

BIZCHINA / Center

Listed firms ordered to submit green data

By Sun Xiaohua (China Daily)
Updated: 2008-02-26 06:58

The government will enforce mandatory environmental disclosures for companies with high pollution emissions and energy consumption, according to a regulation released by the State Environmental Protection Administration (SEPA) Monday.

Related readings:

[Green measures emphasized in development](#)

[More efforts needed to implement green credit policy](#)

[China to bring in green loan benchmark](#)

[SEPA urges multinationals to clean up their acts](#)

The environmental watchdog said the regulation applies to companies that are already publicly listed as well as those seeking listing.

According to Pan Yue, deputy director of SEPA, most domestic listed companies either do not report their environmental performance or submit "only qualitative descriptions" and "scantily useful facts".

The regulation is designed to make environmental disclosure a key criterion for companies raising funds from the Chinese capital markets, he pointed out.

The so-called green securities are meant to help curb the unhealthy expansion of heavily-polluting and energy-intensive industries by preventing them from siphoning funds from the capital market.

The green securities scheme is among SEPA's latest moves to inject the green factor into the nation's financial policies, the others being endeavors to influence lending and insurance practices.

In the green securities scheme, companies with cross-provincial business in any of the 13 listed industrial operations that may cause heavy pollution will be required to obtain SEPA approval of their environmental performance.

The results of the inspections - to be conducted by SEPA specialists - will be a necessary part of information disclosure to the China Securities Regulatory Commission (CSRC) for either initial public offerings (IPOs) or refinancing.

The 13 types of industrial operations include thermal power generation, and the making of iron and steel, cement, and electrolyte aluminum.

Prior to Monday's release of the regulation, environmental disclosure and inspection were already required of companies filing for IPOs.

Domestic firms have to report on environmental conduct through the 36 months prior to their floating of shares. Deliberate cover-ups are subject to administrative penalties and criminal charges.

Making environmental reporting compulsory is a joint program of SEPA and the CSRC, officials at the environment watchdog told China Daily. The two agencies worked together in reviewing the information submitted by 37 companies applying for IPO last year.

Ten companies were forced to delay their IPOs as their applications were rejected on environmental grounds.

Their applications were rejected because their performance had failed to meet government standards or because their reporting was inadequate, according to a SEPA statement.

According to Pan, now that the practice of environmental disclosure in the IPO process has become more or less established, it is time to tighten disclosure rules for companies that listed before environmental impact became a required reporting item.

The SEPA deputy director said that of all listed companies on the mainland, only half included environment performance in their 2006 annual reports. Even for those which did touch on the issue,

Biz Shop

CIRC issues 2008 insurance intermediaries report

In 2008, insurance intermediary organs across China raked in a premium income of 804.35 billion yuan (\$117.60 billion), up 38.84 percent from a year earlier. [Insurers trim staff to reduce losses](#)

[Insurers' unit-linked products suffer heavy losses](#)

[Top 8 insurance executives under spotlight in 2008](#) [CIRC tightens supervision on insurers' financial chiefs](#)

[Ex-chairman of New China Life charged](#) [Insurers refocus on traditional products](#)

Biz Guide

Investment Alerts: [China sees record mergers, acquisitions in May](#)

the quality of reporting was generally poor and cannot help shareholders, he said.

Listed companies' environmental disclosure can guide investors in seeking long-term returns, Bie Tao, a senior official of SEPA's policy, law and regulation department, told China Daily.

(For more biz stories, please visit [Industry Updates](#))

Your comments:

[All the comments](#)

Comment here(Only English)

Your Name:

[Local Resources:](#) Sichuan to restore tourism

[Industry Overview:](#) Industrial output up 16% in May

[China & Globalization:](#) Paulson: US-China economic ties growing in positive direction

[Biz Laws & Policies:](#) China raising firm reserve requirement ratio

[Development Zones:](#) Chengdu Economic and Technological Development Zone

Most Popular Stories in 48 Hours

[China buys \\$14.9b of US treasury bonds](#)

[Tainted milk comes off shelves](#)

[Vice premier leaves for US for economic dialogue](#)

[Quake-hit Sichuan reopens 13 cities to tourists](#)

More on the chinadaily.com.cn

China



Woman rescued nine days after quake

- **National:** Challenge: 5 mn homeless
- **Regional:** County to be rebuilt on new site



www.chinadaily.com.cn

June 28, 2013

[PHOTO ARCHIVE](#) > [photo_more](#)

[| About China Daily](#) | [| About Chinadaily.com.cn](#) | [| Advertise on Site](#) | [| Contact Us](#) | [| S](#)

Copyright 1995- 2013 . All rights reserved. The content (including but not limited to text, photo, multimedia information, Information Co (CDIC). Without written authorization from CDIC, such content shall not be republished or used in any resolution are suggested for this site. Registration Number: 2010000002

[| About China Daily](#) | [| About Chinadaily.com.cn](#) | [| Advertise on Site](#) | [| Contact Us](#) | [| Site Map](#) | [| Job Offer](#) |

Copyright 1995-2007. All rights reserved. The content (including but not limited to text, photo, multimedia information, etc) published in this site belongs to China Daily Information Co (CDIC). Without written authorization from CDIC, such content shall not be republished or used in any form.

Note: Browsers with 1024*768 or higher resolution are suggested for this site.

Registration Number:
[2010000002731](#)

