Implement industrial policies, accelerate reorganization

To implement the energy-saving and emission reduction policies issued by the State Council, the National Development and Reform Commission issued an "announcement for the elimination of backward cement production capacity", urged all levels of governments carry out the policy in order to phase out 250 million tons of backward cement production capacity by 2010.

On 17 May, Shaanxi Provincial Development and Reform Commission hold the work conference in order to ensure the "11th Five-Year Plan" to phase out the backward cement production capacity of 8 million tons.

Shaanxi Province has done the work in nine major aspects:

First, extensively look for approaches and unify different opinions to ensure to realize the target of energy-saving and industrial restructuring that set out in the "11th Five-Year Plan".

Second, at the end of 2006, in Shaanxi Province, the shaft kiln, dry hollow kiln, wet kiln and other backward production capacity were about 16.5 million tons, accounted for 45.8% of the total, in which the annual output smaller than 200,000 tons of backward production capacity were about 14.5 million tons. In 2006, the total cement output of the Shaanxi province was 23.75 million tons, the market shortage of 400 million tons. It is reported that in eight cities of Shaanxi, it is expected to eliminate 15.59 million tons of backward cement production and close 125 cement enterprises. Shaanxi Province set out a target to phase out 8 to 10 million tons of backward cement production that greatly exceeded the target of 4 million tons that set by the State.

Third, since Shaanxi enhances the infrastructure investment, the cement demand is increasing greatly. It is the favorable opportunity to speed up the large-size cement manufactures in central part of Shaanxi where are plenty of the limestone resources, advanced technology and higher level of management, focus on the construction of large-scale clinker production base, mainly develop over 4,000 t/d of new dry cement production lines, and shut down old-process technology by building energy-saving and environmentally friendly the new dry cement projects.

Forth, to determine the work responsibilities. Shaanxi Province asked municipal Development and Reform Commission, Economic Commission and the Environmental Protection Authority work out practical program to eliminate backward cement production. The government must take effective measures to strengthen the guidance and supervision on the elimination of backward cement production capacity, and properly arrange the laid-out employees.

Fifth, enhance procedures of project approval, implement pollution control and ecological protection and improve comprehensive utilization of waste heat released from the kiln system. The New Dry Cement Production Projects should strictly implement the environmental impact assessment and safety evaluation.

Sixth, enforce environmental protection and license management. Shaanxi Provincial Environmental Protection Authority is in charge of shutting down backward enterprises by

supervising and inspecting the cement production enterprises. In strict accordance with the elimination of backward cement production police, Administration of Quality and Technology Supervision of Shaanxi Municipality should timely suspend their production permits, and Provincial Industry and Commerce Bureau is responsible for revoke their business licenses according to law.

Seventh, implement differentiated pricing policy for power supply. Shaanxi Provincial Development and Reform Commission screened out and proposed the list of phasing out enterprises to raise electricity average price about 50% for high-energy-consuming sectors. Provincial and municipal departments are in charge of ceasing preferential price measures.

Eighth, properly arrange the laid-off workers to protect social stability. For the enterprises who strive to transform from old-process to New Dry Process, the provincial government will give financial support.

Ninth, to implement the scientific development concept, effectively change the mode of economic growth, strengthen the conservation and comprehensive utilization of resources in order to achieve sustainable development. Shaanxi Province strives to eliminate 10 million tons of backward cement production capacity in 2010.

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