

**Statement by Mr. Zhao Yongliang, Chairman
of the Board, China Inner Mongolia Dongda
Mengolia King Group at the CSD-16 on Behalf
the Major Groups of Business and Industry
May 7th, 2008, New York**

Mr. Chairman, Ladies and Gentlemen, friends:

Good afternoon! I'm very pleased to be able to participate the general assembly. It is my honor to introduce the experience about China's sustainable development work in controlling desertification in Inner Mongolia.

As we all know, land desertification control is the focus of global economic development, difficult and hot issues. Four of Chinese eight major deserts are in Inner Mongolia Autonomous Region. Inner Mongolia desertification area is 428,000 square kilometers, accounting for 1 / 4 of the country. Comparing with the southeast coastal developed areas , Western ethnic minority areas is economically backward. One of the main factors is the bad ecological environment, sandy, windy, low rainfall.

Located in the south-west of Inner Mongolia and with Kubuqi Desert lying in its north, Ordos covers an area of 87,000 square kms, with Maowusu Desert and Kubuqi Desert occupying 46.8% of its area. Because of the man-made damage in the past, the desertification was severe. Lying higher in the south and lower in the north and with the Yellow River running in the north, the area brought 160,000,000 tons of sand to the River every year through the ten Kongdui Rivers, seasonal rivers.

It caused the Yellow River diversion stop in from time to time. So it caused long-term harm to farmers and herdsmen in production and life and troubled local economic development. Desert governance and the development of the desert has become a problem in sandy area of western China the masses are most concerned about, which is also the most important, most realistic.

As early as 22 years ago, a famous Chinese scientist Qian Xuesen academicians put forward the theory of knowledge-intensive industries of the sand, and predicted that the industry will become the 21st century in China the sixth industrial revolution. Under the guidance of Qian Xuesen Forest ,Sand ,Grass industry, by combination of the three major industries, our Dongda Mongolia King Group follow the laws of ecological nature, market economy and social development, breaking the traditional concepts and sand control mode, created a comprehensive management and a new road in the development of desert in Inner Mongolia. This is sand-willow planting, which is the best way to harmful sand.

Sand-willow is perennial bush featured as drought enduring and easy surviving. "Stumping and Rejuvenating" is the only scientific foster method for sand-willow, which needs to be practiced every three to four years, or the plant will wither. While once the stumping and rejuvenating is practiced regularly, the plant will sprout and grow eight times faster than its normal speed. In the past, people used to use the sand-willow as firewood without any economic value, and there was no enthusiasm for planting, so that the severe deforestation of this plant caused an increase of desert and

more damage to the environment. After investigation we found that if the adoption of new technology, the sand-willow can be made into advanced environmental protecting wrapping paper. China's senior packaging paper gap is 4 million tons a year. We make wrapping paper by the sand-willow. It has a very broad market prospects and great potential economic efficiency.

In order to exert the advantages of sand-willow in wind-breaking, sand-fixing and river bank protecting, Dongda Mongolian King Group took their social responsibilities in 1996 and lead the farmers and herdsmen to plant plenty of sand-willows, which effectively controlled the local sand damage and improved the environment. To develop the industrial usages and realize the economic values of the stumped sand-willow pieces, theoretic and experimental researches were carried out by National Paper Research Center and other experts, who succeeded in using sand-willow as the material for paper industry after the intermediate experimental cold and hot grinding. 85% of the stumped sand-willow trunk (wooden fiber) are used for paper material, processed, produced and promoted; while the rest 15% containing vegetable protein are mix-processed with the pasture plants to be fine forage for cattle, sheep and rabbits, so that animal industry is built up. This extending industrial chain increases the added value.

The project is listed as a key technology reforming project "using high and new technologies to reform the traditional industrials, developing high and new technology industrials, and optimizing the industrial structures" by National Economic and Trade Commission, and also listed as a "Double Million" Green Barrier Project of Beijing and Tianjin. The

Group invested RMB300, 000,000 in constructing the 300,000 hectares sand-willow base around Kubuqi Desert, which helped spreading the planting area around Maowusu Desert into more than 800,000 hectares, and increased the total green area to be more than 10,000 square kms. Supported by the major projects like 70 cow farms and 250,000 confinement cashmere goat farms, the industry development has helped 120,000 families in 20 villages and 3 districts to increase their incomes by RMB2800 per person. The Group helps raising the live standard of the farmers and herdsmen, building an environment friendly, energy saving and harmony society, and protecting the "mother river", so as to build up a Chinese Silicon Valley in the sand industry.

After the hard work on green industries in the last decades, all the practices proved that persistent efforts are needed in fighting with desert and the poor natural conditions, and also needed to carry on even after the planting. Makeshift project and living depended on governmental allowances are not acceptable. We need to respect the nature and facts, the blind faith without support only leads to loss of efficiency, man power and investment. Punishments of nature will be brought to our offspring for our breaking of the natural laws. In order to win the battle, we should follow the theory of Scientific Development, depend on the supports of local government and people, and encourage the development of leading companies, so that a new economic structure combining market, leading companies, production bases and individual farmers can be formed and expanded into desert. The industrial agriculture and animal breeding covering agriculture, industry and trading will improve the local

employment, development, economy and living standard. The win-win combination of company and farmers will also provide the government with a practical system for "conversion of cropland to forest, and conversion of herd land to grassland".

Such a long-term system will promote the harmonious development of human, nature and society, reach the goal of building up socialized well-off villages, deal with the problems of "agriculture, villages and farmers" and "animal industry, herdsmen and pasturing area", and develop the economy and society steadily and healthily.