



China Unveils for Public Comment Its Draft Ecological and Environmental Code for Integrating the Country's Existing Environmental Laws



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On April 30, 2025, the Standing Committee of the National People's Congress (NPC) issued the first draft of the Ecological and Environmental Code (the Draft Code) for public comment. This legislation is designed to integrate "scattered" environmental regulations, incorporate emerging environmental issues (e.g., climate change and biodiversity), and strengthen enforcement of

the legal framework. Once adopted, the Code will become China's second formal statutory code, after the Civil Code, adopted in 2020. The deadline for public comments is June 13, 2025.

Background

China initiated its environmental legislation in the early 1980s by issuing the Environmental Protection Law (Trial). Soon afterward, China established a relatively systematic environmental legal system by promulgating the Water Pollution Prevention and Control Law, the Air Pollution Prevention and Control Law, and incorporating "environmental protection" into its Constitution Law. Over time, the Chinese environmental protection legal system has developed further. Today, over 30 environmental laws, more than 100 administrative environmental regulations, and 1,000 local laws and regulations have been issued, together with related judicial interpretations, rules and regulations, policies and measures, and vertical enforcement mechanisms.

Notwithstanding this extensive legal framework, the current environmental legal system has faced numerous challenges, such as overlapping and/or conflicting regulations and a lack of administrative supervision on emerging environmental issues. For this reason, China decided to compile an ecological and environmental code (Code) to fill legislative gaps and guide further development of the environmental legal system.

In 2021, the 13th Standing Committee of the National People's Congress listed a compilation of the Code in its legislative Plan. The NPC Environmental and Resources Committee took the lead in establishing a team to start drafting the Code in 2023. The first draft was prepared internally, and the opinions of the State Council departments, local people's congresses, and experts were solicited in 2024. In April 2025, the Standing Committee of the National People's Congress reviewed and released the Draft Code for public comment. As of today, over 1,300 comments have been submitted through the online submission system.

Once implemented, the Code will repeal and replace the existing 10 environmental laws that cover pollution prevention and control concerning air, water, solid waste, noise, soil, ocean, and radiation. It will also incorporate the key principles and provisions of the environmental laws related to river basins,

regions, natural resources, biodiversity, ecosystems, circular economy, and energy conservation (those laws will remain effective). Finally, the Code will set out key principles and legal foundations with respect to emerging environmental issues, such as new pollutants, climate change, and low-carbon development.

Draft Code

The Draft Code comprises 1,188 articles in 59 sections, which are contained in five chapters, including general provisions, pollution prevention and control, ecological protection, green and low-carbon development, and legal liability and supplementary provisions. Below are the key takeaways that are likely to be of interest to companies doing business in China:

- ◆ **Chemical substances, electromagnetic radiation, and light pollution prevention and control**

Chapter 2 (Pollution Prevention and Control) addresses not only traditional pollution control issues, such as air, water, soil, and solid waste, but also pollution prevention and control for chemical substances (Section 34), electromagnetic radiation (Section 35), and light (Section 36). More specifically:

- ◆ **Chemical Substances.** Section 34 specifies four management systems to regulate pollution risks associated with the production, import, storage, transportation, sale, use, and disposal of chemical substances:
 - A chemical substance pollution information survey system that applies to manufacturers, importers, and processors of chemical substances. The Draft Code will require these parties to disclose information regarding physical and chemical properties, quantity, uses, hazardous characteristics, and emissions of chemical substances.
 - An environmental risk management and control system for new pollutants. Production or import of new pollutants subject to key risk management controls would be banned, restricted, or subject to other control measures.
 - An environmental management registration system for new chemical substances. Producers or importers will have to file a registration before manufacture or import.
 - An import licensing system for chemical substances listed in the highly restricted import inventory (e.g., Ozone Depleting Substances).
- ◆ **Electromagnetic Radiation.** Section 35 would establish a management system for equipment emitting electromagnetic radiation. No production, import, or sale will be allowed for industrial equipment, radio transmission equipment, telecommunication equipment, motor vehicles, railway locomotives, urban rail transit vehicles, navigation equipment, motor vessels, meteorological equipment, electrical or electronic equipment, medical equipment, and other products that generate electromagnetic radiation unless they meet the electromagnetic radiation limits specified by national standards.
- ◆ **Light.** Section 36 will establish limits on light intensity, brightness, upward luminous flux ratio, color temperature, and reflectance for lighting products, outdoor display products, traffic lights, and architectural glass and related materials.



◆ **Incorporation of emerging environmental issues**

The Draft Code includes an entire chapter (Chapter 4) addressing emerging environmental issues such as the circular economy, green and low-carbon development, and climate change.

- ◆ **Circular Economy.** The Draft Code calls for establishing of a circular economy standard, addressing green design, green manufacturing, comprehensive utilization of industrial waste, and recycling of domestic waste. It will also further implement clean production auditing and green packaging requirements, Extended Producer Responsibility (EPR) systems for electrical and electronic products, as well as lead and other batteries. The Draft Code will also establish mandatory recycled material content requirements for key categories of products.
- ◆ **Climate Change.** Three important systems are or will be developed to address climate change:
 - **Product Carbon Footprint Management.** The Draft Code will introduce product carbon footprint verification measures and standards, and establish product carbon footprint evaluation, certification, and information disclosure systems.
 - **Carbon trading system.** Key greenhouse gas (GHG) emitting entities covered under the carbon trading system will be required to take effective measures to control their emissions, formulate and strictly implement GHG emission data quality control plans in accordance with relevant national regulations and technical specifications, carry out GHG emission-related inspections and statistical accounting, prepare annual GHG emission reports, submit such reports for verification, and pay carbon emission fees.
 - **National voluntary GHG emission reduction trading market.** The Draft Code will establish a voluntary GHG emission reduction trading program for projects that either avoid or reduce GHG emissions, or remove such gases.

◆ **Mandated Decentralization of enforcement**

The Draft Code will restructure the existing environmental management system to monitor, supervise, and enforce ecological and environmental laws. Under the current system, county-level ecological and environmental bureaus (EEBs) are branches of the municipal EEBs, rather than a formal part of the county-level government. As branches, under China's Administrative law, county-level EEBs do not hold enforcement authority. However, the Environmental Protection Law clearly states that the environmental protection department of the local people's government at or above the county level (e.g., the county-level EEB) shall implement unified supervision and management of environmental protection work in its administrative area and implement relevant penalties. In this way, county-level EEBs are charged with responsibility for compliance and environmental protection within their jurisdiction but lack the authority to initiate enforcement actions or impose penalties. This lack of authority undermines the ability of the county-level EEBs to fulfill their oversight responsibilities (although we have noticed that some locales, through local legislation, have granted enforcement powers to the county-level EEBs).

The Draft Code addresses this dilemma by providing that "the dispatched agencies established by the ecological environment department of the municipal people's government can carry out on-site inspections, seizures, detentions, performance on behalf of others and administrative

penalties in their own name." (Article 50). This legislative change will give the county branches of the municipal ecological environment bureaus (i.e., the county-level EEBs) independent law enforcement qualifications, thereby resolving the enforcement conflict of "having responsibilities but no power." Such changes will likely improve the efficiency and effectiveness of enforcement.

What is Next?

The Draft Code would consolidate the legal framework for ecological and environmental protection, strengthen pollution prevention and control systems, establish a clear mechanism to govern emerging environmental issues, enhance environmental enforcement, and unify penalty mechanisms for environmental violations. In this regard, it is important for companies to review the Draft Code, evaluate the potential impacts on their businesses, and proactively engage in the rulemaking process through trade associations or on their own. Companies can submit comments directly through the [National People's Congress website](#), the [National Laws and Regulations Database](#), or by sending by mail to the Legislative Affairs Commission of the Standing Committee of the National People's Congress (No. 1, Qianmen West Street, Xicheng District, Beijing, Postal Code: 100805) with "Draft Ecological Environment Code" on the envelope.

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