economies;
- addressing the governance deficit and fragmentation risk, noting rising resistance to the multilateral process and a lack of capacity;
- addressing externalities through industrial policies, such as fiscal policies; and
- subsidizing green products and eliminating trade barriers affecting green products.

In closing remarks, Scott Vaughan highlighted three Cs – confidence, cooperation, and coordination. He called for: confidence regarding effective measures, saying these should then be further developed with speed and at scale; cooperation, noting developing countries in particular are looking to China for support with their green transition; and coordination in trade, industrial, climate, poverty reduction, and other relevant policies.

Building Green Consensus and Empowering Financial Innovation

This Forum was jointly organized by China International Capital Corporation (CICC), NRDC, and Storebrand Asset Management.

Opening the session, Moderator Wensheng Peng, CCICED Finance SPS Co-Lead and Dean, CICC Global Institute, presented on the study on sustainable investing by state owned investors, showcasing international practices and policy recommendations. Raising the question of how to avoid protectionist policies and create unified standards for information disclosure, he suggested incorporating sustainability into investment rules.

In opening remarks, Liu Shijin noted the diversity of green and zero-carbon products available today, stating green investment does not prevent economic growth. Notwithstanding, he noted the need to define what is “green” as this goes beyond calculating the carbon content in a specific product to the definition and adoption of standard methodologies.

Huang Zhaohui, CEO, CCIC, focused on how capital can flow towards green industries, noting the expansion of green finance and the promotion of clean energy have proven to be fruitful. He highlighted the role of technology innovations for reaching sustainability targets, such as China's dual carbon goals.

Leading the Transformation: Sustainable Investment Practices of Global State-owned Investors: Moderator Zhang Jieqing, China Country Director, NRDC, opened the meeting stating that his organization, with the CICC and Storebrand, worked together to prepare the SPS on Green Finance.

Chen Chao, Head of Research, CICC, discussed sustainable investment practices, including the challenges in tracking the



Zhang Jieqing, China Country Director, NRDC

carbon footprint of certain products and incorporating climate change into asset allocation.

Rebecca Mikula-Wright, CEO, Asia Investor Group on Climate Change, gave insights on her work with investors in the Asia region, noting the creation of peer-to-peer forums that enable investors to learn from one another and increase their investment. She highlighted investor climate action plans, which aim to progress investments towards net-zero targets.

Eva Svedling discussed the costs of the triple planetary crisis and creating in-depth strategies to tackle these costs, emphasizing eliminating fossil fuel subsidies and investing in low-carbon technologies. She recommended that CCICED make “pathways for acceleration” a theme for a policy study, or a cross-cutting aspect for all policy studies in the coming years, and to study why projects in developing countries struggle to be viable.

Ma Jun noted some of the challenges in financing in developing countries, such as lack of reliable data. He compared the high amount of green credit and green bond balance in China to the relatively lower amount of Environmental, Social and Governance (ESG) asset management. He recommended that financial institutions create positive and negative lists of assets in order to measure ESG performance and disclosure.



Eva Svedling, Council Member and former State Secretary, Ministry of Environment, Sweden

In the ensuing discussion, Huang Haiqing stressed the importance of directing financial flows into the green sector and, overall, green and low-carbon investments are highly aligned with state-owned investment. He said more social capital should go into achieving social goals.

Aniruddha Dasgupta recognized that green investment is more broadly accepted, and pointed to the rise of greenwashing practices. He stated that disclosure is important in the context of voluntary and externally validated targets when a company or fund claims green practices.

Vincent Joli-Coeur, Vice-Chairman of Financial Markets, National Bank of Canada, highlighted the importance of working together in the journey to net zero. He highlighted the effects of climate-induced disasters on financial markets.

Wang Yao, Dean of the International Institute of Green Finance, Central University of Finance and Economics, noted a gap in information disclosure about ESG and decarbonization in sovereign funds.

Towards the Future: Opportunities and Challenges of Sustainable Investment: Moderator Wu Huimin, Executive Dean, CICC Global Institute, noted that previous speakers discussed a lack of clear methodologies and difficulty in identifying green projects, and highlighted the need for more policy support and guidance.

Invited speakers provided further reflections. Zhang Bei, Deputy Director, People's Bank of China Research Bureau, focused on the progress of the G20 sustainable finance working group, highlighting work in three areas: climate financing, promotion of SDG financing, and strengthening capacity building for sustainable finance.

Naoko Ishii recommended that developing a green finance taxonomy would facilitate investments in China's green pathway by international investors.

Manish Bapna, CCICED Finance SPS Co-Lead and President and CEO, NRDC, noted the importance of bringing together the environment and finance communities. He discussed the contribution of supply side approaches, such as the European Green New Deal, in creating incentives that are changing



Naoko Ishii, Council Member and Executive Vice President, University of Tokyo

economies in terms of risk-return tradeoffs and investing in sustainability issues.

Ye Yanfei, CCICED Special Advisor, and Senior Inspectorate Advisor, Policy Research Bureau of the National Administration of Financial Regulation, China, shared ideas on taking advantage of the CCICED platform to advocate for free trade and investment.

Nathalie Bernasconi-Osterwalder linked discussions on shifting current capital allocation to a sustainable pathway to climate and biodiversity multilaterally agreed targets, noting nature and climate-positive subsidies can play an important role in channeling increased investment into projects that can accelerate the necessary green transition.

Laurent Bardon, First Counsellor for Climate Action and Environment, EU Delegation to China, drew on several EU policies to highlight the need to ensure a clear political direction, as well as give businesses investors clarity and legal certainty.

Galit Cohen pointed to the need for central banks to consider the long-term effects and net results of climate change by providing them with forecasts of climate risk probabilities over extended periods.

Zhang Junjie, Director of the Initiative for Sustainable Investment, Duke Kunshan University, said the biggest challenge is to determine whether returns in traditional versus sustainable investment are higher, lower, or on par with market investment, noting the risk for sustainable investment with a high amount of sovereign wealth funds deriving assets from gas and oil proceeds.

Liu Junwei, Executive Director and Chief Analyst of Quantitative Investment and ESG, Research Department, CICC, recalled that, in China, over the past two years, domestic asset managers have been paying greater attention to ESG and sustainable investment. However, in practice, they lack certainty as to whether these investments are better than traditional investments.

Integrating Land and Ocean to Promote Collaborative Governance

This Forum was jointly organized by Xiamen University, China Academy of Urban Planning and Design (CAUPD), Environmental Defense Fund, and TNC.

Opening the session, Moderator Dai Minhan, Chinese Leader of CCICED SPS on Ocean Governance and Chair Professor of Xiamen University, noted that coordinated governance of the ocean and river basins is a world class challenge and invited participants to make proposals on the comprehensive management of the land and sea.

Kristin Halvorsen, CCICED Vice Chairperson and Director, Center for International Climate and Environmental Research, expressed satisfaction about CCICED's focus on a sustainable blue economy over the past few years. Referring to the 30x30 targets, she stressed that 30 percent of the land and sea is connected, calling for a focus on the most valuable areas and to "not just be blinded by the percentage." She further called for addressing the multiple usage of the ocean, preventing potential conflicts, and avoiding an uncontrolled "race for space" in the ocean. She lauded China's progress in improving ocean management in relation to green shipping and coastal restoration.

Scott Vaughan, CCICED International Chief Advisor, thanked all experts involved in the two SPS on oceans and river basins, describing the joint forum as a model for CCICED's efforts to build synergies between different working groups. He noted that while the historic GBF is primarily focused on terrestrial biodiversity, fisheries and sustainable ocean management are also recognized as central to achieving its goals. He proposed a future SPS exploring integrated approaches between ecosystems, people, and the planet.

Liu Zhenming, former UN Under-Secretary-General and Secretary-General of the Second UN Ocean Conference, stressed the need to overcome five key challenges: fragmentation of global ocean governance; balancing the utilization and conservation of ocean resources; coordinating the relationship between utilization and overall conservation; addressing the impact of economic strength and technological capabilities on the sustainable use of the ocean; and understanding the value of the ocean from the perspective of a nature-based solutions and ecosystem-based approach.

Five invited speakers then offered their perspectives. Erik Solheim, Council Member and Senior Advisor, WRI, underscored that addressing the root causes of challenges such as overfishing, ocean acidification, and climate change requires global rules and collaboration. He highlighted three promising examples spearheaded by Norway: development of a region-wide management plan for the seas negotiated with the EU, the Russian Federation, and Iceland; the green shipping industry; and sustainable fish farming.

Gim Huay Ne emphasized that the current polycrisis requires system-wide solutions and described integrated ocean and land use as an example of how to close a vicious loop by adopting regenerative practices. Noting the cost of this transition, she urged policymakers at all levels to develop strategies to support companies, individuals, farmers, and fishers to "cross this valley of tears."

Marco Lambertini, Council Member and International Special Envoy, WWF, identified a growing awareness that many ecosystem services are often invisible and unaccounted for. He called for this paradigm shift to inform policymaking by looking at the balance between protection, production, and restoration of freshwater and aquatic resources as one integrated ecosystem.



Marco Lambertini, Council Member and WWF International Special Envoy



Jan-Gunnar Winther, International Leader of the SPS on Ocean Governance and Specialist Director of Norwegian Polar Institute

Roderick Wols, Acting Ambassador of the Netherlands in China, expressed appreciation for CCICED's work, noting the need for knowledge sharing on river basin management across different geographical scales. He welcomed the recent establishment of the International Panel on Deltas, Coastal Areas and Islands, noting it will offer short- to medium-term perspectives to inform policy priorities and investment plans for vulnerable countries.

Qin Hu, Vice President and China Chief Representative, Environment Defense Fund, called for: more research on the impacts of climate change on the ocean; strengthening international cooperation on sustainable fisheries; and establishing a legal framework and monitoring system for eliminating carbon from the ocean.

Key Ideas: Moderator Xiaojing Li, CCICED Special Advisor, invited the leaders of the two SPS reports to outline the main outcomes and policy recommendations.

Jan-Gunnar Winther, International Leader of SPS on Ocean Governance and Specialist Director, the Norwegian Polar Institute, explained that the study took a nexus approach, which included new dimensions of the ocean economy. Among key policy recommendations, he highlighted: creating a sustainable blue economy as a strategic national development goal and an integral part of the dual carbon goals; creating a blue finance framework to enhance financial support for the blue economy; and strengthening coordination and funding of international scientific research cooperation.

Fernando Miralles-Wilhelm, International Leader of the CCICED SPS on High-Quality Development of River Basins and Adaptation to Climate Change and Lead Scientist, Provide Food and Water Sustainably, TNC, introduced the associated research report. He described the multi-year SPS process to understand river basins in a more systemic way, noting the current study focuses on integrated governance spanning the water, agriculture, energy, environment, and related sectors. Among other insights gained, he noted the need to account for all social and environmental costs and benefits in investment decisions.

A panel comprising Liu Zhenmin, Erik Solheim, Wang Kai, China Academy of Urban Planning and Design, and Michael Doane, TNC, offered perspectives on the two reports.

Among other issues, they highlighted the need for:



Remarks by **Zhao Yingmin**, CCICED Secretary General, during the Policy Research Dialogue

- greater attention to climate change adaptation for the most vulnerable countries and regions;
- integrated water resources management and urban planning to build more resilient cities;
- the importance of strong political leadership for integrated land-ocean management;
- increasing investments in green infrastructure through improved science, business models, and collaborative approaches; and
- expanding restorative agriculture and aquaculture practices in coastal areas and river basins.

Roundtable Discussion: This session was moderated by Dai Minhan. Speakers included: Su Jilan, Senior Scientist, Second Institute of Oceanography, Ministry of Natural Resources, China; Wang Juying, Director General, National Marine Environmental Monitoring Center; Cao Ling, Xiamen University; Lv Xiaobei, CAUPD; Xia Yingguang, CAUPD; Jan Bakkes, Vice President, Integrated Assessment Society; Eric Spaans, Embassy of the Netherlands in China; Yang Bo, Director, China Fresh Water Project, TNC; Zhu Chungquan, World Economic Forum; and Rui Dou, Ant Forest Foundation.

Su Jilan noted the importance of understanding the ocean and rivers as two different entities, which requires understanding how they interact with and impact on each other. He noted three important pathways affecting aquatic ecosystems: the primary producer, the top predator, and overall impacts of climate change.

Wang Juying highlighted some disconnects that impact on integrated river basin and ocean management, including spatial planning and management tools and quality indicators. She called for innovative governance models that link water, the ocean, and land.

Cao Ling stressed the importance of evidence-based research to support integrated policies, noting that the ultimate objective should be to achieve environmental protection while creating more resilient livelihoods in affected communities.

Offering insights from the case study of the Pearl River Delta, one of the most urbanized deltas in the world, Lv Xiaobei noted the need for more research on nature-based solutions and

how best to organize coordination across administrative and geographical borders.

Other issues highlighted during the discussions included:

- transforming how people live and produce to limit development of high-energy consuming industries, such as hydropower stations;
- strengthening rural-urban linkages;
- building on traditional ecological knowledge;
- drawing on strategic environmental planning as a framework for integrated management; and
- introducing fair benefit-sharing models to provide sustainable funding for nature protection while transforming local economies.

Connections to the Global Knowledge System and China

Experiences: Panelists at this closing session were: Gan Jianping, Hong Kong University of Science and Technology; Zhang Zhifeng, Ministry of Ecology and Environment; Tang Yi, Shanghai Ocean University; Wang Caijun, China International Engineering Consulting Corporation; Zhang Xiaoling, TNC; and Li Ying, TNC.

Zhang Zhifeng highlighted a participatory campaign to reduce the discharge of nitrogen and phosphorus into the Bohai Sea to demonstrate the benefits of cleaning up harbor and coastal areas. He noted the need for further scientific and policy innovation “so we can build the governance structure from the mountains to the seas.”

Tang Yi provided insights from the recently concluded negotiations on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction (BBNJ). He noted that while a multilateral governance framework has been established, many questions remain, noting China’s commitment to make it a fair and equitable framework for all countries.

Zhang Xiaoling highlighted that the institutional structure for integrating land and ocean governance is in place, and, identifying some of the remaining challenges, welcomed experiences from other countries on: how to coordinate implementation across huge river basins such as the Yangtze; and how to share the spatial value of the river basin along its entirety.

Wrapping up the discussion, Moderator Dai said China is introducing its 14th five-year plan for adaptation to climate change. He emphasized the need for increased coordination between governments and businesses, as well as improved public engagement.

Policy Research Dialogue

This plenary session on Tuesday evening presented highlights from the six Open Forums and reviewed draft policy recommendations to be forwarded to the Chinese government. In their recommendations, Council Members recognize China's commitment to accelerating green and low-carbon growth and the positive momentum unleashed at the international level. They recommend that China maintain its strategic determination, take green and low-carbon development as an internal driving force, and promote high-quality development in a coordinated manner.

The draft policy recommendations are derived from the eight CCICED SPS and discussions at this AGM and are organized around seven key areas:

- Maintaining strategic determination and firmly implementing the “dual-carbon” goal;
- Continuing to optimize the industrial structure and promote carbon reduction and pollution reduction synergies;
- Promoting the high-quality development of industries and cities through dual digital and green transformations;
- Enhancing the green financial system to support green and low-carbon transformation;
- Building a sustainable blue economy through land–ocean integration and constructing resilient river basins;
- Building sustainable supply chains and contributing to global low-carbon transformation; and
- Implementing the Kunming-Montreal GBF.

A closing plenary convened on Wednesday, 30 August, but is not covered in this report.

Upcoming Meetings

3rd International Forum on Big Data for the SDGs:

Scientific and technological innovation plays an important role in supporting the realization of SDGs. The 2023 Forum aims to build a global academic exchange platform for the UN Technology Facilitation Mechanism to support achievement of the SDGs. The Forum is co-organized by the International Research Center of Big Data for Sustainable Development Goals and the Chinese Academy of Sciences Aerospace Information Research Institute. **dates:** 6-8 September 2023 **location:** Beijing and online **www:** council.science/events/international-forum-on-big-data-for-sustainable-development-goals-fbas/

SDG Summit: The Summit is the quadrennial meeting of the High-Level Political Forum on Sustainable Development (HLPF) under the auspices of the UN General Assembly. The 2023 Summit will be the second since the adoption of the SDGs and will take place at the midpoint of implementation of the 2030 Agenda. **dates:** 18-19 September 2023 **location:** UN Headquarters, New York **www:** hlpf.un.org/sdg-summit

Climate Ambition Summit: This event is being organized by the UN Secretary-General during the High-Level week of

the UNGA. It is an opportunity for “First Movers and Doers” to report how they are responding to the Secretary-General’s call to accelerate climate action. **date:** 20 September 2023

location: UN Headquarters, New York **www:** www.un.org/pga/77/2023/04/05/letter-from-the-president-of-the-general-assembly-scheduling-of-mandated-meetings-for-hlw78/

8th Asia-Pacific Climate Change Adaptation Forum: The Asia-Pacific Climate Change Adaptation Network supports adaptation actors in the region with knowledge for designing and implementing adaptation measures, building capacity to access technologies and finance, and integrating climate change adaptation into policies, strategies, and plans towards building climate-resilient and sustainable human systems, ecosystems, and economies. The meeting is co-hosted by the Korea Ministry of Environment, Korea Environment Institute, Korea Adaptation Center for Climate Change, and Incheon Metropolitan City as part of Korea Global Adaptation Week 2023. **dates:** 30 August – 1 September 2023 **location:** Incheon, Republic of Korea **www:** www.unep.org/events/conference/asia-pacific-adaptation-forum-8th-apan-forum

2023 UN Climate Change Conference (UNFCCC COP 28): UNFCCC COP 28 and its associated meetings will conclude the first Global Stocktake of implementation of the Paris Agreement – a two-year process that happens every five years, with the aim of assessing the world’s collective progress towards achieving its climate goals. In a letter to parties dated July 2023, the Incoming Presidency announced that COP 28 will focus on four paradigm shifts: fast-tracking the energy transition and slashing emissions before 2030; transforming climate finance by delivering on old promises and setting the framework for a new deal on finance; putting nature, people, lives, and livelihoods at the heart of climate action; and mobilizing for “the most inclusive COP ever.” **dates:** 30 November – 12 December 2023 **location:** Dubai, United Arab Emirates **www:** unfccc.int/calendar/events-list www.cop28.com/en/

Glossary

AGM	Annual General Meeting
AI	Artificial intelligence
BRI	Belt and Road Initiative
BRIGC	BRI International Green Development Coalition
CCICED	China Council for International Cooperation on Environment and Development
ESG	Environmental, Social and Governance
GBF	Global Biodiversity Framework
GBFF	Global Biodiversity Framework Fund
NDRC	Natural Resources Defense Council
SDG	Sustainable Development Goal
SPS	Special Policy Study
TNC	The Nature Conservancy
WRI	World Resources Institute
WWF	World Wide Fund for Nature