

**High Light****China Issues "Outline of the 11th Five-Year Plan for National Economic and Social Development"**

The Fourth Session of the 10th National People's Congress reviewed and adopted the "Outline of the 11th Five-Year Plan for National Economic and Social Development" on March 14, 2006. Here are the text of the Outline concerning environmental protection:

The productivity of China is still under-development. Some long-term deep contradictions restraining development still exist. China is relatively short of arable land, fresh water, energy and important mineral resources with fragile ecological environment and irrational economic structure. Some pre-eminent problems occur during the fast economic growth of the "10th Five-Year Plan" period: slow shift of economic growth mode, excessive consumption of energy and resources and aggravated environmental pollution.

Guiding Principle: the transformation of economic growth mode must be accelerated. With resource-saving as one of basic State policies, we will develop circular economy, protect ecological environment, expedite the development of a resource-saving and environment-friendly society and promote harmony among economic growth, population, resources and the environment. We will facilitate the development of national economy and popularization of information technology, follow a new path of industrialization, adhere to clean and safe development with minimum consumption of natural resources so as to achieve sustainable development.

Policy Direction: We will give priority to resource efficiency and environmental protection to facilitate the development. Focusing on the promotion of fundamental transformation of economic growth mode, we will facilitate the shift of economic growth mainly depending upon more input of resources into that driven by high resource efficiency.

Major Objectives for Economic and Social Development

Remarkable rise of resource efficiency. Energy consumption per unit of GDP will reduce by about 20%; water consumption per unit of industrial added value will decrease by 30%; effective use rate of agricultural irrigation water will rise to 0.5 and the comprehensive utilization rate of industrial solid wastes will go up to 60%.

Enhanced capacity in sustainable development. The total population will be no more than 1.36 billion. Arable land will maintain at 120 million hectares; and the ensured supply of resources such as fresh water, energy and key mineral resources will be increased. In addition, the degradation trend of ecological environment will be under basic control with the reduction of the total release of major pollutants by 10%. Forest coverage will reach 20% and the emission of green house gases under effective control.

Major Targets on Economic and Social Development during the 11th Five-Year Plan Period

Energy consumption per unit GDP reduction by 20% (compulsory);

Water consumption per unit of industrial added value decline by 30% (compulsory);

Comprehensive utilization rate of industrial solid wastes: 55.8% in 2005 and 60% in 2010 with annual average increase by 4.2% (expected);

Total release of major pollutants decline by 10% (compulsory);

Forest coverage: 18.2% in 2005 and 20% in 2010 with annual average increase of 1.8% (compulsory).

The quantitative targets of the current Guidelines have two kinds: one is the expected indicator and

the other compulsory one.

Expected target means the development objective expected by the State and its realization mainly depends on the self conduct of the market. By creating good macro economic, institutional and market environment with timely appropriate adjustment of macro regulation as well as comprehensive application of various policies to guide the distribution of social resources, the Chinese government will strive for the fulfillment of such target.

Compulsory target means the target with further clarification and enhancement of the responsibility of the government based on the expected target. It is the requirements of the Central Government for local government and relevant national department in public services and the fields involving public interests. By rational allocation of public resources and effective application of administrative forces, the Central Government will ensure the realization of such target. [more in Chinese](#)

Top News

Vice Minister Zhu Guangyao and Chinese Lead Expert Shen Guofang Met Dr. Song Jian, First Chairman of CCICED

Mr. Zhu Guangyao, Vice Minister of SEPA and Secretary General of CCICED, and Mr. Shen Guofang, Vice President of Chinese Academy of Engineering and the Chinese Lead Expert of CCICED visited Dr. Song Jian, First Chairman of CCICED and Chinese Co-Chair of the Task Force on China's Environment and Development review and Prospect on March 21, 2006. They discussed the progress of TF on China's environment and development review and prospect and primary arrangement for the coming Task Force meeting and the Fifth AGM of CCICED Phase III.

The Secretariat Activities

CCICED Secretariat Delegation Visited Belgium and Italy

Mr. Xu Qinghua, Director General of the Department of International Cooperation of SEPA and Deputy Secretary General of CCICED, led the CCICED Secretariat delegation to Belgium and Italy during March 7-10, 2006. During the visit, he met with Mr. Karl, Director General of DG Environment of EU Commission and Director General Mr. Clini of the Department of International Cooperation of the Ministry of the Environment and Territory of Italy. Mr. Xu briefed relevant development of the Third Phase of CCICED and some considerations on the Four Phase of CCICED and exchanged views on how to carry out further cooperation under the framework of CCICED. Italy is a new donor of CCICED since its establishment.

CCICED Secretariat Held a Meeting with Beijing Office of French Development Agency

CCICED Secretariat held a meeting with Beijing Office of French Development Agency on March 21, 2006. The two parties explored potential form and method of cooperation under CCICED platform. Mr. Guo Jing, Director of the Secretariat of CCICED attended the meeting.

CCICED Secretariat Held a Meeting with GTZ Mission

CCICED Secretariat held a meeting with GTZ Mission on March 30, 2006. The Secretariat introduced the progress of CCICED projects, primary consideration for the Fourth Phase of CCICED and suggestions on potential cooperation between China and German under the framework of CCICED. Mr. Guo Jing, Director of the Secretariat of CCICED attended the meeting.

Task Forces



Task Force on Ecological Compensation

Task Force on Ecological Compensation held a Task Force Working Meeting on March 11-12, 2006. The meeting listened to the stage outcomes of each sub-group and discussed the plan for the future work. More than 70 participants such as the officials from NDRC, Ministry of Finance, SEPA and the Commission of Environment and Resources of NPC and representatives from Chinese Academy of Social Sciences, Tsinghua University, IUCN, EDF were invited to attend the meeting.

The Task Force enjoyed a smooth operation of each sub-group over six-month study. It carried out comprehensive evaluation on existing domestic policies concerning ecological compensation, expounded the definition and connotation on ecological

compensation and the reason for the establishment of ecological compensation mechanism. In addition, it conducted simple analysis on the type of ecological compensation issues, priority policy areas and approaches and developed a primary framework for ecological compensation theory.

The Task Force has selected such topics as river basin, mineral resource development, forestry and protected areas as the focus for case studies with some positive progress. It has put forward relevant findings and primary policy recommendations. For example, river basin case study suggests that the State should enhance the legislation on river-basin ecological compensation and issue technical guidelines for river-basin ecological compensation as soon as possible. The case study on mineral resource development presents primary design for ecological compensation mechanism based on coal resource. The case study on forestry puts forward such recommendations as intensifying the efforts in financial transfer payments, development of multi-financing channels for the compensation of forest ecological services and the improvement of the management mechanism of the compensation for forest ecological services. The case study on protected areas presents some primary policy suggestions targeting various kinds of protected areas.

Task Force on Economic Growth and Environment

The Chinese team of Task Force on Economic Growth and Environment held a work meeting on March 17, 2006. The meeting discussed the scheme of the investigations on typical enterprises in such provinces and municipalities as Shandong, Zhejiang, Hebei, Jilin and Chongqing and the work plan for the next stage.



Task Force on Environmental Governance Capacity

The international team and the Chinese team of Task Force on Environment and Governance Capacity held a work meeting in Berlin and Beijing respectively on March 17-18, 2006. And the two teams held a video meeting in the afternoon of March 18, discussing the interim progress, report outline and work plan for the next stage.

The meeting decided that policy recommendations of this Task Force will focus on the following 8 areas: 1) further application of market mechanism; 2) formulation and enforcement of environmental laws; 3) openness to the media and public, public participation and environmental management; 4) straightening out the relationship of the terms and reference of the Central government with that of local government on environmental management; 5) addressing inter-department conflicts, including the relations among various departments, participation method of industrial associations, the relationship between some line industry administrations and environmental protection department; 6) consultation mechanism for environmental policies; 7) relationship between environmental management system and emergency response system; and 8) capacity building of environmental protection departments.

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

The Chinese team of Task Force on China's Environment and Development Review and Prospect held a work meeting on March 25, 2006. The meeting discussed issues including the interim report of each sub-group and the work arrangement for the period before the mid April Task Force meeting.

Meetings and Events

- Lead Expert Group is going to hold a work meeting in Beijing on April 11-12.
- Task Force on China's Environment and Development review and Prospect is going to have a work meeting in Beijing on April 13-14.

Explanation of New Words

What is a harmonious society?

A harmonious society should be a society with democracy, rule of law, equity, justice, honesty, friendship, vigour and vitality, order and stability as well as harmony between man and nature. Democracy and rule of law means democracy fully plays its role and the basic strategy of the rule of law has enjoyed practical implementation with widespread mobilization of various active elements. Equity and justice imply appropriate coordination of the interests of each party of the society, correct treatment of contradictions among the people and other social problems and practical realization and maintenance of social equity and justice. Honesty and friendship imply mutual help, honesty and credibility of the whole society. People live in equitable and friendly environment full of vigour and vitality. They also mean the respect to all creative desires beneficial to social progress, support to creative activities, full

play of innovative talents and the appreciation of creative achievements. Order and stability imply well established social institutions and management with good social order. People live and work in peace and contentment, the whole society keeps stability and unity with harmony between man and nature. They also indicate a society with steady development, affluent life and good ecological environment.

What is an environment-friendly society?

An environment-friendly society is the society where production pattern, lifestyle and consumption in favour of environmental protection are adopted and the sound interaction relationship between man and the environment established. In this context, good environment will facilitate production, raise living standard and realize the harmony between man and nature. The development of an environment-friendly society means a social system based on environmental capacity and natural law, powered by green technology, facilitated by advanced environment and ecology oriented culture and supported by coordinated social, economic and environmental development.