

China adopts recycling law, boost sustainable development

China's top legislature passed a law to promote circular economy on Friday at the closing of the fourth session of the Standing Committee of the 11th National People's Congress (NPC).

The draft law was ratified after its third reading, and President Hu Jintao signed it into law. It will come into force on Jan. 1, 2009.

The aim of the law is to boost sustainable development through energy saving and reduction of pollutant discharges.

"Developing a recycling economy will help the country to achieve a maximal economic efficiency through a minimal energy consumption and emissions," said Ni Yuefeng, NPC Standing Committee member.

It was a significant step in establishing an energy-saving and environment-friendly society, Ni added.

Under the law, the government will launch close monitoring over high-consumption and high-emission industries, including the steel and non-ferrous metal production, power generation, oil refining, construction, and printing industries.

Government departments will map out a system for recycling and improve energy-saving and waste-reutilization standards.

Industrial enterprises were required to introduce water-saving technologies, strengthen management, and install water-saving equipment in new buildings and projects.

Crude oil refining, power generation, steel and iron production plants should stop using oil-guzzling fuel generators and boilers, in favor of clean energy, such as natural gas and alternative fuels.

The law orders enterprises and government departments to adopt renewable products in new buildings, such as solar and geothermal energies.

Meanwhile, enterprises should recycle and make comprehensive use of coal mine waste, coal ash, and other waste materials.

The government encourages farmers and rural departments to recycle maize straw, livestock waste, and farming by-products to produce marsh gas.

Companies and government departments that employ technologies, equipment and material that are prohibited will face fines of 50,000 yuan to 200,000 yuan.

In June, legislators scrapped a draft provision on progressive pricing for household water, electricity and gas consumption because it was too difficult to assess the basic level of consumption in each household.

The government issued a circular in 2002, urging all cities to implement a pricing system on water of household use by the end of 2005.

However, only around 80 of the country's 661 cities are using the pricing method, figures from the National Development and Reform Commission show.

The draft law, which was submitted for the first reading in August last year, stipulates governments at all levels should draw up plans on the development of the recycling economy, establish systems to control energy use and pollutant

emissions, and make policies to divert capital into environment friendly industries.

According to the law, the central government will allocate funds and capital to enterprises to encourage innovation in recycling technologies.

Enterprises will get tax breaks for introducing and using energy-efficient technologies and equipment.

Ni said administrative measures were sometimes inadequate for implementing laws. "Sometimes incentives and favourable taxation policies are more affective."

China has been facing serious environmental and resources problems with its economic development since the 1980s, mainly dueto inefficient use of resources, according to the NPC Environmental Protection and Resources Conservation Committee.

The government's effort to make energy use more efficient and cut pollution contributed to driving down energy consumption per unit of gross domestic product (GDP). Energy consumption for every 10,000 yuan of GDP stood at 1.16 tonnes of coal equivalent in 2007,down 3.66 percent from 2006.

The government has set a target of reducing energy consumption per unit of GDP by 20 percent and major pollutant emission by 10 percent from the 2005 levels by 2010.

However, the average energy consumption per unit produced for high-energy-consuming industries, such as steel, electric power and cement was 20 percent higher than the average in developed countries.

Source: Xinhua