

ESCO development in China ---drivers and barriers

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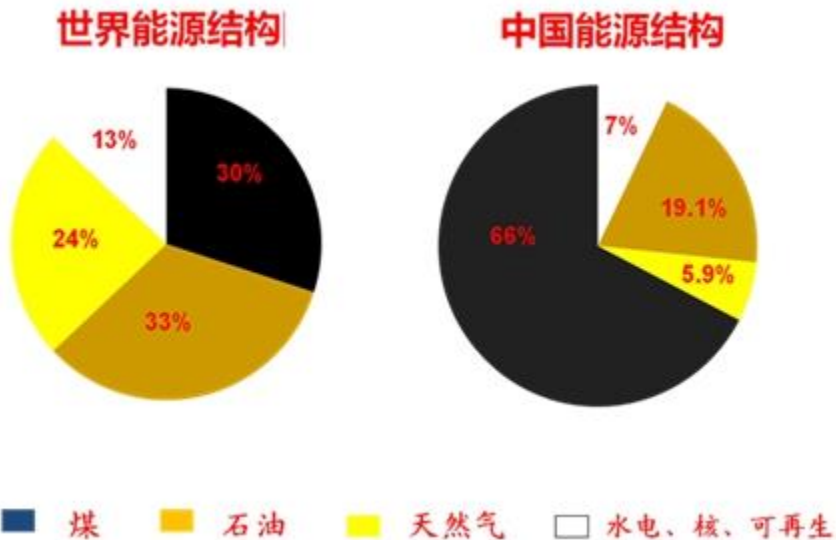
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- 1. National policies, regulations, programs**
- 2. China ESCO development**



1. China EE Policies & regulations

🌸 Energy structure in China



1. China EE Policies & regulations

- **Chinese President Xi Jinping : Actively promote energy production and consumption revolution**

Energy consumption revolution

- Control total consumption
- Prioritize energy conservation

Energy supply revolution

- Clean coal efficiency
- Develop renewable energy

Energy technology revolution

- Promote technology, industry commercial innovation
- Energy technology and industry training to lead the industry' s development

Energy system revolution

- Return to market properties, let market form the energy price
- Form new energy system

Increase international cooperation

- Cooperation internationally for energy consumption and production



1. China EE Policies & regulations

- **Energy development strategy (2014-2020) -- 2014.11.20**

By 2020:

- Total non-renewable energy consumption < 4.8billion tce
- Coal Consumption < 4.2billion tce
- None fossil energy to non-renewable energy ratio up to 15% , natural gas ratio >10% , coal consumption



1. China EE Policies & regulations

National

Energy conservation **law**

Energy conservation emission reduction twelfth 5 year **plan**

Regulation on accelerating energy saving and environmental protection development

2014-2015 Energy conservation emission reduction low carbon **development plan**

Thousand enterprise, tens of thousand enterprise low carbon plan

energy-saving products for public EE leadership program

Fiscal, taxation, price policies



Ministry

MoHURD: Five year plan for building EE, **green building** program

MIIT : Five-year plan for industry EC & further strengthening work of industrial EC

NGOA Five-year energy efficiency plan for public facilities & energy regulations of public institutions

NEA National five-year plan energy science development

Regional

Beijing

Shanghai

Fujian

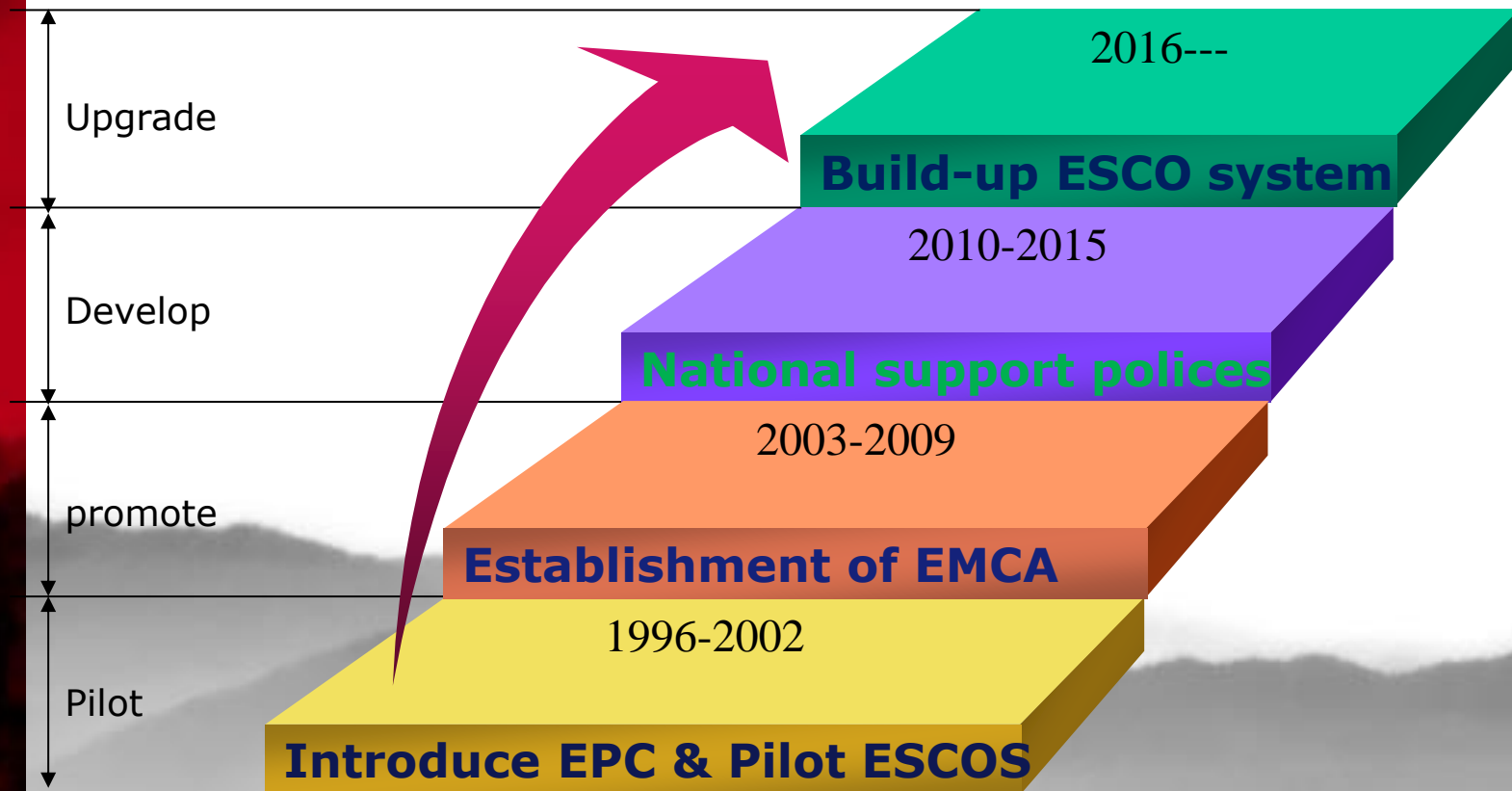


1. China EE Policies & regulations



2. China ESCO development

EMCA



China ESCO development



EMCA会员

2004年 59家
2013年 950家

增长 **16** 倍

节能服务产业
总产值

2003年 17.67亿元
2013年 2155.62亿元

增长 **122** 倍

全国从事节能
服务业务的企业

2005年底 228家
2013年底 4852家

增长 **21** 倍

合同能源管理
投资

2003年 8.51亿元
2013年 742.32亿元

增长 **87** 倍



行业从业人员

2005年 1.6万人
2013年 50.8万人

增长 **32** 倍

合同能源管理
项目节能量

2003年 55.99万tce
2013年 2559.72万tce

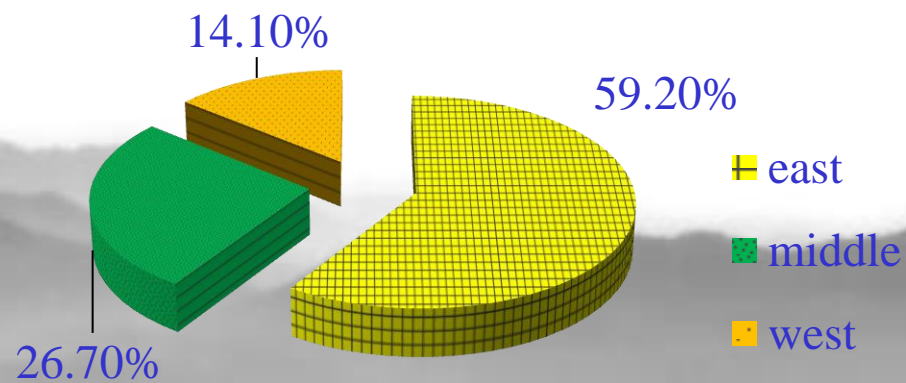
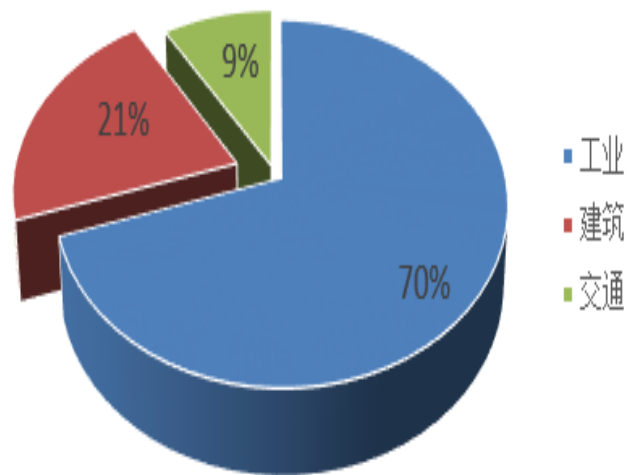
增长 **46** 倍

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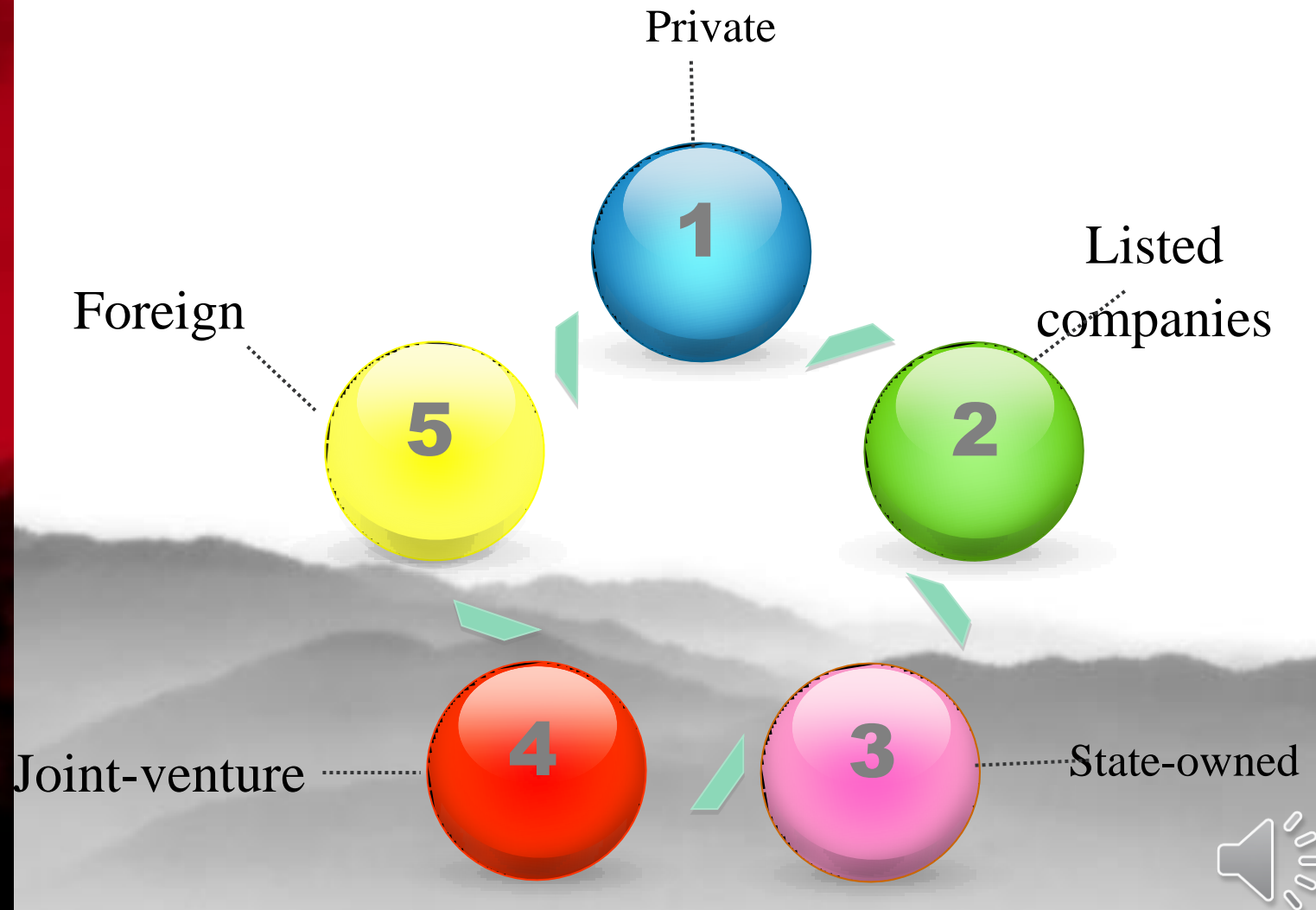
The **NUMBERS**



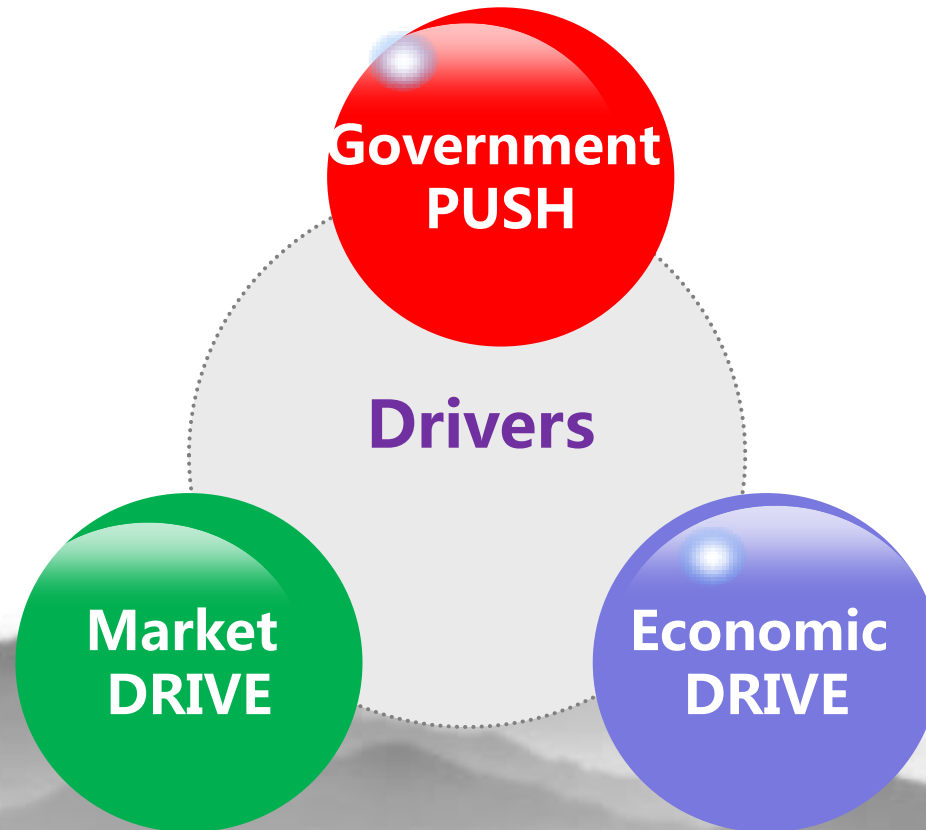
China ESCO development



China ESCO development



Drivers and barriers



提升节能意识

增强契约精神



National supportive policies for 12th five-year

1

Direct financial award

2

Tax incentives

3

Public accounting system

4

Green financing policy



Market drivers

- ❁ National 5-year plan: EE target
- ❁ National program: thousands enterprises EE program, mandatory EE standard for buildings etc.
- ❁ Energy pricing: based on time & quantity of energy consumption
- ❁ Economic drive: ESCO industry as new strategic economic growth



Customer demand

- ❁ State-owned enterprises – practice social responsibility and keep key competitive advantages
- ❁ Private enterprise – reduce cost and energy consumption to avoid close-down
- ❁ Public buildings - municipal regulation



Drivers for ESCO business

- ❁ *EE products/technology*- new business models
- ❁ *Investment* - new green market with great and sustainable potentials
- ❁ *Energy consumers* – less consumption more efficient
- ❁ *Public facilities* – professional energy management



National public service platform-EMCA

EMCA

ESCO Service Platforms
EMCA节能服务产业公共服务平台



Thank you

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