China signals shift on climate as president Xi Jinping says net zero must not impact 'normal people'

(Telegraph)

Chinese president Xi Jinping has said climate policies must not impact "normal people", as he sought to reassure the public over the cost of its net zero drive.

In a speech to Communist leaders, Mr Xi signalled that China would prioritise jobs over the environment in the near-term, amid growing anxiety over an economic slowdown.

China was struck by widespread power outages which left homes, hospitals and schools in the dark last September, blamed on energy efficiency targets as well as the high price of coal.

Mr Xi said that the government's plan to reach carbon neutrality by 2060 would not interfere with their daily lives.

"We must stick to the overall planning and ensure energy security, industrial supply chain security and food security at the same time as cutting carbon emissions," he said, according to a report on the state-run Xinhua website.

Mr Xi added that it was important to "ensure people's normal daily lives" during the transition to a low-carbon economy.

Economic development and the green transition should be "mutually reinforcing," he said.

In 2020, before the power shortages, Mr Xi spoke of adopting "more vigorous" climate policies and stressed that net zero was the "minimum step to protect the earth".

China, the world's biggest emitter, has long been under pressure to speed up its decarbonisation programme, amid mixed signals about the strength of its commitment to going green.

The government committed to reaching carbon neutrality by 2060, and last year China became a global leader in wind power capacity.

But it also built record levels of coal capacity in 2020, as industry activity restarted after the pandemic, and Mr Xi's has repeatedly pushed back on the timetable of decarbonisation demanded by other global leaders.

Mr Xi has repeatedly argued that China, which has roughly half the per capita emissions of the US, should not have to move as fast as other developed countries to cut its greenhouse gases.

Yan Qin, a China expert at financial analysts Refinitiv, said the politburo session had indicated a more "cautious tone over the near term on climate policy".

She said the comments from Mr Xi could indicate an intention to allow energy consumption to rise over China's next five year plan, before controlling fossil fuel consumption.

But Ms Yan said the tone from China on climate did not necessarily indicate a slowing down of its ambitions, and was in line with Mr Xi's desire to find the "right tempo" to its emissions cuts.

China and the US made a joint pact to tackle climate change at the Cop26 summit in Glasgow last year, but Mr Xi declined to attend the event and made no substantial new policy commitments.

Meanwhile the ruling party is concerned about the impact of the economic downturn on jobs and growth as it prepares for a key meeting where Mr Xi's rule is expected to be extended.

While most countries had a slowdown in their emissions after the pandemic, China's rose 5.5 per cent in 2021 on their 2019 levels as it sought to bounce back with a boom in heavy industry.

China's politicians have repeatedly stressed that the country will "prioritise stability" this year, and earlier this week the government removed strict water quality targets on local governments.

Mr Xi also told Party leaders that "the gradual withdrawal of traditional energy must be based on the safe and reliable replacement by new energy."

China has promised to accelerate the shift to renewables, but will only start to reduce coal consumption after 2025.

But analysts are hopeful that China will hit many of its climate goals early, and the country has already invested significantly in green energy.

In 2021, China built more offshore wind than the rest of the world had done in the previous five years, overtaking the UK as the world leader in capacity, according to analysis this week by the website Carbon Brief.

China now has 26GW of offshore wind capacity, an increase of 17GW in 2021, half of the global total of 54GW, and way ahead of the UK's 10GW capacity.

-0- Jan/26/2022 18:15 GMT

To view this story in Bloomberg click here: https://blinks.bloomberg.com/news/stories/R6BXE5AAIOSH