



# China: Great potential for energy efficiency in China

**China holds a great potential for attaining energy savings by implementing energy efficiency measures. The country has already significantly improved its energy efficiency over the last decades, but there is still great potential for further improvements. The Chinese aims and Danish experiences complement each other.**



China's economic growth has pushed China forward leading to increased social and economic wealth. But over the years China has also become the world's largest energy consumer, now accounting for 20 pct. of the world's total energy consumption. There are different ways to measure energy efficiency potential, but all estimates point to the fact that China uses significantly more energy to produce electricity, heat and consumer products than the OECD-country average (see table 1).

This, however, means that China holds a large potential for implementing energy efficiency measures and thus attaining energy savings. According to the International Energy Agency (IEA), the potential for energy savings in China in 2035 is approx. 25 pct. of China's total energy consumption in 2012. To be able to reach this potential China looks to among other Denmark for inspiring methods to accelerate further energy savings.



## **Inspiration from Danish experiences can accelerate green energy development**

In recent decades China has continuously improved energy efficiency. In 2010, China consumed about 1/3 the amount of energy they used in 1980 to produce a GDP unit. Even so, the high benchmark of energy use means that great potential for further energy efficiency improvement remains in the years to come.

Denmark has an extensive knowledge and experience in retrofitting systems for more energy efficient operation.

Also, China is Denmark's second largest trading partner outside the EU and thus a number of large and medium-sized Danish energy technology companies are already present in China exporting among others renewable energy equipment, energy efficient solutions for power plants, district heating systems, sensors and energy-saving equipment in general. The Chinese aims and the Danish expertise complement each other and form a sound basis to develop a deeper cooperation on energy efficiency.

### **China aims to improve energy efficiency**

The potential for cooperation on energy efficiency is further enhanced by the fact that China in recent years has started implementing national goals and measures for energy use. So, the 11th Five-Year Plan (2006-10) included for the first time a measure of society's total energy intensity, which projected that the energy consumption per GDP unit should fall by 20 pct. compared to the previous five-year period. The goal was nearly achieved by reaching 19.1 pct. in 2010. In the current Five Year Plan (2011-15), the energy intensity is projected to be improved by 16 pct.

### **Sino-Danish cooperation on energy - a long-standing relation**

The Sino-Danish cooperation on energy was established in 2005 when the first bilateral agreement to promote the use of wind energy in China was signed. From 2006-2009 the Wind Energy Development Programme (WED) was implemented. In 2009, this collaboration led to the Renewable Energy Development Programme (RED), aiming to enhance Chinese use of renewable energy. Recently, the collaboration has evolved to include energy efficiency with the newly signed Memorandum of Understanding between the Danish Energy Agency and China's National Energy Conservation Center (NECC).

*Read the press release [here](#).*

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