IN response to the financial crisis, almost every major government worldwide announced a fiscal stimulus package, and in almost every case a significant portion was earmarked for “green” initiatives. HSBC (Hongkong and Shanghai Standard Banking Co) estimated that around the world, governments allocated more than US$340 billion in fiscal stimulus “to climate change themes.” However, this total includes rail, water and electricity infrastructure that is not specifically dedicated to clean energy. Once these are stripped out, an estimated total of US$177 billion of direct funding was allocated to renewable energy, energy efficiency, advanced transport, smart grid and other clean energy technologies. For the most part the spending is dominated by efficiency, renewable energy, electrical grid, general R&D and transportation. Energy efficiency, generally in the form of grants for the improvement of public sector buildings and for weatherization, is set to take the largest slice of clean energy stimulus funds with US$42 billion globally. It is seen as a sector that not only can have a significant impact on emission reductions and reduce household energy expenditure, but can also be quickly ramped up and has low-carbon and skilled and semi-skilled “green jobs.”

Grid improvements are also earmarked for a significant amount of stimulus spending, at US$32 billion, particularly in China and the US where they are being supported by loans and grants respectively. The Chinese funding is largely earmarked for grid extension to some of the areas where excess renewable energy is currently being produced, while much of the US spending is for the deployment of smart grid technology.

A key weakness of the stimulus approach, however, is that only around US$25 billion — 14 percent of the total allocated — has reached clean energy technology providers or project developers in 2009. The flow of stimulus spending will strengthen to around US$60 billion this year, which will almost certainly drive overall investment in clean energy into record territory, perhaps reaching as much as US$200 billion. Stimulus funding will then remain at around US$60 billion for 2011, before receding. One of the most urgent questions facing policy makers in clean energy as elsewhere is how to close the stimulus funding tap in due course without causing the industry to collapse. There is also some concern that as the global economy emerges from recession, governments will reconsider their spending plans, faced by increasing public and political concerns over the state of their finances, and that money for green schemes may be diverted elsewhere.

Reader: Free bicycles needed throughout World Expo site

DEAR Shanghai Daily:

Your news that Beijing is seeking ways to reduce traffic congestion by encouraging bicycle transport and your attention to encouraging bicycle usage in Shanghai is gratifying (“The revival of bicycles in Beijing” January 28).

Bicycles are a ready-made symbol of “green” locomotion, they should be encouraged during the World Expo in Shanghai, whose slogan is “Better City, Better Life.” Within the Expo roadways, the number of bicycles and their circulation could be efficiently controlled by employing “bike-share,” “bike-and-ride” and other such programs.

Models already exist in cities across the globe, including in the Chinese cities of Hangzhou, Zhejiang province, and Wuhan, Hubei Province, as well as in Western cities such as Paris and Berlin. Shanghai’s own bike-share program in the Minhang District could be imported into the Expo campus.

Shanghai’s Expo 2010 takes commendable pride in offer free transport within its facilities by ecologically worthy means: battery-driven buggies and golf-cart-style vehicles. These are virtuous modes, but they should not lead private transport unrepresented. For a “better city” with a “better life,” the bicycle offers the “cleanest” door-to-door service for individuals. Expo’s “city” provides an ideal venue to advertise man’s most eco-friendly ching xe — “self-moving vehicle.”

(The author is senior editor of the Nishi-nippon Newspaper.)

Takeshi Kokubu

I PARTICIPATED as a moderator in the “Asian City Journalists Conference” held in Fukuoka on December 14 last year, which coincided with the Habitat (Housing) Fukuoka Office, Journalist Conference” held in Fukuoka on December 14 last year, which coincided with the World Economic Forum. (The article is adapted from the report titled Green Investing 2010 by the World Economic Forum.)

Almost every government has spent a lot on green initiatives

China

Early in 2009, China’s National Development and Reform Commission unveiled a US$60 billion low-carbon stimulus package. Overall the Chinese stimulus is likely to flow faster than European or US packages because much of the money will take the form of loans rather than grants.

Europe

Offshore wind developers are expected to benefit first.

(The article is adapted from the World Economic Forum’s report titled Green Investing 2010.)

Media tackle environment issues

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Opinion

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