



**China Council for International Cooperation on Environment and
Development (CCICED)**

CCICED 2014 Work Report

**CCICED 2014 Annual General Meeting
December 1-3, 2014**

CCICED 2014 Work Report

In the 23rd year since its inception, the China Council for International Cooperation on Environment and Development (CCICED), as a high-level policy advisory body in the field of environment and development, has continued to promote sustainable development and has received the recognition and support of the Chinese Government. At the CCICED Annual General Meeting (AGM) 2013, Mr. Zhang Gaoli, Vice Premier of the State Council of China and Chairperson of CCICED, pointed out that ***CCICED has played a positive role in promoting China's economic development and environmental protection over more than 20 years by conducting in-depth study of environment and development issues and formulating important policy recommendations.*** In an informal discussion with the CCICED members, Mr. Li Keqiang, Premier of the State Council of China, expressed the hope that ***CCICED will continue to make recommendations for China's development, environmental protection, and ecological progress.***

Under the strong leadership of the Bureau and with the support of domestic and international partners, CCICED has successfully completed the tasks set for the year and satisfactorily met planned objectives over the year. Below is an overview of the progress achieved during the year.

1. SMOOTH PROGRESS IN POLICY RESEARCH

In 2014, CCICED carried out policy research under the theme, “Management and Institutional Innovation for Green Development”. The policy research work focused largely on identifying the challenges in the existing management system in the context of green transformation and green development of the Chinese economy and the community and exploring institutional innovation suited to green transformation and green development. The policy research teams formulated workable policy recommendations for institutional improvement that would contribute effectively to ecological civilization.

1.1 Completing the policy research as planned

In 2014, CCICED completed two task force projects and four special policy studies and reported the findings to the AGM 2014. The topics are listed below:

1. Evaluation and Prospects for a Green Transition Process in China (2013-2014)
2. Institutional Innovation for Environmental Protection in the Context of Ecological Civilization (2014)
3. Good City Models under the Concept of Ecological Civilization (2014)
4. Institutional Innovation of Eco-Environmental Redlining (2014)
5. Chinese Environmental Audit System for the Government (2014)
6. Performance Evaluation on the *Action Plan of Air Pollution Prevention and Control* and Regional Coordination Mechanism (2014).

Also, as authorized by the Bureau and approved by the Secretary-General, the Task Force on National Governance Capacity for Green Transformation and the Task Force

on Environmental Finance Reform and Green Transformation were established during the year. Their findings will be reported to the 2015 Annual General Meeting.

The Task Force and Special Policy Study teams put forward policy recommendations to the Chinese Government that integrated best practices in international and Chinese experience in the context of the realities of China. This way of working reflected the unique role and value of CCICED as a bridge for achieving international cooperation on environment and development.

1.2 Holding seminars of experts in different fields

In accordance with the 2014 work plan, CCICED successfully hosted seminars in January, June, August and October on the themes “Comprehensive Deepening Reform, Promoting the Modernization of Environmental Governance”, “Promoting the Institutional Innovation for Ecological Progress”, “New City Models and Environmental Protection”, and “Modernization of National Governance Capability under the Framework of Environment and Development”. Experts and scholars in related fields were invited to discuss difficulties, priorities, and pressing issues related to environment and development in these various areas and to draw on research findings and practical experience at home and abroad to provide useful input for CCICED’s policy research.

1.3 CCICED members, donors, and partners playing an active role in policy research

CCICED members, donors and partners played an important role in policy studies. A total of 9 Council members served as Co-Chairs or core specialists with direct involvement in the policy research work. Moreover, 11 donors and partners contributed 15 senior experts and scholars in social, economic, environmental, management, urban planning, ecological protection, and atmospheric fields. These experts made significant contributions to the high quality of the policy research.

1.4 Research by CCICED members as individuals and small groups

CCICED encourages its Council members to conduct research as individuals or small groups relevant to Annual General Meetings’ annual theme and to submit reports containing the results of their research. Earlier this year, 11 members submitted outlines of the research that they proposed to conduct. Coordinated by the Secretariat and the Chief Advisors, a working group composed of 6 Chinese and international Council Members was established, led by Mr. Daniel J. Dudek, to conduct a joint study and prepare a report on “Emissions Trading and Institutional Innovation: Lessons Learned From China’s Carbon Trading Pilots”. Eight other members, namely Peter Kent, Achim Steiner, Kandeh K. Yumkella, Roger Beale, James Leape, Nicholas Stern, He Jiankun, and Li Yong, also submitted their reports to the AGM this year. These reports cover South-South environmental cooperation, global green supply chain, ban of the illegal wildlife trade, China’s sustainable growth reform and cooperation, and carbon reduction and sustainable development. All of these reports will be submitted to the AGM for the reference of members and participants.

1.5 Further clarifying the direction and focus of work over the next two years

In line with the policy research framework of Phase V, CCICED developed a proposal on the research focus for the next two years, based on analysis of the new international situation in environment and development and China’s priorities and needs. This proposal, which focused on the theme of the 2015 AGM, research directions in 2015-

2016, and policy research project topics, will be submitted to the Bureau for consideration in the context of the 2015 Work Plan.

2. MAKING GREATER EFFORTS TO ENHANCE THE IMPACT OF POLICY RECOMMENDATIONS

A major target in Phase V is to continue to promote the adoption and application of CCICED's recommendations, share policy research findings with the international community, especially with developing countries, and expand CCICED's influence at home and abroad. More specifically, the work carried out in 2014 in this respect is as follows.

2.1 Hosting successfully CCICED 2014 Roundtable Meeting to share research findings with Asia Pacific Economic Cooperation (APEC) countries.

The CCICED Roundtable Meeting 2014 was held on May 9-10 in Tianjin with the theme of "Green Transformation and Institutional Innovation for Investment, Trade and Consumption". CCICED shared policy research findings in the fields of investment, trade and environment, sustainable consumption, and corporate social responsibility, and experience gained through the Tianjin Green Supply Chain Demonstration Project. Exchanges and discussions also took place on green transformation and institutional innovation for environmental protection. Coinciding with and closely reflecting the objectives of the APEC High-level Roundtable on Green Development, CCICED's 2014 Roundtable Meeting served to promote achievement-sharing and regional cooperation on environment and development between China and its Asia-Pacific neighbors. More than 160 people attended the event, including the CCICED Secretary General, Vice Minister of Environmental Protection Mr. Li Ganjie, and other five Council members, Tianjin Vice Mayor Mr. Cui Jindu, as well as representatives from central and local government departments, policy research projects, research institutions, APEC Member States, CCICED donors and partners, domestic and international enterprises, and news media.

2.2 Deepening dialogue and exchanges with Africa and ASEAN

To strengthen its role as a platform for sharing information, perspectives, and experience in environment and development, CCICED hosted, together with the World Wildlife Fund for Nature (WWF), the China-Africa Cooperation Symposium on Building Partnership for Sustainable Development in April this year. Representatives from African diplomatic institutions, Chinese central and local governments, research institutes, and non-governmental organizations (NGOs) were invited to discuss and exchange ideas and experience on seizing opportunities through China-Africa cooperation to promote sustainable development in China and in African countries.

On September 17, CCICED successfully hosted the Conference on *Ecological Civilization and Institutional Innovation for Green Transformation* as a side event of the China-ASEAN Environmental Cooperation Forum during the 11th China-ASEAN Expo in Nanning, Guangxi Province. The Conference reviewed China's achievements in ecological civilization and green transformation and CCICED's policy research findings, and shared experience with ASEAN countries in promoting sustainable development. The event facilitated dialogue and exchange on environment and development between China and ASEAN and laid a solid foundation for further communication and cooperation.

2.3 Promoting the adoption and implementation of recommendations through policy demonstrations.

Policy demonstration is a proactive initiative to enhance CCICED's impact at the central and local government levels and as an effective way of piloting implementation of CCICED's policy recommendations at the local level.

2.3.1 Significant results of the demonstration project on green supply chain

The Green supply chain demonstration project, the first demonstration project in Phase V, was carried out simultaneously in Shanghai and Tianjin. Since its inception in March 2013, the project has trialed a range of operational policies, systems, standards, and measures in terms of green production, green supply, green procurement, and green consumption chain, and played a significant role in extending green supply chain management concepts nationwide. In particular, the proposal to establish an APEC Cooperation Network on Green Supply Chain, which was put forward on the basis of CCICED demonstration projects on green supply chain, was endorsed by the 22nd APEC Economic Leaders' Declaration. This demonstrates that the concept of green supply chain and CCICED's related policy recommendations have been widely recognized and green supply chain will become a new focus in Asia-Pacific regional cooperation.

2.3.2 Substantial progress in the demonstration project on media and public participation

In response to policy recommendations in 2013, a demonstration project on media and public participation was carried out. *Regulations of Hebei Province on Public Participation in Environmental Protection* were formulated to establish legal protection for public participation in environmental protection. With the support of CCICED, and though the positive efforts of local government departments, the draft was revised repeatedly and submitted to the Standing Committee of Hebei Province.

2.3.3 Launch of the demonstration project on sustainable consumption

In October this year, CCICED launched a demonstration project on Sustainable Consumption. It will explore institutional development models and evaluation systems for sustainable consumption through a pilot project in one province or one city, and will provide experience and examples for promoting sustainable consumption nationwide.

2.4 Disseminating CCICED's achievements through publications and websites

The Proceedings of the 2013 Annual General Meeting (in English and Chinese), *CCICED Annual Policy Report 2013* (in English and Chinese), and *CCICED Annual Report 2013* (in English and Chinese) were published and distributed. A special issue on the 2013 AGM of the magazine *Environment and Sustainable Development* was published. CCICED's official websites in English and Chinese were improved on a continuing basis and were enriched in order to share information in a more timely and "user-friendly" fashion. Annual site visits rose by 24%.

2.5 Strengthening the top-level communications design

To implement the requirement of "strengthening top-level design for communications", with the support and assistance of the Secretariat International Support Office (SISO), CCICED developed terms of reference to engage international experts to develop a communications strategy. The strategy will further clarify the objectives and functions of a CCICED communications strategy, and will develop a strategy implementation

plan, so that the CCICED communications can proceed effectively in a progressively improved manner.

3. FURTHER STRENGTHENING AND IMPROVING OPERATION AND MANAGEMENT

3.1 Expanding and deepening partnerships through mutually beneficial cooperation

In 2014, CCICED established strategic partnerships with the Chinese Academy of Governance (CAG), and the China Executive Leadership Academy Pudong (CELAP) following pro-active communication and consultation. CCICED's collaboration with CAG and CELAP, covering teaching materials, distance learning, and seminars, will have a direct impact on the perspectives of medium- and high-level government decision-makers and will promote transformation of local government green development practices.

At the same time, CCICED implemented the strategic cooperation memorandums signed in 2013 with the United Nations Environment Programme (UNEP), World Wide Fund for Nature (WWF), World Resources Institute (WRI), International Institute for Sustainable Development (IISD), and Stockholm Environment Institute (SEI), and carried out effective cooperation in policy research and communications, and personnel exchange and training. CCICED and its partners have benefited mutually through these joint efforts to strengthen CCICED's capacity building, improve the quality of policy research, and expand CCICED's international reach.

In addition, with the support and assistance of donors and partners from Canada, Germany and WRI, 4 overseas training programs were carried out to draw on international experience in such fields as the formulation, implementation, and supervision of environmental policy; renewable energy; sustainable cities; environmental impact assessment; and stakeholder engagement in decision-making on environment and development. These programs encompass exchanges with international think tanks and research institutes on environment and development and the exploration of advanced practices in organizational structures, strategic planning, project management, and performance evaluation. By implementing these programs, CCICED has strengthened capacity in operations and management; this creates conditions for a durable and stable CCICED and its further development. More than 20 people attended the training and exchange activities, including staff from the Secretariat, the Chief Advisor Support Team, and supporting partner institutions.

3.2 Chief Advisors and the Chief Advisors Support Team playing a more prominent role

Chief Advisors and the Chief Advisor Support Team play an important advisory role in the policy research process. To strengthen the capacity of the Support Team, CCICED invited Mr. Liu Jian, Director of UNEP International Ecosystem Management Partnership Programme (UNEP-IEMP), to join the Support Team to provide assistance to the Chief Advisors.

The Chief Advisors and the Support Team have provided the following services over the past year:

1. Providing advice to the Secretary General on the formation of task forces and policy

research projects; providing academic guidance on the research based on effective communication with the research team; drafting concept papers, terms of reference, and outlines for new policy research projects; convening start-up seminars; monitoring and reviewing implementation programs, strengthening progress tracking and guidance activities; and appraising project achievements;

2. Proposing the themes of AGMs and policy research projects in 2015 and 2016 to support the Bureau and the Secretary General in their consideration of policy research agendas;

3. Holding 5 Chief Advisors and Secretariat Joint Working Meetings and the monthly meetings of Chinese Chief Advisor and the Support Team, to facilitate close coordination between the Chief Advisors and the Secretariat and to ensure the orderly conduct of all activities;

4. Drafting the 2014 Report of Recommendations to the Government of China, the Issues Paper, and the Report on Progress of China's Major Policies Pertaining to Environment and Development and the Impacts of CCICED Policy Recommendations (2013-2014).

The Chief Advisors and the Support Team thereby expedite policy research and ensure the quality of the policy research and policy recommendations.

3.3 Strengthening internal management and improving on-going operations.

In 2014, the Secretariat and SISO sought to introduce innovations to ensure effective implementation of the work plan and made necessary improvements to on-going operations. Continued capacity building programs were designed to improve the effectiveness of operation and over-all management.

3.3.1 Enhancing policy research quality control and internal management systems

Rules for Implementing the Measures for the Management of Policy Research Projects were drawn up and will be implemented to strengthen and improve policy research project management. With the support and cooperation of the Chief Advisors, policy research projects will be subject to more stringent process-wide management. In the meantime, improvements have been made to the *Procedures for Organizing the Annual General Meeting*, *Interim Measures for the Management of Economic Issues*, *Measures for the Office Management of the CCICED Secretariat*, and *Measures for the Use of the Office Seal of the CCICED Secretariat*. Policy Research Management and Implementation Guidelines for International Co-Chairs and International Members and Guidelines on the Preparation of Task Force and Special Policy Study Reports were updated.

3.3.2 Highlighting communication and increasing information transparency

To strengthen communication and exchanges with donors and partners, donor consultations during the Chief Advisors and Secretariat Joint Working Meetings and meetings with donors and partners under the auspices of the Secretariat and major partners were held to inform donors and partners in a timely fashion about the work of the Council and future plans. These meetings provided opportunities for donors and partners to comment on and offer advice on major activities, progress and achievements of on-going policy research projects, and future policy research plans.

3.3.3. SISO playing an important role

SISO has played an active and important role in such areas as financial and program management, communication and coordination with international Council members and international policy research experts, capacity development, expanding partnerships, and external communications.

**China Council for International Cooperation on Environment and Development
(CCICED)
Phase V (2012-2016)**

Report on Funding: 2013-2014

Introduction

Phase V of the China Council for International Cooperation on Environment and Development (CCICED) was inaugurated at the 2012 Annual General Meeting. The 2014 Annual General Meeting marks the third AGM of this Phase. Due to the timing of the AGM and the availability of financial data, this report on funding covers the period from 1 October 2013 to 30 September 2014. For consistency and to facilitate comparison with past years, where multiple currencies are involved they have been converted to US dollars at 30 September 2014 exchange rates. The real US\$ value of a contribution will vary depending on when it was made available and when it was used over time to meet Council expenses.

Phase V contributions

The Council's operation and activities for Phase V are supported financially by the Government of China and a wide range of international donors. Details of donors' contributions or commitments in US\$ equivalent amounts as of September 30, 2014, appear in Table 1; they total US\$ 22,909,113. The data reflects a sizeable increase in China's contribution to CCICED during Phase V. Table 1 shows China's actual contribution for 2012-2014. Discussions are underway on additional contributions on the part of existing or new donors/partners.

Core Funding and Dedicated Funding

As in earlier Phases of the Council's work, funding can be categorized as Core Funding and Dedicated Funding. Generally, Core Funding can be deployed flexibly to finance the full range of the Council's operations, including the Annual General Meetings, Task Forces/Special Policy Studies, Roundtable Meetings, Chief Advisor Group, and the Secretariat, and thus helps ensure that the Council can respond in an unrestricted and prompt manner to changing priorities and circumstances. Dedicated Funds are funds that are provided to the Council for a specific purpose, usually to support the work of a particular Task Force, Special Policy Study, or pilot project. These Dedicated Funds are concentrated on policy studies and help ensure that high-priority policy research activities have access to sufficient resources.

Management of funds

Most funds are administered by the Council Secretariat (SERI) in Beijing or by the Secretariat International Support Office (SISO) situated at Simon Fraser University in Canada. During the October 2013-September 2014 period, SISO managed the contributions to the Council on the part of Environment Canada and AusAID and may be asked to manage other donors' funds during the remainder of the 2014-2015 fiscal year. In a few instances, donors manage their contributions through their own offices.

During 2013/14, the Secretariat and SISO have continued to apply standard Guidelines on the use and management of funds used to meet international costs related to task forces. These Guidelines establish standards and limits for reimbursable costs, which were based in turn on the regulations and other conditions set by major donors on the use of their funds, and are designed to ensure consistency across all task forces. In addition, a number of procedures and contract and other templates have been developed to facilitate task force financial management.

Expenditures 1 October 2013 – 30 September 2014

Table 2 displays expenditures from 1 October 2013 to 30 September 2014 by donor. A number of other costs related to this period were processed through donor financial systems either before or after the October 2013 – September 2014 period and were included in last year's data or will appear in figures reported to the next AGM.

Table 1				
CCICED Phase V – Donor Contributions / Commitments as of September 30 2014				
	Donor	Amount in original currency	Amount in USD (See Note 1)	Details
1	China	22,900,000 RMB	3,732,700	Contribution for 2012 - 2014. See Note 2.
2	Canada	7,290,000 CDN	6,504,587	
3	Norway	25,000,000 NOK	3,888,634	
4	Sweden	11,500,000 SEK	1,592,850	Contribution for 2012 - 2015.
5	Germany	2,000,000 EURO	2,524,729	
6	Australia	1,500,000 AUD	1,309,774	
7	Italy	500,000 EURO	631,182	
8	The Netherlands	500,000 EURO	631,182	
9	US EDF	650,000 USD	650,000	
10	Shell (China Limited)	600,000 USD	600,000	
11	Energy Foundation	200,000 USD	200,000	Contribution for 2012.
12	Hong Kong University	1,500,000 HKD	193,172	Contribution for 2012.
13	EU	165,214 EURO	208,560	Contribution for 2013.
14	World Resource Institute	23,717 USD	23,717	Contribution for 2014.
15	UNDP	40,000 USD	40,000	
16	UNEP	20,000USD	20,000	Contribution for 2014.
17	WWF	900,000RMB	146,700	Contribution for 2014.
18	IISD	11,326USD	11,326	Contribution for 2014.
	Total in USD		22,909,113	

Note 1: the value in US\$ of a contribution will vary depending on when it was made available and when it was used over time to meet Council expenses. To provide notional amounts based on a consistent exchange rate, exchange rates valid on 30 September 2014 were used.

Note 2: China's contribution data for Phase V will be updated according to actual financial inputs in 2015 and 2016.

Table 2
Expenditures: CCICED Phase V
October 2013 - September 2014
US dollars (1RMB = 0.163US dollar)

Category	CHINA	CANADA	AUSTRALIA	NORWAY	SWEDEN	GERMANY	ITALY	NETHERLANDS	EDF	WRI	IISD	UNEP	WWF	Total
1. Task Forces / Special Studies														
TF on Environment and Society (2012-2013)		78,588	42,903		406,581									528,072
TF on Sustainable Consumption (2012-2013)		46,656	11,413		73,408									131,477
TF on Green Transition Process (2013-2014)	65,400	18,577		34,949	68,135									187,061
TF on Institutional Innovation for Environmental Protection (2014)	32,700	53,216	11,478		108,933	139,250								345,577
SPS on Media and Public Participation (2013)		80,855	28,966		29,377									139,198
SPS on Corporate Social Responsibility (2013)		30,021			16,379									46,400
SPS on Good City Models (2014)	65,400	35,211	4,271		33,265	144,980								283,127
SPS on Eco-Environmental Redlining (2014)	65,400	84,259	20,750		33,998									204,407
SPS on Chinese Government Environmental Audit (2014)	65,400	35,517	13,464		14,051									128,432
SPS on Performance Evaluation for Action Plan on Air (2014)	65,400	11,063	2,226		33,265	115,300								227,254
CCICED Project Performance Evaluation	32,700													32,700
Pilot Project : Green Supply Chain									100,000					100,000
Subtotal	392,400	473,963	135,471	34,949	817,391	399,530	-	-	100,000	-	-	-	-	2,353,704
2. Council AGM 2013	78,140	109,088	91,598		189,741		3,270	34,103						505,939
3. Roundtable 2014	39,325	14,534			30,354									84,213
4. Chief Advisor Group	65,400	303,334			114,450							20,000		503,184
5. Publicity and Promotion	23,054			5,798	16,530		24,525				11,326		146,700	227,932
6. CCICED Secretariat (SERI)	424,025			7,240	17,993		103,902	29,927						583,088
7. SISO Administration		473,185												473,185
8. Training	18,642	88,179				146,830				23,717				277,368
Total expenditures	1,040,985	1,462,283	227,069	47,987	1,186,459	546,360	131,697	64,030	100,000	23,717	11,326	20,000	146,700	5,008,614