

EHS NEWSLETTER

December 2016



Global EHS and
Sustainability
Consultants

- Tracking of Environmental, Health, Safety and Energy Legislations in China
- The Latest Information on National and Local Legislation Update and Legislative Initiatives.



Highlight in this Issue

Law of Environmental Protection Tax

The law, to enter into force on Jan. 1, 2018, is poised to replace the existing pollutant discharge fee system with a pollution tax as the main economic tool regulating environmental pollution by businesses in China. This historic development is expected to have sweeping impacts on enterprises' compliance with China's environmental regulations.



Interim Administrative Regulations on Pollution Discharge Permit

This stipulation of discharge permit management regulation made arrangements on pollutant discharge permit system and its implementation. It aims to build the pollutant discharge permit system as a core system of the fixed pollution source management to achieve the transition from total pollutant discharge quantity control by areas to the total pollutant discharge quantity control by enterprises, to scope the fixed pollution discharge sources ultimately.



Guideline of Risk Identification and Treatment of Enterprise Emergent Environmental Incidents (Trial)

The guide mainly governs in two aspects. The first is the emergency management system for abrupt environmental accidents and the second is the corresponding risk prevention and control measures.



Guangdong Implementation Scheme of Soil Pollution Control Action Plan

This scheme has not only set the short-term objective of curbing all soil pollution in the province by 2018, but also listed specific measures for specific industrialized areas such as the Pearl River Delta. More importantly, it has set legal conditions for developing on polluted land. If any commercial developer wants to construct a building on polluted land, it must test the soil first, draft a plan for remediation and rehabilitation, and pass an evaluation of the soil after treatment. The whole process should be transparent.



Guideline of Hazardous Waste Environmental Impact Assessment of Construction Projects (draft for comment)

It stipulates the principle, content and technical requirement of environmental impact assessment on construction projects that generate hazardous waste. It applies to construction projects required to complete environmental impact assessment reports and forms.





Part 1

National Legislation Update

| | |
|----------------------------|---|
| Chinese Name | 排污许可证管理暂行规定 |
| English Translation | Interim Administrative Regulations on Pollution Discharge Permit |
| Issuance Number | 环水体（2016）186号 |
| Issued By | Ministry of Environmental Protection |
| Issued Date | 2016-12-23 |
| Effective Date | 2016-12-23 |
| Chinese URL | http://www.zhb.gov.cn/gkml/hbb/bwj/201701/t20170105_394012.htm |

Brief Introduction: Implementation of pollutants discharge permit system will set specific limits on the amount and concentration of each pollutant that may be emitted, and companies without a license will be forbidden to discharge any pollutants. The Implementation will begin immediately for thermal power plants and paper mills, which were required to obtain permits by the end of 2016. The Plan calls for 15 other industries to be subject to its guidelines by the end of 2017, and all stationary sources of air or water pollution are expected to be covered by 2020. Licenses will be valid for 3 years after issuance, and for 5 years after the first renewal. The licenses will be issued by county and provincial-level environmental protection bureaus according to regulations and guidelines established by MEP. Information on issued licenses, applications, verification and enforcement activities will be made public beginning in 2017. This is part of a broader trend towards transparency, and an attempt to engage the public in environmental stewardship and supervision, including through the use of citizen suits.



| | |
|----------------------------|---|
| Chinese Name | 水泥窑协同处置固体废物污染防治技术政策 |
| English Translation | Policy on Cement Kiln associated Solid Waste Pollution Prevention and Control Technologies |
| Issuance Number | 环境保护部公告2016年第72号 |
| Issued By | Ministry of Environmental Protection |
| Issued Date | 2016-12-06 |
| Effective Date | 2016-12-06 |
| Chinese URL | http://www.mep.gov.cn/gkml/hbb/bgg/201612/t20161214_369039.htm |

Brief Introduction: In order to implement the Environmental Protection law of the People's Republic of China, optimize the managing system of environmental technology, guide pollution control, protect human health and ecological safety, and achieve green, circulation and low-carbon development of cement industry, Ministry of Environmental Protection developed and released this policy on cement kiln associated solid waste pollution prevention and control technologies for reference.

This policy stated that reasonable decision should be made on the types and disposal scales on cement kiln associated solid waste based on the production process and technical equipment in source control. Moreover, it is forbidden to co-process radioactive, explosive and reactive waste in cement kiln.

For clean production process, it is required to take effective measures such as airtight adopt, negative pressure, or other leak-proof, dust prevention and stench prevention to deal with receiving, storage and transportation, pretreatment for kiln treatment sites or facilities.

This policy clearly pointed out that high effective dust bag filters should be put into use when doing kiln tail gas dust removal in the co-process cement kiln with solid waste facilities in terminal treatment. Cement enterprise should install a monitoring system and carry out self-monitoring regularly.





| | |
|----------------------------|---|
| Chinese Name | 环保装备制造行业（大气治理）规范条件 |
| English Translation | Specifications on Manufacturing Industry of Environmental Protection Facilities (Air Emission Treatment) |
| Issuance Number | 工业和信息化部公告2016年第66号 |
| Issued By | Ministry of Environmental Protection |
| Issued Date | 2016-12-13 |
| Effective Date | 2016-12-13 |
| Chinese URL | http://www.miit.gov.cn/n1146295/n1146592/n3917132/n4061768/c5420246/content.html |

Brief Introduction: This specification puts forward requirements on air treatment equipment manufacturing enterprises from eight aspects: basic requirements of enterprises, ability of technology innovation, product requirements, management system and work safety, environmental protection and social responsibility, personnel training, product sales and after-sales service, supervision and management.

Moreover, the production technology and equipment should meet the requirements of the national industry policy. Products, equipment, materials and manufacturing techniques that declared obsolete by formal decree of the state should not be produced or used. Enterprises should have the ability of independent research and innovation, and set up an institution of technology center and engineering research center.

Meanwhile, enterprises should have the production, processing and testing equipment for manufacturing as well as the ability to accurate test product performance and reliability, and the condition and system to conduct outsourcing process inspection and purchasing qualified products.

The disposal of waste water, air emission, solid waste and dust, noise and others from enterprise production process should meet national standards. Still, enterprises should set up a good products sales and after-sales service system, and the after-sale service should follow the relevant rules of the state strictly.

| | |
|----------------------------|---|
| Chinese Name | 企业突发环境事件隐患排查和治理工作指南（试行） |
| English Translation | Guideline of Risks Identification and Treatment of Enterprise Emergent Environmental Incidents (Trial) |
| Issuance Number | 环境保护部公告2016年第74号 |
| Issued By | Ministry of Environmental Protection |
| Issued Date | 2016-12-06 |
| Effective Date | 2016-12-06 |
| Chinese URL | http://hejie.mep.gov.cn/gkml/hbb/bgg/201612/t20161216_369206.htm |

Brief Introduction: The guide mainly governs in two aspects. The first is emergency management system for abrupt environmental accidents and the second is the corresponding risk prevention and control measures. Environmental risk prevention and control measures are not fire, explosion and leakage prevention, but chemicals or contaminated water discharge prevention from factory boundaries into the environment, as well as associated contamination due to fire, explosion, leakage and other work safety accidents. It emphasizes that working mechanism should be built to enforce routine inspection and timely inspection, when external, internal or important factors change.



This guideline also requires enterprises to establish a system for removing risk, including: establishing a risk management responsibility system, formulating emergency environmental accidents procedure of risk prevention and control measures and operational rules, working out hidden danger management organization and implementation system of self-inspection, self-report and self-correction, faithfully recording the situation of hidden danger governance and treatment plan, improving the measures of risk prevention and control, strengthening the propaganda and training on time as well as setting up a risk governance information system.



| | |
|----------------------------|---|
| Chinese Name | 建设项目环境影响评价技术导则 总纲 (HJ 2.1-2016) |
| English Translation | Technical Guideline for Environmental Impact Assessment of Construction Project - General Program |
| Issuance Number | 环境保护部公告2016年第73号 |
| Issued By | Ministry of Environmental Protection |
| Issued Date | 2016-12-06 |
| Effective Date | 2016-12-06 |
| Chinese URL | http://kjs.mep.gov.cn/hjbhbz/bzwb/other/pjjsdz/201612/t20161214_369043.shtml |

Brief Introduction: Environmental impact assessment generally includes project general situation, environmental status, environmental impact prediction, technical and economic demonstration of environmental protection measures, environmental economic cost-benefit analysis, environmental management and monitoring plan, and environmental impact assessment result, etc.

According to the law, the environment impact assessment content should be further optimized. The key points of environmental impact assessment should focus on the environmental impact and protect measures of construction project. Exploring public participation patterns is more effective and operational.

| | |
|----------------------------|---|
| Chinese Name | 中华人民共和国环境保护税法 |
| English Translation | Law of Environmental Protection Tax |
| Issuance Number | 中华人民共和国主席令第六十一号 |
| Issued By | National People's Congress |
| Issued Date | 2016-12-25 |
| Effective Date | 2016-01-01 |
| Chinese URL | http://www.npc.gov.cn/npc/xinwen/2016-12/25/content_2004993.htm |

Brief Introduction: With the replacement of the existing discharge fee system with the environmental tax system, China's regulation of environmental pollution by businesses is expected to be more efficacious. The loopholes that have been exploited by local authorities and enterprises will disappear. Accordingly, the enterprises that directly discharge the taxable pollutants in China will be liable for the new tax payments under the Law. In response to the unprecedented system, enterprises are advised to plan ahead before the Law comes into effect, ascertain the standard and amount of the tax payable in their location, and make changes as necessary.

The Law also specifies what pollutants are taxable. The taxable pollutants, as listed on the Table of Taxable Items and Amount of Environmental Protection Tax appended to the Law, include air and water pollutants, solid waste, and noise. While common pollutants like sulphur dioxide and chemical oxygen demand (CDO) are among the taxable air pollutants, carbon dioxide (CO₂) is excluded. Enterprises that emit taxable pollutants into legitimate, centralized sewage and domestic waste treatment facilities, or store or dispose of solid wastes in facilities that meet relevant standards, are exempted from paying tax on such indirect emissions. The Environmental protection tax is calculated monthly and declared and paid quarterly. The Law could have significant fiscal impacts on many enterprises in China. Chinese lawmakers have given companies and local governments one year to make the necessary preparations .

| | |
|----------------------------|---|
| Chinese Name | 船舶及其有关作业活动污染海洋环境防治管理规定 |
| English Translation | Administrative Regulations on Marine Environment Pollution Prevention and Control of Watercraft and Corresponding Operation |
| Issuance Number | 交通运输部令2016年第83号 |
| Issued By | Ministry of transport |
| Issued Date | 2016-12-13 |
| Effective Date | 2016-12-13 |
| Chinese URL | http://zizhan.mot.gov.cn/zfxgk/bnssj/zcfgs/201612/t20161227_2145071.html |

Brief Introduction: Ministry of Transport decided to alter the Administrative Regulations on Marine Environment Pollution Prevention and Control of Watercraft and Corresponding Operation as below: delete paragraph 1, article 44—ship building and water dismantling should be operated in the places which determined and publicized by the maritime administration. This decision shall enter into force as of the date of promulgation.



| | |
|----------------------------|---|
| Chinese Name | 船舶污染海洋环境应急防备和应急处置管理规定 |
| English Translation | Administrative Regulations on Emergency Preparedness and Response of Marine Environment Pollution by Watercraft |
| Issuance Number | 交通运输部令2016年第84号 |
| Issued By | Ministry of transport |
| Issued Date | 2016-12-13 |
| Effective Date | 2016-12-13 |
| Chinese URL | http://www.moc.gov.cn/zfxxgk/bnssj/zcfgs/201505/t20150525_1823222.html |

Brief Introduction: There are 3 revision in this regulation.

Firstly, canceled and redefined the qualification examination and approval of ship pollution response organization. Secondly, made sure ship pollution response organizations meet the qualification, announced the relevant information to the public and accepted the obligation of supervision and administration from maritime organization. Thirdly, increased the penalties when ship pollution response organizations fail to follow the rules to sign up cleaning protocol, as well as no response to emergency.



Part 2

Local Legislation Update

| | |
|----------------------------|---|
| Chinese Name | 山西省安全生产条例 |
| English Translation | Shanxi Regulation on Work Safety |
| Issuance Number | 山西省人民代表大会常务委员会公告第四十号 |
| Issued By | Standing Committee of Shanxi People's Congress |
| Issued Date | 2016-12-08 |
| Effective Date | 2017-03-01 |
| Chinese URL | http://www.sxpc.gov.cn/sxrd/sxrd/201612/20161212113300544164.html |

Brief Introduction: The newly revised regulations strictly followed the work safety law and related state policies and regulations, combined the provincial working practice of work safety, emphasized the importance and explicitly stipulated the work safety guarantee of production and management units, employee rights and obligations and supervision, accident emergency rescue and investigate and other legal responsibility.

This regulation not only further strengthened production and management units' main responsibility for work safety, but also enhanced the supervision duty of primary level work safety.

Meanwhile, the regulation also referenced local rules of other provinces and cities on work safety, and added stipulation about work safety professionals and certified safety engineers.

| | |
|----------------------------|---|
| Chinese Name | 山西省环境保护条例 |
| English Translation | Shanxi Regulation on Environmental Protection |
| Issuance Number | 山西省人民代表大会常务委员会公告第四十一号 |
| Issued By | Standing Committee of Shanxi People's Congress |
| Issued Date | 2016-12-08 |
| Effective Date | 2017-12-08 |
| Chinese URL | http://www.sxpc.gov.cn/sxrd/sxrd/201612/20161212113306878812.html |

Brief Introduction: This revision combined the practice on atmosphere, water, solid waste pollution prevention and control in Shanxi province. It is the supplement and detailing of superior laws, mainly stand out for intensification. Firstly, strengthened the responsibility and strict management requirements. Secondly, strengthened the source management and coordination control. Thirdly, strengthened comprehensive measures on the main points of prevention and control. Fourthly, strengthened the establishment of system reform and innovation.



| | |
|----------------------------|---|
| Chinese Name | 福建省安全生产条例 |
| English Translation | Fujian Regulation on Work Safety |
| Issuance Number | --- |
| Issued By | Standing Committee of Fujian People's Congress |
| Issued Date | 2016-12-02 |
| Effective Date | 2017-03-01 |
| Chinese URL | http://www.fjrd.gov.cn/ct/10-120025 |

Brief Introduction: For mining enterprises and organization with hazardous substance production, management and storage, those with more than one hundred employee should set up a work safety management institution and hire full-time safety management personnel no less than two percent of the employees; those with employee less than one hundred should hire more than one safety management personnel. The setting of work safety management institution and personnel allocation in metal smelting, construction, transportation and other organizations should follow the relevant state regulations. In the preceding paragraph, principal and work safety manager in the related industry of production, management and storage organization, should be evaluated for their knowledge of work safety and management ability by supervisory department in charge.

| | |
|----------------------------|---|
| Chinese Name | 广东省水权交易管理试行办法 |
| English Translation | Guangdong Trial Measures on Water Rights Transaction Management |
| Issuance Number | 粤府令第228号 |
| Issued By | People's Government of Guangdong Province |
| Issued Date | 2016-12-20 |
| Effective Date | 2017-12-20 |
| Chinese URL | http://zwgk.gd.gov.cn/006939748/201612/t20161223_686784.html |

Brief Introduction: Department of Water Resources introduce that, during the pilot, Guangdong Province will be on the premise of strict control of the total water use, focusing on Guangzhou, Shenzhen, Heyuan, Huizhou, Dongguan and other cities around Dongjiang river basin, by means of developing the water right transaction pilot between prefecture cities and prefecture cities as well as counties and counties and within counties.

According to the measure, water rights transaction includes two situations, water rights transfer between organizations, and total water use control target transfer between governments at or above the county level.

Also, water rights is not the tap water usage rights, but water organization who receive the water license in a legitimate way gain the rights to use water resources from river, lakes and reservoirs. Besides, the transferee of water right should follow the regulation of water intake permit to use water resources, and shall not alter the use purpose of water resources without authorization.

| | |
|----------------------------|---|
| Chinese Name | 广东省土壤污染防治行动计划实施方案 |
| English Translation | Guangdong Implementation Scheme of Soil Pollution Control Action Plan |
| Issuance Number | 粤府(2016)145号 |
| Issued By | People's Government of Guangdong Province |
| Issued Date | 2016-12-30 |
| Effective Date | 2017-12-30 |
| Chinese URL | http://zwgk.gd.gov.cn/006939748/201612/t20161230_688270.html |

Brief Introduction: This scheme increased the short-term objectives in 2018, for a series of work, such as the comprehensive prevention and control of heavy metal pollution, active development of soil pollution investigation in certain areas, and pilot demonstration of remediation of contaminated soil. The previous work has achieved initial results. Increasing short-term goals is for continuous improvement of existing soil "cure" work in Guangdong.

In the soil pollution supervision industry, considering the reality of Guangdong, 12 main supervision industries were identified, including non-ferrous metal acquisition, non-ferrous metal metallurgy and petroleum processing, etc.

Moreover, this scheme will implement the whole process of environmental monitoring in contaminated soil and have clear requirements in several sections as investigation and evaluation, management and restoration plan, secondary pollution control, management and restoration effect assessment and so on. These sections will interlock with each other in order to strictly control the environmental risk of contaminated soil.



Part 3

Interpretation

□ [建设项目危险废物环境影响评价指南（征求意见稿）](#) [Guideline of Hazardous Waste Environmental Impact Assessment of Construction Projects \(draft for comment\)](#)

This guide regularized the requirements of hazardous waste environmental impact assessment in accordance with the “general program of technical guidelines for environmental impact assessment” and other relevant technical standards and focused on the characteristics of hazardous waste. It stipulates the principle, content and technical requirement of environmental impact assessment on hazardous waste discharging construction project. It can be applied to environmental impact assessment of construction project with needs to compile environmental impact reports and forms.

There are three basic principles for this guide: 1) for all construction projects, hazardous waste must be included in the environmental impact assessment reports (forms) in the relevant chapters as a key point. The amount and type of hazardous waste the project discharged and other relevant information should be scientific estimates. 2) The types and quantities of hazardous waste, disposal methods, environmental impact and risks, etc. should be scientifically evaluated and put forward a feasible countermeasures of pollution control. Persisting with the principle of reduction, resource utilization, and harmless and properly handling the disposal of hazardous waste to ensure the safety of the environment. 3) Analyzing and assessing the whole processes of construction project hazardous waste of production, collection, restore, transfer, utilization, and dispose, strictly carrying out each legal system related to danger waste, and improving the level of standardization management in construction project hazardous wastes by the environmental impact assessment reports (forms).

□ [危险废物鉴别工作指南（试行）（征求意见稿）](#) [Guideline of Hazardous Waste Identification \(trial\)](#) [\(draft for comment\)](#)

Hazardous waste identification refers to the identification work conducted by institutions following “the national hazardous waste list” or the national hazardous waste identification standard and hazardous waste identification techniques and other related regulations to identify risk characteristics of solid waste, and make sure if these solid wastes subject to the process of hazardous waste. This guide is suitable for the hazardous waste identification institution to identify hazardous wastes.



□ [国家环境保护标准“十三五”发展规划（征求意见稿）](#) [The “Thirteenth Five-year” Development Plan of National Environmental Protection Standards \(draft for comment\)](#)

The overall goal of this plan is showed as below:

1. Vigorously advance the revision of standards and finish the number of research projects; work with environmental management center regarding the discharge permit and water, air, soil and other elements to revise a number of key standards.
2. Build the standard system revision and implement evaluation method based on the actual measurement and optimize the environmental standard system by forming internal science and external coordination.
3. Further strengthen the implementation of pollutant emission standards assessment by improving the standard of their scientific nature and operability.
4. Revise and implement a number of standard management rules and regulations, set up a solid professional and distinctive environmental standard team to deepen the standard information construction and improve the standardization and efficiency of standard management.
5. Increase the propaganda and training as well as exchanges and cooperation, and expand the social influence of environmental protection standards in our country.



ESD China Limited

About Us

ESD China Limited (ESD, www.esdchina.com) is a professional environment, energy and engineering service firm. The firm is comprised of highly qualified scientists, engineers and management professionals from North America, Europe, and greater China with high pride of professionalism. We cultivate international and local best practices. In the past decades, we have provided common sense solutions to **Environment+Energy** challenges for leading multinational corporations, governments and international development agencies throughout China and the region.

Globally, we are a member company of Inogen Group (Inogen®, www.inogenet.com), a global corporation owned by environment, energy and sustainability consulting firms originated from the host countries, referred to as Associates. Inogen® Associates lead global environment, health and safety (EHS) management and energy consulting services with proven global expertise, and deliver common sense EHS and energy solutions with local competence beyond the mere brand name. Together, we offer over 4,700 professionals through more than 100 offices worldwide, and have completed numerous projects in over 120 countries.

Our core areas of expertise include soil and groundwater assessment and remediation; energy and industrial engineering, international financing project management, pollution control engineering, socio-environmental impact assessment and industrial environmental, health and safety (EHS) management. Our current services are outlined below:

OUR SERVICES:

- Environmental Impact Assessment
- Corporate Due Diligence
- Risk Management and EHS Compliance Auditing
- Soil & Groundwater Investigation & Remediation
- Regulatory Services
- Supplier Management & Auditing
- Energy Auditing & Industrial Engineering
- Industrial Hygiene Survey (IAQ, Lead & ACMs)
- International Financing Project Management
- Pollution Control Engineering

More information

For more information, please contact:

Dr. Allan Zhang
Shanghai Regional Office
19D, 728 Xizangzhong Road,
Shanghai 200001, China
Tel : (86-21) 5308 0914
Email: azhang@esdchina.com.cn

Dr. Michael Liang
Guangzhou Regional Office
Rm1302, World Trade Center North Tower,
371-375 Huanshidong Road,
Guangzhou 510075, China
Tel : (86-20) 8760 6313
Email: mjliang@esdchina.com.cn

Dr. Gong Yuyang
Beijing Regional Office
Suite 1008, Block B, 6 Futong East St,
Focus Square, Beijing 100102, China
Tel : (86-10) 8478 3339
Email: gong@esdchina.com.cn