**WORKING GUIDANCE FOR CARBON DIOXIDE PEAKING AND CARBON NEUTRALITY IN FULL AND FAITHFUL IMPLEMENTATION OF THE NEW DEVELOPMENT PHILOSOPHY**

To peak carbon dioxide emissions and achieve carbon neutrality is a major strategic decision taken by the Central Committee of the Communist Party of China (CPC) with Comrade Xi Jinping at its core in light of both domestic and international imperatives. This is the natural choice for China to address acute resource and environmental constraints and achieve sustained development of the Chinese nation, and constitutes China’s solemn commitment to building a shared future for mankind. In full and faithful implementation of the new development philosophy, the work on carbon dioxide peaking and carbon neutrality should be guided by the following:

**I.** **GENERAL GUIDANCE**

1. **Guiding Principles**

We must follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implement the guiding principles from the 19th CPC National Congress and the second through fifth plenary sessions of the 19th CPC Central Committee, and thoroughly apply Xi Jinping’s thought on ecological civilization. We need to ground our work in the new stage of development, apply the new development philosophy, and foster a new pattern of development. Through the application of systematic thinking, we will strike a balance between development and emissions reduction, between overall and local imperatives, and between short-term and longer-term considerations. Endeavors to peak carbon dioxide emissions and achieve carbon neutrality must be incorporated into the overall economic and social development framework. In this way, we aim to effect a comprehensive green transformation in respect of economic and social development, with a special focus on the development of green and low-carbon energy, with a view to expediting the development of industrial structures, production modes, living patterns, and spatial zones that will conserve resources and protect the environment. We are firmly committed to a green, low-carbon and high-quality development path that gives primacy to ecological civilization. This will ensure that the carbon dioxide peaking and carbon neutrality goals are achieved as planned.

1. **Working Guidelines**

To achieve the objectives for carbon dioxide peaking and carbon neutrality, we must follow the principles of exercising nationwide planning, prioritizing conservation, leveraging the strengths of the government and the market, coordinating efforts on the domestic and international fronts, and guarding against risks.

* **Exercising nationwide planning.**Taking a whole-of-nation approach, we will strengthen top-level design, leverage institutional strengths, hold both CPC committees and governments responsible, and ensure responsibilities are fulfilled by all parties. Policies will be implemented on a categorized basis in light of local circumstance in order to encourage local authorities to act on their own initiative and take the lead in peaking carbon dioxide emissions.
* **Prioritizing conservation.**To give first priority to the conservation of energy and resources, we need to introduce a comprehensive conservation strategy. We will continue to reduce energy and resource consumption and carbon emissions per unit of output, improve resource input-output efficiency, advocate simple, moderate, green and low-carbon living patterns, and effectively control carbon emissions at their source and point of entry.
* **Leveraging the strengths of the government and the market.** Both the government and the market have an important role to play. We need to establish a new system for mobilizing the nation to boost technological and institutional innovation and accelerate the revolution in green and low-carbon technology. We will deepen reform in energy and related fields, give full play to the role of market mechanisms, and create effective incentive and restraint mechanisms.
* **Coordinating efforts on the domestic and international fronts.** Based on China’s national context, we will coordinate planning for domestic and international energy and resources and promote advanced green and low-carbon technologies and practices. In the international response to climate change, we need to be prepared to both stand our ground and engage in cooperation, continue to increase China’s influence and voice on the world stage, and resolutely safeguard our development rights and interests.
* **Guarding against risks.** The efforts to reduce pollution and carbon emissions must be balanced with the need to ensure the security of energy, industrial chains, supply chains, and food, as well as normal daily life. We need to respond appropriately to any economic, financial, and social risks that may arise during the green and low-carbon transformation to prevent any excessive response and ensure carbon emissions are reduced in a safe and secure way.

**II. MAIN OBJECTIVES**

By 2025, China will have created an initial framework for a green, low-carbon and circular economy and greatly improved the energy efficiency of key industries. Energy consumption per unit of GDP will be lowered by 13.5% from the 2020 level; carbon dioxide (CO2) emissions per unit of GDP will be lowered by 18% from the 2020 level; the share of non-fossil energy consumption will have reached around 20%; the forest coverage rate will have reached 24.1%, and the forest stock volume will have risen to 18 billion cubic meters. All the above will lay a solid foundation for carbon dioxide peaking and carbon neutrality.

By 2030, China will see significant accomplishments from the comprehensive green transformation in economic and social development, with energy efficiency in key energy-consuming industries reaching advanced international levels. Energy consumption per unit of GDP will have declined significantly; CO2 emissions per unit of GDP will have dropped by more than 65% compared with the 2005 level; the share of non-fossil energy consumption will have reached around 25%, with the total installed capacity of wind power and solar power reaching over 1200 gigawatts; the forest coverage rate will have reached about 25%, and the forest stock volume will have reached 19 billion cubic meters. CO2 emissions will reach peak and stabilization and then decline.

By 2060, China will have fully established a green, low-carbon and circular economy and a clean, low-carbon, safe and efficient energy system. Energy efficiency will be at the advanced international level, and the share of non-fossil energy consumption will be over 80%. China will be carbon neutral, and it will have achieved fruitful results in ecological civilization and reached a new level of harmony between humanity and nature.

**III. PROMOTING COMPREHENSIVE GREEN TRANSFORMATION IN ECONOMIC AND SOCIAL DEVELOPMENT**

1. **Strengthening guidance in planning of green and low-carbon development.** We will fully incorporate the objectives for carbon dioxide peaking and carbon neutrality into the medium- and long-term plans for economic and social development, and we will reinforce the support and safeguards of national development plans, territorial spatial plans and sector-based plans, as well as plans at the regional and local level. We will enhance coordination between various categories and levels of plans to ensure that across all regions and sectors, carbon dioxide peaking and carbon neutrality objectives, development directions, and major policies and projects are aligned and consistent.
2. **Optimizing plans for regional green and low-carbon development.** We will continue to optimize the layout of major infrastructure, major production capacities, and public resources and create a new model of development and protection for territorial space that will help to peak carbon dioxide emissions and achieve carbon neutrality. Stronger guidance and requirements on green and low-carbon development will be provided in the implementation of major regional development strategies, including the coordinated development of the Beijing-Tianjin-Hebei region, the development of the Yangtze Economic Belt, the development of the Guangdong-Hong Kong-Macao Greater Bay Area, the integrated development of the Yangtze River Delta, and the ecological conservation and high-quality development of the Yellow River Basin.
3. **Accelerating the formation of green production modes and living patterns.** In the endeavor to conserve energy and reduce emissions, we will promote clean production across the board, accelerate the development of a circular economy, and improve comprehensive resource utilization, so as to continuously enhance the level of green and low-carbon development. We will expand the supply and consumption of products and advocate living patterns that are green and low-carbon. We should incorporate green and low-carbon development into our national education system, and we will launch demonstration initiatives for a green and low-carbon society. We will build societal consensus and move quickly to create a system for facilitating full public participation.

**IV.** **IN-DEPTH INDUSTRIAL RESTRUCTURING**

1. **Optimizing and upgrading industrial structures.** We will move faster to promote green agricultural development and improve carbon sequestration and efficiency in agriculture. We will create implementation plans for industries and fields including energy, steel, non-ferrous metals, petrochemicals, building materials, transportation and construction. Based on the goals of energy conservation and carbon reduction, we will revise the Catalog for Guiding Industry Restructuring. Authorities will be “looking back” to inspect steel and coal facilities that have cut overcapacity in order to consolidate achievements in this area. We will accelerate innovation in low-carbon industrial processes and the digital transformation of the industrial sector. We will launch the construction of demonstration zones for peaking carbon dioxide emissions. In fields such as goods distribution and information services, green transformations will be accelerated, and low-carbon development will be enhanced in the service sector.
2. **Firmly curbing irrational expansion of energy-intensive and high-emission projects.** Capacity substitutions must be strictly implemented at equal or reduced levels for new entries and expansion of energy-intensive and high-emission projects in areas such as steel, cement, flat glass, and electrolytic aluminum. We will introduce production capacity control policies for coal-fired power, petrochemical, and coal-based chemical industries. Oil refinery operations not listed in national industrial plans will be prohibited from engaging in new construction, reconstruction, or expansion, and unlisted ethylene, paraxylene, and coal-to-olefins projects will be banned from engaging in new construction. We will keep production capacity for coal-to-liquids and coal-to-gas at an appropriate scale, raise the energy-consumption access standards for energy-intensive and high-emission projects, and enhance analysis, early warnings, and window guidance for overcapacity.
3. **Vigorously developing green and low-carbon industries.** We need to accelerate the development of strategic emerging industries in areas such as next-generation information technology, biotechnology, new energy, new materials, high-end equipment, new energy vehicles, environmental protection, aerospace, and marine equipment. We will establish a green manufacturing system and embed the internet, big data, artificial intelligence, 5G, and other emerging technologies into green and low-carbon industries.

**V. ACCELERATING THE DEVELOPMENT OF A CLEAN, LOW-CARBON, SAFE AND EFFICIENT ENERGY SYSTEM**

1. **Strengthening dual-controls over energy intensity and gross energy consumption.** Adhering to a conservation-first energy development strategy, we will strictly control energy consumption and CO2 emission intensity, appropriately control total energy consumption, and establish a system to control the total volume of CO2 emissions. We must ensure proper linkages among the spatial distribution of industries, structure adjustment, energy conservation audit, dual-controls over energy intensity and total energy consumption, so that regions in danger of missing energy intensity reduction targets will face delay or restriction of project approvals and introduce energy substitutions at equal or reduced levels. We will step up supervision and law enforcement of energy conservation, enhance analysis and early warning for energy consumption and CO2 emission control targets, and ensure strict responsibility implementation and performance evaluations. Controls over methane and other non-CO2 greenhouse gases (GHGs) will also be strengthened.
2. **Significantly improving energy efficiency.** Energy conservation must be a key feature of the entire process and all sectors of economic and social development. We must continue to improve energy conservation in key areas including industry, construction, transportation, and public institutions and enhance the energy efficiency of data centers, new communications, and other information infrastructure. We will improve the energy management system and strengthen management for major energy consumers and assign them stronger targets and responsibilities. To reach advanced international efficiency standards, we should accelerate energy conservation and carbon reduction retrofits and upgrades and work to cultivate leaders in energy efficiency.
3. **Strictly controlling fossil fuel consumption.** Coal consumption will be reduced at an accelerated pace. We will strictly limit the increase in coal consumption over the 14th Five-Year Plan period and phase it down in the 15th Five-Year Plan period, when petroleum consumption will reach its peak plateau. Coal-fired power will be developed in coordination with power supplies and peak shaving capacities, so as to strictly control coal-fired power generation projects. Upgrades and power flexibility retrofitting projects should be accelerated for existing coal power generators. The burning of bulk coal will be gradually phased out before the introduction of a complete ban. Scaled development of unconventional oil and gas resources such as shale gas, coal bed gas, and tight oil and gas will pick up pace. Risk management must be enhanced to ensure a stable and safe energy supply and a smooth transition.
4. **Actively developing non-fossil energy.** We will carry out initiatives to substitute renewable energy for fossil fuels, vigorously develop wind, solar, biomass, marine, and geothermal energy sources among others, and continuously increase the share of non-fossil energy in total energy consumption. We will advocate both centralized and distributed energy production, while prioritizing local development and use of wind and solar power. We will develop hydro power according to local circumstances, actively develop nuclear power in a safe and orderly manner, and take appropriate steps to develop biomass energy. Faster moves must be made to scale up the use of pumped storage hydro power and other new forms of energy storage. We will coordinate the development of a complete hydrogen energy chain covering production, storage, transmission, and use. To develop new electric power systems based on new energy sources, we must boost the capacity of the power grid to uptake and accommodate a high proportion of renewable energy.
5. **Deepening reforms of energy systems and mechanisms.** We will advance market-oriented reforms in the electric power sector across the board, accelerating the development of independent market entities in the distribution and sales fields and improving the linking mechanisms for medium- and long-term markets, spot markets, and ancillary services markets, so as to achieve an expansion in the scale of market transactions. We will advance reform of the power grid system and clarify the market entity positions of incremental distribution network, microgrids, and distributed power sources that mostly operate on renewable energy. We must accelerate the formation of a development mechanism for new power installations based on power storage and peak-shaving capacities. We will improve market pricing mechanisms for electricity and other energy types. We will carry out electricity price reforms with a view to promoting energy conservation, overhauling pricing structures for transmission and distribution, and lifting all pricing controls in competitive areas. Market reforms will be advanced in areas like coal, oil, and gas, and faster steps will be taken to improve the national unified energy market.

**VI. ACCELERATING THE CONSTRUCTION OF A LOW-CARBON TRANSPORTATION SYSTEM**

1. **Improving the transportation structure.** In an accelerated effort to put in place an integrated multi-dimensional transportation system, we will vigorously develop multimodal transportation and raise the proportion of rail and water transportation to achieve a sustained reduction in energy consumption and the CO2 emissions intensity in the transportation sector. The organization of passenger transportation should be improved, and passenger transportation enterprises should be guided toward larger-scale and more intensive operations. Green logistics will be developed more rapidly, and transportation resources should be integrated to ensure higher efficiency.
2. **Encouraging the use of energy-conserving and low-carbon transportation vehicles.** We need to develop new-energy and clean-energy vehicles and vessels more rapidly, promote intelligent transportation, move forward with the electrification of railways, push forward construction of hydrogen refueling stations, and make the use of onshore power as a routine practice for vessels approaching ports. We need to have an appropriate degree of forward planning as we move faster to build a convenient, efficient network of battery charging and swapping facilities. We need to raise energy efficiency standards for fossil fuel vehicles and vessels, improve the energy efficiency labeling system for transportation vehicles and equipment, and move faster to eliminate old, energy-intensive, and high-emission vehicles and vessels.
3. **Encouraging low-carbon means of transportation.** We need to accelerate the development of urban rail transit, bus lanes, bus rapid transit, and other forms of large-capacity public transportation and strengthen the development of bike lanes, pedestrian walkways, and other facilities for slow urban transportation systems. Legal, economic, technical, administrative, and other means will be comprehensively utilized to tackle urban traffic congestion.

**VII. IMPROVING THE QUALITY OF GREEN AND LOW-CARBON DEVELOPMENT OF URBAN AND RURAL AREAS**

1. **Promoting low-carbon transformation in urban and rural development and management mode.** Green and low-carbon requirements must be applied to every link of urban and rural planning, development, and management. We will promote the development of city clusters, develop urban ecological corridors and ventilation channels, and promote afforestation in urban areas. The gross floor area for buildings in urban will be set at a reasonable level, and strict limits will be enforced on public buildings with high energy consumption. We need to ensure green building practices are applied throughout the construction process, improve the management system for the demolition of buildings, and avoid demolition and construction on a large scale. The development of green communities will be accelerated. In comprehensively advancing rural development initiatives, we need to promote the green and low-carbon development of county towns and rural areas.
2. **Vigorously promoting energy-conserving and low-carbon buildings.** We must continuously raise energy conservation standards for new buildings and accelerate the large-scale development of ultra-low energy, near-zero energy, and low-carbon buildings. We need to advance energy conservation retrofits of urban buildings and municipal infrastructure and ensure buildings consume less energy and emit less carbon. We will gradually introduce energy consumption caps as well as energy efficiency assessment and labeling for buildings, and we need to conduct low-carbon development assessments in the construction industry. We will comprehensively promote green and low-carbon building materials and promote the recycling of building materials. We will also encourage the development of green housing in rural areas.
3. **Moving faster to improve the energy consumption structure of buildings.** The use of renewable energy in buildings will be promoted, and the conversion to electric and low-carbon energy in buildings should be accelerated. We will launch rooftop photovoltaic initiatives and greatly increase the electrification rate for heating in buildings, domestic water heating, and cooking. We will move more rapidly to advance combined heat and power (CHP) central heating in cities and towns in northern China and to promote the large-scale application of residual heat from industrial processes in heating systems, while taking active and prudent steps to promote heating produced through nuclear waste heat recovery. In addition, we need to advance clean and low-carbon forms of heating such as heat pumps, gas, biomass energy and geothermal energy in light of local conditions.

**VIII. STRENGTHENING RESEARCH ON GREEN AND LOW-CARBON TECHNOLOGIES AND PROMOTING THEIR APPLICATION**

1. **Strengthening basic research and research on cutting-edge technologies.** We will formulate an action plan to ensure science and technology better support our endeavor to peak carbon dioxide emissions and achieve carbon neutrality and develop a technological roadmap to carbon neutrality. We will continue with the open competition mechanism to select the best candidates to lead research on low-carbon, zero-carbon and carbon-negative technologies and on new materials, technologies, and equipment for energy storage. We need to strengthen research on basic theories and methods concerning the cause and impact of climate change as well as on carbon sinks in ecosystems. We must work toward breakthroughs in cutting-edge low-carbon technologies such as high-efficiency solar batteries, hydrogen production from renewable energy sources, controlled nuclear fusion, and zero-carbon industrial process reengineering. We need to develop key national laboratories, national technological innovation centers, and major scientific and technological innovation platforms for the research and development of energy-saving, carbon-reducing, and new-energy technologies and products. We need to develop a talent pool for the task of peaking carbon dioxide emissions and achieving carbon neutrality and encourage universities and colleges to establish disciplines and majors relevant to peak carbon dioxide emissions and achieve carbon neutrality.
2. **Speeding up the research, development and dissemination of advanced and applicable technologies.** We need to develop smart grid technologies that can support the smooth, large-scale integration of wind and solar power into the grid. We must strengthen research and industrial application of advanced energy storage technologies such as electrochemistry and compressed air energy storage. We also need to advance the research and large-scale application of key technologies for hydrogen production, storage, and application. We will promote energy-conserving and low-carbon technologies such as energy cascading utilization in industrial parks. The research and application of aerogel and other new materials will be strengthened. We will advance research, demonstration and industrial application of technologies of carbon capture, utilization and storage on a large scale. Steps should be taken to establish sound systems for the assessment and trading of green and low-carbon technologies as well as service platforms for scientific and technological innovation.

**IX. CONTINUING TO CONSOLIDATE AND IMPROVING CARBON SINK CAPACITY**

1. **Consolidating the carbon sink capacity of ecosystems.** We must strengthen the planning and use regulation of territorial space, and we must strictly enforce ecological conservation red lines and control the appropriation of ecological space. We need to stabilize the carbon sequestration function of existing forests, grasslands, wetlands, seas, soils, permafrost, and karst areas. We will strictly control the scale of incremental construction land and put into use urban and rural land held in reserve for construction. We must ensure full enforcement of land-use rules, enhance evaluations of economical and intensive land use, and promote the application of land-saving techniques and modes of development.
2. **Increasing the carbon sink capacity of ecosystems.** We will implement major projects for protecting and restoring ecosystems and coordinate the protection and restoration of mountains, rivers, forests, farmlands, lakes, grasslands and sandy lands. We need to promote further large-scale afforestation and consolidate the achievements made in returning marginal farmlands to forests and grasslands. We will implement projects to make targeted improvements to forest quality and continue to increase forest area and stock volume. We will strengthen grassland ecological protection and restoration as well as wetland protection. We need to promote protection and restoration of marine ecosystems in a holistic way and improve the carbon sequestration capacity of mangroves, seagrass beds, and salt marshes. We will launch initiatives to improve the quality of cultivated land, carry out a conservation project for China’s chernozem soils, and increase the carbon sink capacity of ecological agriculture. We will promote the development and utilization of karst areas as carbon sinks.

**X.** **PROMOTING A GREEN AND LOW-CARBON MODE OF OPENING UP**

1. **Accelerating the development of a green trade system.** As we continue to improve the composition of trade, we need to make great efforts to promote the trading of green products that are high-quality, high value-added, and technologically advanced. Our export policies will be improved to exercise strict regulation over exports of energy-intensive and high-emission products. We will expand imports of green and low-carbon products, environmental services, and services for energy conservation and environmental protection.
2. **Promoting the development of green Belt and Road.** We will accelerate a green transformation in Belt and Road investment and cooperation practices and support the development and use of clean energy in participant countries. We will strive to promote South-South cooperation to help other developing countries better address climate change. We will deepen exchanges and cooperation with other countries on environment-friendly technology, equipment, services and infrastructure construction, actively encourage China’s new-energy and other green and low-carbon technologies and products to go global, and make green development a defining feature in the joint pursuit of the Belt and Road Initiative.
3. **Strengthening international exchanges and cooperation.** China will take an active part in international talks on climate change. As a developing country, China adheres to the principles of common but differentiated responsibilities, respective capabilities, and fairness and safeguards its development rights and interests. We will follow the United Nations Framework Convention on Climate Change and its Paris Agreement and issue China’s Mid-Century Long-Term Low Greenhouse Gas Emission Development Strategy. We will actively participate in formulating international rules and standards and promote the establishment of a fair and rational system for global climate governance based on mutually beneficial cooperation. We will strengthen international exchanges and cooperation on climate change and coordinate our domestic and international efforts to play an active role in global climate and environmental governance.

**XI. IMPROVING LAWS, REGULATIONS, STANDARDS AND STATISTICAL AND MONITORING SYSTEMS**

1. **Improving laws and regulations.** We will remove the contents in existing laws and regulations that are incompatible with the task of carbon dioxide peaking and carbon neutrality and strengthen integration and coordination between laws and regulations. In addition to conducting research on formulating a specific law on carbon neutrality, we also need to expedite the revision of the Energy Conservation Law, the Electric Power Law, the Coal Industry Law, the Renewable Energy Law, the Law on Promoting the Circular Economy, and other laws to make relevant laws and regulations more targeted and effective.
2. **Refining standard and measurement systems.** We will improve standard and measurement systems for carbon dioxide peaking and carbon neutrality. We will accelerate the upgrading of energy conservation standards and promptly revise a number of mandatory national standards for energy consumption caps, compulsory national standards for the energy efficiency of equipment and products, and project construction standards. We need to raise the bar for energy consumption caps for key products, broaden the scope of standards for energy consumption caps, and improve energy accounting, testing certification, evaluation, auditing, and other complementary standards. We will speed up efforts to improve carbon emissions verification, accounting and reporting standards for regions, industries, businesses, and products and establish a unified, well-regulated carbon accounting system. We need to formulate standards for GHG emissions for key industries and products and improve the standard and labeling system for low-carbon products. We will take an active part in formulating relevant international standards and ensure domestic standards are consistent with international ones.
3. **Enhancing statistical and monitoring capacity.** We need to establish statistical, monitoring, and measurement systems for energy consumption in power generation, steel, construction, and other industries and sectors and further develop the online system for monitoring energy consumption by major consumers. We need to build our statistical and accounting capacity for CO2 emissions and enhance the quality of measurement through the use of information technology. Building on the natural resource survey and monitoring system, we will develop a system for ecosystem carbon sink monitoring and accounting, conduct background surveys on carbon sinks and assessments of carbon storage in forests, grasslands, wetlands, seas, soils, permafrost, and karst areas, and monitor and evaluate carbon sink capacities of protected and restored ecosystems.

**XII. IMPROVING POLICY MECHANISMS**

1. **Improving investment policies.** To give full play to the guiding role of government investment, we need to build investment and financing systems tailored to the goals of carbon dioxide peaking and carbon neutrality. We will strictly control investment in high-carbon projects in areas such as coal-fired power, steel, electrolytic aluminum, cement, and petroleum chemicals production. We will increase support for projects concerning energy conservation and environment protection, new energy, low-carbon transportation modes and equipment, and carbon capture, utilization, and storage. We need to improve policies for encouraging the participation of nongovernmental capital and motivate market entities to invest in green and low-carbon solutions. State-owned enterprises will scale up green and low-carbon investment and work actively to research, develop, and practically apply low-carbon, zero-carbon, and carbon-negative technologies.
2. **Actively developing green finance.** We need to promote the development of green and low-carbon financial products and services in an orderly manner. We will develop monetary policy tools to support carbon emission reduction. The green credit initiative should be included in the macro-prudential evaluation framework, and guidance will be given to banks and other financial institutions on providing long-term, low-cost capital to green and low-carbon projects. We need to encourage development and policy-backed financial institutions to provide continued long-term funding support for the goals of carbon dioxide peaking and carbon neutrality through market-oriented and law-based means. We will support qualified enterprises in going public and refinancing for the purpose of developing and running green and low-carbon projects, and we will increase green bonds. We need to carry out exploratory work on establishing a national fund for low-carbon transformation. Nongovernmental capital will be encouraged to set up green and low-carbon industrial investment funds. We will establish a sound system of standards for green finance.
3. **Improving fiscal, tax and pricing policies.** All levels of government must step up support for the development of green and low-carbon industries and their technological R&D efforts. We will refine the standards for green government procurement and step up procurement of green and low-carbon products. We will implement preferential tax policies for environment protection, energy and water conservation, new energy, and clean-energy vehicles and vessels. We will conduct research on formulating tax policies to support carbon emission reduction. We need to improve sound pricing mechanisms for promoting the large-scale development of renewable energy. We need to improve policies on differentiated electricity charges, time-of-use electricity pricing, and tiered pricing for household electricity consumption. Preferential electricity pricing must not be offered to energy-intensive, emission-intensive, or resource-consuming industries. We need to accelerate reforms on heat metering to promote metered charging based on usage. We need to speed up efforts to set up a rational binding mechanism for carbon pricing.
4. **Developing market-based mechanisms.** Relying on trading platforms for public resources, we need to accelerate the development of the national market for trading carbon emission permits by gradually expanding its coverage, diversifying trading types and means, and improving the allocation and management of allowances. Carbon sink trading will be incorporated into the national carbon market, and an ecological compensation mechanism that reflects the value of carbon sinks will be established. The carbon emission reporting and information disclosure systems for enterprises and financial institutions need to be improved. We need to improve the systems for the paid use and trade of energy consumption permits and speed up the development of a national market for such permits. We need to better coordinate and align the trading of electricity, energy consumption permits, and carbon emission permits. We need to develop market-based means for energy conservation, carry out contracted energy management, and promote comprehensive energy conservation services.

**XIII. STRENGTHENING ORGANIZATION AND IMPLEMENTATION**

1. **Strengthening organization and leadership.** The CPC Central Committee will strengthen its centralized, unified leadership over the efforts to peak carbon dioxide emissions and achieve carbon neutrality, and the Leading Group on Carbon Peaking and Carbon Neutrality will guide and coordinate these efforts. We will support localities with the favorable conditions, key industries and key enterprises in taking the lead in carbon dioxide peaking, and we will organize and carry out demonstrations on carbon dioxide peaking and carbon neutrality as a way to develop effective methods and useful practices. Carbon dioxide peaking and carbon neutrality will be an important part of the officials education and training system to strengthen the ability of officials at all levels to effectively promote green and low-carbon development.
2. **Strengthening overall coordination.** To strengthen overall coordination, the National Development and Reform Commission will work with local authorities and relevant government departments to organize the implementation of the *Action Plan for Carbon Dioxide Peaking before 2030*. It will ensure alignment between the work progress of all localities and relevant departments on a regular basis, strengthening tracking, evaluations, supervision, and inspections and coordinating efforts to resolve major issues during implementation. Relevant departments must increase coordination and cooperation, foster strong synergies, and ensure policies are consistent in direction and their implementation is well-aligned.
3. **Reinforcing local responsibility.** As per the leading official responsibility system for promoting ecological civilization, local CPC committees and governments at all levels must resolutely shoulder their responsibilities concerning carbon dioxide peaking and carbon neutrality. They must set clear goals and tasks, formulate implementation measures, and consciously contribute to the endeavor to peak carbon dioxide emissions and achieve carbon neutrality.
4. **Tightening oversight and assessment.** All local authorities must build targets for carbon dioxide peaking and carbon neutrality and incorporate them into their comprehensive assessment systems for economic and social development, assign them greater weight in assessments, and make them more binding. Performance assessments for goals and tasks related to carbon dioxide peaking and carbon neutrality must be strengthened, with outstanding regions, organizations, and individuals to be duly rewarded and commended and regions and departments that fail to accomplish their goals and tasks to be criticized by means of circular, called in for talks and held accountable in accordance with laws and regulations. The implementation shall be subject to the Central Inspections on Environmental Protection. All local authorities and relevant departments must annually submit implementation reports to the CPC Central Committee and the State Council.