

## 5.6 Chinese Environmental Strategy<sup>73</sup>

Environmental problems will pose a significant challenge to sustainable development in China in the future. Rapid economic growth and development and environmental issues are inextricably linked. The structure of the economy and general economic policies and management largely determine the nature of environmental problems and the framework for environmental policies and programmes in any country.<sup>74</sup>

While Chinese efforts to date have slightly reduced pollution per unit of output, these improvements have been offset by the rapid economic and population growth that China has experienced.<sup>75</sup> Environmental problems in China are more severe than at comparable periods of economic development in most industrialized countries, primarily because of the size of the country's population, and natural resource constraints. As a result, they are more likely to impede economic growth seriously if action is not taken soon to address both the direct and indirect or underlying causes. In general, until price and enterprise reforms are undertaken more extensively, neither pollution fees nor fines nor administrative regulations are likely to carry sufficient force or be systematically applied to encourage the most cost-effective means of reducing environmental degradation.<sup>76</sup>

Unlike many developing countries, China has a comprehensive legal basis to guide the development of environmental policy.<sup>77</sup> The Constitution, the highest law in China, provides for environmental quality. The basic law governing environmental issues is the Environmental Protection Law (EPL), first implemented in 1979 and amended in 1989. Three specific laws, the Water Pollution Prevention and Control Law, the Air Pollution Prevention and Control Law, and the Marine Environmental Protection Law govern specific subjects that are addressed more generally in the EPL. Other statutes, such as those governing wildlife protection, land management,

---

<sup>73</sup>I would like to thank Donica Pottie, Second Secretary at the Canadian Embassy in Beijing, for her assistance in obtaining information for this section, and the first-hand views of Chinese officials on environmental policy.

<sup>74</sup>World Bank, "China Environmental Strategy Paper," Report No. 9669-CHA, 1992, p. 2.

<sup>75</sup>Harry G. Broadman, "Meeting the Challenge of Chinese Enterprise Reform," World Bank Discussion Papers, Number 283, April 1995, p.17.

<sup>76</sup>Ibid., p. 47.

<sup>77</sup>Ibid., pp.5-6.