ENVIRONMENTAL PROTECTION TAX LAW

Effective January 1, 2018

The People’s Republic of China’s Environmental Protection Tax Law presents a shift from a system of pollutant discharge “fees” to an environmental protection “tax.”

The law stipulates that “taxpayers” refer to “enterprises, units and other producers and operators who directly discharge pollutants into the environment” within China, Chinese territory and any water areas under Chinese jurisdiction, and that atmospheric pollutants, water pollutants, solid waste and noise pollution are all subject to taxation. Municipal or township centralized wastewater treatment plants or centralized domestic trash handling facilities that discharge taxable pollutants into the environment in excess of the standards will be also held liable.

Environmental protection agencies will periodically furnish tax authorities with information related to discharge permits, pollutant discharge quantities, environmental violations and administrative sanctions issued.
PLAN FOR SAFE MANAGEMENT OF HAZARDOUS CHEMICALS
Announced December 6, 2016
The Comprehensive Plan for the Safe Management of Hazardous Chemicals deploys a nationwide, three-year strategy for the safe management of hazardous chemicals, and outlines requirements for implementation through 40 specific tasks.
The plan was developed in direct response to a series of explosions at Tianjin Harbor on August 12, 2015, that killed 173 people and injured several hundred others. The plan aims to prevent major incidents involving hazardous chemicals, ensuring the safety of human lives and safeguard of property.

MANAGEMENT RULES FOR SOIL AT POLLUTED SITES (TRIAL)
Implementation July 1, 2017
The management rules include assigning relevant responsibility for supervision and management of contaminated soil, as well as conducting environmental surveys, risk assessment and management, and remediation.
They maintain as their foundation the principle from the original draft that states, “The one who pollutes remediates;” and adds language stating that “soil pollution management is a lifelong responsibility.”

POLLUTANT DISCHARGE PERMIT SYSTEM
Announced November 21, 2016
The Pollutant Discharge Permit System Implementation Plan outlines a series of tasks to be completed by 2020 and linked to all relevant environmental management systems. Tasks include establishing a thorough legal framework, expanding coverage of discharge permits to all fixed-point pollutant sources, coordinating fixed-point sources and controls for multiple pollutants, and ultimately implementing a “single permit” system.
Incentive policies will be used to guide organizations to reduce pollutant discharges.
INTERIM REGULATIONS FOR POLLUTANT DISCHARGE PERMITS
Announced December 23, 2016
The Interim Regulations for the Management of Pollution Discharge Permits is the first codifying document governing pollution discharge permits throughout China, and are based on existing environmental protection, water pollution prevention, air pollution prevention and administrative permission laws, as well as the requirements of their implementation plans.

The regulations stipulate that applications for, handling of, reviews and approvals for, issuance of, revisions to, and extensions, cancellations, revocations and replacements of permits shall be handled by the national discharge permit management information platform. They primarily apply to guidance for current application and issuance of pollutant permits at all levels, and unify regulations governing pollution permit management at the national level.

The regulations also require that pollution discharge permits be clearly marked with the following items:
• the position of the outlet and the quantity, the means and direction of discharge
• the type, permitted concentration and discharge quantity of the pollutant; and
• any other permit items as provided by relevant local and national regulations.

The Ministry of Environmental Protection (MEP) will develop and make public a management catalogue for pollution permits by industry, and adopt a phased approach in promoting permit management.

PREVENTING OCCUPATIONAL DISEASE (2016–2020)
Announced January 4, 2017
The State Plan for Preventing Occupational Disease (2016–2020) summarizes results obtained under the previous State Occupational Disease Prevention Plan (2009–2015), and puts forth the following enhancements:
• Remediation of the causes of occupational disease at the source
• Holding organizations/employers accountable
• Increasing enforcement efforts aimed at industrial sanitation management
• Simplifying diagnosis procedures for occupational disease
• Implementing guaranteed assistive measures for occupational disease (i.e. employer-provided insurance)
• Promoting the computerization of information on the prevention of occupational disease
• Enhancing education related to promoting good health
• Promoting more scientific research

SOIL POLLUTION PREVENTION AND REMEDIATION WORK PLANS
Announced May 31, 2016
The provinces of Fujian, Anhui, Zhejiang, Jiangsu, Liaoning, Jilin, Heilongjiang, Inner Mongolia, Shanxi, Gansu, Guangdong, Sichuan, Ningxia, Jiangxi, Shaanxi, Guizhou, and Shandong, as well as municipalities of Beijing, Shanghai, and Tianjin announced their soil prevention and remediation work plans last year.

A comparison of the national Ten-Article Soil Pollution Action Plan to these local versions shows that the majority of provinces and municipalities are still refining national standards based on factors that include the special characteristics of the pollution problems they face, as well as environmental and economic development status.
FUJIAN PROVINCE WORKPLACE SAFETY REGULATIONS

Implemented March 1, 2017

Based on Fujian Province Workplace Safety Regulations, in the case of workplace accidents causing the death of an employee, close relatives of the deceased may draw workers’ compensation insurance. The regulations further state that a one-time payment of 20 times the national average disposable income of a city resident.

Based on these regulations, supervisory agencies must enhance efforts to establish good-faith supervisory mechanisms for workplace safety, and develop a system of incentives and penalties. The regulations further state that any high-density locations, such as sport venues, conference halls, schools, hospitals, inns, hotels, entertainment venues, stations, docks and airports must establish and clearly label safe exits and evacuation routes as dictated by the requirements of emergency evacuation and emergency response.

In addition, there can be no new construction, renovation or expansion of facilities for the production or storage of flammable or explosive materials or hazardous chemicals within densely populated urban areas. Any new construction of this type of facility must be located within chemical industrial parks. Projects currently in progress within densely populated urban areas will be gradually moved out to appropriate industrial parks.

JIANGXI PROVINCE REGULATIONS FOR PREVENTING ATMOSPHERIC POLLUTION

Implemented March 1, 2017

The Jiangxi Province regulations clarify the strategy for air pollution prevention through all public efforts, enhance air pollution control measures throughout the province and specify supervisory responsibility.

The regulations stipulate that high intensity emission and highly polluting operations in the steel, petroleum, chemical, non-ferrous metals, cement and similar industries that are situated in densely populated urban areas or adjacent to environmentally fragile zones must be gradually relocated, renovated, or their purposes transitioned. They also stipulate that food and beverage, dry cleaning and motor vehicle repair operations must install pollution prevention apparatus (i.e. air purifiers), or adopt other cleaning or processing measures to prevent impact to the surrounding environment.

IN TOUCH

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