

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

SECURITIES EXCHANGE ACT OF 1934
Release No. 54502 / September 26, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12430

IN THE MATTER OF CHINA ENERGY SAVINGS TECHNOLOGY, INC.

**SECURITIES AND EXCHANGE COMMISSION INSTITUTES
ADMINISTRATIVE PROCEEDINGS AGAINST CHINA ENERGY SAVINGS
TECHNOLOGY, INC. FOR FAILURE TO MAKE REQUIRED PERIODIC
FILINGS**

The U.S. Securities and Exchange Commission today instituted public administrative proceedings against China Energy Savings Technology, Inc. (China Energy) to determine whether the registration of each class of its securities should be revoked or suspended for a period not exceeding twelve months.

In the order instituting administrative proceedings (Order) against China Energy, the Division of Enforcement (the Division) alleges that China Energy's securities are registered pursuant to Section 12 of the Securities Exchange Act of 1934 (Exchange Act). The Division also alleges that 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. The Division further alleges that China Energy is delinquent in its required periodic filings with the Commission, having last filed a periodic report for the period ending December 31, 2005. In addition, the Division alleges that China Energy: (i) is currently without management, and has closed its Hong Kong headquarters, disconnected its telephone and facsimile numbers, and shut down its website; (ii) currently has neither legal counsel nor an independent auditor; and (iii) has failed to respond to inquiries by the Division of Enforcement as to whether it intends to comply with its periodic filing obligations.

In these proceedings, instituted pursuant to Section 12(j) of the Exchange Act, a hearing will be scheduled before an Administrative Law Judge. At that hearing, the judge will hear evidence from the Division and China Energy to determine whether the allegations contained in the Order are true. The judge will then determine 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 China Energy's securities registered pursuant to Section 12 of the Exchange Act.

The Commission has ordered that the administrative law judge issue an initial decision within 120 days from the service of the order instituting proceedings.