

Ecological and Environmental Protection Guidelines for Overseas Investment and Cooperative Construction Projects

Article 1 This guide is formulated to guide enterprises to implement the concept of ecological civilization, further improve the ecological and environmental protection of overseas investment and cooperative construction projects, and promote green and high-quality development of projects.

Article 2 Enterprises shall consciously fulfill their responsibility for ecological and environmental protection; integrate economic, social and environmental benefits; promote coordinated development of the local economy, society and environment; and promote mutually beneficial cooperation.

Article 3 Enterprises implementing overseas investment and cooperative construction projects shall comply with the host country's (region's) ecological and environmental laws, regulations and policy standards; and apply for the country's (region's) ecological and environmental protection permits as required. If the country (region) does not have relevant standards or the standards are low, on the basis of the ecological environmental protection permits, the adoption of international rules and standards or more stringent Chinese standards is encouraged.

Article 4 Enterprises shall incorporate ecological and environmental protection into their development strategies; establish corresponding ecological and environmental protection rules and regulations with reference to international common practices; improve internal environmental management systems; enhance ecological and environmental protection training, seminars and capacity building; set up special personnel responsible for ecological and environmental protection; and continuously strengthen the enterprise's environmental management capacity.

Article 5 Prior to implementing foreign mergers and acquisitions, enterprises shall assess the ecological damage, environmental pollution, environmental penalties, environmental litigation, the operation of environmental protection facilities and related ecological and environmental risks caused by the subject of the proposed acquisition in its previous business activities, through Environmental Due Diligence and other means, with an emphasis on its activities in hazardous waste disposal, soil, groundwater, greenhouse gas emissions and atmospheric environmental impact.

Enterprises are encouraged to choose ecological and environmental consulting agencies with strong capabilities, good credit, familiarity with domestic and international environmental laws, regulations and policies, based on their business needs, to order to acquire market-oriented and international ecological and environmental consulting services for overseas investment and cooperation.

Article 6 Enterprises shall master the ecological background conditions of the project site and its surrounding areas prior to the project construction, through the collection of relevant information, biodiversity surveys of the proposed site, ecological monitoring and assessment and other means. The corresponding surveys, monitoring and assessment results shall be kept on file for future inspection.

When the background conditions do not reach the local standards, international general standards or domestic quality standards, it is recommended to fully justify the environmental rationality of the site choice, and consider re-siting if necessary.

Article 7 Enterprises shall carry out environmental impact assessments according to the requirements of the laws and regulations of the host country (region) and take reasonable measures to reduce and eliminate possible adverse effects. If the host country (region) lacks laws and regulations on environmental impact assessments, the enterprise may refer to international rules and standards or Chinese standards to conduct an assessment.

Article 8 Enterprises shall strengthen ecological and environmental protection during construction, adhering to a high priority on the ecosystem; green construction; ecological protection; pollution control on air, water, noise, vibration, radiation and solid waste; the reduction on greenhouse gas emissions; and the reduction and elimination of adverse impact of the construction on the environment through standardized management.

Enterprises shall conduct well-managed ecological restoration, with consideration of the resource endowment and natural ecological conditions of the project site. The development of ecological restoration programs shall comply with local conditions.

Article 9 Enterprises shall construct and operate pollution prevention facilities according to the industry, size, process, pollutants and greenhouse gas emissions, ecological impact, and surrounding ecological environment of their projects. The emissions of waste gas, wastewater or other pollutants and the processing and disposal of solid waste should meet corresponding standards. Enterprises shall take effective measures to control greenhouse gas emissions, and conduct well-managed ecological monitoring and management during operation period.

Article 10 Enterprises shall give priority to clean, green renewable energy projects when implementing energy projects. When implementing water conservancy and hydropower projects, enterprises shall try to avoid occupying nature reserves and important biological habitats, design reasonable layouts within river basins, optimize engineering design and construction organization, and take reasonable measures such as protecting aquatic habitats, constructing aquatic life passages, and enhancement and releasing. With projects that have an impact on protected wildlife and their habitats,

enterprises shall actively take measures such as engineering protection, relocation, rescue and habitat restoration. Enterprises shall also meet the water demand of downstream households, ecosystem and production through measures such as ecological flow release; and perform good ecological and environmental management of wind power, photovoltaic, and other renewable energy projects.

Article 11 Enterprises shall strengthen the construction, operation and maintenance of pollution control facilities to reduce pollutants and greenhouse gas emissions while implementing petrochemical projects; strengthen environmental risk prevention and control; and improve prevention and control measures.

Article 12 Enterprises implementing mining projects shall take effective pollution control measures to control pollutants, especially the emission of heavy metal pollutants; strengthen the comprehensive utilization of solid waste, reducing the amount generated and stored; keep tailings storage, gangue field and other solid waste storage sites reinforced and impermeable to prevent pollution of groundwater; strengthen environmental protection design; reduce ecological damage and land occupation; and implement ecological restoration and biodiversity protection.

Article 13 Enterprises implementing transportation infrastructure projects, shall choose reasonable sites, and try to avoid occupying or crossing nature reserves and important wildlife habitats, as the requirements of green, low-carbon and sustainable development. When occupation or crossing is unavoidable, the enterprises may take measures such as harmless crossing, construction of wildlife passages and other mitigation or compensation measures. The enterprises shall also strengthen their environmental management during the construction period; make reasonable arrangements for construction organization; reduce soil and stone excavation and temporary site occupation; reduce their impact of noise, dust and other factors on wildlife and surrounding residents; and conduct timely ecological restoration after the construction.

Article 14 Enterprises shall monitor their projects' pollutant emissions according to the projects' environmental impact characteristics, keeping a timely track of their discharge status; record and archive these monitoring results; and conduct ecological investigation when affecting the environment.

Article 15 Enterprises shall take measures to reduce the amount of solid waste generated by their projects; promote the comprehensive use of solid waste; reduce the harm of solid waste; and strictly implement the requirements of the storage, transportation, utilization and disposal of solid waste such as hazardous waste.

Article 16 Enterprises shall develop contingency plans for environmental emergencies based on their projects' environmental risk nature, characteristics, and possible environmental hazards. In the event of an environmental emergency, enterprises shall timely report to their domestic investors, Chinese embassies and consulates abroad,

local management, or other related institutes according to relevant regulations. The domestic investors shall timely report to relevant government departments according to relevant regulations.

The contents of such contingency plans for environmental emergencies generally consist of the organizational system and responsibilities of emergency management, prevention and early warning mechanisms, response procedures, emergency support and post-event recovery, and reconstruction. It is encouraged that enterprises conduct drills, timely optimization, and updates of their plans.

Article 17 Enterprises shall pay attention to international and the host country's (region's) laws, regulations, and policies on addressing climate change; actively participate in low-carbon and carbon sink projects based on the enterprise's conditions; support the development of green and low-carbon energy in developing countries; and contribute to the host country (region) in addressing climate change.

Article 18 Enterprises shall pay attention to the biodiversity conservation strategies and action plans formulated by the host country (region), fully consider the ecological function of the projects' locations, reduce the adverse impact on local biodiversity, and promote the realization of biodiversity conservation and sustainability.

Article 19 Enterprises shall follow the concept of clean production; promote green design and recycling; cut pollution at source; improve the efficiency of material and resource utilization; and reduce the generation and emission of pollutants in the process of production, service, and product use.

Article 20 Enterprises shall implement green value chain innovation and practice, build green supply chain management system, implement green procurement, implement green production, and give priority to environmental friendly products.

Article 21 Enterprises are encouraged to apply for environmental management system certifications, energy management system certifications and green certifications for their products such as energy efficient, water-saving, low-carbon and eco-friendly.

Article 22 Enterprises shall report ecological and environmental protection compliance information according to relevant regulations.

Article 23 Enterprises shall strengthen contact and communication with local environmental management departments; exchange information on ecological and environmental protection of their projects, actively seek opinions and suggestions from local departments; take the initiative to strengthen communication with potentially affected communities, relevant social groups, and citizens; and listen to opinions and suggestions on the environmental impact of their projects through events such as seminars and hearings.

Article 24 Enterprises shall strengthen information and experience sharing; regularly publish information on their implementation of ecological and environmental laws and regulations of the host country (region), measures taken, and environmental performance achieved; and share their understanding and best practices on ecological and environmental protection.

Article 25 Enterprises shall implement well-managed ecological and environmental protection during the decommissioning, dismantling, and closure of their overseas investment and construction projects, according to relevant laws or with reference to international practices.