Actively Explore a New Path for Environmental Protection to Promote the Green Transformation of Economic Development Mode

Special Speech at the Opening Ceremony

Zhou Shengxian

Minister of Ministry of Environmental Protection, Executive Vice Chairperson of CCICED (November 15, 2011)

Dear Council members, experts, ladies and gentlemen, friends,

Good afternoon!

It's my great pleasure to meet you all again. It is of great significance for the council members, experts and specialists to meet together, discussing the theme of "Green Transformation of Economic Development Mode" with the focus on the mainstream of economic and social development during China's "12th Five-Year Plan" period. Here I would like to speak a few words and exchange views with everyone on exploring new paths for environmental protection and promoting the green transformation of economic development mode.

The Chinese government has always paid high attention to environmental protection. In the past five years, the Chinese government has put environmental protection in a more important strategic position, including putting forward the important strategic idea of building up ecological civilization and rivers and lakes rehabilitation, promoting historic transformation of environmental protection, exploring new paths for environmental protection, and taking the emission reduction of main pollutants as a compulsory target for economic and social development. Environmental protection has experienced important changes, from understanding to practice. Environmental protection in China has made significant achievements, which are mainly shown in the following five aspects: First, the targets for emission reduction of main pollutants have been exceeded. In 2010, the total emission amounts of SO₂ and COD have decreased by 14.29% and 12.45% compared to the emission level of 2005. Both exceeded the emission reduction target by 10%. During the "11th Five-Year Plan" period, all over China, the desulfurization units for coal -fired power plants with capacity of 578 million kW have been built up and put in operation. The proportion of desulfurization units to coal fired power plants has been increased from 14% in 2005 to 82.6% in 2010. New increased capacity for sewage treatment has exceeded 60 million tons per day, the rate of municipal sewage treatment has increased from 52% in 2005 to 77%.

Secondly, the effect of environmental protection for optimizing economic development and guaranteeing the improvement of livelihood has been appearing gradually. During the "11th Five-Year Plan" period, the Ministry of Environmental Protection rejected, disapproved, or temporarily postponed 822 documents of EIA projects that were not in agreement with environmental requirements. These projects involved investments of RMB 3.2 trillion. These actions have built up an impassive "fire wall" for heavy pollution, high energy intensive and resource intensive projects, low development level and duplicative construction projects, and projects resulting in over supply. Guaranteeing safe drinking water has been effectively enhanced so that the unsafe drinking water problem for 215 million rural citizens has been solved. Pollution prevention and control of heavy metal, chemicals and soil pollution have been fully promoted.

Thirdly, emphasis of pollution prevention and control in focal river basins and regions has been constantly increasing. In order to carry out and fulfill the important instruction by the Party General Secretary Hu Jintao that the rivers and lakes need to be rehabilitated and metabolic, many policy measures have been innovated. The assessment system for trans-provincial boundary section water quality monitoring has been fully set up for key water basins. During the "11th Five-Year Plan" period, the implementation rate of the special planning projects for water pollution prevention and control in key water basins was 87.1%, which is 22.8 % higher than that in the "10th Five-Year Plan" period. 80.9% of the checked section water quality reached the standard. The experimental mechanism of joint prevention and co-control for regional air pollution had effectively ensured the environmental quality for Beijing Olympic Games, Shanghai World Expo and Guangzhou Asian Games.

Fourthly, rural and ecological environmental protection has been firmly enhanced. The Central Government arranged a budget of 4 billion RMB to protect the rural environment by applying performance-based bonuses to promote pollution treatment and performance-based bonuses to take over the "general subsidies" program, in order to support 6 600 towns and villages in carrying out integrated rural environmental management and ecological demonstration construction. These have attracted 8 billion local finance resources and benefited 24 million people. The State Council approved "China's Biodiversity Protection Strategy and Action Plan". 192 new different kinds of natural reserves have been built up. The area of earth land natural protection reserves accounts for 14.9% of total land territory.

Fifthly, the environmental quality has been continuously improved. In 2010, the average concentration of permanganate value of the national monitoring section for overall surface water has decreased by 31.9% compared with that of 2005. The proportion of Grade III and above of national monitoring cross sections of seven major rivers raised from 41% of that in 2005 to 59.9%. The average annual concentration of SO₂ in the atmosphere of cities across the country decreased by 19% compared with that of 2005. The average annual concentration of SO₂ in the air in national environmental protection key cities dropped 26.3% compared with that of 2005. And the proportion of cities at and above county level which reached or exceeded air quality standard of Grade II obviously increased, reaching 81.7%.

Dear council member and experts,

China is in a period of fast industrialization and fast development of urbanization. This period is also a key phase of transformation of economic development mode. The problems of unequal, uncoordinated, and unsustainable development are still very striking. The restrictions from resources and environment have been serious day by day. There are many favorable conditions that permit the improvement of environmental protection. At the same time, there are many severe challenges. The Chinese government highly recognized the importance of environmental protection in the new situation. Not long ago, the State Council distributed the "Opinion on Enhancing Key Tasks of Environmental Protection", which defined the key tasks and guaranteeing methods for environmental protection during the "12th Five-Year Plan" period. The State Council will issue the "12th Five-Year Plan" for national environmental protection. The 7th National Environmental Protection Conference will be held soon. During the conference, the future five year environmental protection task will be arranged in its entirety. This will point out the direction and path to promote the great development of China's environmental protection.

The significant achievement of the "Opinion on Enhancing Key Tasks of Environmental Protection" by the State Council is that it clearly puts forward actively exploring a new path for environmental protection. The "Opinion" proposed: "to protect the environment during development, and develop while protecting the environment, by constantly enhancing and

using legal, economic, technical and necessary administrative measurements, using reformation and innovation as motivation, actively exploring low cost, high efficiency, low emission and sustainable new paths for environmental protection." This symbolizes that the idea of actively exploring new paths for environmental protection has been raised to a level of national strategy. It is a flagship and important driving force for the whole society to promote environmental protection together.

The undertones of the new environmental protection path are: low cost, high efficiency, low emission and sustainability. The new path for environmental protection that we are exploring does not simply mean environmental protection, but also means establishing and amplifying the national economic system and social structure system which is favorable for environmental protection, and carrying out the requirements for environmental protection in all aspects of economic, political, social and cultural construction. "Low cost" means to insist on the coordination of environmental protection and economic development, and to minimize the cost of resources and environment to support economic activities on a large scale. "High efficiency" means to insist on overall planning for environmental protection and economic and social construction, and find the best environmental, economic and social benefits. "Low emission" is to uphold a combination of pollution prevention and environmental administration, to control the pollutant emission at the lowest level, and to decrease the environmental damage caused by the economic and social activities at the lowest degree. "Sustainability" is to keep the coherence of environmental protection and long term development, and to promote the sustainable economic and social development by the construction of an energy saving and environmentally friendly society.

The fundamental requirement for exploring new paths for environmental protection is to promote the coordinated integration of environmental protection and economic development at a large scale. To correctly deal with the relationship between environmental protection and economic development is always a hard nut to crack in the construction process of socialistic modernization in China. These two factors are mutually restrictive and supportive. To protect environment without economic development looks like a fish out of water, to develop economy without environmental protection looks like draining the pond to catch all fish. We need to focus on the theme of scientific development to speed up the transformation of economic development mode and to meet the new requirement for ecological civilization. We must prioritize environmental protection at the same level of economic and social development. We must give full play to the leading role and use a target driven mechanism of environmental protection in participating macro economic regulation, in order to promote green development through optimizing regional patterns by environmental capacity, optimizing industrial structure by environmental management, and optimizing developing mode by environmental cost.

The core for exploring new paths for environmental protection is to guarantee and improve livelihood. Environmental protection is an important issue of livelihood and concerns the people. After the food issues had been solved, to create a better ecological environment became a new task for social construction, a new expectation by people, and a new symbol for the development of social civilization. So it is important to emphasize the idea that environmental protection must be favorable and beneficial for people. Efforts will be focused on solving the problems caused by heavy metals, chemicals and persistent organic pollutants (POPs), which are closely related to human life. The environmental law violations must be severely punished. The environmental rights of the public must be rationally defended so that people can have clean water to drink, fresh air to breathe, safe food to eat, and can live in a beautiful and livable environment.

The goal in exploring new paths for environmental protection is to put in the best effort to build six big systems. Firstly, the macro strategic environmental protection system should be adaptive to China's situation, which plans environmental protection, economic and social development as a whole. The second goal is to establish a full scale and highly efficient pollution prevention and control system, which covers every linkage, every field and every aspect of economic and social development, and also to reduce environmental pollution from start to end of the whole production process as well as to improve the capacity for pollution treatment. The third objective is to improve and perfect the environmental quality assessment system, which establishes scientific and rational assessment indexes so as to solve the disaccord between people's actual feeling and the assessment result of environmental quality. The forth goal is to complete and perfect law, policy and scientific technological standards system for environmental protection. This means to enhance the legal and systematic construction for environmental protection, to issue economic policies which are favorable to environmental protection, to carry out important environmental scientific engineering projects and special projects in some focal areas, and to complete the base line and basic environmental standards for the purpose of human health. The fifth is to complete an environmental management, law enforcement and monitoring system, which is to realize law enforcement responsibility and perfect law enforcement procedure so as to establish the law enforcement and monitoring system with clear authority, responsibility, and rules for conducting a powerful monitoring and highly efficient operation. The sixth is to have a social action system for public participation, which is to make green and moderate consumption as self-conscious activities of the civil society through effective dissemination,

education and public opinion indication so as to form a better atmosphere for environmental protection awareness and environmental protection participation and practice for everybody.

There are four major objectives and three tasks to be done during "the 12th Five-Year Plan" period along with exploring new paths for environmental protection. To explore the new path for environmental protection requires overall planning and top level design, focal areas after consideration of all aspects, as well as constant progress in key areas and key phases.

The four objectives are: the first is to make active exploration of the new path of environmental protection the most practical and main goal, and also enrich and complete the theoretical system for environmental protection. Only theoretical sublimation will lead to reform of practice. The theoretical system of environmental protection is the key content and basic support in the macro strategic system for environmental protection. It is necessary to deeply promote the recognition of the historic transformation of environmental protection, to realize that important ecological systems like rivers and lakes need rehabilitation and recovery, to recognize the importance of eco-civilization construction, and to get a better understanding of the relationship between environmental protection and economic and social development. Moreover, it is necessary to deepen our understanding of the succession of the natural eco-system, comprehensive and integrated pollution prevention and control, and the rules of eco-environmental management, and to consolidate the theoretical basis for environmental protection. The second is to take the revision of the "Law of Environmental Protection" as the fountain head to fully form the framework of environmental protection law, regulations and policies. It is necessary to revise the "Law of Environmental Protection" with the cooperation of the National People's Congress, enhance the fundamental position and role of the Law of Environmental Protection and fully promote the construction for environmental protection law, regulation, policy systems and environmental standards. The third is to take the issuing of organization byelaw of the Ministry of Environmental Protection as a turning point, to straighten out the function, responsibilities and organization relationships of environmental protection, to explore the possibility of a mega-ministerial system with rational unification of functions and responsibilities, and for one further step, complete the mechanism of environmental monitoring and the supervision system. The fourth objective is to take energy saving as a main task to fully promote the evident improvement of environmental quality. This is the fundamental starting point and function of environmental protection as well as the long-lasting theme for environmental protection. We will continuously promote the obvious

improvement of environmental protection, and obtain potential emission reductions from industrial restructuring, engineering, effectiveness from management, emission reduction, and complete fulfillment of the total emission reduction targets of CO_2 , NO_x , COD and NH_3 .

The three tasks are: 1) To improve overall monitoring and management capacity for environmental protection. To improve overall monitoring and management capacity is not only a basic guarantee for better environmental protection, but also a necessary requirement for public service and effective management of the government. We will strictly carry out the EIA system, and constantly increase the total emission reduction for main pollutants. We will also strengthen environmental law enforcement and monitoring, effectively prevent environmental risk and appropriately treat emergency environmental events. 2) We will try our best to solve the extreme environmental problems which affect scientific development and human health. Environmental protection is a basic aspect for protecting and improving livelihood, so it is important to insist that environmental protection must consider people first, solve the problems caused by heavy metal, persistent organic pollutants and soil pollution, and live up to the new new requirements and expectations of the people. 3) We will reform and innovate the systematic mechanism for environmental protection, continuously promote the historic transformation of environmental protection, apply economic policy that is favorable to environmental protection, improve environmental protection capacity, strengthen the environmental management system and operation mechanism and intensify the leadership and assessment for environmental protection.

Dear Council members and experts,

To fully play a promoting role of environmental protection in the transformation of economic development mode is the internal requirement for exploring the new path for environmental protection. At present, there are more and more unstable and uncertain factors in the international society, and the deep influence of the international economic crisis has appeared. The recovery speed of the world economy is slowing down. The problems in development have been more critical. The transformation of economic development mode presents this general trend and necessity. In order to determine whether or not the speeding up of the transformation of economic development mode will get a positive result, a basic judging standard is whether or not the resources and environmental cost is dropped in the development. An important determining factor is the extent of the strength of ecologic environmental protection. To speed up the promotion of the green transformation of economic development mode, we will insert our efforts in the following five aspects.

First, to greatly develop green economy, we will drive economic transformation by

green development. Green development has become a trend of times. A new round of industrial and scientific and technological innovation is under sprout and multiplying. We will push forward the multi energy clean development, improve the utilization of efficiency of energy resources and reduce resources consumption to the greatest extent. We will plan, build and reconstruct different industrial parks according to the requirement of circular economy, and establish the industrial system by the recycling chain. We will also complete the resources recycling system, and promote the utilization of renewable resources in large scale. We encourage the use of green products, carrying out green shopping, living in green style and green consumption.

Second, we will continuously enhance pollution emission reduction, and promote economic structural adjustment by the backward force mechanism. The backward pressure mechanism is the consolidated driving force and promoter to speed up the transformation of economic development mode. We will further perfect the reduction statistic, monitoring and assessing system, put the structural reduction at a more striking position, strengthen the engineering project reduction and management reduction, further promote the reduction of SO₂ and COD, and speed up the reduction of NO_x and NH₃. We will also step forward with the phasing out of backward production capacity by the backward force mechanism of pollution reduction, promote technological innovation of industries and further promote the transformation and upgrade of industrial structure.

Third, we will deepen the EIA system, and promote the upgrade of industry by the headstream control of pollution origins. EIA is the systematic safeguard for environmental protection that participates in the integrative decision making for economic and social development, a "control brake" to reduce environmental pollution and ecological damage from the headstream, and a "regulator" of promoting the transformation of economic development mode and industrial structure adjustment. We will actively seek strategic EIA, promote planning EIA, establish and strengthen the joint mechanism of planning EIA and project EIA, optimize industrial distribution so as to restrict and deny heavy pollution, high energy intensive and resource intensive projects, low development level and duplicative construction, and projects resulting in over production.

Forth, we will improve and perfect environmental protection law, regulation, policy and standards, and optimize resource allocation by environmental cost. Environmental protection law, regulation, policy and standards are usually the activator for green economic development and technologic improvement. We will make efforts to constitute and revise related laws and regulations, actively promote the reform of environmental tax and charge system, and research and formulate fiscal, tax, financial and price policies favorable to environmental protection. We will speed up the implementation of the environmental standard system, and consummate environmental quality standards, pollution monitoring standards and clean production standards.

Fifth, we will strengthen scientific innovation and supporting capacity for environmental protection, and greatly develop environmental protection industries by market leading. The important innovation in science and technology, overcoming of key technology and expanding the use of common technology will certainly bring new break throughs in environmental pollution prevention and accelerated transformation of economic development mode in China. We will give great support in policy for technical problem solving in promoting pollution reduction in the fields of heavy metal, chemical and soil pollution. We will apply demonstration projects of environmental protection industries, greatly develop environmental services and try to make environmental protection industries a new source of economic growth and supporting industry.

Dear council member and experts,

For many years, the CCICED has put forward many valuable policy recommendations and suggestions on the important issues of China's environment and development to the Chinese government. We highly appreciate the efforts and wisdom that every council member and expert has contributed for the increasing development of China's environmental protection and development. The green transformation of economic development mode is a great challenge for contemporary China. The realization of China's green transformation will be China's active contribution to world development. I hope, focusing on this theme, everyone here can have one's say, fully discuss and put forward your valuable suggestions and play more important roles in promoting China's environmental protection and economic development!

In conclusion, I wish the 2011 annual general meeting of CCICED a great success! I wish everyone has a pleasant stay in Beijing! Wish all good health!

Thank you!