



Ministry of Ecology and Environment Response to March 2019 US-China Business Council Policy Recommendations

In March 2019, the US-China Business Council (USCBC) delivered a series of policy recommendations on environmental regulations and enforcement to China's Ministry of Ecology and Environment (MEE). On April 30, MEE provided a detailed written response detailing their efforts on many of the issues raised. Areas covered in MEE's letter include:

- **One-size-fits-all enforcement** MEE describes plans to release guiding opinions on standardizing discretionary power for administrative enforcement, which could help create a more predictable regulatory environment. The letter also details efforts to develop an administrative enforcement notice system, enforcement process recording system, and a legal review system for major enforcement decisions, and discusses plans to release guidance on encouraging industry compliance. MEE also plans to increase use of technological measures to improve enforcement such as pollution source monitoring.
- **Delegating appropriate authority to local regulators** The letter outlines deregulation efforts such as deepening environmental impact assessment (EIA) reform and explains recent guidance to local governments about how to make the EIA process smoother for major foreign-invested projects.
- **Transparency** The letter explains current efforts to post central-level laws, regulations, and standards online and provide public comment periods, although it does not mention any efforts to increase transparency for local environmental standards.
- **Science-based environmental standards** MEE explains technical guidance used to develop environmental standards and promises further efforts to make environmental standards transparent and science-based.
- **Accessibility of hazardous waste disposal** The letter claims that hazardous waste disposal capacity is adequate in most areas, citing 2017 statistics that there are roughly 2,600 enterprises with hazardous waste management licenses and China has an annual capacity to dispose of 75 million tons of hazardous waste per year. MEE also claims to treat state-owned, private, and foreign hazardous waste disposal companies equally, raising the example of the French company Veolia, which has significant operations in China. MEE is also working on revising multiple regulations to improve the hazardous waste management system.