C3Alliance (C3A)

Following closely on the heels of the computer/internet and biotech revolutions, the Clean Tech Revolution is creating previously unimagined opportunities for wealth creation and innovative solutions to the most intractable environmental and energy problems facing the world today. Clean Tech offers the promise of a new more sustainable way forward, as the U.S economy faces unprecedented challenges from sky-high deficits, record energy prices, global climate change, resource depletion and environmental degradation. California is at the forefront of this movement, leading the rest of the nation not only in the enactment of climate change legislation but also into this hugely profitable growth industry. Although a multitude of different technologies come under the clean tech umbrella, the main areas of interest today are energy, water, transportation and materials, which include not only the more well-known technologies of solar, wind and biofuels, but also plug-in hybrid vehicles and nanotechnology.

After almost 30 years of record-shattering economic growth, China has been thrust onto the world stage, quickly becoming the third largest economy after the U.S and Japan, the second largest consumer of oil, the largest user by far of coal and now holds the dubious distinction of being the largest emitter of CO2. Given China's status as the new Climate Superpower, the rapidly deteriorating environment and its own energy security concerns, ideal conditions have been created for China to further enhance its role as workshop to the world, through previously unimagined economies of scale in the manufacture of clean technology. Some of this potential is already beginning to be realized with China leading the world in the manufacture of solar water heaters and the recent displacement of the U.S as the third largest producer of solar panels. The Kyoto Protocol's Clean Development Mechanism is also expected to result in over 60% of CDM projects being hosted in China. The initial trickle of investment is becoming a veritable flood, as China's already voracious appetite for clean technology creates one of the most lucrative market opportunities over the next couple of decades, to clean up almost three decades of environmental degradation and to satisfy its rapidly increasing renewable energy needs, as the country moves towards a more sustainable, lower carbon future. Venture capital investment in clean technology in China has increased dramatically from about $170 million in 2005 to $420million in 2006, about $580 million this year and to an expected $720 million by 2008. In addition to private funds, the Chinese Government intends to spend $200 billion on developing renewable energy over the next 15 years with incentives for the purchase of energy from alternative sources through the Renewable Energy Law.

California is ideally situated to take advantage of the rapidly growing potential for clean technology in China, given the leadership provided by the Governor and the innovative technologies and expertise that have been developed over the last several years.

Description

The main purpose of the **California-China Clean Tech Alliance (C3A)** is to bring more focus to the disparate efforts of California organizations interested in promoting clean technology in China, particularly clean energy and to help the PRC attain its energy reduction/efficiency, poverty alleviation and sustainable development goals. Members of the non-partisan alliance include clean technology suppliers, manufacturers and service providers, project developers, venture capitalists, law firms, NGOs, environmental and energy consultants, market entry specialists, academic institutions and trade associations.

The **California-China Clean Tech Alliance,** which was organized by the EcoLinx Foundation, a California 501 C 3 non-profit, works in close cooperation with the State of California, the Department of Commerce, the U.S Commercial Service in Beijing and **AmCham China's Clean Tech Forum**. In response to the increasing presence of alternative energy and clean technology organizations in the Chinese and American economies, the **Clean Tech Forum** was established and has already organized and hosted several successful events in Beijing that have drawn sizeable audiences, most recently "Greening China – VC Investment in Clean Technologies" May 29, 2007 and "Greening the Supply Chain" April 18, 2007. The Clean Tech Forum supports a growing network of professionals in Beijing focused on the design, manufacture, development, and investment in clean technologies and carbon trading and management. The **California-China Clean Tech Alliance** will be hosting with the abovementioned organizations, a series of quarterly webinar workshops each featuring three to four California companies who will present their most cutting-edge technologies for the China market. In addition, plans are being formulated for an Earth Day Event in April 2008 sponsored by the State of California's Environmental Protection Agency, the Beijing Olympics Committee and China's State Environmental Protection Administration. This 3 day event will also include a Clean Energy Conference, where California companies can showcase their technologies and expertise.

Quick Facts

Clean Tech covers a broad range of industries, including: energy, transportation, water and materials. Examples of technologies include solar, wind, biomass (biofuels), water filtration and desalination, waste-water treatment, silicon-based fuel cells, advanced lithium-ion batteries, nanotechnology-based materials.

Clean Tech is a rapidly emerging investment area that is drawing increased interest from the venture capital community. It is now one of the largest VC investment sectors in North America amounting to nearly $10 billion between 2006-2009, compared with $6.4 billion in the previous 3 year period---a 56% increase.

- In China there are several factors driving the development of clean technology not least of which is the growing urgency to mitigate the effects of severe pollution

and the degraded environment; the Renewable Energy Law passed in 2006, which calls for 10% of electric power to come from renewables by 2010 and a pledge by the Chinese Government to spend $200 billion on renewable energy over the next 15 years and the Clean Development Mechanism of the Kyoto Protocol, whose main function is the development of sustainable energy projects, 60% of which are expected to be located in China.

- With energy security concerns and the increasing threat of Global Climate Change, momentum is building for new climate legislation to not only mitigate the effects of the changing climate, but also to reduce U.S dependence on fossil fuels and increase the use of renewable energy sources and clean technologies. Several clean technology hubs are developing in the U.S, with California's Silicon Valley at the forefront. VC investment in clean tech on the West Coast is more than double that of the closest rival the U.S NorthEast.

To Join C3A at no cost, please complete the attached form and submit it to……