UNITED STATES OF AMERICA Before the SECURITIES AND EXCHANGE COMMISSION September 26, 2006

ADMINISTRATIVE PROCEEDING File No. 3-12430

In the Matter of

China Energy Savings Technology, Inc.

Respondent.

ORDER INSTITUTING ADMINISTRATIVE PROCEEDINGS AND NOTICE OF HEARING PURSUANT TO SECTION 12(j) OF THE SECURITIES EXCHANGE ACT OF 1934

I.

The Securities and Exchange Commission ("Commission") deems it necessary and appropriate for the protection of investors that public administrative proceedings be, and hereby are, instituted pursuant to Section 12(j) of the Securities Exchange Act of 1934 ("Exchange Act") against China Energy Savings Technology, Inc. ("China Energy" or "Respondent").

II.

After an investigation, the Division of Enforcement alleges that:

A. <u>RESPONDENT</u>

China Energy is a Nevada corporation that was headquartered in Hong Kong, People's Republic of China, with a class of securities registered with the Commission under Exchange Act Section 12(g). China Energy's securities were listed on the NASDAQ National Market System between April 2005 and May 19, 2006, at which time the company's securities were delisted by NASDAQ. China Energy's common stock currently trades in the over-the-counter market under the ticker symbol "CESV." On May 18, 2006, the company filed a Form 8-K announcing, among other things, the resignation of all of its officers and directors and its auditor. The company also stated in its Form 8-K that it has no intention of hiring a new auditor.

B. <u>DELINQUENT PERIODIC FILINGS</u>

1. Exchange Act Section 13(a) and the rules promulgated thereunder require issuers with classes of securities registered pursuant to Exchange Act Section 12 to file with the Commission current and accurate information in periodic reports, even if the registration is voluntary pursuant to Section 12(g). Specifically, Rule 13a-13 requires issuers to, among other things, file quarterly reports on Form 10-Q.

2. China Energy is delinquent in its periodic filings, having last filed a quarterly periodic report for the period ended December 31, 2005. China Energy is currently without management, and has closed its Hong Kong headquarters, disconnected its telephone and facsimile numbers, and shut down its website. Its independent auditor and law firm have resigned and have not been replaced. China Energy also has failed to respond to inquiries by the Division of Enforcement as to whether it intends to comply with its periodic filing obligations.

3. As a result of the foregoing, Respondent failed to comply with Exchange Act Section 13(a) and Rule 13a-13 thereunder.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate for the protection of investors to institute public administrative proceedings to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and,

B. Whether it is necessary and appropriate for the protection of investors to revoke or suspend for a period not exceeding twelve months the registration of each class of securities of Respondent registered pursuant to Section 12 of the Exchange Act.

IV.

IT IS HEREBY ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice [17 C.F.R. § 201.110].

IT IS FURTHER HEREBY ORDERED that Respondent shall file an Answer to the allegations contained in this Order within ten (10) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice [17 C.F.R. § 201.220].

If Respondent fails to file the directed Answer, or fails to appear at a hearing after being duly notified, Respondent may be deemed in default and the proceedings may be determined against it upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f), and 310 of the Commission's Rules of Practice [17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f), and 201.310].

This Order shall be served forthwith upon Respondent personally or by Express Mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision not later than 120 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice [17 C.F.R. § 201.360(a)(2)].

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Nancy M. Morris Secretary