

Chinese Clean Energy Secures Venture Capital Investment

Business start-up funding for climate-friendly companies in China is soaring, and in the first three months of this year has almost reached the level for the whole of 2005, according to a report by analysts Cleantech Group. Western enthusiasm to invest in Chinese clean energy companies is perhaps unsurprising given ambitious measures to try and curb the environmental impacts of a booming economy. Beijing wants to cut energy consumption per unit of national wealth by a fifth by 2010, and derive 10 per cent of its energy from renewable sources by then. Venture capital investment in environmentally-friendly companies, and especially clean energy, reached \$154 million in the first three months of this year, compared to \$170 million and \$420 million for the whole of 2005 and 2006 respectively, the report has found. Some 70 per cent of investment in 2006 was devoted to the solar energy sector, says the report. The biggest recent deal was an \$82 million investment by Goldman Sachs, among others, into Jiangsu Shunda, a manufacturer of solar panel components, says Cleantech Group.

[Source esaa news]