



Circular Economy in China

Weiwei Luo, Of Counsel, Beveridge & Diamond PC



Circular Economy and Plastics Symposium | February 12, 2020 | Washington, DC

Beveridge
& Diamond 

Agenda



An Overview of the Circular Economy in China

Selected Programs under the Circular Economy

2020 Outlook

Policy Overview

Proposed in the early 2000s

A policy to restructure economic growth and reduce burden on the environment and natural resources

Based on the 3R concept: Reduce, Reuse, and Recycle

Covers many topics:

- **Industrial practices:** Product eco-design, clean production audits, green manufacturing, extended producer responsibility, restrictions on one-time consumer products, industrial park planning, efficient use of resources and energy across different industries, innovative agricultural practices, etc.
- **Municipal practices:** Classification and recycling of municipal waste, green buildings, shared economy, energy and water conservation, green governmental procurement, green finance and credit policy, etc.
- **Resource reuse and recycling:** Recycling and reuse industry, repair and re-manufacture, etc.

Regulatory Landscape

Laws

- Circular Economy Promotion Law
- Cleaner Production Promotion Law
- Solid Waste Environmental Pollution Prevention and Control Law
- Other Laws (e.g., Import and Export Inspection Law)

Various administrative regulations

Standards and guidelines

“Five-year / Strategic / Implementation / Action Plans” (policy statements)

In practice, it is more helpful to understand and comply with the specific programs, for example:

- Clean production audits
- Used EEE and waste import
- Extended producer responsibility
- Product/material restrictions

WHERE ARE WE NOW?



Clean Production Audits

Who

- The emission of pollutants exceeds the national or local emission standards or the total volume of key pollutants emitted exceeds the total volume control index
- High energy consumption
- Use of hazardous/toxic materials or generation of hazardous/toxic substances

What

- Information disclosure
- The interval between two clean production audits may not exceed five years
- Auditing
- Acceptance inspection

Used EEE and Waste Import

Imported used electronic products for repair / remanufacture activities

- Born out of China's regulation of imported used mechanical / electrical products
- GAC (former AQSIQ) issued a circular in 2008 directing pilot regulatory programs for special regulation of M/E products imported for repair/remanufacture purposes
- Additional circulars and guidelines since 2013 and 2015 on various aspects, including inspections, capability assessment for repairers / remanufacturers, quality verification, etc.
- GAC issued a circular in 2018 clarifying the import requirement for bonded repair business

Regulation of wastes for recycling / raw material uses and their imports

- Born out of China's waste regulation
- For import regulation, the Solid Waste Law categorized waste into three categories: ban, restriction, automatic permission (later amended to be "no restriction")
- Government promulgates inventories and regulatory measures
- Follow inspection procedure and comply with environmental standards

Extended Producer Responsibility

China WEEE (starting from 2011)

State Council Promotion Plan for the Extended Producer Responsibility System (2016)

- EE
- Automobile
- lead batteries
- Packaging

New administrative measures for recycling of batteries for new energy vehicles (2018)

Material/Product Restrictions

China RoHS

- **EEP**
- **Information disclosure**
- **Concentration limits**

Plastics

- **Ban:** ultra-thin plastic shopping bags with a thickness of less than 0.025 mm and polyethylene agricultural mulch with a thickness of less than 0.01 mm; plastic products from medical wastes; single-use foam plastic tableware and plastic cotton swabs; household chemical products containing plastic microbeads
- **Restricted:** single-use plastic supplies in hotels; plastic packaging, non-degradable plastic bags in farmer market

Consumer products (proposed)

- Safety requirements for hazardous chemicals in consumer products
- Consumer products refer to products designed and produced primarily for, but not limited to, personal use, including its components, parts, accessories, instructions and packaging
- Exclusions: food, drugs, cosmetics, tobacco, special equipment, etc. (and others under special government regulation)
- 103 hazardous chemicals
- Restriction requirements: ban on certain chemicals or limited volumes

2020 Outlook

- Revision of Solid Waste Law
 - Ban on all solid waste imports
 - Impose strict liability on waste generators for any regulatory violations by their waste management vendors
 - EPR programs for electronics, vehicles and other products included in a future catalogue
 - Prohibit non-degradable packaging
 - Mandatory recycling of products and packaging
- Inventory of Hazardous Wastes



Q&A



Thank You!



Weiwei Luo

Of Counsel

Washington, DC

WLuo@bdlaw.com

202.789.6005

This presentation is not intended as, nor is it a substitute for, legal advice. You should consult with legal counsel for advice specific to your circumstances. This presentation may be considered lawyer advertising under applicable laws regarding electronic communications.