

On May 17, in the work conference of eliminating backward production capacity of cement, the Shaanxi Provincial Standing Committee member, also executive vice governor of the province, Zhao Zhengyong, stressed : phasing out the backward cement production will be an absolute task in Shaanxi Province this year, in order to ensure the "11th Five-Year Plan" to phase out the backward cement production capacity of 8 million tons, and strive to eliminate 10 million tons, to make cement enterprises reduced to 150, and the average size increased to 250,000 tons in Shaanxi Province.

Zhao Zhengyong pointed out that Shaanxi Province has entered the fast track of economic development, but also entered into the most crucial phase of energy saving. "11th Five-Year Plan" requires 10,000 yuan of GDP to reduce by 20% in energy consumption, from 1.48 tons dropped to 1.18 tons. The energy consumption growth must be below the economic growth rate. Cement production is the traditional industry in Shaanxi Province. However, there are still some problems such as small-scale, low industrial concentration, old technology and equipment, resources and energy waste, and serious environmental pollution in Shaanxi cement industry. We must make up our minds to eliminate backward production capacity and technology.

Zhao Zhengyong said: eliminating the backward cement production tasks must determine the obligation, and strictly implement specific measures in five aspects, from project approval, market access, policies and regulations binding, management of mineral resources and the prohibition of low-level construction. Cement projects all over the province must be authorized by the provincial investment departments in order to strictly control the blind expansion of production capacity of unqualified enterprises. Provincial government mainly supports to build 4,000t/d or more new dry cement production lines in the regions with abundant resources.

Zhao Zhengyong emphasized to conduct reform and resolutely close cement enterprises which can not reach the standards of environmental protection, stop providing the preferential taxation treatment to the cement enterprises with serious environmental pollution, levy 15% corporate income tax for those enterprises using new dry cement clinker production line of more than 2,000 t/d, fully implement differentiated pricing policy to levy additional tariff of 0.15 yuan on each unit of electricity for the enterprises with old process and increased to 0.20 yuan on January 1, 2008, to force them to withdraw from the production. Furthermore, to enhance the management of mineral resources, the new cement production line must be guaranteed by the abundant resources over 30 years of exploitation, prohibiting the exploitation which could make serious damage on resources, strengthen environmental management on private mines and conduct the effective supervision.

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