

The Belt and Road Initiative and China's infrastructure projects

**Brief on Chinese institutions and safeguards
on biodiversity and climate for Central Asia
civil society organizations and local communities**





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China is increasingly connected to Central Asia by pipelines, roads and other infrastructure, and has developed business links in energy, minerals and the transit of goods to Europe. Tourism, agriculture, healthcare and education are emerging as new areas of cooperation. Central Asia is benefiting from new domestic and regional roads, technologies, trade and sources of financing.

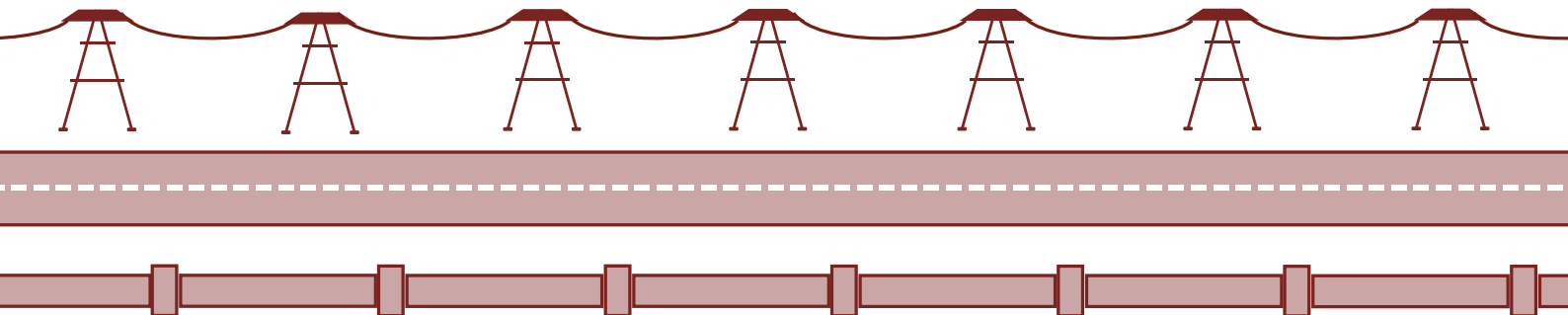
Most of the BRI projects in Central Asia are related to transport and energy infrastructure. Other projects focus on industrial development, information technologies and support for science and education.

The speed with which Belt and Road developments are proceeding and its high level decisions are limiting the opportunities for local interests to raise issues of concern in a timely manner. The highly technical nature of the projects and the limited availability of information further hinders these opportunities, and the expressions of critical comments may come too late for project adjustments.

The impacts of a project on the environment, biodiversity, and climate are subject to a wide range of factors. Generally speaking, large infrastructure projects such as railways and gas pipelines are often accompanied by intense compounded impacts on the environment and ecological system, as well as local communities. For this reason, they must be handled with much caution.

To obtain project information or express concerns about prospective or ongoing projects, local civil society organizations (CSOs) are often advised, and have been making efforts, to contact the Chinese embassy or consular in host countries, the Chinese enterprises (private or state-owned), financing institutions (Chinese commercial or policy banks, multilateral or regional development banks), or the Chinese chamber of commerce. It is also understood that such attempts are often not responded to actively by the China side.

In this context, this brief gathers a few alternative options for stakeholder engagement on issues relating to the green development of the Belt and Road Initiative (BRI). CSOs are encouraged to research, explore, and develop their partnership and network based on their capacity, interests, and missions.



Chinese authorities

When communication with Chinese governmental representation is limited or constrained, CSOs could try filing complaints to the following Chinese authorities about their strong opposition, complaints, or questions in regard to Chinese corporate or investment activities.¹ However, due to the high authority of the two organizations, they are only likely to respond to or process cases of severe violations of major private companies and state-owned enterprises (SOEs) against local law and regulations, or activities that clearly contradict recent high-level government policy – “[Guiding Opinions on Promoting the Green Development of the Belt and Road Initiative](#) (2022)”. It is also worth citing the voluntary-based guidelines if there is clear evidence showing such activities fall off the recommendations of the “[Guidance for Ecological and Environmental Protection of Foreign Investment Cooperation and Construction Projects](#) (2022)” from the Chinese environment and commerce ministry.

[Central Commission for Discipline Inspection \(CCDI\)](#). CCDI is a prominent central organ of the Communist Party of China (CPC), China’s ruling party. The Commission enforces the Party’s rules and regulations and plays a central role in China’s anti-corruption campaign. CCDI operates an [online](#) portal to receive complaints and reports about Party organizations or individual’s violations of the Party’s disciplines on, for example, politics, integrity, lifestyle, work relations with the people, as well as behaviors such as bribery, corruption, abuse of power, rent-seeking, transfer of benefits, loss of national assets. The management of state-owned enterprises (SOEs) is among the objects of CCDI’s inspection, according to China’s [Supervision Law](#).

[State-owned Assets Supervision and Administration Commission \(SASAC\)](#). SASAC is a special commission under the State Council of China, China’s state government. The Commission is responsible for managing state-owned enterprises (SOEs), including its overseas activities. Under SASAC, the Office of Supervision and Accountability is responsible for investigating irregular and irresponsible operations and major losses of state-owned assets, and suggesting accountability. Its Office on Social Responsibility is mandated to promote SOEs to fulfill their social responsibilities, ensure safe production, carry out emergency management, energy-saving, ecological protection, and other alignment work with China’s dual-carbon climate goals. Besides, SASAC is responsible for reviewing SOE’s annual investment plan before proposals for BRI projects are filed for the approval of the state-planner National Development and Reform Council (NDRC) and Ministry of Commerce (MOFCOM). Similarly, SASAC accepts public inquiries and complaints through its [online](#) portal (which is also [available](#) on State Council’s website).

¹ For more information on key authorities for approving and regulating BRI projects, read: http://en.brigc.net/Reports/research_subject/202011/P020201129781791584286.pdf

Research institutions

Research institutions are relatively more open to engaging with CSOs, academics, and other research institutions, compared to Chinese authorities. Knowledge sharing and exchange are always good starting points for such engagements. Databases on policy and investment, as well as case studies on best practices, even in other countries and regions, are also good references for written and oral engagements with Chinese businesses and investors. Practically speaking, many of the current discussions around social and environmental safeguards in the BRI fall under the framework of green, sustainable, or biodiversity finance. Thus, if capacity allows, follow-up discussion is recommended in China and globally.

Xinjiang Institute of Ecology and Geography (XIEG). Affiliated with the Chinese Academy of Sciences (CAS), Urumqi-based XIEG is China's leading research institute on resources, ecology, and the environment in arid areas. The institute operates a Central Asian ecological monitoring network, which involves a few dozen Chinese, Central Asian, and other international research institutes. It has also signed long-term cooperation agreements with 25 research institutes of Central Asian countries in the field of resources, ecology, and environment. In 2013, joined by institutions in Kyrgyzstan, Tajikistan, and Uzbekistan, it co-founded the **CAS Research Center for Ecology and Environment of Central Asia** (RCEECA), an overseas research base and platform. XIEG plays an active role in the ecological and environmental planning of BRI projects in the region. XIEG has also published research on ecological monitoring networks and transboundary rivers.

Green Finance and Development Center: Based at Fudan University in Shanghai, the center runs two separate research labs on "green BRI" and "biodiversity finance." It provides research, analyses, policy engagement, capacity building, and intelligence on policies, economics, environment, sustainability, and green finance in the BRI with the aim of building ecologically friendly and green BRI. The center hosts a BRI **policy and investment database** and is engaged in capacity building for private and public institutions to share knowledge and foster consensus. It also publishes a free informative **newsletter** on the most recent updates on the BRI.

International Institute on Green Finance (IIGF): Based at the China Central University of Finance and Economics (CUFE), IIGF is an independent think tank focusing on the research of green finance. It has researched and published annual reports (**CN**) on green finance in the BRI and a special report (**CN**) on renewable energy cooperation in the BRI.

Regional partnerships for greener infrastructure

There are a few Chinese and international NGOs focusing on improving the transparency of BRI projects, facilitating conversations, and establishing dialogue mechanisms between Chinese and stakeholders in host countries. Although Central Asia is not often a targeted region, toolkits, tactics, and implementation experiences of carrying out such activities in other BRI countries can be inspiring to further engagements with the Chinese stakeholders in the region.

Global Environmental Institute (GEI): The Beijing-based non-profit has been working on enhancing a greater understanding of the environmental and social risks in China's outbound investment activities and encouraging Chinese companies and investors to adopt environmental and social principles in China's trade and investment activities. Although it does not have a presence in Central Asia, it has worked in many host countries of the BRI to promote environmental policy toolkits, develop best practices, and facilitate collaborative platforms. It participated in the formulation of the [Guidance for Ecological and Environmental Protection of Foreign Investment Cooperation and Construction Projects](#) (2022).

SCO Green Belt Program. The initiative, first brought up by Uzbekistan at the Heads meeting of the [Shanghai Cooperation Organization \(SCO\)](#) in 2020, aims to enhance energy-saving technologies and environment-friendly clean technologies in SCO member states (which include China, and four Central Asian countries, namely Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan). In the most recent Heads gathering in November 2021, the initiative is considered "an important step" to fulfill member states' commitments to building a sustainable economic system, acknowledging the importance of cooperation in environ-

mental protection, environmental safety, prevention of the negative aftereffects of climate change, conservation and use of biodiversity and exchange of experience and up-to-date information on these issues. The new initiative in the making provides a rare opportunity for CSOs in the region to contribute to agenda-setting, through activities such as national or multinational advocacy.

[BRI International Green Development Coalition \(BRIGC\).](#)

The Coalition aims to promote international consensus and actions to achieve the green development of the BRI and to integrate sustainable development into the BRI through broad [partnerships](#) with governments, local and international development agencies, think tanks, and civic societies. Jointly initiated by China's environment minister and international partners, the Coalition is a good window for CSOs in Central Asia to comprehend China's policy efforts in green BRI and a gateway to participate in high-level [re-search](#) cooperation on topics such as "key biodiversity areas and impact assessment," "green energy and environment" and case studies.

What are the most recent Chinese environmental, biodiversity, and climate safeguards in the BRI?

The Chinese leadership and the state government are increasingly investing political resources in improving the safeguards on environmental protection, biodiversity conservation, and climate in the host countries of the BRI.

The past twelve months have witnessed a series of new political commitments and policy instructions from Beijing on improving the environmental and social safeguards of the BRI. These new updates respond, to an extent, to some of the long-lasting calls from the international society on China to further demonstrate its leadership in the environment and climate change, extending its domestic pledges and efforts to its activities abroad. Similar recommendations have also been made by Chinese scholars, government advisors, and think tanks before and since Xi Jinping's call for a green BRI.

Beijing clearly understands the strategic value of greening the BRI. Recent [policy](#) from MEE and MOFCOM explicitly states that “only by practicing the philosophy of green development” can the country's foreign investment and cooperation “become an important support” to quality development in China, besides “gaining the initiative” in international cooperation and competition.

As the country seeks more leadership in the global governance of climate and biodiversity, the BRI – China's flagship project – has increasingly emerged as an experimental field to implement China's ambitions and pledges. Governments, businesses, and mainly, local communities in the host countries have expressed ever-growing quests for a green BRI compatible with the local needs for prosperity and the global urgency of achieving the 2030 sustainable development goals (SDGs).



1. Voluntary guidance documents

In January 2022, China published a landmark policy titled “[Guidance for Ecological and Environmental Protection of Foreign Investment Cooperation and Construction Projects \(2022\)](#)”. It is jointly issued by the Ministry of Ecology and Environment (MEE) and the Ministry of Commerce (MOFCOM).

Voluntary guidelines on environmental protection in China’s overseas investment (2013–2022)

Policy	Issuer and dates
Guidance for Ecological and Environmental Protection of Foreign Investment Cooperation and Construction Projects (EN/CN)	<i>MEE and MOFCOM, January 2022</i>
Guidelines on the Green Development of Foreign Investment and Cooperation (EN/CN)	<i>MOFCOM and MEE, July 2021</i>
Guidelines for Environmental Protection in Foreign Investment and Cooperation (EN/CN)	<i>MOFCOM, and MEP (ex-MEE), February 2013</i>

The 2022 guidance is by far the “[most comprehensive document](#)” issued by Chinese regulators that explicitly focuses on guiding the environmental management of overseas projects.

At the same time, it is important to understand that all three documents (as shown in the table above) are considered “soft law” in China’s administrative legislation system. As suggested in the title, such “guidance” and “guidelines” only provide a reference point for Chinese businesses and investors who would like to become “good players” while not following the rules do not bear immediate and direct legal consequences.

The new guidelines nevertheless reflect China’s [changing stance](#) on environmental protection, biodiversity conservation, and climate change over the last nine years. In particular, the content on biodiversity has been largely enriched. The guidance has been evolving from a brief mention of

“reducing adverse impacts” in 2013 to “following international rules and standards” – including UNFCCC, CBD, SDGs, and GIP – in 2021.

The new policy further introduces more specific measures of biodiversity protection for energy, mining, and transportation projects, with explicit mention of conducting biodiversity surveys, monitoring and evaluation throughout the project lifecycle, and manners of ecological restoration and mitigating impacts on wildlife.

As China is going through the world’s largest scale low-carbon transition and energy revolution, it also aims to join the global energy revolution, particularly championing clean and low-carbon energy development. In this regard, the new guidance adds “climate change” and “greenhouse gas emissions” to the environment and biodiversity – the two conventional aspects of safeguards in previous voluntary guidelines or guidance. It also frames China’s “support” for the host country’s low-carbon and carbon sink projects as its “positive contribution” to climate actions.

Most importantly, the new guidance provides specific technical details in the implementation phase, addressing the environmental, biodiversity, and climate impacts throughout the project lifecycle. In particular, it gives specific safeguard guidance for transport infrastructure, energy infrastructure (water infrastructure and hydropower projects, wind and solar projects), mining and extraction, and petrochemical projects, as illustrated below.

How to use it?

In practice, the guideline does not only provide a comprehensive framework for Chinese businesses and investors to safeguard the environment, biodiversity, and climate and to engage with local communities and authorities. It also offers a “common language” for CSOs, local authorities, businesses, and relevant stakeholders to communicate better with the Chinese SOEs.

For example, CSOs and local authorities can use the checklist (a simplified version of the guidance) to produce independent assessment reports on the environmental and ecological performances and express requests for improvements in reference to specific guidelines, public speeches from Chinese leaders, as well as best practices in other BRI countries.

Besides, according to Xi’s speech at the [Virtual Summit](#) to Commemorate the 30th Anniversary of Diplomatic Relations Between China and Central Asian Countries, oil and gas transmission will remain the center of the cooperation between China and the five countries in Central Asia, so as transport infrastructures.

However, the guideline also has its limitations. This voluntary-based guideline is addressed to local environmental and commerce departments and central [state-owned enterprises](#) (SOEs). Private investors and enterprises are not obliged to follow the guidelines, although sticking to higher standards could bring reputational gains.

It is also worth noting that “can” and “encourage” – and even “should / shall” – in the guidelines do not carry any legal-binding effects. That said, as an “[important milestone](#)” towards the greening of the BRI, it takes top-down signals from the Chinese government and top leaders and its complexity and comprehensiveness in guiding environmental management abroad. In this regard, the guideline serves better as a ruler for identifying good players rather than exposing the bad ones.

At the least, the guidance on transparency and compliance now provide a better “hook” for CSOs and local communities to seize opportunities such as the consulting sessions in environmental impact assessment studies and to request information such as archives on environmental hazards, accidents, and emergency plans, as well as to express concerns and make suggestions.

☒ should / shall ☐ encourage

Whole life-cycle management

Before mergers and acquisitions (M&As)	<p><i>Due diligence on historical impacts on ecology and the environment</i></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Assessing the historical damage and related risks to ecology and the environment <input checked="" type="checkbox"/> Being aware of environmental penalties and litigation <input checked="" type="checkbox"/> Examining the operation of environmental protection facilities <input checked="" type="checkbox"/> Focusing on the impacts of hazardous waste disposal, and environmental impacts on air, soil, groundwater, and greenhouse gas (GHGs) emissions <input type="checkbox"/> Working with consulting services with strong business capabilities, good credit, and familiarity with local and international environmental laws, regulations, and policies
Before construction	<p><i>Site selection</i></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Full consideration of the ecological function of the selected site <input checked="" type="checkbox"/> Master the ecological background conditions through biodiversity surveys, ecological monitoring, and assessment. Document such survey, monitoring, and assessment results for inspection <input checked="" type="checkbox"/> Fully justify the rationality of the site selection and consider re-siting, if necessary, when the background value exceeds the local standards, general international rules, or the environmental quality standards of the host country <p><i>Environmental Impact Assessment (EIA)</i></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Follow local laws and regulations <input checked="" type="checkbox"/> Take reasonable measures to reduce and eliminate possible adverse effects <input checked="" type="checkbox"/> Refer to international prevailing rules, regulations, or Chinese standards if such requirements are absent in host countries
During the construction period	<p><i>Ecological protection</i></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Control air, water, noise, vibration, radiation, and solid waste pollution, and mitigate GHGs emissions <input checked="" type="checkbox"/> Prevent and reduce the negative effects through standardized management <p><i>Ecological restoration</i></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Develop site-specific ecological restoration programs based on the resource endowment and natural ecological conditions <p><i>Pollution prevention and control facilities</i></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Construct and operate pollution prevention and control facilities based on the industry, size and process of the projects, and the pollutants and GHG emissions

During the operation period
Ecological monitoring and management

- ☑ Monitor pollutant discharge per the characteristics of the project's environmental impacts
- ☑ Keep track of the project's discharge status with archives
- ☑ Do a good job of ecological investigation when involving ecological and environmental impacts

Solid waste

- ☑ Reduce solid waste output and their environmental hazardousness
- ☑ Carry out comprehensively utilization of the solid wastes
- ☑ Strictly implement the requirements on waste transportation, utilization and disposal, including hazard wastes

Emergency plan

- ☑ Develop emergency plans per the nature of the project
- ☑ Timely report incidents to Chinese domestic investment bodies, Chinese embassies, consulates, and local governments, as well as domestic government body
- Carry out rehearsals and optimize the emergency plan promptly

Green production, design and recycling

- ☑ Promote green design and recycling, so as to eliminate pollution at the source, improve the efficiency of material and resource utilization, and reduce pollutants generation and discharge in production, service, and product use

Green supply chain

- ☑ Build green supply chain management systems, including implementing green procurement, promoting green production, and prioritizing the purchase of environmentally friendly products

End-of-life project management

- ☑ Do a good job in ecological and environmental protection during the decommissioning, dismantling, and closure of foreign investment and construction projects, per the law or international practice

Throughout the lifecycle
Climate

- ☑ Pay attention to climate laws, regulations, and policies in the global and host country (regions)
- ☑ Actively participate in low-carbon and carbon sink projects according to enterprises' conditions
- ☑ Support the green and low-carbon energy development in developing countries

Biodiversity

- ☑ Pay attention to the biodiversity conservation strategies and action plans formulated by the host country (regions)
 - ☑ Reduce the adverse impacts on local biodiversity and promote biodiversity conservation and sustainable utilization
-

Sector-specific guidelines

Transport infrastructure projects

At the design stage

- ✓ “Reasonably select sites” to avoid as much as possible occupying or crossing nature reserves and important wildlife habitats
- ✓ Adopt mitigation measures such as constructing harmless crossing and wildlife passing channels

During the construction period

- ✓ Strengthen environmental management, reduce excavation and temporary site occupation
- ✓ Reduce noise and dust impact on wildlife and surrounding residents

After the construction

- ✓ Carry out prompt ecological restoration

Energy infrastructure projects

- ✓ Give priority to clean, green renewable energy projects

Water infrastructure, and hydropower projects

- ✓ Avoid as much as possible occupying nature reserves and critical biological habitats so that the sites are reasonably played out within the watershed.
- ✓ Optimize engineering design and construction organization, reasonably adopt measures such as aquatic habitat protection, aquatic life channel construction, and increased release.
- ✓ Actively adopt measures such as engineering protection, relocation, rescue, and habitat restoration to mitigate the impact on protected wildlife and their habitats
- ✓ Meet the water needs for living, ecology, and production in the downstream watershed through measures such as releasing ecological flow

Wind and solar projects

- ✓ Do a good job in ecological and environmental management

Petrochemical projects

- ✓ Strengthen the construction, operation, and maintenance of pollution control facilities to reduce pollutants and GHGs emissions
- ✓ Strengthen environmental risk prevention and control and improve relevant measures

Mining extraction projects

Waste management

- ✓ Take adequate measures to control pollutants discharge, especially heavy metal pollutants
- ✓ Strengthen the extensive use of solid waste, to reduce waste generation and storage
- ✓ Do a good job of reinforcing tailings, gangue fields, and other solid waste storage sites, and impermeable work to prevent groundwater pollution

Ecology, environment and biodiversity

- ✓ Strengthen the design on environmental protection
- ✓ Carry out ecological restoration and biodiversity protection to reduce environmental damage and land occupation

Compliance & transparency

Compliance

- ☑️ Consciously fulfill their responsibilities for ecological and environmental protection, coordinate economic, social and ecological benefits, and promote the coordinated development of the local economy, society and environment through mutually beneficial cooperation
- ☑️ Comply with the ecological and environmental laws and regulations, as well as relevant policies and standards of the host country (region)
- ☑️ Incorporate ecological and environmental protection into cooperative development strategies, establish corresponding related rules at the company level in reference to common international practices and improve internal environmental management systems. Strengthen ecological and environmental protection training, seminars, and capacity building, set up special personnel responsible for ecological and environmental protection, and continuously improve the enterprise's environmental management capacity
- ☑️ Report ecological and environmental protection compliance information per relevant regulations
- Adopt international rules, standards, or more stringent Chinese standards, if relevant standards are absent in host countries or such standards are low
- Apply for certification in environmental and energy management systems and green product certifications such as energy and water conservation, low-carbon and environmental protection

Transparency

- ☑️ Strengthen contacts and communication with local environmental management departments on information related to ecological and environmental protection of the projects, and actively solicit their opinions and suggestions
- ☑️ Take the initiative to strengthen communication with communities that might be potentially affected, as well as relevant civil society groups and the public, and listen to opinions and suggestions on the environmental impacts through manners such as seminars and public hearings
- ☑️ Strengthen information dissemination and experience sharing – for example: regularly publish information on the implementation of local ecological and environmental laws and regulations, as well as measures taken, and performances achieved; and share the concepts and best practices on ecological and environmental protection at the project

2. Guiding opinions on greening Belt and Road

In March 2022, four cabinet-level departments of China's State Council jointly issued "[Guiding Opinions on Promoting the Green Development of the Belt and Road Initiative](#)" (hereafter, "guiding opinions"). The co-issuers include China's state-planner National Development and Reform Commission (NDRC), Ministry of Foreign Affairs (MFA), MEE, and MOFCOM.

The 2022 guiding opinions laid out prioritized areas of green cooperation and preferred low-carbon activities under the BRI up to 2030 – China's pledged timeline for peaking emissions in its territory. It also gives high-level directives on improving the "supporting system" of such green development, outlining support pillars in finance, platform building, capacity building, and environmental risk prevention and control.

This new policy is by far the highest-ranked policy focusing on environmental protection in foreign investment in China's administrative legislation. It is also the first time that the foreign ministry joined public policy on greening the BRI. The fact that the new policy is led by the state planner and the foreign ministry demonstrates a much stronger internal coordination within the government and a much heavier weight of the campaign for greening the BRI in the government's agenda on economic development and foreign policy.

Although short in length, the policy contains the most detailed instructions on BRI projects' environmental, ecological, and climate safeguards. It also provided sector-specific "opinions" on key areas such as infrastructure, energy, and climate change.

In particular, the new policy addresses a few challenges in the accountability of Chinese overseas investments from private businesses to financial institutes. First, the new policy requires companies to fulfill their responsibilities in ecological and environmental protection, which indicates that the Chinese government might attach more attention to regulating the environmental performances of Chinese companies, even if such activities occur beyond its border.

Second, the policy reveals that China will improve its top-level design and standard system for the green development of the BRI. Such a new standard system will be designed to promote cooperation in key areas such as green infrastructure, green energy, green transportation, and green finance in an integrated manner. Although no further details have been given so far, China may issue a series of environmental safeguards shortly.

Third, it acknowledges the "appeals of local people in green development and ecological and environmental (protection)" and requires all Chinese stakeholders to "pay great attention" to meet such demands.

It's worth noting that although the policy draws the bottom line of compliance at "respecting local environmental law, regulation, and standards," it specifies that companies shall be "guided" to promote green standards such as water-saving and best practices in infrastructure projects. They are also "encouraged" to carry out environmental protection at international or higher standards in China. Still, despite moving up in the regulatory hierarchy, such an expression continues a soft voluntary approach. It remains unclear whether any reward and penalty mechanism will be introduced to ensure the implementation.

Fourth, the new policy highlights the importance of capacity building in preventing environmental risks of overseas projects and safeguarding environmental security. It aims to "significantly improve" the capacity to prevent environmental risks at the project level under the BRI by 2025 and in green development at the enterprise level by 2030.

Last but not the least, the new policy elaborates on China's "coal ban", clarifying some technical details of Xi Jinping's political announcement six months ago. Specifically, depending on the progress of such projects in the development pipeline, China provides three types of policy responses:

- New coal-fired power plants will not proceed.
- Projects under construction shall continue "with prudence and cautiousness."

- Existing coal-fired power projects are encouraged to be retrofitted and upgraded with advanced technologies to improve energy efficiency and reduce pollutants and emissions.

Although it is not explicitly mentioned in the new policy, it is very likely that projects that have received all the “green lights,” such as land-use permits, environmental impact assessment studies, and project finance, but have not yet entered the construction phase, would [fall into the first category](#) as “new projects,” and thus, shall not be proceeded.

Built on previous voluntary guidelines, the overarching policy further includes detailed safeguard requirements in nine key areas of China’s overseas investment. These sector-specific instructions are summarized in the following table.

How to use it?

The Guiding Opinions are addressed to the “[leaders groups](#)” of the Chinese government at all levels and state-level commissions or administrations on banking and insurance, securities, railroad, and civil aviation. Briefly speaking, unlike the voluntary guidance above, the Guiding Opinions do not directly target the market players of the BRI but the policymakers, regulators, and supervisors.

In this regard, this policy document condenses the Chinese government’s guiding ideas, principles, and prioritized areas for greening the BRI. As a benchmark, it can be used in any formal communications with the Chinese authorities, businesses, investors, intergovernmental organizations, and green BRI initiatives to build up the arguments and recommendations, especially in areas of alignments and contradictions.

The prioritized area of green development in the BRI, as illustrated below, can also be used by local authorities to screen project proposals, in particular in the early stage of the project pipeline. Besides rejecting projects that do not fall into the green areas or do not live

up to the requirements (“negative list”), country governments, as well as local authorities, could also develop a “positive list” of projects that are encouraged for Chinese businesses and investors.

Under the “coal ban,” China has shifted its focus of outbound investment on coal to upgrading and retrofitting coal power plants and meeting the local demand for green and low-carbon energy sources. The ban opens up an opportunity for local governments, communities, and CSOs, to leverage China’s political pledge and commitment to accelerate phasing down coal consumption and coal power projects domestically.

It is worth acknowledging that the support is not limited to the power sector. It also covers coal-fuelled manufacturing facilities such as industrial boilers widely used in steelmaking, cement, and other energy-intensive industries. China has expressed that it will help transition such “brown industries” to reduce pollution and mitigate emissions in the BRI. China’s policy banks, such as the [Export-Import Bank of China](#), are on board to provide financial support.

Prioritized Area	“Guiding Opinions” (NDRC et al, 2022)
Green infrastructure	<p><i>Site selection</i></p> <ul style="list-style-type: none"> ✓ Environmental Impact Assessment (EIA) ✗ Protected areas, ecologically sensitive and fragile areas <p><i>Construction and operational phase</i></p> <ul style="list-style-type: none"> ✓ Improve resource utilization ✓ Reduce waste discharge (materials, energy, and water) ✓ Strengthen waste treatment
Green transport	<p><i>Project preference</i></p> <ul style="list-style-type: none"> ✓ Energy-saving and low-carbon transportation (e.g. EVs, new energy vessels) ✓ Smart transport with Chinese experiences ✓ Railroad electrification and upgrading ✓ Multimodal transportation and green logistics
Green energy	<p><i>Project preference</i></p> <ul style="list-style-type: none"> ✓ Solar and wind power projects (“go global”) ✓ Joint research, exchange, and training on energy technology and equipment <p><i>Technology preference</i></p> <ul style="list-style-type: none"> ✓ High-efficiency and low-cost renewable energy power generation ✓ Advanced nuclear power ✓ Smart grid ✓ Hydrogen energy ✓ Energy storage ✓ Carbon dioxide capture and storage (CCUS)
Green industries	<ul style="list-style-type: none"> ✓ Investment: focusing on new energy industries and new energy automobile manufacturing ✓ Financial vehicles: setting up overseas equity investment funds

Green trade

- ✓ Green products that are high in quality, technology, and added value
- ✓ Products and services on energy saving and environmental protection

Green Finance

- ✓ Capacity building: promoting voluntary guidelines and best practices under multilateral cooperation framework (e.g. UN, G20)
- ✓ Funding sources: making good use of loans from international financial institutions, and leverage private green investment
- ✓ “BRI Green Investment Principles”

Green technology

- ✓ Technology transfer via humanities exchanges, joint research, and platform construction
- ✓ Technology reserve and network under the BRI
- ✓ Prioritized technologies: low-carbon, energy-saving, water-saving, environmentally friendly materials and technologies

Green standards

- ✓ “Actively participate” in the development of international green standards
- ✓ Strengthen the alignment of green standards with host countries
- ✓ “Encourage” industry associations and other institutions to set green standards, norms, and guidelines in line with international standards

Climate change

- ✓ Facilitate the “full implementation” of the UNFCCC and the Paris Agreement
- ✓ Seek win-win cooperation through dialogue, exchange, and cooperation
- ✓ Promote a fair and reasonable global climate governance system
- ✓ South-South cooperation: constructing demonstration zones on low-carbon development, provide material assistance and capacity building on addressing climate change