

**High light****President Hu Jintao Attends the Dialogue between Heads of G8 and Developing Countries**

The dialogue between G8 countries and six developing countries, namely, China, India, Brazil, South Africa, Mexico, and Congo (Brazzaville) was held in St. Petersburg, Russia on July 17. President Hu Jintao attended the meeting, which focused on the discussion of four topics, i.e., global energy security, prevention and control of infectious diseases, education, and the development of Africa. President Hu expounded on the issue of global energy security.

Mr. Hu emphasized that global energy security is of interest to economic lifeline and people's livelihood, and is of crucial importance to safeguarding the world peace and stability and promoting common development of all countries. Every country is entitled to promoting self-development by making full use of energy and resources, and the majority of the countries are not liable to secure energy security without international cooperation. In a bid to safeguarding global energy security, we should build up and implement the new concept towards energy security, which is characterized by mutual benefits and cooperation, multi-plural development and concerted safeguarding efforts. To be specific, we should emphasize the following three aspects. First, efforts should be made to enhance the cooperation on energy development & use that generates mutual benefits. The fulfillment of global energy security necessitates the dialogue and cooperation between energy exporter and consumer, and among the big energy consumers. The international community should strengthen policy coordination, improve the monitoring mechanism and emergency response system of international energy market, promote the development of oil and gas resources so as to increase the supply, realize the globalization and diversification of energy supply, ensure steady and sustained international energy supply and rational energy price on the basis of balanced energy demand and supply, and guarantee energy demands of all countries. Second, we should create a system to research, develop and extend advanced energy technology. We should enhance the research, development and extension of energy-saving technologies, support and foster energy efficiency of all countries, save energy, and explore the possibility of creating a clean, safe, economic and reliable world energy supply system for the future. We should look at the cooperation in these fields from the big picture of sustained development of human society, and properly deal with such issues as capital inputs, IPR protection and technical extension, which can benefit all countries in the world. Third, we should maintain a favorable political environment for energy security and stability. We should join the efforts to maintain the stability of oil production areas, and ensure the safety of international energy pass. We should seek for the resolution of divergence and conflicts through dialogue and negotiations rather than make the energy issue a political problem.

**The Convention of National Video Conference on Prevention and Control of Water Pollution**

The State Council held the national video conference on the prevention and control of water pollution on July 21. Vice Premier Zeng Peiyan attended the conference and made remarks. He stressed that prevention and control of water pollution is a major task to implement scientific outlook on development in an all-round way and protect the ecological environment. It is also a decisive move to enhance and improve the macro economic control at present. All parties concerned should be fully aware of the daunting situation of water pollution, rigorously control the total amount of pollutant

discharge, pay close attention to environmental treatment of major rivers, and endeavor to accomplish the water pollution control tasks of this year and that under the Eleventh Five-Year Plan.

Mr. Zeng Peiyan pointed out that water pollution problem has been a crucial factor that constrains economic development, impairs the public health and affects social stability, so we must be determined to address it. All areas and relevant departments should improve the awareness of hardships and crises and the sense of responsibility, build up the senses of mission and urgency and be down-to-earth in the following six tasks, i.e., to rigorously control the total amount of pollutant discharge, to pay close attention to water pollution control in major river basins, to accelerate the construction of treatment facilities of sewage and garbage in urban areas, to prevent major water environmental accidents, to optimize economic layout and improve water environmental quality, and to guarantee drinking water safety.

### **The National Conference on Environmental Science and Technology is held in Beijing**

The National Conference on Environmental Science and Technology, which was held in Beijing on August 18, made arrangements for environmental science and technology work in the next 5 to 15 years. Vice Premier Zeng Peiyan put forward requirements for this work, highlighting the need to place S&T innovation on an outstanding status, strive to make breakthroughs in environmental S&T, speed up the application of scientific research outcomes in the environment field, and to meet the target set out in the Eleventh Five-Year Plan that specifies a reduction of 10% in the total discharge amount of major pollutants.

Mr. Zeng Peiyan pointed out that the achievement of the above target depends on making S&T progress, highlighting S&T innovation, and earnestly increasing the application of S&T in environmental protection work. In order to enhance the efforts in environmental S&T, we should implement the concept of scientific outlook on development, earnestly carry out national projects on environmental S&T, integrate self-dependent innovation with introduction, assimilation and absorption of S&T achievements from abroad, and try to make breakthroughs in key environmental technology and generic technology. We should quicken the pace to extend and apply research findings in environment field, make greater efforts in R&D of environmental technology and equipment, upgrade the level of domestic production, cut down treatment costs, and improve the effectiveness of environmental protection work.

The meeting pointed out that the overall objective of environmental S&T innovation is that, by the year 2010 and through the implementation of the three major projects, i.e., environmental S&T innovation, establishment of environmental standards system and the management system of environmental technology, breakthroughs will be made in key area of environmental S&T innovation, environmental technical regulations and standards will basically meet the demands of environmental management, and the management system of environmental technology will have been initially established so as to greatly enhance the capacity of science and technology in guiding and supporting environmental protection cause. By the year 2020, a national environmental S&T supporting system will be established with clear administrative levels, definite division, high operation efficiency and strong support.

(Sources: Xinhua Net)

## **Top News**

### **Zhu Guangyao Meets with Chinese Lead Expert Prof. Shen Guofang**

On August 21, Zhu Guangyao, Vice Minister of SEPA and CCICED Secretary General met with Prof. Shen Guofang, the Chinese Lead Expert of CCICED. They exchanged views on the progress of current Task Forces and the establishment of proposed new task forces for 2007. Mr. Xu Qinghua, Director General of the International Cooperation Department of SEPA and Deputy Secretary General of CCICED, presented at the meeting.

### **Zhu Guangyao and Shen Guofang pays a courtesy call to Dr. Song Jian, Chairman of CCICED Phase I**

On August 23, Vice Minister of SEPA and CCICED Secretary General Zhu Guangyao and the Chinese Lead Expert Shen Guofang paid a courtesy call to Dr. Song Jian, Chairman of CCICED Phase I and the Chinese Co-chair of the Task Force on China's Environment and Development Review and Prospect. They reported on the progress of the high-level Task Force and the preliminary arrangements for the meeting to be held in September.

## Secretariat

### Talks between the Secretariat and CIDA

On June 24, the Delegation of Headquarter Secretariat, which was headed by Mr. Xu Qinghua, Director General of the International Cooperation Department of SEPA and Deputy Secretary General of CCICED, visited Canada and had talks with Mr. Jeff Nankivell, Director General of Chinese Program Department of CIDA. Both parties discussed in detail the terms of reference of the 4th Phase of CCICED as well as the working plan of the next step and reached primary common understanding.

### CCICED Secretariat Holds the Brainstorming Meeting with relevant Ministries

On August 18, the Secretariat hosted the Brainstorming Meeting with relevant Ministries. A total of 21 representatives from NDRC, Ministry of Land Resources, Ministry of Construction, Ministry of Communications, Ministry of Water Resources, and other Ministries attended the meeting. Mr. Xu Qinghua, Director General of the International Cooperation Department of SEPA and Deputy Secretary General of CCICED chaired the meeting. The Secretariat briefed on the Council's working scheme for the next five years, and listened to the suggestions and policy study demands of the Council's work from those Ministries.



### The International Conference on Eco-compensation Mechanism is held in Beijing

The International Conference on Eco-compensation Mechanism, which was organized by CCICED and supported by the Task Force on Eco-compensation Mechanism and Policy Research Center for Environment and Economy of SEPA, was held in Beijing on August 24-25. Deputy Director of Environment and Resources Conservation Committee of NPC Ye Rutang, Vice Minister of SEPA and Secretary General of the Council Zhu Guangyao, and Chinese Lead Expert Shen Guofang attended the conference and gave their speeches. Mr. Xu Qinghua and Yang Chaofei, Deputy Secretaries General

of the Council also attended the conference.

200-odd participants, including Chinese and international experts of the Task Force, experts and representatives from Ministry of Finance, Ministry of Land Resources, Ministry of Water Resources, SEPA and other Ministries, Environmental Defense, Forest Trends, WWF, World Bank and other relevant international organizations, foreign embassies to China, local environmental protection agencies and scientific research institutes attended the conference.

The meeting carried out in-depth discussion on the following five central topics, i.e., 1) theoretical approaches and strategies on eco-compensation; 2) eco-compensation mechanism and policies on river basins; 3) eco-compensation mechanism and policies for the development of mineral resources; 4) eco-compensation mechanism and policies for the conservation of forest resources; 5) eco-compensation mechanism and policies on nature reserves.

### Discussions between CCICED Secretariat with Relevant Organizations

In July and August, the Secretariat had bilateral discussions with Japanese Ministry of Environment and DFID of UK respectively to discuss the possibility of further cooperation under the platform of CCICED. Mr. Guo Jing, Director of the Secretariat attended the discussions.

## Task Forces

### Task Force on Economic Growth and Environment

During June 20-22, the Task Force on Economic Growth and Environment had a working meeting in Chongqing Municipality to discuss the policy study report of the Task Force. Dr. Peter Bartelmus, the International Co-chair, and Chinese and international experts of the Task Force attended the meeting. The meeting held through discussions that policy recommendations of the Task Force would include the following aspects. First, in terms of reducing energy consumption and pollution, efforts should be made to emphasize the limits of industrial restructuring and clarify the improbability of the existing approach to leap over the heavy industrial period in order to avoid environmental pollution. Second, the

government should enhance environmental governance, mandate the enterprises to operate environmental facilities, intensify the supervision and investigation of environmental pollution and create a more favorable policy environment for the environmental protection of enterprises. Third, it is recommended to increase the environmental investments, seek for the sources of environmental inputs and operational costs by means of pollutant discharge tax, environment tax and market approaches, and make technical progress in pollution control during processes and from the sources in addition to end-of-pipe treatment. Forth, for the proposal of institutional reform of national resources and environment management, we should establish a joint working mechanism like Environment Protection Leading Group of the State Council, and extend the functions of competent departments of resources and environment. Fifth, efforts should be made to implement the performance indicator system as soon as possible, accelerate the identification and division of environmental governance responsibilities of the Central government and that of local governments, and promote environment auditing for in-service leaders. Sixth, it is recommended to set up an accounting system of material flows and establish environment monitoring systems across the country. Seventh, it is proposed to establish new taxes such as environment pollutant discharge tax and tax for the compensation of resources and environment, and the tax revenues are exclusively for the expenditure of environment protection.



### **Task Force on China's Environment and Development Review and Prospect**

During June 26-30, the working meeting of core personnel for the Task Force on China's Environment and Development Review and Prospect was held in Vancouver, Canada. The Council's Lead Experts Shen Guofang and Dr. Hanson, Director of the Secretariat Guo Jing, Director of the Secretariat Canadian Office Earl Drake and other experts concerned attended the meeting. The meeting discussed the progress of the mid-term study of the Task Force, and made working arrangements for the next stage.

From July to August, the Chinese research fellows of the Task Force on China's Environment and Development Review and Prospect had topic discussions on solid waste disposal, water resources management, biodiversity and economic and environmental prospects, which laid a solid foundation for future work.

### **Task Force on Eco-compensation Mechanism**

The Task Force on Eco-compensation Mechanism held a working meeting in Beijing on August 26. On the basis of the outcomes of the International Conference on Eco-compensation Mechanism, the meeting further discussed and improved the Report of the Task Force on Eco-compensation Mechanism. Mr. Li Wenhua and Prof. Hidefumi Imura, the Co-chairs of the Task Force attended the meeting.

The meeting agreed that the Task Force's Report would include the following 6 parts: 1) the meaning of eco-compensation and the significance of developing eco-compensation mechanism and policies; 2) practice and experience of eco-compensation mechanism; 3) the theory and methodology of eco-compensation; 4) the general framework and priority areas; 5) case study, and 6) policy recommendations. Among others, the Policy Recommendations of the Task Force should expound on the following six aspects: 1) issuing guiding instruments for eco-compensation policies as soon as possible; 2) good coordination of the relations among stakeholders; 3) more efforts in transfer payment of eco-compensation and financing through a variety of channels; 4) further improvement of the management system of eco-compensation; 5) acceleration of law-making in this field; and 6) enhancement of capacity-building and encouraging active participation of stakeholders.

## **Lead Experts**

### **Lead Experts Holds Working Meeting**

On July 30-31, the Lead Expert Group of CCICED held a working meeting in Beijing. The Lead Experts Shen Guofang and Dr. Hanson attended the meeting. The meeting listened to the progress report of the Task Force on Economic Growth and Environment, discussed the progress of the research of the Task Force on China's Environment and Development Review and Prospect, and nailed down the working plan for the next stage.