

会议第一部分讨论稿

Respected H. E. Al-Sabah and Mr Kim Jungwan,

Distinguished Ministers and Guests,

Ladies and Gentlemen,

I am honored to be invited to attend this Energy Minister Roundtable Meeting. Prior to my speech, several ministers have presented their views on future energy demand and supply in Asian market. I am deeply impressed by their speech. With this opportunity, I want to briefly share with you my personal ideas on China's new and renewable energy development, including nuclear energy.

In recent years, China's installed electricity capacity has increased tremendously. From 2005 to 2010, there is an annual increase of installed electricity capacity of approximately 100 Gigawatts. The total capacity reached 950 Gigawatts at the end of 2010, ranking second in the world, among which, electricity produced by non-fossil fuel energy (hydro, nuclear and wind power etc.) amounts to over 3000 billion kilowatt hours in these five years, taking up 18.5% percent of the total.

China has committed to the global community that the share of non-fossil fuel energy in China's primary energy consumption will reach around

15% by 2020. Therefore, we set the non-fossil fuel energy consumption target at 11.4% by 2015. This will be a guideline for the next five-year plan of energy development in China.

To achieve this, by the end of the year 2015, the total hydro power capacity will reach 290 Gigawatts, generating 920 billion kilowatt hours electricity, accounting for 6.5% of primary energy consumption; the total wind power capacity will reach 90 Gigawatts, generating 180 billion kilowatt hours electricity, accounting for 1.5% of primary energy consumption; the application of solar power will reach 400 million square meters, and the total solar power capacity will reach 5000 Megawatts. I want to draw your special attention to nuclear energy in China. Our projected nuclear power will then reach 40 Gigawatts, generating 320 billion kilowatt hours electricity, accounting for 2.2% of primary energy consumption.

As we all know, the Fukushima nuclear accident caused by March 11th earthquake in Japan has brought significant influence to nuclear energy development in the whole world. Given this chance, I want to express my regret to Japanese people for the disaster they have suffered from the earthquake, the tsunami and the nuclear accident. Sincerely hope that Japanese people will rebuild their homes and resume their new life as soon as possible.

At present, China has 28 NPP under construction, with an installed capacity of 31 Gigawatts, which accounts for about 40% of the world's total under construction nuclear power reactors. The Chinese government has always considered nuclear safety as the lifeline of nuclear energy development and relative Chinese authorities are carrying out the following tasks, firstly, to have a through safety examination of all NPPs in operation; secondly, to evaluate the NPPs under construction with the strictest criteria; thirdly, to work out Nuclear Safety Plan and suspend approval of new NPPs until the Plan is issued.

Although there are uncertainties in the scale and speed of nuclear energy development in the future, I still believe, as one of the most important sources of clear energy, nuclear energy should play its active role in meeting humans' energy demand and fighting against the climate change.

Thank you.

会议第二部分主旨发言稿

Distinguished Ministers,

Ladies and gentlemen,

Last week, the leaders from India, Russia, Brazil, South Africa and China met in Sanya, a coastal city in South China, where the Summit of Brics Leaders was successfully held. At this meeting, the five countries had a detailed discussion on how emerging economies can keep economic growth and sustainable development in the face of increasing international uncertainty and population.

In the 20th century, about 900 million people consumed almost 60% of energy supply and 50% of mineral resources of the world in the process of industrialization. Given the total population of “Brics countries” is around 3 billion, which accounts for 42% of the world total and is still undergoing industrialization and modernization, it is impossible for us to duplicate the path of developed countries, rather, we need to find a more efficient, environment-friendly and sustainable way of development.

With this opportunity, I would like to briefly introduce to you what China has done regarding energy conservation and sustainable development.

For many years, Chinese government has been attaching great importance to energy conservation and energy efficiency. Compared with the level of 2005, the energy consumption of per unit GDP has lowered by 19.1%, sulfur dioxide emission and chemical oxygen demand have decreased by 14.29% and 12.45% respectively. In the past five years, the average economic increase rate was 11.2%, while the average energy consumption increase rate is only 6.6%. I should say, considering the robust economic growth in recent years and huge population, it is not an easy task for China.

There is an old Chinese saying “to broaden sources of income and reduce expenditure”, which I think can be applied to China’s energy sector. Chinese government has been fully aware that only in this way, can we tackle energy resources restraint, achieve energy security, environmental protection and sustainable development.

First of all, in order to “reduce expenditure”, we will push forward energy conservation in key sectors, phase out inefficient production capacity and curtail the excessive expansion of high energy-consuming industries. In energy sector, by 2010, China has phased out small units amounting to 76GW, reducing coal consumption by more than 300 million tons. In transportation sector, we strictly implement the fuel consumption

standard for vehicles; encourage the deployment of vehicles fuelled by new and clean energy, especially electric vehicles, facilitate public transportation in cities. In building sector, we plan to provide financial support and government subsidies to buildings' warming system renovation in North China as well as high efficient lighting products promotion.

In order to "broaden sources of income", we will spare no efforts in developing new and renewable energy, promoting the share of non-fossil energy in primary energy supply mix. From 2005 to 2010, the installed capacity of hydropower has increased by 90 GW, with total capacity more than 200 GW, ranking the 1st in the world. In wind power sector, the total installed capacity has reached 31 GW, with 100% annual increase rate in the past five years. For solar power industry, the PV capacity has totaled 600 MW, with annual production capacity more than 8 GW. Its export accounts for 50% of international market. In nuclear power sector, at present, China has 28 NPP under construction, with an installed capacity of 31 Gigawatts, which accounts for about 40% of the world's total.

In the past five years, the electricity generated from hydropower, nuclear and wind has exceeded 3 trillion KWh, which means we saved roughly 1.5 billion tons of coal and reduced carbon dioxide emission by 3 billion

tons.

Last but never the least, we highly value the role played by international cooperation in achieving sustainable development. So far, through various bilateral and multilateral mechanisms, China has achieved fruitful exchange and cooperation with a large number of countries and international organizations, including Japan and US. We benefit a lot by learning other countries' experience in energy conservation, environmental protection and developing clean energy. I believe that by continuous exchange on policy, information and resources between different countries, we will undoubtedly achieve more substantial cooperation in the future.

Ladies and Gentlemen:

Energy conservation and improving energy efficiency is related to the global resources balance and environmental protection, therefore, it is not only the common responsibility of countries all over the world, but also the direction for future energy cooperation among Asian countries. I hope today's discussion can further enhance the mutual understanding and information exchange among Asian countries. I also look forward to learning from you regarding substantial cooperation and the diffusion of

advanced high efficiency technology.

Thank you!

会议第三部分讨论稿

Excellencies,

First of all, I'd like to review the recent oil price development.

US passed the “Financial Regulatory Reform Bill” in July 2010, to reinforce the regulation on oil market. With the economic growth in US and Europe lacks impetus, oil price returns to be demand and supply fundamentals-driven and the international oil market is comparatively stable. In 2010, WTI stays on a level of more than \$70/b (per barrel), with the lowest price of \$65.58/b and highest price of \$91.44/b in the year, which enjoys the least volatility in 15 years.

Whereas the international oil price went up dramatically due to the impact of Egypt and Libya political turmoil at the end of January. BRENT and WTI price returned to \$100/b, and then witnessed fluctuation at a similarly high level until Japan was hit by earthquake. With the political unrest went further in the Mideast and North Africa, the oil price went up again. BRENT and WTI currently stay on a level of \$120/b and 110\$/b respectively. The oil price almost doubled within one year.

Judged from the fundamentals, there is no big change for the supply and demand for oil. Since 2003, the world oil consumption has been growing at very slow pace with average annual growth rate less than 1%. In year of 2008 and 2009, we even witnessed reduction on oil consumption.

According to our understanding, the reasons for the volatility of oil price are as follows:

Firstly, it's due to the political turmoil in some part of the world. People were concerned about the international political situation, especially the deteriorating political situation in Libya. Although Libya's crude export only takes up 3.6% of the world total crude trade volume, the mental impact is much more serious than the real impact, which was cooked up as a financial issue, and pushed the oil price to a higher level.

Secondly, loose monetary policy caused global inflation. US has suffered fiscal deficit for a long time. After the financial crisis, US have issued a series of quantitative easy monetary policies to stimulate economic growth. The oil price which is settled by US dollar immediately went up. This is normal in the context of global inflation. Research results shows that oil price which is settled by US dollar increased by 50 folds since 1950s. However, the oil price, if settled by gold, only increased by 25%. This shows the world financial and monetary system settled by US dollar widely faces inflation problem.

Thirdly, it's due to speculation. As we entered 21st century, the linkage between the oil market and the financial market is unprecedentedly close.

As the biggest commodity in the world, oil trade is not simply conducted with a contract between the buyer and seller followed by payment and delivery. Plenty of oil trade is done through financial market. However, many traders in the financial market buy oil not for consumption but for speculation on all kinds of uncertainties and finally get profit from pushing up oil price.

Colleagues, a stable oil market complies with the interest of oil producers and consumers. But countries still have different views on high oil price and its big volatility. Comprehensive measures should be taken to safeguard the stability of international energy market. In the long run, we should improve investment environment, increase investment on oil exploitation, promote diversified supply of energy, and in particular, attach importance to the development of alternatives for oil and apply energy conservation and enhance energy efficiency. What's more important, we should maintain a stable political situation, reduce the negative geopolitical impact on oil market, strengthen the supervision on international financial market, and curb speculation by the international hot money.

Thank you.

