



China: The Director General's view on the RED Programme's achievements and perspectives



Director General of the Danish Energy Agency, Morten Bæk, participated on 16 December 2014 in the celebration of the RED Programme's finalisation in Beijing together with the National Energy Administration and Chinese and international stakeholders. The celebration marks the significant results of five years of Sino-Danish cooperation within renewable energy.



By Morten Bæk, Director General of the Danish Energy Agency

The RED Programme was initiated in 2009 and DKK 100 million was allocated to the support of CNREC of which DKK 30 million were allocated to 12 joint Sino-Danish research and developments projects.

The RED programme has now reached its completion and we should all be proud of the significant results. Not least the establishment of CNREC, which will be the basis for our common efforts in the coming years.

The 2050 scenario study that CNREC has developed with assistance from DEA was a major milestone. The scenario study showed that by 2050, renewable energy can constitute 56% of the energy mix in China and CO₂ emissions can be reduced by roughly 4,000 million tons.

We can add further dimensions to the analysis in order to show even stronger results. Externalities have not yet been included in the 2050 scenario studies.

Preliminary steps have been taken to do so, but a more systematic approach as part of the methodology will deliver an even better reflection of a larger share of renewable sources in the energy system.

Another important aspect of renewable energy innovation is to look at the cost of energy. From both a decision makers and investors perspective it will be more coherent and comparable if both direct investment costs and operation and maintenance costs are accounted for when suppliers of technology are chosen. This will improve competition and should lower the cost of renewable energy and make it more competitive compared to traditional fossil fuel energy.

National Energy Conservation Centre and the Ministry of Housing and Urban-Rural Development

Our cooperation with the National Energy Conservation Centre, which was launched in early 2014, has already demonstrated its viability. Two workshops on the use of excess heat from industry and financing of energy efficiency were well attended by relevant stakeholders. And the outcome of the discussions showed the enormous potential and challenges related to energy efficiency in industry.

And our cooperation with the Ministry of Housing and Urban-Rural Development, MOHURD, has significant potential as well. Building standards and codes can reduce energy consumption in new buildings if they are implemented correctly. Again, cost of energy is very relevant to apply when we implement new standards and codes. District heating plays an important role in this regard, which may be a building block for the cooperation in 2015.

2015 will be a remarkable year

The Sino-Danish cooperation will celebrate its 65th anniversary, since Denmark recognized the People's Republic of China in 1950.

We are all encouraged and optimistic about the US-China climate agreement. When the world's two major economies, energy consumers as well as greenhouse gas emitters take a bold step forward, it calls for admiration, but also creates expectation that other emerging economies follow in their foot steps. Or put simply - an example to be followed.

The Children's Investment Fund Foundation has decided to support CNREC for a five-year period and the National Renewable Energy Laboratory will provide the technical assistance. We welcome CIFF and NREL on board and we are very excited about this cooperation.

I presume that the decision to enter into this agreement builds on the results

and achievements already accomplished by the RED Programme. It is an excellent opportunity to strengthen the cooperation and CNREC's capacity, analytical skills and reputation as a skills and knowledge centre for renewable energy.

And CNREC has a major task and challenge in 2015: to contribute to the preparation of the 13th five-year plan from 2016 to 2020. The next five-year plan will set important milestones and show the rest of the world just how ambitious China is when it comes to low carbon transition.

For me, ambition and targets are directly linked to the agreement that was negotiated with the United States.

Perspectives towards COP21

COP21 in Paris next year is a unique opportunity to reach an ambitious global climate agreement. And for that reason allow me to already look a year ahead.

We have reason to be optimistic because our bilateral cooperation in the past three years has shown that if parties are committed and dedicated and willing to invest, remarkable results can be achieved. The results we have reached together hinge on the commitment of high level officials and national experts to work together as one team with a common objective.

I sincerely hope and suggest that we transfer this spirit of cooperation and channel it towards the COP21 in Paris. If so, it will give me reason to be even more optimistic.

We have a unique opportunity to demonstrate to decision makers around the world that a "first mover" and a "fast mover" can unite in determined cooperation that will deliver a significant contribution towards a global climate agreement, and set an example of how reduction of greenhouse gas emissions can be obtained.

I would like to send an early New Year's greeting to all of our partners in China. I wish you all a happy new year and good health. We look forward to the continued cooperation in the year of the goat.

 [Morten Bæk's speech from the celebration of the RED Programme](#)

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