

Guidelines for Environmental Protection in Foreign Investment and Cooperation

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To competent commerce department and department of environmental protection of all provinces, autonomous regions, municipalities directly under the central government, municipalities separately listed on the state plan and the Xinjiang Production and Construction Corps, and all central enterprises,

In order to **direct enterprises in China to further regularize their environmental protection behaviors in foreign investment and cooperation, guide them to actively perform their social responsibilities of environmental protection, and promote the sustainable development of foreign investment and cooperation**, we have formulated the *Guidelines for Environmental Protection in Foreign Investment and Cooperation* (hereinafter referred to as these *Guidelines*) which is hereby issued.

Competent commerce departments and departments of environmental protection of all regions shall step up publicity of these *Guidelines*, and guide enterprises in China to raise their environmental protection awareness, and to understand and observe environmental protection policies and regulations of the host country in foreign investment and cooperation, so as to realize mutual benefits.

Ministry of Commerce of the People's Republic of China Ministry of Environmental Protection of the People's Republic of China February 18, 2013

Guidelines for Environmental Protection in Foreign Investment and Cooperation

Article 1 These *Guidelines* are hereby formulated in order to direct enterprises in China to further regularize their environmental protection behaviors in foreign investment and cooperation activities, timely identify and prevent environmental risks, guide enterprises to actively perform their social responsibilities of environmental protection, set up good international images for Chinese enterprises, and support the sustainable development of the host country.

Article 2 These *Guidelines* are applicable to the environmental protection of Chinese enterprises in foreign investment and cooperation activities, which shall be abided by enterprises consciously.

Article 3 It is advocated that in the course of active performance of their responsibilities of environmental protection, enterprises should respect the religious belief, cultural traditions and national customs of community residents of the host country, safeguard legitimate rights and interests of labors, offer training, employment

and re-employment opportunities to residents in the surrounding areas, promote harmonious development of local economy, environment and community, and carry out cooperation on the basis of mutual benefits.

Article 4 Enterprises shall, adhering to the concept of environmental friendly and resource conservation, develop low-carbon and green economy, and implement sustainable development strategies, so as to realize a “win-win” situation of corporate self-interests and environmental protection.

Article 5 Enterprises shall understand and observe provisions of laws and regulations of the host country concerning environmental protection.

For projects invested in the construction and operation by enterprises, application shall be filed to local government for permits with respect to environmental protection in accordance with laws and regulations of the host country.

Article 6 Enterprises shall include environmental protection into their enterprise development strategies as well as production and operation plans, establish corresponding rules and regulations for environmental protection, and reinforce management of enterprise’s environment, health and production safety. In addition, enterprises shall be encouraged to utilize integrated environmental services.

Article 7 Enterprises shall establish a sound environmental protection training system to provide employees with proper education and training with respect to the environment, health and production safety, and enable them to understand and know well about relevant laws and regulations of the host country regarding environmental protection and master disposal of harmful substances, prevention of environmental accidents and other environment knowledge, so as to improve employees’ law-abiding awareness and environmental protection quality.

Article 8 Enterprises shall, in accordance with requirements of laws and regulations of the host country, conduct environmental impact assessment on their development and construction as well as production and operation activities, and take reasonable measures to reduce possible adverse impacts based on the findings of such environmental impact assessment.

Article 9 Enterprises are encouraged to take full into account of the impacts of their development and construction as well as production and operation activities on the social environment such as historical and cultural heritages, scenic spots and folk customs, and to take reasonable measures to reduce possible adverse impacts.

Article 10 Enterprises shall, attending to the requirements of laws, regulations and standards of the host country concerning environmental protection, construct and operate pollution prevention installations, carry out pollution prevention work, and ensure that the emission of exhaust gas, waste water, solid wastes or other pollutants meet the standards of the host country for pollutant emission.

Article 11 Enterprises are encouraged to, prior to construction of the project, conduct environmental monitoring and evaluation for the proposed construction site, obtain understanding of the environmental background situation of the place where the project is located and its surrounding areas, and put the environmental monitoring and evaluation results on record.

Enterprises are inspired to conduct monitoring on main pollutants discharged, be aware of the pollution situation of enterprises at all times, and put the monitoring results on record.

Article 12 Enterprises are advocated to carry out environmental due diligence on the target enterprise before acquiring overseas enterprises, focusing the evaluation on

the hazardous wastes formed in its historical operation activities and the soil and underground water pollution, as well as environmental debts of the target enterprise related thereto. Encourage enterprises to take favorable environmental practices for the purpose of reduction of potential risks of environmental liabilities.

Article 13 Enterprises shall make management plans for hazardous wastes that may be generated during production, the contents of which shall include measures to reduce the amount and hazard of hazardous wastes, as well as measures to store, transport, utilize and dispose these hazardous wastes.

Article 14 For potential risks of environmental accidents, enterprises shall formulate contingency plans for environmental accidents and other emergencies based on the nature, features and possible environmental hazards of the same, and set up a system of reporting to and communication with local government, regulatory authority of environmental protection, the general public that may be affected and the headquarters of Chinese enterprises.

Contingency plans shall include the organizational system and responsibilities of emergency management work, prevention and early warning mechanism, handling procedures, emergency guarantees, and recovery and reconstruction after the emergency. Encourage enterprises to organize emergency drills and make timely adjustments to the plans, as well as to take such measures as covering environmental pollution liability insurance to reasonably disperse risks of environmental accidents.

Article 15 Enterprises shall carefully consider the ecological function orientation of the area where the project is located, and they may, with the coordination of the government of the host country and the community, have priority to take such measures as in-place and nearby conservation of animal and plant resources that worth conservation and may be affected, to reduce adverse impacts on local biodiversity.

For ecological impacts caused by investment activities, enterprises are encouraged to carry out ecological restoration in accordance with requirements of laws and regulations of the host country or common practices in the industry.

Article 16 Encourage enterprises to conduct clean production, promote recycling, reduce pollution from the source, improve the resource use efficiency, and reduce generation and emission of pollutants in the course of production, service and product use.

Article 17 Encourage enterprises to implement green procurement and give preference to environmentally friendly products.

Enterprises are encouraged to apply for relevant environment management system certification and environmental label certification for relevant products in light of provisions of laws and regulations of the host country.

Article 18 Encourage enterprises to post their environmental information on a regular basis, and publish their plans on implementation of laws and regulations on environmental protection, measures taken, and environmental performance achieved, etc..

Article 19 Enterprises are inspired to strengthen their contacts and communications with the government and regulatory authority of environmental protection of the host country, and actively seek for their opinions and suggestions on environmental protection issues.

Article 20 Advocate enterprises to establish a way of communication and dialogue mechanism for enterprises' environmental social responsibilities, take the initiative to strengthen their contacts and communications with their communities and relevant social groups, and take opinions and suggestions with respect to environmental impacts of their construction projects and operation activities through forums and hearings according to requirements of laws and regulations of the host country.

Article 21 Enterprises are encouraged to actively participate in and support local public benefit activities for environmental protection, publicize the concept of environmental protection, and build a good enterprise image in respect of environmental protection.

Article 22 Encourage enterprises to research and learn from the principles, standards and practices with respect to environmental protection that are adopted by international organizations and multilateral financial institutions.

Translated by Hu Xiaoying

(All information published in this website is authentic in [Chinese](#). English is provided for reference only.)

