

# **Work Report of CCICED Secretariat**

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**Secretary General, CCICED**

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Your Excellency Mr. Chairman, Vice Chair, Distinguished Members, Co-Chairs of Task Forces and Dear Guests,  
Ladies and Gentlemen,

On behalf of the Secretariat, I would like to give a brief report on how the relevant central government departments and local governments adopted and implemented the recommendations made by the fifth Meeting of CCICED Phase II (hereafter named The Recommendations”), the preparation of CCICED Phase III, the work of the Secretariat as well as the financial statement of CCICED.

## **I. Implementation of Recommendations by Relevant Departments and Local Governments**

By the end of September 2002, the Secretariat has received feedbacks and reports from 16 central government departments and 12 provinces, autonomous regions and province-level municipalities. These central government departments include State Development Planning Commission (SDPC), State Economic and Trade Commission (SETC), Ministry of Science and Technology (MOST), Ministry of Finance (MOF), Ministry of Land Resources (MOLR), Ministry of Construction (MOC), Ministry of Transportation (MOT), Ministry of Water Resources (MOWR), Ministry of Agriculture (MOA), Ministry of Foreign Economic Cooperation and Trade (MOFTEC), State Environmental Protection Administration (SEPA), State Forestry Administration (SFA), Chinese Academy of Sciences (CAS), State Meteorological Administration (SMA), State Oceanic Administration (SOA) and State Power Company. The provinces, autonomous regions and

province-level municipalities mentioned above include Beijing, Tianjin, Hebei, Inner Mongolia, Liaoning, Shanghai, Jiangsu, Jiangxi, Shandong, Hainan, Chongqing, Guizhou, Xizang, Shaanxi and Qinghai.

These responses and reports indicate that the recommendations are closely relevant to the environmental protection and sustainable development in China and play an active role in promoting this process. Indicative of this are some examples that follow. In June 2002, the National People's Congress (NPC) examined and adopted the *Law for Promoting Cleaner Production*, which will be enacted from January 2003. In October 2002, NPC also adopted the *Law of Environmental Impact Assessment*, which will enter into force from September 2003. By then, the cleaner production and environmental impact assessments in China will abide by these two legal instruments. The State Council has in principle endorsed the *Regulation Concerning Collection, Management and Use of Pollution Levies*. The relevant departments are actively formulating the related rules and procedures for enforcing this regulation, which will lay a good basis for reforms in the environmental taxation. A separate item for environmental protection has been established in the central government budget with the aim to increase year by year the public investment in the environmental protection. The central government has allocated more than 20 billion yuan for the projects on wastewater treatment, dust removal and desulfurization of flue gas, recycling and reuse of solid wastes, technical renovation for conserving energy and reducing consumption and demonstration projects in cleaner production in the sectors like metallurgy, nonferrous metals, building materials, chemical industry, power generation and paper making. Every year the central government places an investment of 100 million yuan into the small public benefit projects for rural energy. In addition, the central government has allocated 200 million yuan for the capacity building to establish a national network of research on ecosystems, which aims to upgrade the national capacities of monitoring, research, demonstration and consultancy in this field. As a result of the efforts in the past three years, 2.16 million hectares of arable land has been returned to forest land-use, with the forest coverage increased to 16.5%. Many local governments have also

studied very seriously and adopted the recommendations made at the fifth session of CCICED Phase II. For example, Tibet Autonomous Region, which is located at the southwestern part of China, gave full consideration to and adopted some parts of the recommendations when formulating and implementing its tenth five-year plan for social and economic development. In conclusion, there were a range of areas and issues covered in the responses and reports provided by the above-mentioned central government departments and local governments. For your information, the Secretariat has compiled these responses and reports as Annex I to this report.

## **II. Preparation of CCICED Phase III**

The preparation of CCICED Phase III started in 2000. I am pleased to inform you that the preparation has been going on very smoothly thanks to the joint efforts and support of both international and Chinese sides.

The guiding principle identified for preparing CCICED Phase III is that this phase will build on the two previous phases and promote the sustainable development of China in a more effective and integrated way. The various sides concerned had a chance to summarize and assess seriously their experience working with CCICED through a self-assessment of the eight-year work of CCICED, which was completed in 2000. A great number of members, working group co-chairs as well as the relevant institutions and the mass media had a chance to undertake discussion and exchange of views in this regard. In this process, many of you had contributed a considerable number of suggestions and proposals for further improvement of CCICED. Thus, improvements and reforms will be introduced to this phase of CCICED while building on its past successes and maintaining its uniqueness. I would present these proposed improvements and changes as follow.

- **Composition of the Bureau**

To increase the representation of the international side in the Bureau and strengthen contacts with all the Council members, it was proposed following consultation with

various sides that a Vice Chairman from the international side be added to the Bureau. Among the Bureau members, Mr. Xie Zhenhua, Minister of SEPA and Mr. Good, President of CIDA, will act as the Executive Vice Chairs representing the Chinese and international side respectively and take charge of the decision-making and management of CCICED on a routine basis. Meanwhile, it was proposed that a new position in the Bureau be given to the Project Coordinator of the Secretariat Canadian Office to make its work easier.

- Streamlining the membership

There are 40 or so members (20 or so for the Chinese and international side) sitting on CCICED Phase III. So the total number of members has been reduced by over 10, compared with that of Phase II. Among the international members, there are 13 old members and 7 new members. Among the Chinese members, there are 8 old members. It should be noted that 40% of the Chinese members are selected from the scientific and educational communities.

- Selection of lead experts

It was proposed that Professor Sun Honglie and Dr. Hanson be selected as lead experts to strengthen the planning and coordination in the policy studies. A small working team will be provided to help with their work. Their main responsibilities have been identified as follow:

1. To examine the proposals presented by each task force;
2. To identify the areas that need to be urgently studied by CCICED;
3. To prepare the Issue Paper for the annual meeting of CCICED;
4. To propose themes or topics for discussion at each annual meeting of CCICED.

They may undertake other matters entrusted to them by CCICED.

- Fund-raising of core funds

After several rounds of discussion with main donors of CCICED, such as Canada, UK, Sweden, it was proposed that a Core Fund be established for CCICED Phase III. To establish this core fund, we welcome the donations and contributions in various forms from all donors to support the work of CCICED and achievement of its goals and objectives. The funds in the Core Fund that are not dedicated to particular work by the donors will be allocated to those task forces that need financial support, in accordance with the relevant decisions of the Bureau. The Core Fund will be managed by the CCICED Secretariat or Canadian Secretariat in accordance with the rules adopted by all the donors to CCICED or the internationally adopted rules for fund management. Transparency and cost-effectiveness will be increased in the management and use of these funds. To some donor countries that may not be able to contribute to the core fund due to their domestic regulations, we welcome them to continue providing funds to those task forces they are interested in working with. Meanwhile, we encourage all donors to earmark 3% to 10% of their donation or contribution for the annual meeting of CCICED and other activities that may need some funds.

- Reform in research mechanisms

This phase of CCICED will replace the relatively stable working groups with the more flexible and issue-oriented task forces to undertake policy studies and demonstration projects. The research topics of each task force will be determined following the recommendations of the Chinese government. They will have to be examined by the lead experts and approved by the Bureau. The duration of each research activity will not exceed 24 months in most cases. All the proposals for the proposed task forces will be submitted to the lead experts for evaluation, which will work out a list of priorities and present them to the Bureau for endorsement.

To ensure that inputs will be provided to the first meeting of CCICED Phase III and allow the task forces to have adequate time to work on relevant issues, 7 task forces have been established with the approval of the Bureau prior to this session. They include the task forces on WTO and Environment, Bio-Safety, Strategic and Mechanism Studies for Promoting Cleaner Production and Life-Cycle Economy, Environmental Industry Development, Mechanisms for Financing Urban Environmental Infrastructure Construction, Corporate Development and Environment, Energy Strategy and Technology. The task forces on forest and grassland in Western China and Environmental Economics, which will present their reports at this meeting, do not belong to this list since they just continue their work mandated by the Phase II. Meanwhile you will hear reports from the two newly established task forces: WTO and Environment and Bio-Safety. The reports from 50 other task forces will be presented at the next Annual General Meeting in 2003.

Currently we are considering the establishment of the task forces that can contribute to the elaboration at the annual meeting in 2004. We hope to receive your comments and proposals in this regard, particularly the areas to be studied and the task forces that you think should be established.

### **III. Main Work of Secretariat in the past year**

The Secretariat undertakes the following in addition to its routine work, under the guidance of the Bureau.

#### **1. Collecting responses and feedbacks to the recommendations of CCICED.**

The Secretariat takes as its first priority the implementation of the recommendations. Immediately after the closing of the fifth Meeting of CCICED Phase II, the Secretariat transferred the recommendations to the relevant departments of the State Council and all the provinces, autonomous regions and province-level municipalities. We have received written responses and reports from some central government departments and local

governments prior to this meeting concerning their implementation of the recommendations. Just now I had briefly reported on this and will not repeat here. Generally, we find that responses to the recommendations improve year by year. We find that the recommendations are being disseminated and implemented in a wider range of departments and governments, both central and local, particularly those departments responsible for economic development and natural resources management. The governments at all levels pay more and quicker attention to sustainable development in their decision-making. This is the ultimate objective of the work of CCICED.

## 2. Preparing for CCICED Phase III and its first annual meeting

I have mentioned earlier the preparation of CCICED Phase III and will not repeat. To prepare the first session of CCICED Phase III, the Secretariat has done three things.

The first thing was to identify the theme for this session. After consultation with the core experts and the approval by the Bureau, the theme selected for this Meeting is ***Environment, Development and Governance-Responses to WSSD***” considering that this Meeting is held soon after WSSD. (By the way, we have not found a proper Chinese translation for the word of governance”, so here “government” is used temporarily considering WSSD is convened by the United Nations.)

The second thing was to draft and revise the *Draft Terms of Reference for CCICED Phase III* and the *Draft Rules of Procedures for CCICED Phase III*. This morning CCICED had endorsed in principle these two documents.

The third thing was to select the lead experts to prepare the *Issue Paper* and the *CCICED Recommendations* for this Meeting. The Issue Paper is one of the new reforms introduced to CCICED Phase III. The purpose of preparing such a paper is to provide more background information and latest developments to you all and facilitate the elaboration on related issues. As required by the reform, the lead experts and their working team

prepared the Issue Paper for this session based on the synthesis of the work reports of related task forces and their research results. Meanwhile the lead experts have drafted the Recommendations based on the theme for this session.

### 3. Disseminating CCICED experience in connection with WSSD

UNDP proposed last year that the experience of CCICED be introduced to WSSD to expand its influence in the international community. Following the guidance of the Bureau, the Secretariat produced a brochure of CCICED and a CD-ROM entitled "Ten-year Achievements of CCICED", which were disseminated at WSSD with the help of China National Committee for Preparing WSSD. As we learn from the responses to these publications, they played a positive role in disseminating the information concerning the progress made in China in the field of environment and development as well as some successful models of international cooperation in this field.

### 4. Supporting international workshops or working meetings of different task forces

From October 2001 to November 2002, altogether 7 task forces organized 8 international workshops. During the same period, 7 task forces convened their working meetings. The Secretariat supported and participated actively in these workshops and meetings to facilitate their work and the dissemination of their research results.

## **IV. Financial Report of CCICED**

The third phase of CCICED has won continued, strong support from both the Chinese Government and the international community. The funds pledged up to now include 10 million yuan provided by the Chinese government on a five-year basis, 8 million Canadian dollars provided by the Government of Canada to the related task forces and other activities of CCICED on a five-year basis, 1 million Euro provided by the Government of Germany (80% for the activities of the task forces and 20% for other activities of CCICED), 355,000 USD provided by the Government of Japan for the task forces on financing and investment and related activities of CCICED, 10 million yen by Japan as well to the task force on cleaner production and life-cycle economy, 600,000



USD by the Government of the Netherlands (300,000 USD to support the task force on corporate development and environment). In addition, the Chinese Government will provide in kind support worth 25 million yuan in the next five years.

In the past year, the Secretariat has explored various channels and sources to raise funds for various task forces and CCICED activities. By now, the Asian Development Bank has indicated that it would provide 85,000 USD to CCICED. Shell Company plans to contribute 72,000 USD to CCICED. The Government of Switzerland has indicated its willingness to provide financial support to the work of the task force on WTO and environment. The Government of Sweden has indicated its willingness to contribute to the proposed Core Fund. The detailed financial report has been prepared by the Canadian Secretariat of CCICED and will be presented as Annex II to this report.

- [Annex 1](#)

- [Annex 2](#)

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