

Voluntary Report – Voluntary - Public Distribution

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Report Name: NEA Announcement of Biodiesel Promotion Pilot Programs

Country: China - People's Republic of

Post: Beijing

Report Category: Biofuels, Trade Policy Monitoring, Oilseeds and Products

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Report Highlights:

From September 26 to 27, 2023, the People's Republic of China (PRC) National Energy Administration (NEA) organized a meeting on pilot programs for biodiesel promotion and application in Shanghai to learn relevant experience and practices, exchange and analyze the development of the country's biodiesel industry, and study and deploy next steps. This report summarizes the meeting takeaways and provides an unofficial translation of NEA's "Notice on Organizing Pilot Demonstrations for the Promotion and Application of Biodiesel" from November 13, 2024.

Summary

From September 26 to 27, 2023, the PRC National Energy Administration (NEA) organized a meeting on pilot programs for biodiesel promotion and application in Shanghai. The meeting was arranged to learn Shanghai's relevant experience and practices, share information and analyze the development of the country's biodiesel industry, and study and deploy next steps. The meeting emphasized that the PRC encourages the development and promotion of the biodiesel industry, highlighting that pilot projects are important measures for "accelerating the construction of a waste recycling system" and "accelerating the green transformation of development methods." The green and low-carbon transformation of energy in the PRC is aimed at helping achieve peak carbon emissions, preventing used cooking oil, or UCO, (referred to as "gutter oil" in Chinese) from returning to dining tables, and ensuring food safety.

The meeting pointed out that the NEA will organize areas with relatively complete UCO collection, storage and transportation systems, and areas that have willingness to promote biodiesel. In addition, the NEA will have biodiesel production enterprises in these areas conduct pilot projects for the promotion and application of biodiesel in an orderly manner, and gradually form demonstration effects and scale effects. At the same time, NEA also announced it will further improve the biodiesel standard system and promote the establishment of a biodiesel green certification system and a green value realization mechanism.

The meeting requested that, in order to support the demonstration and leading role of pilot work, relevant localities should strengthen organizational leadership, collaborate with multiple parties to form a joint task force, and incorporate the promotion and application of biodiesel into the overall planning of promoting "carbon peak, carbon neutrality" and ensuring food safety in the region. NEA emphasized that it is necessary to determine the optimal model and best plan for pilot demonstration projects based on regional circumstances and to ensure that pilot demonstrations are high-quality and sustainable. NEA stated that full-chain management should be strengthened to ensure the "green" attributes of biodiesel.

More than 90 people attended the meeting, including relevant provincial and municipal development and reform commissions, energy bureaus and other units, relevant units in Shanghai, PetroChina, Sinopec, relevant biodiesel production companies and industry associations. Following the meeting on November 13, NEA issued the *Notice on Organizing Pilot Demonstrations for the Promotion and Application of Biodiesel*. The notice asked governments at all levels, enterprises, and other entities to apply for pilot demonstrations in respective regions. They can choose one or more of the following methods to create pilot demonstrations for the promotion and application of biodiesel based on local conditions.

[BEGIN UNOFFICIAL TRANSLATION]

Notice on Organizing Pilot Demonstrations for the Promotion and Application of Biodiesel

(1) Biodiesel for Vehicles

1. Regional Promotion and Application

Carry out the promotion and application of vehicle biodiesel in the entire province, city, county (district), and other administrative regions or industrial parks, logistics parks, mining areas, bonded areas, free trade zones, etc. Encourage "production-based sales and closed operation" and organize kitchen waste disposal companies, biodiesel production companies, and oil sales companies to "target sales and connect production with demand."

2. Industry Promotion and Application

Promote biodiesel in logistics, public transportation, municipal administration, environmental sanitation, postal express, and other industries in the region.

3. Enterprise Promotion Application

Enterprises with gas station operating qualifications carry out promotion and application of biodiesel at the gas stations they operate.

4. Promotion and Application of Highways

The promotion and application of biodiesel will be carried out mainly at gas stations along highways.

(2) Biodiesel for Shipping

5. Promotion and Application of Biodiesel in Bonded Zones and Free Trade Zones

Promote biodiesel (fuel oil) such as B5 and B24 for ships in bonded zones, free trade zones, and other areas.

6. Promotion and Application of Biodiesel in Rivers, Lakes, and Waterways

Promote biodiesel (fuel oil) such as B5 and B24 in inland rivers, lakes, and other waterways.

The first batch application shall be submitted to NEA (Energy Conservation and Science and Technology Equipment Department) before November 30, 2023.

NEA will support eligible pilot demonstration projects by providing mid-to-long term loans and promote the inclusion of biodiesel into the national Certified Voluntary Emission Reduction (CCER) mechanism and accelerate the realization of the green value of biodiesel.

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Attachments:

No Attachments.