



U.S.-CHINA ECONOMIC AND SECURITY  
REVIEW COMMISSION

***Hearing on China's Energy Policies and Their Environmental Impacts***  
**August 13, 2008**

**Opening Statement of William A. Reinsch, Commissioner**

Thank you, Vice Chairman Bartholomew.

As with so many things in China, the environmental and energy policy environment is in flux. In recent months, we have seen the State Environmental Protection Administration raised to ministerial status and the creation of the National Energy Commission. Will these changes increase the independence and efficacy of China's energy and environmental bureaucracies—and if so, what changes in policy and enforcement can we expect to see? Or are these changes in name only, likely to produce few improvements in environmental and energy policy? We are pleased to have with us today several leading experts on China's environmental and energy policies and look forward to hearing their views on these important questions.

It will also be important for us to hear about the extent to which these central-level changes make a difference on the ground. Even the best of intentions in the central government in Beijing often get lost in translation in the provinces. Will that be the case with environmental policy when the stakes in jobs and economic growth might be high? These questions are important as we think how the United States might best cooperate with China in addressing our mutual environmental and energy problems. If central-level policies continue to bear little resemblance to local realities, then encouraging changes in policy may be an ineffective approach.

Thanks again to all of our expert witnesses for appearing here today. I'll pass the microphone to my co-Chair for this hearing, Commissioner Daniel Slane.