Abstract

Energy industry is a representative industry in heavy pollution industries. The listed companies in energy industry, due to their particularity in terms of industry attributes, scale and stakeholders, are confronted with great (internal and external) environmental risks. At present, the securities market of China is undergoing a major restructuring. China’s Ministry of Environmental Protection (MEP), however, has transferred the rights of IPO environmental protection inspection in 2014, and handed environmental protection verification of listed companies to market entites; after issuing of the new Environment Protection Law of P.R.China, China has fully entered an era of environmental justice specialization. With further accumulation of environmental risks of listed companies, they will encounter more serious ordeals. It is necessary to take Environmental Information Disclosure at listed company IPO inspection stage as an essential means to realize "secondary source risk control". This research analyzes environment and legal risks in the new context of China’s environmental legal system as well as performs sorting up of environmental information disclosure elements through discussion on corporate environmental responsibility, environmental justice specialization, green finance, social supervision system from the aspect of Environmental Law.

Keywords: China’s environmental legal system; Environmental information disclosure; Sustainable development; Secondary source risk control
I. Introduction

Energy industry is a representative industry in heavy pollution industries. Listed companies in energy industry encounter great environmental risks, which can be classified as "external environmental risks" and "internal environmental risks". "External environmental risks" refer to adverse effects on environment caused by enterprises; and "internal environment risks" refer to enterprise’ benefit risks due to detrimental behaviors to the environment. The prevention of such two kinds of risks takes sustainable development as the core. The difference is that the prevention of "internal environment risks" sets enterprise sustainable development as objective. The "external environment risks" set environment sustainable development as objective.

The potential external environment risks of energy industry are extremely huge. In China, within the heavy pollution industry scope identification issued by official side, energy industry accounts for a proportion over 20%. Internal environment risks resulted from external environment risks are aggravating. Such aggravating is originated from combined action of external environmental risks, laws and regulations, among which laws and regulations are “multiplier variables”(see Figure1). For listed energy companies involving numerous stakeholders, it is extremely essential to control external and internal environmental risks as well as realize internalization1 of outer environmental costs. In addition, from the aspect of collectivity2 in terms of academic significance, to conduct studies on energy industry environment issues, firstly, can compensate for the deficiency of specialized research in energy field; secondly, can avoid the influence from fixed thinking modes in traditional system or judgment which will probably lead to insufficient of cognition on "energy" characteristics, thirdly, will increase cases handling technical supports and master information accurately.

With the issuing of the newly modified Environmental Protection Law of P.R.China (hereinafter referred to as the new Environment Protection Law), listed companies’ environmental risks have been further accumulated. Environmental information disclosure, as an effective method of communication between enterprises and the public, is of vital importance.3 Moreover, it is an effective method for environmental risk control of listed energy companies. Environmental information disclosure can motivate companies to improve the capability of responding to environmental risks in the future. Furthermore, adequate environmental information disclosure has positive significance for both company investors’ decisions and public assessment: To disclose greater amounts of information lead to less underpricing in general and higher valuation overall.5 Undoubtedly, performing enterprise self-discipline check and public supervision through information disclosure before listing is one measure belongs to beforehand prevention measures to a certain extent. Additionally since its priority degree is lower than other measures, we named it "secondary" source risk control.

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1 Multiplicative relationship, namely: external environment risks * legal policy regulation ≈enterprise internal environment risks. Since factors which affect enterprise internal environment risks also include public opinion and public influence, thus “≈” is applied.

2 Collectivity
3 Environmental information disclosure
4 Adequate environmental information disclosure
5 Undoubtedly, performing enterprise self-discipline check and public supervision through information disclosure before listing is one measure
II. Basic theory and approach

1. Core basic theoryii: Legal system of energy and environmental legal system

With increasingly emerging of environmental issues, the society plays great expectations on enterprises, the main body of production activities, and has enhanced regulations on enterprise regulatory system. The impact of securities laws and regulations' changes on listed company is self-evident, one influence worth of discussing on "energy" listed companies is from variations of environment correlative factors in securities laws and regulations; the impact on "energy" listed company of environmental laws and policies is based on the core theory of "energy environmental protection". (See Figure 2)

Energy has close relationship with environmental protection. Innovation and deepening of energy environmental systems are inseparable to energy sustainable development. Environment protection is also a principal line for energy law revolution. The fundamental philosophy of "harmonious development of energy and environmental protection" runs throughout energy laws preparation in China. After issuing of the new Environmental Law, it has become a fundamental law in China's environmental law field. It possesses the property as expectant basic lawiii and is now the supreme law in China's environmental legal system. It is the reason for setting Environment Protection Law as discussion core of "external factors".

2. Logical method: Divergent researches and converse studies

Divergent researches ——To conduct researches on environmental information disclosure elements of listed company, we set Environment Protection Law as discussion core of "external factors". Generally speaking, its "external factor" shall include external and internal laws and regulations of energy environmental protection. However, they are still within environmental law category. Therefore, we set the new Environment Protection Law as center and take provisions changes of the new Environment Protection Law as reference. Furthermore, we perform discussion on China securities regulatory system adjustment that is indicated by modification of Securities Law of China in 2015 to master listed energy companies’ environmental information disclosure elements under "The New Normaliv. (See Figure 3)

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ii Performed research on energy listed companies environment information disclosure under the new context of China Environment Law. The basic theory not only include “energy environmental protection”, but also other aspects such as energy safety, risk prevention and control, enterprises and environmental sustainable development, information disclosure. Due to space limitation and the main purpose of the paper, only energy environmental protection is specified in detail.

iii China's socialist legal system has been established, however, there is no environment protection law available. It is subordinated to Law of Economy. At the beginning of amendment of Environment Protection Law, experts in Environment Protection Law area strong appealed to determine its juridical status, however, without successful results eventually. In official statement of the new Environment Protection Law, it is determined as playing fundamental and basic roles.

iv “New Normal” was proposed by Erian, the president of The U.S. Pacific Fund Management Companies. It refers to low increasing process of economy after crisis of international finance. Starting from stage characteristics of economic development, Chinese government provided a new definition referring to a new development trend which will continue for a period of time. Refer to Chen Qiqing(2010). Correct Understanding and Adaption to “New Normal”. China National Conditions and Strength,10,22.
Converse studies ——To conduct converse studies according to the research of traditional environmental protection verification and disclosure requirements as well as the research of the new context of China’s environmental legal system. In the two aspects, the later one is the focusing point of the research as shown in Figure 3. It reversely promotes and systemized listed energy companies environmental information disclosure elements by taking specific requirements of environmental system such as "corporate environmental responsibility strengthening", "environmental justice specialization", "green finance", "social supervision system" as retracing points.

III. Discussion on new context of China’s environmental legal system and the Elements

There are no detailed, systematic laws and regulations on environmental information disclosure of listed companies in China. No formal environmental information disclosure system has been established at present. Currently, the environmental information disclosure institutional framework of China is composed of scattered regulations (no laws involved). The causes of the situation include: on the one hand, before issuing of the new Environment Protection Law, environmental illegal cost of pollution enterprises in China is low, so is environment illegal external cost the influence of which is not great. Therefore, ignoring environmental information disclosure as an important mean for “secondary source risk control”; on the other hand, "green securities", "green credit" are under developmental stage without comprehensive correlation established; besides, in the past, environmental protection verification of listed companies were mainly conducted by government environmental protection department, under the circumstance of which, the government is at active status and internal environment risks were dispersed to a certain extent.

1. Revision of Securities Law and "No. 149 document"

The amendment of Securities Law of China has been taken into consideration for long time. In the amendment draft released on April 20, 2015, registration system program is specified and stock issuance verification system is canceled. The adjustment of securities supervision system in China is to set information disclosure as central content in natural and to make market participants to assess asset quality, investment value of issuer. Registration system and verification system are not completely separately. For example, when the United States is implementing registration system and focusing on information disclosure, it has been gradually enhancing substantive reviewing on some issuers with high risks, as well as implementing coordinating registration system with authorization characteristics or performing approval system of substantive approving. Undoubtedly, listed energy companies are within the range of such high-risk issuers. Therefore, it is necessary to make information disclosure system do more. Closely associated with this, Ministry of Environmental Protection of China issued Notification on Reform and Adjustment of Environmental Protection Verification Working System (EI 2014[149]), "No. 149 Document" for short, which canceled environmental protection verification for listing and reduced some other unnecessary pre-verification.
Specific to this, China Securities Regulatory Commission (CSRC) presented that environmental legal compliance has always been a key point for CSRC issuing verification. In the future, information disclosure requirements and agency verification responsibilities on environmental protection will be further enhanced.

When combining with amendment of Securities Law and "No. 149 Document" contents, first of all, actually there is no change on environmental protection verification requirements performed by CSRC. It was just transferred the provisions to IPO environmental information disclosure. Enterprises will be subject to stricter environmental disclosure requirements, especially those in high-risk industries, such as energy industry. Secondly, it is noteworthy that the abolishment of a large number of listing environmental protection verification documents makes environmental information disclosure system that composed of relevant regulations fall into difficult situation once again. In order to ensure institutional framework not "collapsing", although relevant documents and provisions have been abolished, substantial contents except for procedural rules, such as verification scope and standards still can be continually used during practical application process.

2. New Environment Protection Law of China

The revised Environment Protection Law was issued on April 24, 2014 and was put into force on Jan. 1, 2015. Although the new Environment Protection Law has enhanced government responsibility and social responsibility, however, not weakening environmental responsibility of enterprises: The legal responsibilities become stricter. In terms of legal responsibility type, the new Environment Protection Law has performed effective integration of environmental criminal liability, civil liability, administrative liability. In terms of legal responsibility implementation, the new Environment Protection Law applies daily penalty, frozen, distrainting, detain and other measures which provide legal guarantee for duty fulfillment.

As indicated in the Table 1, the new Environment Protection Law has strengthened entity responsibility of enterprises on environmental pollution (Table 1: item 1-5). Furthermore, on the premise of expanding rights of competent department of environmental protection, it actually intensified a crack down of on environmental illegal activities. The internal environment risks of energy industry and other high-risk fields have sharply increased (Table 1: item 6-9). In addition, the proposal of other relevant systems is closely related to enterprises behavior and interests. All variations on such items are important reference for listed energy companies’ environmental information disclosure. For part of them, disclosure elements can be extracted directly from specific contents of the new Environment Protection Law, such as item 1, 2, 3 and 5. For the other part, disclosure elements can be extracted indirectly from specific contents of the new Environment Protection Law, such as 9, 10, 11 and 12.

How to generate indirectly extracted disclosure elements? As shown in Table 1 and Figure 3, the indirectly extracted disclosure elements are mainly from three aspects, namely "environmental justice specialization", "green finance requirements" as well as "other laws and regulations on environmental information disclosure".
Environmental justice specialization ——Environmental justice is the main mode to transfer enterprise external environment risks into internal environment risks. It is a carrier of the external cause to work. The life of law lies in implementation. Justice is the most formal and ultimate law enforcement mechanism. 12China's environmental justice specialization was originated from 2002. The issuing of new Environment Protection Law has established a foundation for the concept of environmental justice specialization. On the one hand, the operation of environmental judicature is based on democratization of modern environmental management. Social public demands have become an important driving factor for environmental justice mechanism starting up, running as well as effects implementation. Thus it has become an essential mark for environmental judicial specialization and mechanism establishment. Public participation in environmental justice mechanisms is a deeper layer of judicial democratization and socialization. On the other hand, compared to traditional judicial litigation mechanism, evidence verification of environmental judicature has stricter requirements on technical rules. From the two aspects, China's environmental judicial sets trial as the core, and mainly includes judicial case transferring (link between administrative law and criminal law), environmental damage identification, compensation for damages, public interest litigation and so on.

Judicial case transferring mainly refers to transfer environmental case to certain content of severity to judicial department for processing. Besides judicial custody transfer specified in Clause 63 of Environment Protection Law, it mainly presents "link between administrative enforcement of environmental laws and environment criminal justice." In the new Environment Protection Law, only regulatory Environmental Law applicable to criminal judiciary of the environment and resource offense is Clause 69. But through applicable standard, the environmental criminal liability shall be introduced to specific implementation of Criminal Law of the People's Republic of China and Criminal Procedure Law of the People's Republic of China. Similarly, 17civil litigation will be introduced to Civil Law of the People's Republic of China, Tort Liability Law of the People's Republic of China etc. For both civil and criminal cases, evidence verification is the key point. Consequently, evidence type and verification method have become basis for environmental justice evidence verification. Evidences are often the consequences resulted from corporate behaviors. Therefore, such evidences requirement should be included to research category of disclosure elements.

Environmental judicial authentication is of vital importance for environmental justice and with decisive function for environmental justice results. In June 2014, the Supreme Court of China declared clearly that the comments on enhancing communication between environment and resources protection administrative law enforcement organs as well as judicial authentication competent departments and promoting improvement of environmental judicial authentication and damage consequence assessment mechanism.13 Since Environmental judicial authentication is directly related to case nature, penalties, damages, it is a key point associated with internalization of environment cost, the elements of disclosure shall absorb appraisal contents and requirements of environmental judicial authentication ——especially reference in energy industries. Thus it can be conducted reversely that what enterprises' behaviors are on the edge of illegal. It is conducive to prediction of external and internal environmental risk and further perform effective information disclosure, costs control and risk reduction.
Environment public interests litigation is an important form of environmental justice and enterprise social supervision. China has been accelerating preparation of environmental public interest litigation judicial interpretation: Further indicate plaintiff qualification, prosecution conditions, jurisdiction, burden of proof sharing, evidence verification, litigious claim scope, legal responsibility bearing, judgment and implementation, private benefit lawsuit and public interest litigation linking and other specific standards. Among which prosecution conditions, burden of proof sharing, evidence verification, litigious claim scope, legal responsibility bearing should be included into research scope of disclosure elements. The reasons are the same with that for judicial transfer and judicial authentication.

In conclusion, with deepening of specialization of China environmental justice specialization the determination generated by aforementioned contents are closely related to trial results, which will further affect enterprise environmental costs. We should take judicial specialization elements as a database in researches on disclosure elements.

Green finance —— "Green-credit Policy", "Green Insurance", "Green Securities" which jointly form China's green financial system. Based on the adjustment of new Environment Protection Law, we mainly set Green Securities and Green Insurance as the main factors. Before discussion of the two aspects, it is necessary to pay attention on the regulation of "credit file" specified in Clause 53 Item III of the new Environment Protection Law: Environment protection and other relevant departments shall record environmental illegal information of enterprises and institutions and other production operators into enterprise social credit archives and show lawbreakers list to the public in a timely manner. An outstanding feature of China's environmental legal system is "cooperative supervision". Thus for enterprises with environmental blemishes, securities market supervision department can limit those enterprises' listing process or can stop continuous fund-raising for those listed companies, which has verified once again that under the new context of China’s environmental legal system, external environment risks will cause increasing of internal environment risks for high-risk industries such as energy industry. “Risk” runs through all links from insurance theory to practical operation. Insurance is a kind of “claim transfer” as well as “risk diversification” based on risk judgment. 14

Green insurance is an insurance to compensate for the damage to a third party caused by enterprise contamination accident. 15 It is important to note that the insurance premium of environmental liability insurance is in direct proportion to enterprises environmental risks. If the risk is extremely high, the high premium will make enterprises suffer from heavy burden. 16 Insurance companies also need to perform enterprise risks evaluation, prevention and control, during which enterprises shall provide corresponding environmental information. Thus insurance types, requirements and insurance premiums are reference elements for studies on environmental information disclosure.

"Green Securities", as an important part of green finance. It is a modern securities pattern that includes environmental protection verification, environmental performance evaluation and environmental information disclosure into securities

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14 No discussion on insurance type involved in the paper. It is discussed based on commercial insurance.
market indicator. Environmental information disclosure is a footstone of Green Securities, most of discussions and researches set environmental accounting information studies as core. Gree and Bebbington (2004) proposed that environment accounting refers to accounting items responding to environmental matters. Information disclosure is an essential basis for interest relevant parties to make correct decision. Therefore, environmental accounting information is an important element for environmental information disclosure of listed energy companies.

"Green-credit policy" focuses on source control and restrict its production scale expansion fund source; in "Green insurance", high-risk enterprises are to eliminate malpractice through purchasing insurance; "Green securities" set entry threshold for enterprise that hope to seek financing by listing on the stock market, and contain excessive expansion through regulating of social fund-raising. Performing converse studies that starting from environmental information requirements in the above three policies is quite benefit to extract the essential elements of environmental information disclosure.

Other laws and regulations on environmental information disclosure——Mainly refer to other environment information disclosure regulations that aimed to ensure right of public acquisition especially the environmental information disclosure requirements in these regulations. In Dec. 2014, MEP issued Environment Information Disclosure Method of Enterprises and Institutions, which specified that major pollutant discharging entities shall show basic information (including main production, business operation and management services, products and scale), pollution discharge information (including pollutants, discharging method, discharge outlets and arrangement, total pollutant discharge, over emission status of main pollutants and characterized pollutants, as well as pollutant emission standard, verified emission amount), construction and operation status of pollution control facilities, environmental impact assessment of construction projects and other environmental protection administrative permission, environmental emergency contingency plans and so on by means of information or disclosure of information, news media, hotline, enterprises’ information equipment etc. The enterprises failed to show such information according to provision shall be subject to penalty. In April 2015, China General Office of the State Council issued Government Information Disclosure Key Points of 2015 that enhanced contents of state-owned enterprise as well as environmental information disclosure, focusing on the requirements to disclose nuclear and radiation safety approval information, as well as radiation environmental quality information of nuclear power plants. Other applicable standards include Cleaner Production Promotion Law of P.R.China, Environment Information Disclosure Rules (Trial) in 2008, National Major Monitored Enterprises Self-monitoring and Information Disclosure Rules (Trial) et. al.

4. Supporting systems of the new Environment Protection Law

The new Environment Protection Law of China is also known as the most rigid Environment Protection Law in China's environmental management history. For certain items that can be applied as indirect reference of the research, we should pay attention to a series supporting regulations of new Environment Protection Law (See Table 2). The severity of "penalty" is the reason why we say it is "rigid". For example,
according to Implementation of Daily Penalty Regulation in Environmental Protection Competent Departments, it can be seen that information on pollutant emission, discharging outlets arrangement, monitoring data record method, running information of anti-pollution facilities etc. shall be focused on. And another example: Notification on Implementation of Environmental Civil Public Interest Litigation System provides directional guidance for evidence material required for People's Court, including EIA documents, environmental approval and regulatory, pollutant emission, administrative punishment and punishment basis etc. We could deduce conversely the elements of listed energy companies’ environmental information disclosure elements through specific contents of the regulations.

IV. Conclusion

With the termination of listed companies environmental protection verification, China’s securities regulation has gradually transferred to "registration system", on the one hand, the environmental information disclosure responsibilities have been completely transferred to the market and the intermediary institutions increased responsibilities; on the other hand, for energy enterprises, being limited by lack of environmental expertise, it is impossible to perform comprehensive verification.

For energy heavy pollution industry, environmental protection issues have always been a key filed concerned by CSRC. Then how to improve environmental information disclosure system? Energy industry encounters huge environment risks. With listing of a company, various kinds of risks will expand correspondingly. To realize "secondary source risk control" by means of "environmental information disclosure" is an approach to control expansion of risks. Environmental risks are classified as "external environment risks" and "internal environment risks". The classification standard to distinguish external and internal is not as risks originated from internal or external, but the external or internal risks resulted from. The natural attribute of an enterprise is to pursue for interests. It is necessary to perform internal risks control thus to ensure enterprise benefit. However, the cause for internal environment risks is external environment risks under the effect of laws and regulations and regulatory documents. In other words, without constraint of laws and regulations and regulatory documents, external environment risks resulted from pursuing of benefit maximization will not pose any threat to enterprise.

With strengthening of sustainability, the influence and constraint on environmental information disclosure behaviors of enterprises from relevant laws and regulations become more and more obvious. Maxwell et. al. (1998) proposed that regulatory factor, referring to current or prospected regulations on environmental information disclosure, is an important driving factor for environmental information disclosure. Thus it can be indicated that on the one hand, environmental information disclosure of energy enterprises require more perfect overall system as well as professionality; on the other hand, during the process of improving environmental information disclosure, we should pay attention on effects of environment regulations, selectively inherit the previous environmental information disclosure system as well as perform sorting up on relevant factors of Environmental Law and regulations.
Although China environment departments no longer take responsibilities on listing environmental protection verification, and relevant documents and provisions have been abolished, substantial contents except for procedural rules, such as verification scope, standards still can be used as effective reference for IPO intermediaries to perform environmental protection verification. Consequently, the previous scopes, methods etc., are still essential indicators for listed energy companies’ environmental information disclosure. In terms of verification objectives, mainly cover 16 industries, in which energy industries mainly include thermal power generation, petrochemical, coal and mining. Combining with classification of China's energy industry, it can be expanded to coal, electricity, petroleum, natural gas, nuclear power, certain renewable energy and energy conservation industries. Verification contents include: environmental protection technical report, "environmental impact assessment", implementation of "three simultaneousness", implementation of pollutant discharging license, total emissions of main pollutants, pollutant emission status, industrial solid waste and hazardous waste disposal, steady running of environmental protection facilities, if any banned substance exists, status of enterprise environment regulatory authorities and management system building, if any environment violation.

Through divergent researches and converse studies, the elements obtained by the study can be generally concluded as two layers, namely "specific elements" and "pocket elements":

"Specific elements" refer to basic specific elements of listed company environmental information disclosure (or so called "elements"), for example energy type, manufacturing technique, pollution prevention and control technology, environmental responsibility files, related personnel list, monitoring equipment status, original data, main pollutants and discharge way, emission concentration and total, overload emission status, etc.. All these elements are from (or based on): relevant laws and regulations related to the new Environment Protection Law.

"Pocket elements" refer to a packet include specific elements. For example, energy and environment accounting reports, environmental liability insurance, environmental protection credit etc. are pocket elements including "specific elements". In further studies, the "pocket" should be under down-break studies in the future.

In conclusion, when applying environmental information disclosure to realize "secondary source risk control", we shall take adequate consideration on the effects of laws and regulations during formation of risks, and set risk factors as environmental information disclosure elements to disclose properly by means of enterprise self-audit, public informed as well as specification verification.
Figure 1: Environmental risk balancing of energy enterprises

Figure 2: Internal environmental risk factors of listed energy companies
Figure 3: Elements Sources of Energy Environmental information of listed companies
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<th>Clause</th>
<th>Contents description</th>
<th>Disclosure elements/other references</th>
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<tr>
<td>1</td>
<td>Environmental impact assessment (Clause 19)</td>
<td>It expanded project scopes requiring environmental impact assessment; specified that all items exploitation and utilization planning as well as projects with influence on environment have to be assessed on impacts to environment. Otherwise, it shall not organize implementation or under construction. Enterprise scope, EIA contents.</td>
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<tr>
<td>2</td>
<td>Accountability system (Clause 42)</td>
<td>Establish responsibility system to specify responsibilities of person in charge and relevant staff. Major pollutant discharging units shall install and use monitoring equipment in accordance with relevant provisions of the state and monitoring specifications to ensure that monitoring equipment can run normally and keep original monitoring records. System documents, Responsible personnel or relevant personnel list, Monitoring equipment status, Original data.</td>
</tr>
<tr>
<td>3</td>
<td>Early warning mechanism (Clause 47, item III)</td>
<td>Enterprises and institutions shall prepare environmental emergency contingency plans in accordance with relevant provisions of the state, as well as report to competent departments of environmental protection and relevant departments for filing. Predetermined precept documents, Auxiliary facilities.</td>
</tr>
<tr>
<td>4</td>
<td>Credit file (Clause 54, item III)</td>
<td>Implement pollution enterprise blacklist system, record environmental illegal information into enterprise social credit archives and show lawbreakers list to the public in a timely manner. Directly refer to government list, Securities market supervision department can limit those enterprises' listing process or continuous fund-raising for those listed companies.</td>
</tr>
<tr>
<td>5</td>
<td>Information Disclosure (Clause 55)</td>
<td>Major pollutant discharging units shall show the name of main pollutants, emission method, emission concentration and total amount, overload emission, and construction and operation of pollution control facilities to the society, and accept social supervision. The name of main pollutants, Emission method, Emission concentration and Total amount, Overload emission status, Facility status.</td>
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<td>6</td>
<td>Frozen, detention (Clause 25)</td>
<td>Pollutants emission in violation of provisions of laws and regulations may cause pollution facilities frozen, detention, by environmental agencies. Compliance verification.</td>
</tr>
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<td>7</td>
<td>Daily penalty (Clause 59, item I)</td>
<td>Introduce daily penalty system and enhanced fines illegal costs, increased illegal cost. Compliance verification, Company's assets status.</td>
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<td>8</td>
<td>Closure, shut down (Clause 66)</td>
<td>For enterprises with over pollutant emission exceeding pollutant cap control, the competent departments of environmental protection may order them to take production restrain, suspend production for remediation; If the circumstances are serious, upon approval of the people's government, may order the enterprises to shut down. Compliance verification.</td>
</tr>
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<td>9</td>
<td>Administrative detention/juvenile movement (Clause 63, 69)</td>
<td>For infringing company, the directly responsible personnel will be subjected to administrative detention implemented by government department in charge of environmental protection or other relevant departments to public security organization. If the case constitutes a crime, shall be investigated for criminal responsibility according to law. Compliance verification, environmental damage appraisal requirements (may coincide with item 1-5).</td>
</tr>
<tr>
<td>10</td>
<td>Environmental liability insurance (Clause 52)</td>
<td>Environmental insurance system is specifically proposed in legislation which encourages enterprises to purchase environmental pollution liability insurance. Insurance amount and types (For enterprises not purchased any insurance, shall take insurance conditions as reference).</td>
</tr>
<tr>
<td>11</td>
<td>Right of public acquisition (Clause 53)</td>
<td>Citizens, legal persons and other organizations enjoy the rights to obtain environmental information, participate and supervise environmental protection. Implementation of corporate responsibility specified in information disclosure laws and regulations.</td>
</tr>
<tr>
<td>12</td>
<td>Public interest litigation (Clause 58)</td>
<td>The organizations of environmental nonprofit litigation have been broadened and paths for the public to participating in environment protection have increased. Litigation risks of enterprises will increase, and litigation costs will increase correspondingly. Compliance verification, litigious claim scope, Public welfare lawsuit liability, Environmental damage appraisal factors (may coincide with item 1-5), Scope of execution and degree.</td>
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Table 1: Relevant clauses affecting disclosure in the new Environment Protection Law
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<td>MEP</td>
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**Table 2: Main supporting systems of the new Environment Protection Law**
Reference


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