

U.S. - China Environmental Biz Newsletter
April, 2007
Commercial Service, China

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Project Name: Policy Study on Market-based Instrument for Water Pollution Control
Project No.: PRC 40647-01
Executing Agency: Ministry of Finance
Fax No.: 8610 6855 2585
Address: Sanlihe, West District Beijing 100820 PRC

State Environment Protection Administration
Address: 15 Nanxiaojie, Xizhimennei Beijing, 100035, PRC

TA Amount (US \$ '000): 400

Objectives and Scope: The core features of this intervention would: (i) develop a market-based mechanism for allocation of pollutant discharge permits, through which the major polluters are requested to compete and pay for discharge permits through entering into public auction for discharge quotas, and (ii) formulate a legal and regulatory framework and operational mechanism that would provide an enabling environment for transactions of discharge permits among the stakeholders at primary and secondary market. The proposed discharge permit trading system (DPTS) is expected to play two roles in water pollution management: (i) force the major polluters to internalize the "external" environmental costs that they have imposed on the public; and (ii) reduce the overall pollution control costs through market-based allocation of mitigation resources. Providing assistance for policy development through knowledge products is a strategic focus and operational priority for ADB, particularly in the area of improving environmental sustainability in the People's Republic of China. The study will support and supplement ADB's other lending and non-lending assistance in the areas of water resource management and waste management.

Consulting Services: Consulting services yet to be determined

Project Processing Stage: Beginning of Fact-finding Mission: April 2007

Recruitment of Consultants: Requirements for Consulting Services to be completed during Fact-finding mission

Project Officer: Fei Yue (632-6499)
Social Sectors Division, EARD
fyue@adb.org

Project Name: Rural Energy and Ecosystem Rehabilitation (Phase II)
Project No.: PRC 40682-01
Executing Agency: To be determined
TA Amount (US \$ '000): 500

Objectives and Scope: The Technical Assistance (TA), aimed at reducing pollution from animal wastes, and sustainable use of biogas energy and fertilizer by-products, will prepare a Project design for a loan, which responds to the client's needs, and fulfill ADB requirements and safeguard policies. The TA will help the Government prepare an investment project based on the Government's initial proposal to address the technical, financial, and institutional barriers.

Consulting Services: About 11 person-months of international and 27 person-months of national consultants will be required under the TA. The consultants will be selected and engaged in accordance with ADB's Guidelines on the Use of Consultants and other arrangements satisfactory to ADB on the engagement of consultants.

Environmental Assessment: To Be Determined

Project Processing Stage: Fact-Finding Mission Completed on 27 January 2007

Recruitment of Consultants: Recruitment of consultants is expected to take place in April 2007.

Project Officer: Qingfeng Zhang (632-6219)
Agriculture, Environment, and Natural Resources Div, EARD
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Project Name: Nanning-Kunming Railway Capacity Expansion
Project No.: PRC 40628-01
Executing Agency: Ministry of Railways
Contact: Mr. Liu Junfu, Managing Director General, FCTIC
Fax No.: +8610-5184 1845
Tel No. : +8610-5184 8416
Address: No. 10 Fuxing Road Beijing 100844
TA Amount (US \$ '000): 400

Objectives and Scope: The project will enhance economic development and reduce poverty by improving access for people and the goods, promote regional cooperation in transport and trade with the Greater Mekong Subregion (GMS), and provide support to Ministry of Railways (MOR) in enhancing railway safety.

Consulting Services: Consulting services yet to be determined

Environmental Assessment: To Be Determined

Project Processing Stage: Beginning of Fact-finding Mission: Jun 2007

Recruitment of Consultants: Requirements for consulting services to be completed during Fact-finding mission

Project Officer: Manmohan Parkash (632-6364)
Transport Division, EARD
mparkash@adb.org

Project Name: Songhua River Basin Water Pollution Control and Management Project
Project No.: RC 40665-01
Executing Agency: Jilin Provincial Government
Address: Jilin Provincial Government Changchun City Jilin, PRC
Heilongjiang Provincial Government
Address: No. 10 Fuxing Road Beijing 100844
TA Amount (US \$ '000): 750

Objectives and Scope: The impact of the Project is to enhance the urban environment and improve public health and quality of life for urban residents in selected cities in Heilongjiang Province and Jilin Province, by increasing wastewater treatment rate, enhancing solid waste management, and improving water supply. The outcome of the Project will be improved management and utilization of water resources in the Songhua River Basin (SRB) by: (i) achieving increased wastewater treatment rate in the selected cities located in the SRB; (ii) improving solid waste management; (iii) improving water supply; (iv) reducing the incidence of waterborne diseases; (v) increasing the efficiency and management capacity of the implementing agencies (IAs); (vi) integrating approaches for basin-wide pollution prevention and control; and (vii) improving cost recovery through a better tariff structure, with gradual increases to achieve full cost recovery.

Consulting Services: To be determined

Environmental Assessment: To Be Determined

Project Processing Stage: Beginning of Fact-finding Mission: Apr 2007

Recruitment of Consultants: Requirements for Consulting Services to be completed during Fact-finding mission

Project Officer: Sangay Penjor (632-6298)
Social Sectors Division, EARD
spenjor@adb.org

Project Name: Small City and Township Development Demonstration Project
Project No.: PRC 40641-01
Executing Agency: Shaanxi Provincial Government
Address: No. 2 Dongxie 4th Road, Nan Er-huan, Xian 710054 PRC
Hebei Provincial Government
Government of Liaoning Province
Address: 13 Shisiweilu Heping District
TA Amount (US \$ '000): 800

Objectives and Scope: The proposed nonlending assistance will help prepare the Small City and Township Development Demonstration Project, which will cover about 15-20 small cities and towns in each of the three provinces - Hebei, Liaoning and Shanxi.

Consulting Services: Consulting services yet to be determined

Environmental Assessment: To Be Determined

Project Processing Stage: Beginning of Fact-finding Mission: Jun 2007

Recruitment of Consultants: Requirements for consulting services to be completed during fact-finding mission

Project Officer: Amy S.P. Leung (632-6730)
Social Sectors Division, EARD
aleung@adb.org

Project Name: Guangxi Wuzhou Urban Development
Project No.: PRC 40642-01
Executing Agency: Wuzhou Municipal Government
TA Amount (US \$ '000): 500

Objectives and Scope: The Project is aimed at promoting sustainable urban development and improving quality of life in Wuzhou. The outcomes of the Project include improved environmental management through the enhanced disaster management and infrastructure and improved municipal services, particularly in the areas of wastewater management and solid waste management.

Consulting Services: Consulting services yet to be determined

Environmental Assessment: To Be Determined

Project Processing Stage: Beginning of Fact-finding Mission: May 2007

Recruitment of Consultants: Requirements for consulting services to be completed during fact-finding mission

Project Officer: Fei Yue (632-6499)
Social Sectors Division, EARD
fyue@adb.org

Project Name: Xinjiang Urban Transport and Environmental Improvement
Project No.: PRC 40643-01
Executing Agency: Government of Xinjiang Uygur Autonomous Region
Address: No. 16 Mingde Road Urumqi 830002 People's Republic of China No. 2 Dongxie 4th Road, Nan Er-huan, Xian 710054 , PRC
TA Amount (US \$ '000): 600

Objectives and Scope: The proposed non-lending assistance will help prepare the Xinjiang Urban Roads and Environmental Improvement Project which will cover five cities - Altay, Changji, Hami, Kuitun and Tulufan - along major transport corridor which links eastern and central China through Xinjiang to Central Asia. The Technical Assistance will: (i) review and identify the most appropriate urban road infrastructure developments to improve public access, facilitate trade and enterprise, reduce road accidents, and improve the urban environment; (ii) prepare a feasibility study for each of the five subprojects; and (iii) prepare an urban roads and environmental improvement projects, including Environmental Impact Assessment (EIAs), environmental management plan, Indigenous People Development Plan (IPDPs), Resettlement Plan (RPs) and social analysis satisfactory to ADB's policy and guidelines.

Consulting Services: 42 person-months of international and domestic consultants will be engaged through a firm in accordance with Asian Development Bank's (ADB's) Guidelines on the Use of Consultants. The consultants will have expertise in transport planning and roads engineering, financial and economic analysis, resettlement and social impact analysis, environment impact assessment, and institutional development.

Environmental Assessment: To Be Determined

Project Processing Stage: Fact-Finding Mission Completed on 6 April 2007

Recruitment of Consultants: Recruitment of consultant expected to take place in October 2007

Project Officer: Amy S.P. Leung (632-6730)
Social Sectors Division, EARD
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For more information or assistance on ADB projects, please contact the Office of the U.S. Commercial Liaison to the ADB, Tel.: (63-2) 887-1345; Fax: (63-2) 887-1164; E-mail: manila.adb.office.box@mail.doc.gov

- **News: Seven Environmental Protection Industry Standards**

The State Environmental Protection Administration (SEPA) issued the Seven Environmental Protection Industry Standards on 10th March 2007, which will be effective on 1st May 2007.

The Seven Environmental Protection Industry Standard includes:

- Water quality: determination of mercury-cold atomic fluorescent spectrophotometry (on trial) (HJ/T 341-2007)
- Water quality: determination of sulphate-barium chromate spectrophotometry (on trial) (HJ/T 342-2007)
- Water quality: determination of chloridemercury nitrate titration (on trial) (HJ/T 343-2007)
- Water quality: determination of manganese-formaldehyde oxime spectrophotometry (on trial) (HJ/T 344-2007)
- Water quality: determination of iron-phenanthroline spectrophotometry (on trial) (HJ/T 345-2007)
- Water quality: determination of nitrate-nitrogen-ultraviolet spectrophotometry (on trial) (HJ/J 346-2007)
- Water quality: determination of fecal coliform-manifold zymotechnics and filter membrane (on trail) (HJ/T 347-2007)

(Resource: SEPA Website)

For more information, please visit www.sepa.gov.cn/info/gw/gg/200703/t20073016_101669.htm

- **Eleven Five-Year (2006-2010) Plan for Sulphur Dioxide Treatment of Existing Coal-fired Power Plant**

National Development and Reform Commission and the State Environmental Protection Administration (SEPA) jointly issued the "Eleventh Five-Year" Plan for Sulphur Dioxide Treatment of Existing Coal-Fired Power Plant (hereinafter refer as the Plan) on 27th March 2007, which came into immediate effect.

The Plan develops the key sulphur dioxide treatment projects and provides safeguard measures for the existing coal-fired power plants.

In addition, the Plan sets the emission volume reduction targets of sulphur dioxide; sulphur dioxide discharge volume for existing coal-fired power plant will be decreased by 61.4% from 13 million tones per year in 2005 to 5.2 million tones per year in 2010.

(Resource: SEPA Website)

For more information, please visit www.ndrc.gov.cn/xwfb/t200703027_124159.htm

- **Three Environment Protection Industry Standards (under consultation)**

The State Environmental Protection Administration (SEPA) drafted three Environmental Protection Industry Standards (under consultation) on 5th March 2007.

The three environmental protection industry standards are as follows:

- Technical Requirement for Environmental Labeling Products – Radiators and Convectors
- Technical Requirement for Environmental Labeling Products – Solar Collector
- Specifications for Environmental Labeling Products – Domestic Solar Water Heating System

(Resource: SEPA website, March 2007)

- **Shanghai issued Bulletin on Pollutant Discharge Permit Update**

According to the Circular on Mass Loading Control Program for Sulphur Dioxide and COD during the "Eleventh Five-year" Plan, Shanghai government issued the Bulletin on Pollutant Discharge Permit Update on 27th March 2007.

The key points are as follows:

- From 2007, Shanghai will kick off the pollutant discharge permit updating exercise and updating in stages is expected to be finished by the end of 2009,
- The EPB will issue notices to related facilities to update their pollutant discharge permit. The facilities should update their permits within defined schedule by the EPB. If no permit; updated or obtained within the timeframe, the discharge from the facility will be considered as illegal discharge and subject to administrative penalties;
- Before the permit is required to be updated, if there are no significant changes in production processes, pollution treatment equipment, types and concentrations of pollutants, the permit issued in 2002 will be effective until the date of permit updating;
- If the completion inspection approval has been obtained for projects and no pollutant discharge permit was issued, there are no requirements to apply for the pollutant discharge permit until receipt of the renewal notification from the EPB. During this period, pollutants should be discharged following the requirements in the EIA approval, environmental protection completion inspection approval or mass loading quota controls.

(Resource: SEPB website, March 2007)

- **Upcoming Event: Opportunity to meeting with Hong Kong Environmental & Energy Efficiency Companies (EESCOs) in U.S.**

USFCS Hong Kong, is planning a delegation of Hong Kong Environmental & Energy Efficiency Companies (EESCOs) to visit the U.S. at the end of April. This delegation is interested to meet with American suppliers of energy efficiency technology, environmental equipment and emissions reduction technology for application in China and Hong Kong factories, commercial buildings and industrial facilities.

Delegation is planning to stop in Washington, D.C. and Chicago, below is the itinerary:

April 30 - May 1	Washington DC (available to meet with vendors!)
May 2	Afternoon departure for Chicago
May 3 - 5	Chicago/Midwest Area (available to meet with vendors!)

For a list of Hong Kong companies, their technology interests, and to sign up to meet with this delegation, please click on the link below:

<http://www.buyusa.gov/hongkong/en/p2e2hkparticipants.html>

If you have any questions, please feel free to contact Olevia Yim (Email: Olevia.Yim@mail.doc.gov) or James Mayfield (Email: James.Mayfield@maild.coc.gov).

- **Upcoming Event: The 10th China International Environmental Protection Exhibition and Conference CIEPEC 2007 -(U.S. Foreign Commercial Service Beijing will set up a U.S. pavilion)**

Date: June 21-24, 2007

Venue: China International Convention Center, Beijing

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