#### Static model for China (exercise)

China team

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#### outline

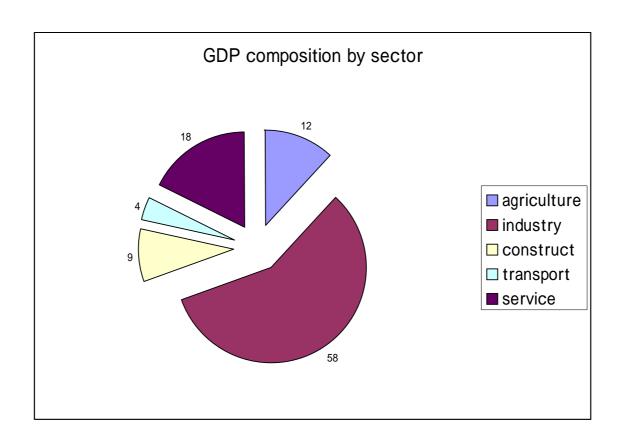
- General information about the model
- analysis on the benchmark year
- proposal on policy to reduce CO2 emission
- some thinking

### General information about the model

- based on 1997 IO table
- 40 sectors;
- 40 commodities: divide or merge?
- 5 energy goods:
   coal, natural gas and crude oil, oil products,
   coal products and electricity
- introducing CO2 emissions;

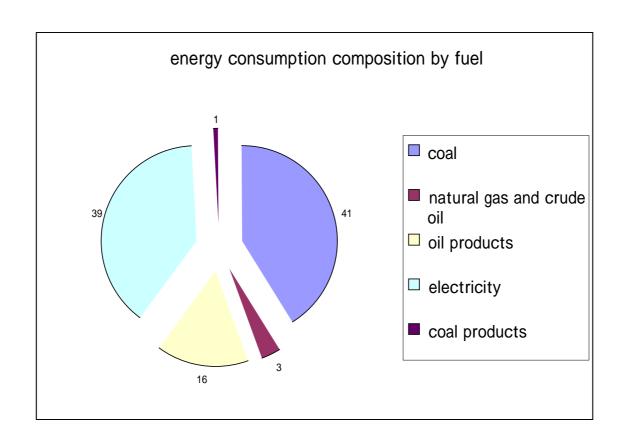
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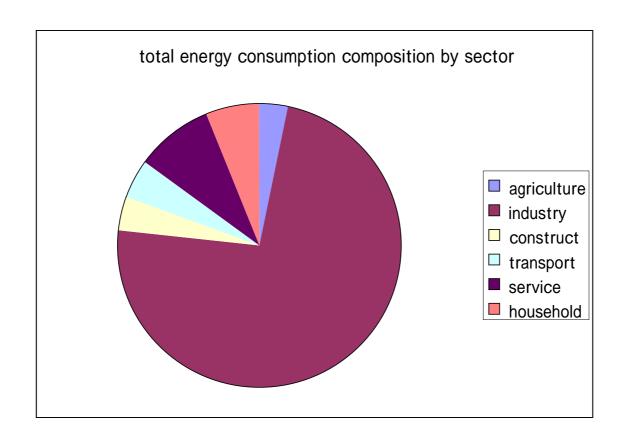
### Economy and energy use

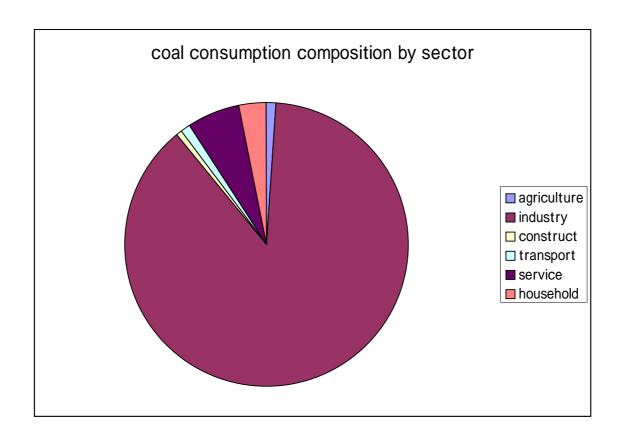


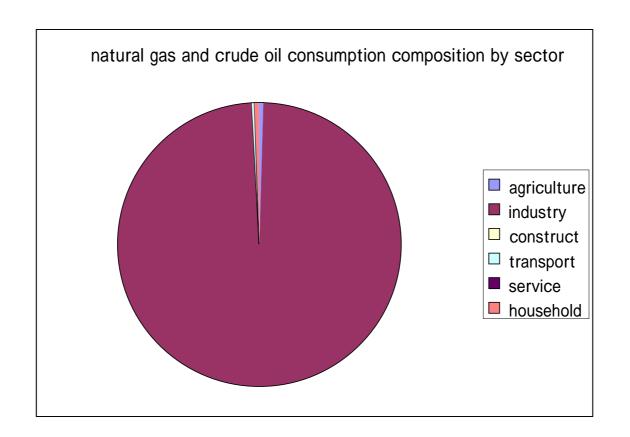
#### some data on energy use

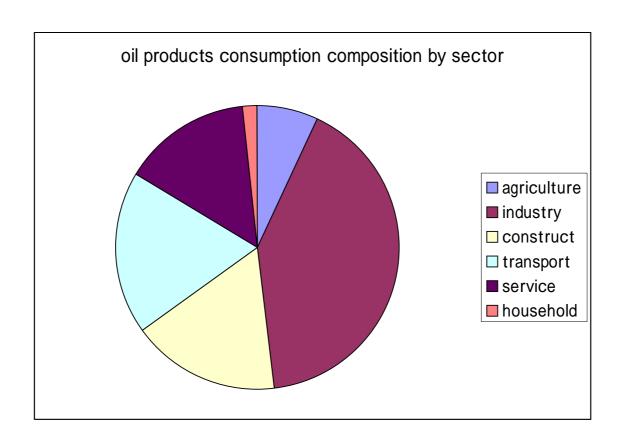
- energy intensity:
  - $2.06tce/10^{4}yen$
- elasticity of energy consumption: 0.6
- per capita energy consumption: 1141.2kgtce
- residential energy consumption per capita:
   145.7 kgtce

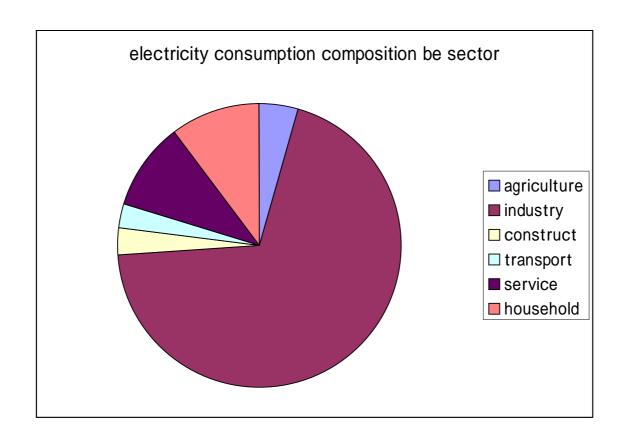


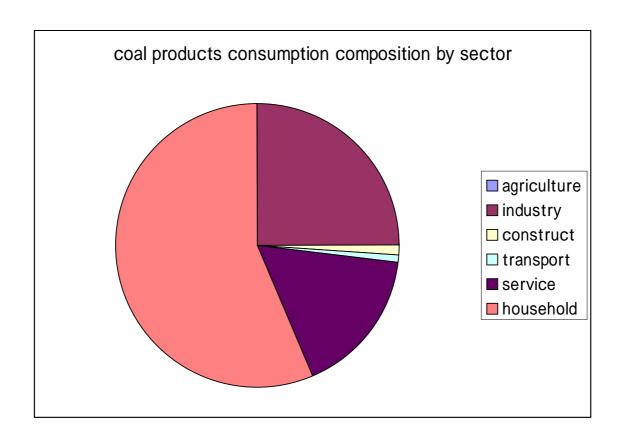










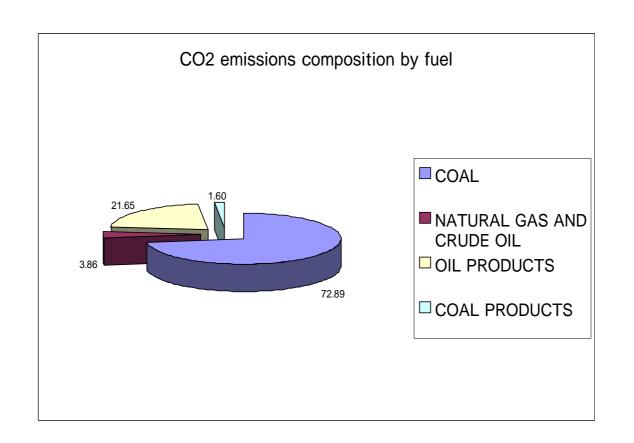


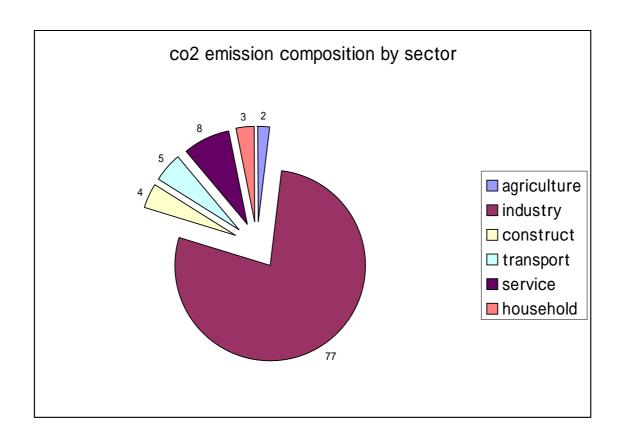
### some finding about energy use

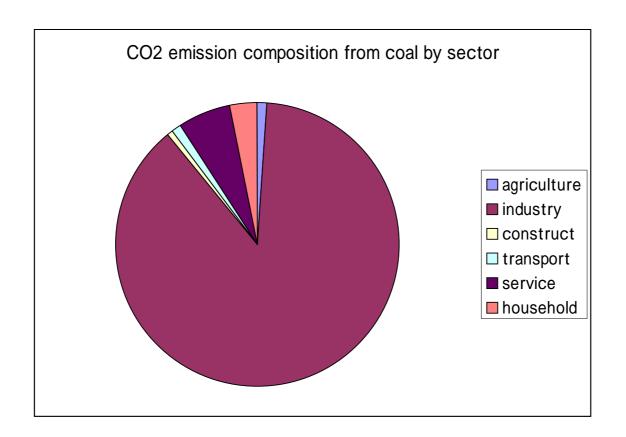
- in the total energy supply, coal and electricity covers the most part;
- Industry sector amounts to the biggest part in the total energy consumption;
- but for specific energy type, there is some difference

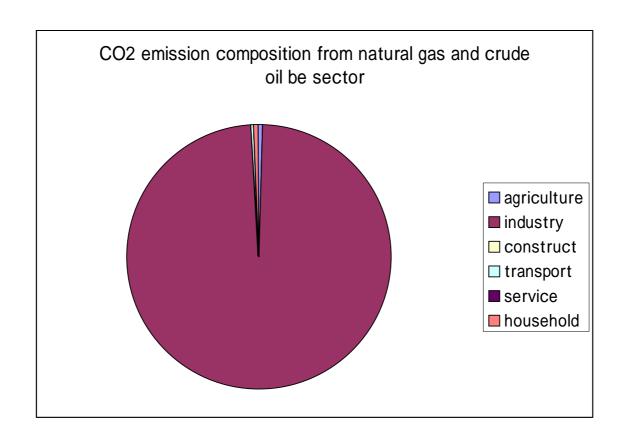
#### CO<sub>2</sub> emission

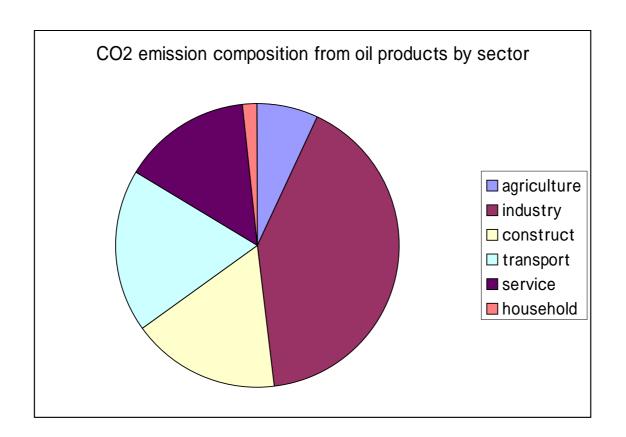
total CO2 emission:
0.96 billion ton Carbon
(real data:0.89
from CDIDA)

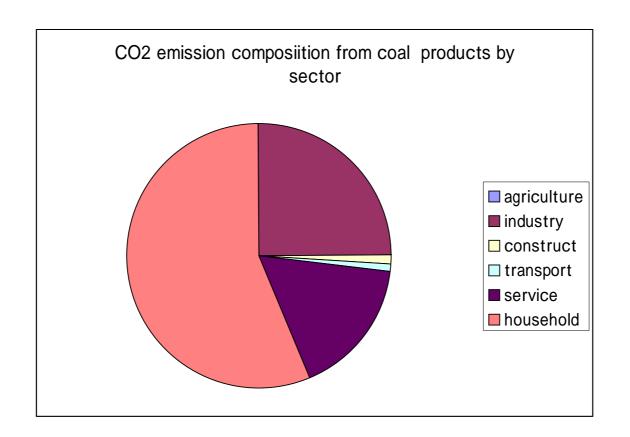












### some finding about CO2 emission

- in the total CO2 emission, coal is the biggest part;
- Industry sector amounts to the biggest part in the total CO2 emission;
- but for specific energy type, there is some difference

### policy to reduce CO2 emission

- improve energy efficiency
- how to improve?
   regulation;
   tax and subsidy;
   technology transfer

## energy consumption for main energy intensive products by comparing China with selected countries

# coal consumption for power supply(thermal power plant (gce/Kwh)

| country                | 1980 | 1985 | 1990 | 1995 |
|------------------------|------|------|------|------|
| China<br>(over<br>6MW) | 448  | 431  | 427  | 412  |
| Japan                  | 338  | 338  | 331  | 330  |
| United<br>States       | 378  | 376  | 373  | 370  |

### Energy consumption for steel production(kgce/t)

| country                 | 1980 | 1985 | 1990 | 1995      |
|-------------------------|------|------|------|-----------|
| China (key enterprises) | 1201 | 1062 |      | 976       |
| Japan                   | 705  | 640  |      | 656       |
| United States           | 880  | 761  | 757  |           |
| United<br>Kingdom       | 794  | 721  |      | 721(1994) |

### benefits from energy efficiency improvement

- energy safe
- reduce CO2 emission
- lessen local pollution
- GDP benefit

### some thinking

- how to modify original data and assign value to key parameters is more difficult than writing model itself;
- how to apply such model according to specific objective is very important;
- use the output from other types model such as end-use model is also important:

Thank you all!