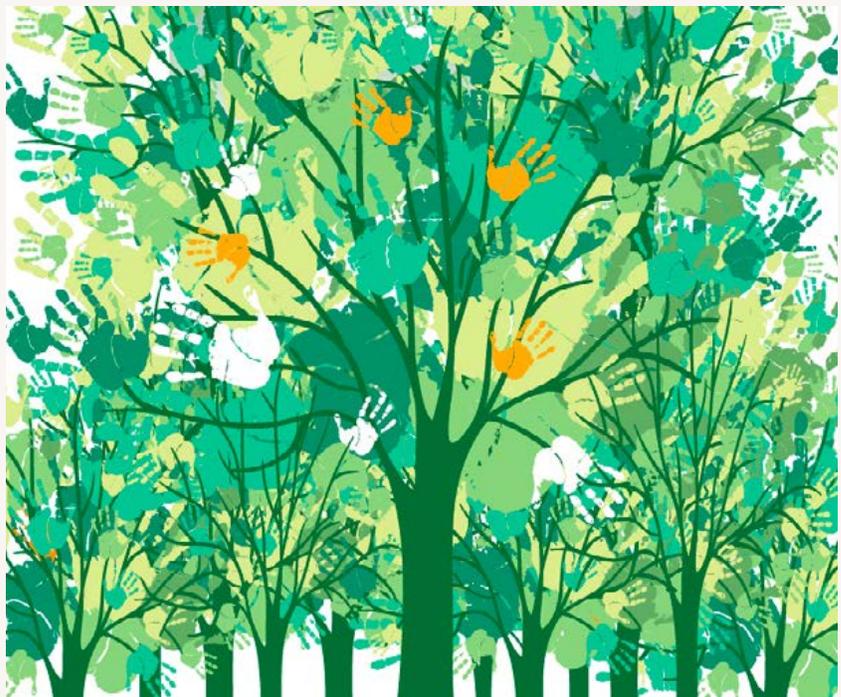


Environmental and social chinese guidelines: a step towards corresponsability

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María Emilia Hermosa
Latinoamérica Sustentable

Since the early 2000s, when Chinese enterprises start to “go out”, the Chinese government initiated the enactment of dozens of guidelines with content on environmental protection and corporate responsibility with the objective to accompany the Chinese enterprises, investors, and fianancers when participating in the development of projects away from China.



The Chinese guidelines incorporate policies and tools to avoid and mitigate social and environmental impacts associated to the projects, for instance they reinforce: principles of independence and participation when it comes to environmental and social evaluations; the need to carry out due diligence examinations, specially by Chinese institutions that finance projects;



Diego de Robles y Pampite Esquina,
Edificio Impaqto. Quito-Ecuador

- Teléfono: (+593) 2 602 2078
- Email: info@latsustentable.org
- Web: <http://latsustentable.org>

the importance of establishing communication platforms with all stakeholders; and even measures to face states of emergency within a project and all the supply chain, same that can be very useful in the context of the Covid-10 pandemic. Whilst the guidelines are not binding, many contain mechanisms to achieve their internalization within the companies' administrative and decision-making structures, and specific processes of supervision and report that are not only useful for Chinese regulators but also for local organizations.

Furthermore, the guidelines indicate a co-responsibility commitment from China on social and environmental impacts caused by the projects where they intervene. This is a great step forward. The Chinese guidelines portray the perception that Earth's and people's health is everybody's responsibility, not only that of the governments hosting the investment.

China has taken a first step by setting "on paper" their environmental compromise with the planet, but this is not enough. IISCAL urges all public and private stakeholders to become familiar with these compromises; all Chinese regulators to turn the guidelines into mandatory standards; and all enterprises, investors, and banks to create the conditions necessary for their full implementation.



Diego de Robles y Pampite Esquina,
Edificio Impacto. Quito-Ecuador

- Teléfono: (+593) 2 602 2078
- Email: info@latsustentable.org
- Web: <http://latsustentable.org>