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Chinese Policies on Circular Economy

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1. Introduction about Circular Economy in China

In China, the term “**Circular economy**” refers to the efficient utilization of resources and recycling, with "reduction, reuse, recycling" as the main principle. It aims to maintain a sustainable development of the economic growth, by achieving low consumption, low emissions, and high efficiency of resources utilization. With the advancement of industrialization, the shortage of water, land, energy, minerals and other resources, is becoming more and more prominent.

2. Business Opportunities for Israeli companies

The Chinese circular economy policies, as presented below, will encourage and require governments and industries to invest more in technology and equipment in various fields. These include:

- a. **Clean Manufacturing.** Reduce or eliminate risks to human health and the environment by using clean energy and raw materials and increasing the efficiency of resource use.
- b. **Waste Recycling.** Collect, sort, disinfect, treat and reuse materials that may become waste, and make them conform to relevant quality and technical standards.
- c. **Green Consumption.** It is the inner motive force of circular economy development. To moderate consumption, avoid or reduce the damage to the environment.
- d. **Circular Agriculture.** Developing green industries and pollution-free food, promote the use of high efficiency and safe biological pesticides, and circular agriculture, are important parts of circular economy.

We in the Trade and Economic Mission in China already see big interest from various government organizations and companies that wish to learn about Israeli technologies and knowhow in the above-mentioned areas. All of these organizations, even the ones that have never dealt with environment issues before, are seeking for ways to take part in the national targets that President Xi Jinping has set. These efforts can lead to increase in trade, in investments and in technological cooperation.



3. Relevant Chinese Policies on Circular Economy

Many laws and administrative rules and regulations were published in China throughout the past decades, addressing directly or indirectly circular economy issues. The main milestones are described in this chapter, and please refer to the **Appendix** for more detailed policies.

In July 2005, the State Council issued China's first policy about circular economy – document No. 22 "Several Opinions of the State Council on Accelerating the Development of Circular Economy"¹. The policy states the goals to be achieved in 2010: energy consumption per 10,000 yuan of GDP will drop by more than 18%. The average effective utilization coefficient of agricultural irrigation water will increase to 0.5, and the amount of water extracted from each 10,000 yuan of added value of industry will be dropped to 120 cubic meters.

Later, in August 2008, the Standing Committee of the 13th National People's Congress adopted "the Circular Economy Promotion Law of the People's Republic of China"², which is the first law in China specifically dealing with circular economy.

Then, in December 2010, the National Development and Reform Commission worked out "the Circular Economy Development Plan"³. The plan fully reflects the principle of "reduction, reuse, resource recovery, priority reduction" and adhere to the requirements of technical feasibility, economic reasonableness and beneficial to resource conservation and environmental protection.

Lately, in 2021, The State Council issued the "Action Plan for Carbon Dioxide Peaking Before 2030"⁴ and put forward opinions on the work of Carbon Neutrality. This action plan followed President Xi Jinping's speech about accelerating the development of green development and way of life, and building an ecological civilization and a beautiful planet, at the Address at the General Debate of the seventy-fifth Session of the United Nations General Assembly⁵. Its main goal is to put in place a green, low-carbon and circular economic system by 2025, with significant improvements in energy efficiency in key industries. Among other goals, energy consumption per unit of GDP should be reduced by 13.5% from 2020, and by 2060, the proportion of non-fossil energy consumption should exceed 80%. Following this action plan, provincial and municipal governments all across China have constituted their own action plans to reach the national targets.

¹The State Council, "[Several Opinions of the State Council on Accelerating the Development of Circular Economy](#)".

²The Sixth Session of the Standing Committee of the 13th National People's Congress of the People's Republic of China, "[the Circular Economy Promotion Law of the People's Republic of China](#)".

³The National Development and Reform Commission, "[the Circular Economy Development Plan](#)".

⁴The State Council, "[Action Plan for Carbon Dioxide Peaking Before 2030](#)".

⁵[Address at the General Debate of the seventy-fifth Session of the United Nations General Assembly \(moj.gov.cn\)](#)



Appendix: The Chinese Policy on Circular Economy

Time	Name	Publisher	Overview
2021.11.11	Groundwater Regulation	The State Council	These Regulations are formulated in accordance with the Water Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Water Pollution and other laws, with a view to strengthening the management of groundwater, preventing and controlling the over-exploitation and pollution of groundwater, ensuring the quality and sustainable utilization of groundwater, and promoting the construction of an ecological civilization.
2021.10.27	China's Policies and Actions on Climate Change	The Information Office of the State Council	China has implemented a national strategy to actively respond to climate change, in which we will: <ul style="list-style-type: none"> • step up efforts to address climate change, strengthen targets for nationally determined contributions, and accelerate the establishment of a carbon-neutral "1+N" policy system. • firmly follow the path of green and low-carbon development, implement coordinated efforts to reduce pollution and carbon emissions, and actively explore new models of low-carbon development. • step up efforts to control greenhouse gas emissions, effectively control greenhouse gas emissions from key industries, promote green and low-carbon development in urban and rural construction and construction, build a green and low-carbon transportation system, and continue to enhance the capacity of ecological carbon sinks.



<p>2021.10.24</p>	<p><u>Opinions on Fully, Accurately and Comprehensively Implementing the New Development Concept to Achieve Peak Carbon Dioxide Emissions and Carbon Neutrality</u></p>	<p>General Office of the CPC Central Committee, The State Council</p>	<p>Carry out President Xi's ecological civilization thought, based on the new stage of development, carry out new development concept, build the new pattern of development, adhere to the system concept, handle the development and emission reduction, global and local, short-term and long-term, the relationship between the carbon was at peak, carbon neutral, into the global economic and social development, with overall green transformation of the economic and social development as the guide, with green low carbon energy development as the key, We will accelerate the formation of an industrial structure, mode of production, way of life, and spatial pattern that saves resources and protects the environment. We will unswervingly follow the path of high-quality development that gives priority to ecology, green and low-carbon development, and ensure that carbon peak and carbon neutrality are achieved as scheduled.</p>
<p>2021.10.21</p>	<p><u>Opinions on Promoting Green Development in Urban and Rural Construction</u></p>	<p>General Office of the CPC Central Committee, The State Council</p>	<p>Urban and rural development is an important vehicle for promoting green development and building a beautiful China. Since the 18th National Congress of the Communist Party of China (CPC), China's living environment has continued to improve, and the quality of housing has significantly improved. However, there are still problems such as lack of overall quality, systematic quality, low livable quality and inclusiveness, and the mode of construction characterized by excessive construction, excessive consumption and excessive emissions has not been fundamentally changed. In order to promote the green development of urban and rural construction, this opinion is now put forward.</p>



<p>2021.9.15</p>	<p>Action Plan on Plastic Pollution Control during the 14th Five-year Plan period</p>	<p>National Development and Reform Commission, Ministry of Ecology and Environment</p>	<p>By 2025, the mechanism for controlling plastic pollution will be more effective, local governments, departments and enterprises will be effectively responsible, and the whole chain of production, circulation, consumption, recycling and end disposal of plastic products will be more effective, and white pollution will be effectively curbed. In terms of source reduction, the unreasonable use of disposable plastic products in key areas such as commodity retail, e-commerce, takeout, express delivery and accommodation has been greatly reduced. E-commerce express has basically realized no secondary packaging, and the application scale of recyclable express packaging has reached 10 million.</p>
<p>2021.9.10</p>	<p>National Agricultural Green Development Plan during the 14th Five-Year Plan period</p>	<p>National Development and Reform Commission, Ministry of Agriculture and Rural Affairs, Ministry of Science and Technology, Ministry of Natural Resources, Ministry of Ecological Environment, State Forestry and Grassland Administration</p>	<p>We will focus on key tasks for green agricultural development, make lists, specify measures and implement them one by one. Resource convergence, capital, talent, technology and other resource factors should be concentrated in key areas and regions of green agricultural development, give full play to their collective effect, and improve the quality of agricultural development. We should integrate all forces, make innovations in mechanisms for promoting development, and form a pattern in which the government guides, the market plays a leading role, and society participates.</p>



2021.7.7	Circular Economy Development Plan in the 14th Five-year Plan	National Development and Reform Commission	The plan points out that vigorously developing circular economy and promoting the economical and intensive recycling of resources are of great significance to ensuring national resource security, promoting the realization of carbon peak and carbon neutrality, and promoting the construction of ecological civilization. According to the plan, by 2025, the resource-recycling industrial system will be basically established, the resource recycling system covering the whole society will be basically completed, the efficiency of resource utilization will be greatly improved, the replacement ratio of renewable resources to original resources will be further increased, and the supporting and guarantee role of circular economy on resource security will be further highlighted.
2021.3.11	Resolution on the 14th Five-Year Plan and the Vision for 2035	The fourth Session of the 13th National People's Congress	New progress was made in economic development; New progress was made in reform and opening up; The level of social civilization has been improved; New progress has been made in ecological progress; People's wellbeing reached a new level. The effectiveness of national governance was further improved.
2021.2.26	Measures for the administration of express Mail packaging	Ministry of Transport	In order to strengthen the mail express green packaging management, guarantee the express mail packaging quality, regulate the behavior of express mail packaging, to ensure the safety of users' legitimate rights and interests and deliver, save resources, protect the environment, according to the law of the People's Republic of China postal law of the People's Republic of China on the prevention and control of environmental pollution by solid waste "provisional regulations on the express and other laws and administrative rules and regulations, and these measures.



2021.2.25	"Beautiful China, I Am the Actor" Action Plan to Enhance Citizens' Awareness of Ecological Civilization (2021-2025)	Ministry of Ecology and Environment, Central Propaganda Department, Central Civilization Office, Ministry of Education, Central Committee of the Communist Youth League, All-China Women's Federation	To carry on in-depth publicity of Xi's ecological civilization thought, strengthen publicity and education of ecological civilization, to guide the whole society firmly establish ecological civilization value idea and code of conduct, on the basis of the CPC Central Committee and the State Council on promoting the construction of ecological civilization, strengthen ecological environmental protection requirements, and ecological environment protection work deployment during the 14th Five-Year Plan period.
2021.2.22	Guiding Opinions on Accelerating the Establishment and Improvement of green, Low-carbon and Circular Development Economic System	The State Council	We will fully implement Xi Jinping Thought on ecological civilization, earnestly implement the decisions and plans of the CPC Central Committee and The State Council, and unswervingly implement the new development philosophy. We will promote green planning, green design, green investment, green construction, green production, green distribution, green living, and green consumption, in all aspects of the process. We will ensure that development is based on efficient use of resources, strict protection of the ecological environment, and effective control of greenhouse gas emissions. We will promote high-quality development and high-level protection in a coordinated manner, establish and improve an economic system for green, low-carbon and circular development, ensure that carbon peak and carbon neutrality are achieved, and take China's green development to a new level.
2021.2.1	Regulations on the Administration of Sewage Discharge Permits	The State Council	These Regulations are formulated in accordance with the Environmental Protection Law of the People's Republic of China and other relevant laws for the purpose of strengthening the administration of pollutant discharge permits, regulating the discharge of pollutants by enterprises, public institutions and other producers and business



			operators, controlling the discharge of pollutants, and protecting and improving the ecological environment.
2021.1.6	Measures for the Administration of Carbon Emission Trading (Trial)	Ministry of Ecology and Environment	For the implementation of construction of the CPC Central Committee and state council on the national carbon emissions trading market decision deployment, in response to climate change and promote the development of green low carbon fully give play to the role of market mechanism, promote the greenhouse gas emissions, standardize the national carbon emissions trading and related activities, according to the requirements of relevant national greenhouse gas emission control measures are formulated.
2020.12.22	Measures for the management of ecological and environmental standards	Ministry of Ecology and Environment	These Measures are formulated in accordance with the Environmental Protection Law of the People's Republic of China, Standardization Law of the People's Republic of China and other laws and regulations for the purpose of strengthening the administration of ecological and environmental standards.
2020.8.13	Measures for the management of recycling and treatment of pesticide packaging wastes	Ministry of Agriculture and Rural Affairs, Ministry of Ecology and Environment	These Measures are formulated in accordance with the Law of the People's Republic of China on the Prevention and Control of Soil Pollution, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, Regulations on the Administration of Pesticides and other laws and administrative regulations for the purpose of preventing and controlling the pollution by pesticide packaging wastes, safeguarding public health and protecting the ecological environment.



2018.10.26	Circular Economy Promotion Law of the People's Republic of China	Revised for the first time at the Sixth Session of the 13th National People's Congress	The act is designed to promote the development of circular economy, improve the efficiency of resource utilization, protect and improve the environment, and achieve sustainable development. The circular economy mentioned in this Law refers to the activities of reduction, reuse and resource recovery in the process of production, circulation and consumption.
2018.1.19	Measures for the administration of pollutant Discharge Permits	The State Council	These Measures are formulated in accordance with the Environmental Protection Law of the People's Republic of China, The Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Air Pollution and the Implementation Plan for the Control of Pollutant Discharge Permit System issued by The General Office of the State Council.
2015.4.21	2015 Circular Economy Promotion Plan	National Development and Reform Commission	The overall requirements are as follows: centering on efficient recycling of resources, focus on building a circular industrial system and promote the development of circular economy at regional and social levels; To promote the typical model of circular economy, improve the development level of circular economy in key areas; We will spread the concept of circular economy and promote a green lifestyle.
2014.8.5	Revised edition of Guiding Catalogue of Industrial Structure Adjustment (2011 Edition)	National Development and Reform Commission	In order to better adapt to the needs of changing the mode of economic development, according to the Decision of The State Council on The Promulgation and Implementation of the Interim Provisions on Promoting the Adjustment of Industrial Structure (Guo Fa [2005] No.40), the Committee and the relevant departments of The State Council have adjusted the relevant items of the Guidance Catalogue for The Adjustment of Industrial Structure (2011 Edition). The Decision of the National Development and Reform Commission on revising the Relevant provisions of the Guiding



			Catalogue for Industrial Structure Adjustment (2011 Edition) was formed.
2014.4.24	Environmental Protection Law of the People's Republic of China	Standing Committee of the twelfth National People's Congress	This Law is formulated for the purpose of protecting and improving the environment, preventing and controlling pollution and other public hazards, safeguarding public health, promoting ecological progress and promoting sustainable economic and social development.
2013.11.11	Regulations on pollution Prevention and control of Large-scale Breeding of livestock and poultry	The State Council	These Regulations are formulated for the purpose of preventing and controlling pollution from livestock and poultry breeding, promoting the comprehensive utilization and harmless treatment of livestock and poultry breeding wastes, protecting and improving the environment, safeguarding public health and promoting the sustainable and healthy development of animal husbandry.
2012.3.1	Cleaner Production Promotion Law of the People's Republic of China	The National People's Congress (NPC)	This Law is enacted for the purpose of promoting cleaner production, increasing the efficiency of resource utilization, reducing and avoiding the generation of pollutants, protecting and improving the environment, safeguarding human health and promoting sustainable economic and social development.



2011.6.16	Measures for the administration of the recovery of scrapped Automobiles	The State Council	These Measures are formulated for the purpose of standardizing the activities of retrieving scrapped automobiles, strengthening the administration of retrieving scrapped automobiles, ensuring the road traffic order and the safety of people's life and property, and protecting the environment.
2010.12.31	Guide for compiling circular Economy Development Plan	National Development and Reform Commission	In order to fully implement the Law on promoting Circular Economy, guide all localities to formulate their own circular economy development plans in a scientific way, and give full play to the macro guiding role of the plans, the National Development and Reform Commission has organized the compilation of guidelines for Circular Economy Development Plans.
2009.2.25	Regulations on the Administration of Recycling and Treatment of Waste Electrical and Electronic Products	The State Council	These Regulations are formulated in accordance with the relevant provisions of the Law of the People's Republic of China on the Promotion of Cleaner Production and the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste for the purpose of regulating the recycling and processing activities of waste electrical and electronic products, promoting the comprehensive utilization of resources and the development of circular economy, protecting the environment and safeguarding human health.
2009.2.6	Measures for managing energy conservation in key energy-using units	State Economic and Trade Commission	These Measures are formulated in accordance with the Energy Conservation Law of the People's Republic of China for the purpose of strengthening the administration of energy conservation in key energy-using units, improving the efficiency of energy utilization and economic benefits, and protecting the environment.



2008.8.29	Circular Economy Promotion Law of the People's Republic of China	Order of the President of the People's Republic of China (No.4)	Circular Economy Promotion Law of the People's Republic of China is a law formulated to promote the development of circular economy, improve the efficiency of resource utilization, protect and improve the environment, and achieve sustainable development. The circular economy mentioned in this Law refers to the activities of reduction, reuse and resource recovery in the process of production, circulation and consumption.
2008.8.1	Regulations on energy conservation in Public Institutions	The State Council	These Regulations are formulated in accordance with the Energy Conservation Law of the People's Republic of China for the purpose of promoting energy conservation in public institutions, improving the energy utilization efficiency of public institutions, and bringing into play the leading role of public institutions in energy conservation in the whole society.
2007.10.28	Energy Conservation Law of the People's Republic of China	The National People's Congress (NPC)	This Law is enacted for the purpose of encouraging the whole society to conserve energy, raise energy utilization efficiency, protect and improve the environment and promote comprehensive, coordinated and sustainable economic and social development.
2007.3.27	Measures for the administration of recycling of renewable resources	Development and Reform Commission, Ministry of Public Security, Ministry of Construction, State Administration for Industry and Commerce, State Administration of Environmental Protection	These Measures are formulated in accordance with the Law of the People's Republic of China on the Promotion of Cleaner Production and the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and other laws and regulations for the purpose of promoting the recycling of renewable resources, regulating the development of the recycling industry of renewable resources, saving resources, protecting the environment and realizing sustainable economic and social development.



2006.2.28	Measures for pollution control of electronic information Products	Ministry of Industry and Information, National Development and Reform Commission, Ministry of Commerce, General Administration of Customs, State Administration for Industry and Commerce	Disposed to control and reduce the electronic information products pollution to the environment, promote the electronic information products production and sales of low pollution, protect the environment and human health, according to the law of the People's Republic of China cleaner production promotion law ", the law of the People's Republic of China on the prevention and control of environmental pollution by solid waste and other laws and administrative rules and regulations, and these measures.
2005.7.2	Several Opinions on Accelerating the Development of Circular Economy	The State Council	According to the original principle of "reduction, reuse and resource recovery", various effective measures should be taken to achieve maximum economic output and minimum waste discharge with as little resource consumption and environmental cost as possible, so as to realize the unification of economic, environmental and social benefits and build a resource-saving and environment-friendly society. Marking our country circulatory economy work starts in the round.
2004.8.16	Interim measures for Cleaner Production Audit	National Development and Reform Commission, State Environmental Protection Administration	These Measures are formulated in accordance with the Cleaner Production Promotion Law of the People's Republic of China for the purpose of promoting cleaner production and standardizing the conduct of cleaner production audit.



2004.8.13	Measures for the management of energy efficiency labels	National Development and Reform Commission, AqSIQ	These Measures are formulated in accordance with the Energy Conservation Law of the People's Republic of China, the Product Quality Law of the People's Republic of China and the Regulations of the People's Republic of China on Certification and Accreditation for the purpose of strengthening the administration of energy conservation, promoting the progress of energy conservation technology and improving energy efficiency.
2004.12.29	Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste	Standing Committee of the National People's Congress	This Law is formulated for the purpose of preventing and controlling environmental pollution by solid waste, safeguarding human health, maintaining ecological security and promoting sustainable economic and social development.
2003.6.16	Regulations on management of Medical Waste	The State Council	These Regulations are formulated in accordance with the Law of the People's Republic of China on the Prevention and Control of Infectious Diseases and the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste in order to strengthen the safety management of medical waste, prevent the spread of diseases, protect the environment and ensure human health.
2002.10.28	Environmental Impact Assessment Law of the People's Republic of China	Standing Committee of the Ninth National People's Congress	This Law is formulated for the purpose of implementing the strategy of sustainable development, preventing adverse effects on the environment caused by the implementation of planning and construction projects, and promoting the coordinated development of economy, society and the environment.



2000.4.29	Air Pollution Prevention and Control Law of the People's Republic of China	Standing Committee of the National People's Congress	This Law is formulated for the purpose of preventing and controlling air pollution, protecting and improving the living environment and the ecological environment, safeguarding human health and promoting sustainable economic and social development.
1999.12.25	Marine Environmental Protection Law of the People's Republic of China	The National People's Congress (NPC)	This Law is enacted for the purpose of protecting and improving the Marine environment, protecting Marine resources, preventing and controlling pollution damage, maintaining ecological balance, safeguarding human health and promoting sustainable economic and social development.
1996.8.29	Mineral Resources Law of the People's Republic of China	Standing member of the National People's Congress	This Law is formulated in accordance with the Constitution of the People's Republic of China with a view to developing the mining industry, strengthening the exploration, exploitation and utilization of mineral resources and protecting them, and ensuring the immediate and long-term needs of socialist modernization.