

China considering renewable energy development fund

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Chinese lawmakers are considering a government fund for renewable energy development, in a move to support the industry and strengthen governmental macro-economic regulation.

The draft amendment to the renewable energy law was submitted to the country's top legislature, the Standing Committee of the National People's Congress (NPC), for its first reading on Monday.

The 10th meeting of the Standing Committee of the 11th NPC, scheduled from Aug. 24 to 27, is also to focus on a State Council (Cabinet) report on tackling climate change and the second draft of a law regulating armed police.

Under the current Renewable Energy Law (2005), the State set up a special fund for renewable energy development. If the draft amendment is approved, a new fund with two sources of income will be set up -- one from the special fund and one from the income deriving from surcharges on renewable energy electricity prices.

Under the current charging standard, the surcharges income will reach 4.5 billion yuan (689 million US dollars) for 2009.

The fund would continue to support scientific and technological research. It will also finance a pilot project for exploiting renewable energy, construction of renewable energy projects for domestic use in rural areas as well as independent power systems in remote areas and islands, localized equipment production and exploiting renewable energy, among other projects, says the draft amendment.

Management of the fund will be worked out by finance, energy and pricing sectors of the State Council.

Current renewable energy laws aim to promote the development of green energy, ensure energy security and protect the environment.

According to a national plan on renewable energy development issued in Sept. 2007, China will increase renewable resources to 15 percent of its total energy consumption by 2020, in a bid to reduce greenhouse gas emissions and sustainable economic growth.

In 2008, use of hydropower and solar power in China ranked first in the world, and wind power the fourth.

<http://china.globaltimes.cn/chinanews/2009-08/460675.html>