

【 Immediate Release 】



**Joint submission from Friends of the Earth (HK) and World Benchmarking Alliance (WBA) for 14th Five-Year Energy Planning Suggestions:
Urge mandatory emission disclosure by companies
to achieve decarbonisation goal**

(7 December 2020, Hong Kong) The National Energy Administration has launched a public consultation on the 14th Five-Year Energy Planning Development earlier, putting forward various goals and suggestions in areas such as guarantee of energy security, energy green and low carbon development, building of smart energy systems, and energy reform. **[Friends of the Earth (HK)]** and the World Benchmarking Alliance (WBA) submitted a joint statement supporting the notion that a “clean, low-carbon, safe and efficient energy system” is a vital “foundation and driving force for modernisation” and transition towards a low-carbon future. We also urge the Chinese Government to introduce mandatory emission disclosure by companies and set up coherent benchmarks on sustainable development, so as to enhance corporate transparency and effectively address climate change.

Reinforce emission disclosure to achieve decarbonisation goal

According to the report published by WBA, current carbon reduction measures practiced by many mainland enterprises are not aligned with the national climate policy. **[Friends of the Earth (HK)]** suggest that the Chinese Government should establish decarbonisation reporting standards, emission reduction benchmarks, and mandatory corporate emission disclosure to enhance corporate transparency and help accelerate transformative corporate action on the well-below 2-degree goal outlined in the Paris Agreement. Until now, over 40 countries in the world have already introduced mandated emission disclosure. We believe that expanding the coverage of mandatory disclosure by companies on climate-related information is particularly important to track progress of China’s nationally determined contributions.

Mr. Anthony Cheung, Board Governor & Green Finance Convenor [Friends of the Earth (HK)], said, "Transparent disclosure, public target setting, and transition planning give all stakeholders information to track a company’s progress and give confidence to achieve its contributions to decarbonisation."

Corporate target setting to increase ambition, production and sales of new energy vehicles



The current production and sales of new energy vehicles are still far away from achieving the climate target by 2050. We believe that public disclosure of corporate targets and low carbon transition from vehicle manufacturers can help promote the sales of low-carbon vehicles. We also suggest that China should continue to support research and development on battery technology, expedite the development of a hydrogen economy, and expand charging networks, particularly for heavy-duty vehicles and long-distance road freight transport where long recharge times are not ideal.

Decarbonisation of power utilities is necessary

For energy generation, [**Friends of the Earth (HK)**] highlights that power utilities must reduce fossil fuel dependency and increase the capacity of renewables in their generation mix. The WBA report demonstrated that Asian companies have great room for improvement in decarbonising their electricity generation. We recommend the utilities to direct significant capital to low-carbon research and development and set emission reduction targets and long-term decarbonisation strategies. Moreover, demand-side energy use should be tackled via policies and subsidies, such as setting minimum building energy performance and mandate building energy audits and life cycle assessments; and continuing to expand the adoption of smart meters in residences to allow citizens to have a better manage of their energy use.

Vicky Sins, Decarbonisation and Energy Transformation Lead of WBA, said, “World Benchmarking Alliance has assessed the most influential car manufacturers and electric utility companies in China on their decarbonisation process, and our research revealed that these corporations can and must do their part, in line with a robust national climate-friendly policy. We look forward to continuing our cooperation with all stakeholders in China in their journey towards the goals of the Paris Agreement.”

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