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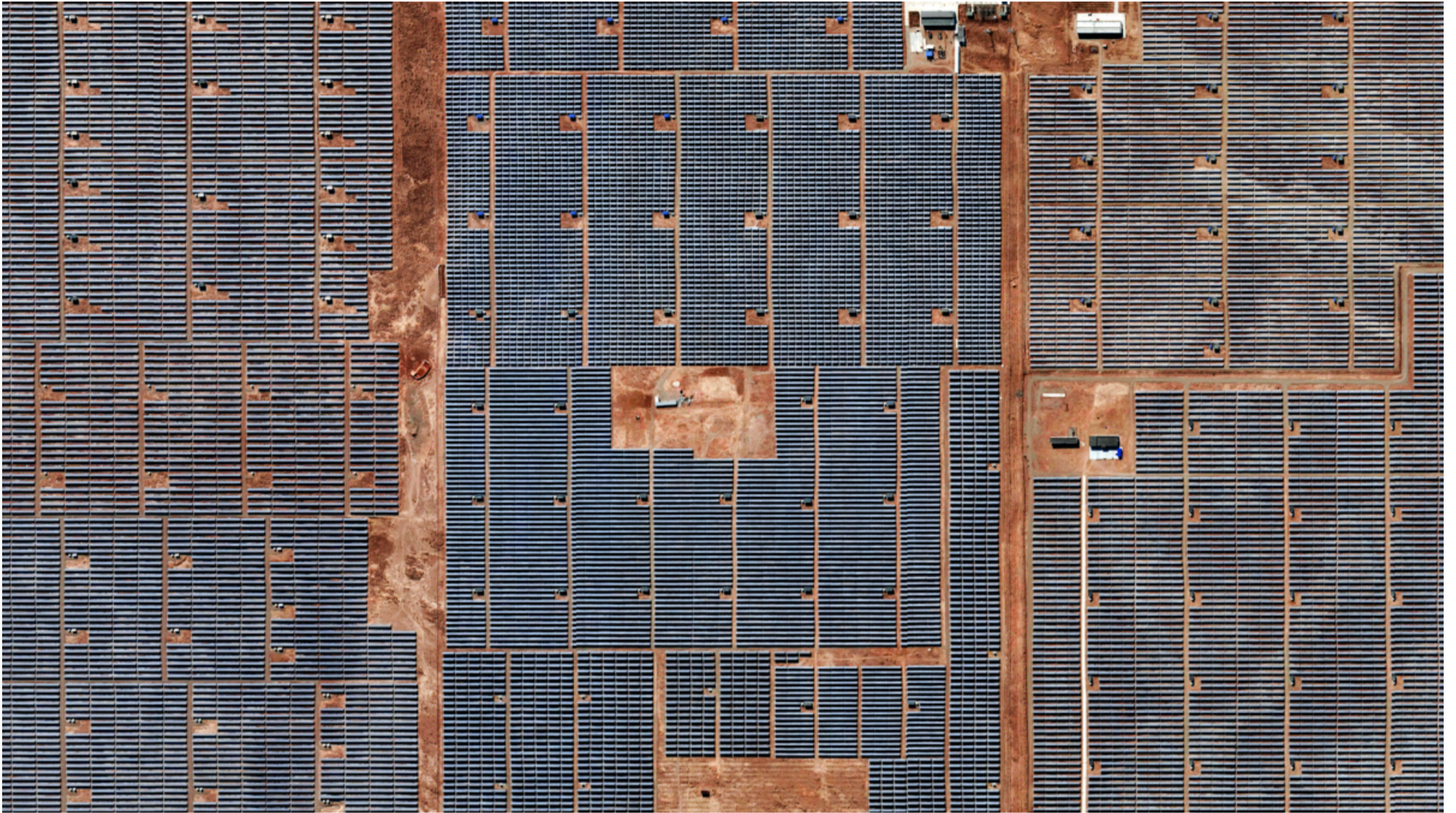
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Clean energy is the cornerstone of Xi Jinping's five-year plan

by [Peter McKillop](#) | Oct 27, 2025

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National security isn't just about armies anymore — it's about gigawatts and grids

This week, China's 20th Communist Party Central Committee members were busy working to finalize recommendations for its 15th Five-Year Plan since the establishment of the People's Republic of China in 1949. (It is expected to be formally approved at the National People's Congress in March 2026.) While members will continue to haggle over the policy details, their message to the world could not be clearer: China's future lies in green energy, and there is no turning back.

This five-year plan (2026-2030) embeds climate and energy system transformation as a top-tier national objective — not secondary to growth, but a core mechanism of it. The Party communique explicitly reaffirmed China's Supreme Leader Xi Jinping's "dual carbon" goals — peaking emissions before 2030 and achieving carbon neutrality by 2060. At the heart of the national plan, the plenum described the green transition as a pillar of both domestic modernization and global competitiveness.

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For Xi, the rationale for the green push is simple: Only by mastering its own low-carbon industrial system can China stand tall, unbowed by external pressure, and poised to lead the next industrial revolution. In China, clean energy is not viewed as a "soft" climate policy, but as hard economic power.

Quantum green growth

China's energy goals and numbers are staggering. The plans call for 200 gigawatts of new wind and solar each year, aiming to reach 3.6 terawatts by 2035 — enough to light up continents. The "Beijing Declaration on Wind Energy 2.0," released just days before the plenum, sets an annual national goal of 120 GW of wind (more than twice the 2020 goal) and a vision to reach 5,000 GW by 2060. Never before in human history has a country deployed renewables at this scale.

The underpinning essential to making this green bonanza a reality is a modern grid. By 2030, Beijing wants 80% smart coverage across its 1.4 billion-strong nation, powered by AI, 5G, and real-time data networks. This year alone, the State Grid Corporation is investing over \$90 billion — transforming power lines, substations, and battery farms into a backbone of green resilience.

The impacts are already being felt. China reached its 1,200 GW wind and solar target six years early, while projections suggest non-fossil energy could cover more than 30% of consumption by the end of the decade, well ahead of the country's international commitments. The government's aim is clear: use the plan as a springboard to peak all emissions by 2030 and drive carbon reductions thereafter.

A new era of market-based green finance

How will China pay for this? Welcome to a new era of blended finance — where state planning meets private "social" capital, innovation, and brutal internal competition.

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Provincial governments and state-owned enterprises are being tasked with co-investing in local wind, solar, and transmission infrastructure, under renewable portfolio standards that require each region to meet minimum renewable quotas for power and industrial use. These quotas are being expanded beyond electricity to include green hydrogen, ammonia, and clean heating systems, broadening investment opportunities across industries.

The rise of green nationalism

Central to the new plan is balancing rapid decarbonization with energy security. Beijing sees clean energy not just as a way to mitigate climate risk, but to secure the nation against foreign shocks, supply chain disruptions, and geopolitical conflict. China's green "self-reliance" is now both a policy and a brand.

Global implications

So what does all this mean — for the fossil fuel industry, the climate, and the ongoing drama between China and the United States?

For the fossil fuel sector, China's green push is a clear and present danger. Global demand for coal, oil, and gas is now projected to peak sooner and decline faster due to Chinese renewables — undermining the investment case for new fossil infrastructure. Over 90% of renewables worldwide now undercut coal and gas on price. As China expands its green supply chains globally through its Belt and Road initiative, it also threatens to lock out fossil infrastructure and set new norms for energy development.

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A brighter climate future?

For the climate, the potential is enormous. If China's plan stays on course and the administrative reforms hold, global emissions will decline, helping close the gap to the Paris Agreement's targets. The key questions are the speed of implementation and Beijing's ability to navigate domestic economic and grid reliability challenges.

The United States

For China's relations with the United States, competition will intensify. Clean energy supply chains, rare earths, and grid technology will join chips and AI as domains of rivalry and strategic competition. Yet China's success in lowering clean tech costs can also be a force for global good, opening climate solutions to poorer nations and building momentum for cross-border cooperation where the political will exists.

Chinese economic sovereignty

At CCM, we often write that climate leadership is about hope, tempered by the grim reality of an ever-warming world. For China, the stakes are existential. Catastrophic floods, droughts, and heat waves have hammered farms, cities, and industrial centers alike.

Transitioning at this scale is a Herculean task, fraught with risks from stranded coal assets, regional disparities, and social and labor disruption. But for China, its green bet is worth the risk if it can finally achieve economic, technological, and strategic independence. In the wake of pandemic shocks, supply chain crises, and ongoing tension with Washington, Chinese policymakers know that energy dependence means vulnerability.

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National security isn't just about armies anymore — it's about gigawatts, grids, rare earths, batteries, and the sovereignty to power one's own digital economy — and dominate the next century of human evolution.

Chinese venture capital

It's also about China's willingness to experiment at scale. Chinese engineers are setting the pace globally, technical universities are recalibrating their curricula, and local innovators are redefining what the energy transition means on the ground.

The transformation China has mapped out in its 15th Five-Year Plan is nothing short of epochal. Xi Jinping wants his legacy to be China's continued rise on the global stage — and to get there sustainably, securely, and strategically.

So now, the world watches with equal parts skepticism, hope, and fear. But one thing is clear: In China's new calculus, green energy is no longer just a remedy for climate woes. It's the currency of independence and influence. Every new gigawatt deployed domestically strengthens China's hand abroad, shaping the rules for a future built on green, not black, gold.

Featured photo: Longyangxia Dam Solar Park, China



Written by

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