

Administrative Measures for the Recovery of Renewable Resources

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Administrative Measures for the Recovery of Renewable Resources, which were adopted at the 5th utive meeting of the Ministry of Commerce on May 17, 2006 and were agreed upon by the National Development and Reform Commission, Ministry of Construction, Ministry for Industry and Commerce and State Environmental Protection Administration, are hereby promulgated and shall come into force as of May 1, 2007.

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Administrative Measures for the Recovery of Renewable Resources

Chapter I General Provisions

Article 1 For the purposes of promoting the recovery of renewable resources, regulating the development of the industry of recovery of renewable resources, saving resources, protecting environmental protection, realizing sustainable development of economy and society, these Measures are formulated in accordance with the Law of the People's Republic of China on Promoting Clean Production, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes and other laws and regulations.

Article 2 The term "renewable resource" as mentioned in these Measures refers to various wastes which arise from social production and consumption in daily life, have already lost the entire or partial use value and may re-obtain useful value by way of recovery and processing.

Renewable resources include waste metal, waste electronic products, waste mechanical electrical equipment and spare parts thereof, waste raw materials for the production of paper (such as waste paper and waste cotton), waste light industrial raw materials (such as rubber, plastic, wrap-pages of pesticide, animal bones, hair, etc.), waste glass, etc.

Article 3 The enterprises and individual industrial and commercial households engaging in the recovery business operations within the territory of China (hereinafter generally referred to as the “business operators of renewable resources”) shall abide by these Measures.

If any law, regulation or rule provides otherwise for the administration of recovery of solid wastes, dangerous wastes and discarded autos which are imported and may be utilized as raw materials, such law, regulation or rule shall prevail.

Article 4 The state encourages all walks of life and urban and rural residents to accumulate, deliver and sell renewable resources.

Article 5 The state encourages innocuous recovery and processing of renewable resources and encourages scientific research, technological development and popularization relating to the recovery and processing of renewable resources.

Chapter II Business Operation Rules

Article 6 To engage in business operations relating to the recovery of renewable resources, one shall satisfy the registration conditions under the industrial and commercial administration. He/it shall not engage in such business operations until he/it obtains a business license.

Article 7 To engage in business operations relating to the recovery of renewable resources, one shall, within 30 days after he/it obtains a business license and according to the principle of territorial administration, go through the archival filing formalities at the commerce administrative department parallel to the industry and commerce administrative department of the registration place, or at the institution authorized by the said commerce administrative department.

When any archival item changes, the business operator of renewable resources shall, within 30 days after the date of change (within 30 days as of the date of the change of industrial and commercial registration if it falls into the category of industrial and commercial register items), go through the modification formalities at the commerce administrative department.

Article 8 For a renewable resource recovery enterprise engaging in the recovery of production waste metals or for a renewable resource business operator engaging in the recovery of non-production waste metals, it shall not only go through the archival filing formalities in accordance with Article 7 of these Measures, but also go through the archival filing formalities in the local public security organ of the local people’s government at the county level within 15 days after it obtains a business license.

After the change of any archival item, the business operator engaging in the recovery of renewable resources as mentioned in the preceding paragraph shall, within 15 days after the date of change (within 15 days as of the date of the change of industrial and commercial registration if it falls into the category of industrial and commercial register items), go through the archival filing formalities in the local public security organ of the local people’s government at the county level.

Article 9 A production enterprise shall deliver and sell production waste metals by way of signing purchase contracts with renewable resource recovery enterprises. A purchase contract shall cover the name, quantity, specifications, recovery terms and times and settlement form for the production waste metals to be recovered.

Article 10 When a renewable resource recovery enterprise reclaims a production waste metal, it shall faithfully register the name, quantity, specifications of the article, and how new it is.

If a seller is an entity, it shall check and verify the certification issued by the seller entity and faithfully register the name of the seller entity, and the name, dwelling place and identity card number of the handling person. If the seller is an individual, it shall faithfully register the name, address and identity card number of the seller.

The information registered shall be preserved for at least 2 years.

Article 11 Where a renewable resource recovery business operator finds, during the course of its business operations, any booty which the public security organ looks for through an announcement or any article which is a suspicious booty, it shall immediately report to the public security organ.

The public security organ shall detain the booties or articles as suspicious booties found by renewable resource recovery business operators and shall issue a checklist of the articles detained. If it is found upon investigation that any article as suspicious booty is not a booty, it shall timely return it to the relevant party. If it confirms that any article as suspicious booty is a booty, it shall treat it in accordance with the relevant provisions of the State.

Article 12 The relevant standards, technical policies and technical norms of the state for the prevention and control of pollution shall be observed in the collection, storage, transportation and processing of renewable resources.

Article 13 A renewable resource recovery business operator engaging in the purchase, sale, storage and transportation of secondhand goods shall comply with the relevant provisions on the circulation of secondhand goods.

Article 14 The recovery of renewable resources may be carried out by way of doorstep recovery, ambulatory recovery and recovery at fixed places.

A business operator of recovery of renewable resources may contact residents and enterprises by telephone and internet so as to provide convenient and quick recovery services.

Chapter III Supervision and Administration

Article 15 The commerce administrative departments shall be the administrative departments for the industry of recovery of renewable resources. They shall be responsible for formulating and implementing the industrial policies on recovery of renewable resources, recovery criteria and plans on the development of the recovery industry.

The development and reform departments shall be responsible for working out policies on the promotion of development of renewable resources, organizing the popularization and application of new technologies and new equipment in the utilization and industrial demonstration of renewable resources.

The public security organs shall be responsible for the public security administration relating to the recovery of renewable resources.

The industry and commerce administrative department shall be responsible for the registration administration of business operators of recovery of renewable resources and as well as for the supervision and administration of the market of renewable resources.

The environmental protection administrative department shall be responsible for the supervision and

administration on the prevention and control of environmental pollution during the course of recovery of renewable resources. It shall punish acts in violation of any law or regulation on the prevention and control of environmental pollution.

The construction administrative departments and the urban and rural planning administrative departments shall be responsible for integrating the networks of recovery of renewable resources into the city plans and investigating, punishing, checking and rectifying acts in violation of any law or regulation on city planning and construction administration.

Article 16 The Ministry of Commerce shall be responsible for formulating and implementing the industrial policies, standards and development plans for the recovery of renewable resources.

The commerce administrative departments at the county level or above shall be responsible for formulating and implementing the concrete industrial development plans and other concrete measures within their respective area.

A commerce administrative department at the county level or above shall set up a department to administer the industry of recovery of renewable resources and staff it.

Article 17 The commerce administrative department of a city at the county level or above shall, jointly with the departments of development and reform (economic and trade), public security, industry and commerce, environmental protection, construction, rural and urban planning, formulate plans on the renewable resources recovery networks according to principle of overall planning and rational distribution and by taking into consideration the development level of local economy, population density, as well as the concrete conditions of the environment and resources.

The networks of recovery of renewable resources include all kinds of places such as communities where the renewable resources are reclaimed, transferred, distributed and processed.

Article 18 Where it is necessary to store or dispose renewable resources after trans-administrative-area transfer, the formalities for an administrative license shall be gone through in accordance with Article 23 of Law on the Prevention and Control of Environmental Pollution by Solid Wastes.

Article 19 An association of the renewable resources recovery industry is a self-disciplinary organization of the industry, which shall perform the following duties:

- (1) To express suggestions and requirements of enterprises and safeguard industrial interest;
- (2) To formulate self-disciplinary norms of industry and supervise the implementation thereof;
- (3) To carry out industrial statistical work and industrial investigations if it is authorized by any law and regulation or by the administrative department, and release industrial information; and
- (4) To assist industrial administrative departments to carry out research and formulate industrial development plans, policies and recovery standards.

The association of renewable resources recovery industry shall follow the instructions of industrial administrative departments.

Chapter IV Punishments

Article 20 Anyone who engages in business operations of recovery of renewable resources without business license shall be punished by the industry and commerce administrative department in accordance with the Measures for Investigating into and Punishing Unlicensed Business Operations.

Anyone who engages in business operations beyond the business scope as approved by industry and

commerce administrative department shall be punished by the industry and commerce administrative department under the relevant provisions.

Article 21 Where a business operator of renewable resources violates Article 7 of these Measures, the commerce administrative department shall give him/it a warning and order him/it to make a correction within a time limit. If he/it fails to do so within the time limit, he/it shall, in light of the seriousness of the circumstance, be fined not less than 500 yuan but not more than 2, 000 yuan, and the punishment may be announced to the general public.

Article 22 Where a business operator of renewable resources violates Article 8 of these Measures, the public security organ of the people's government at the county level shall give him/it a warning and order him/it to make a correction within a time limit. If he/it fails to do so within the time limit, he/it shall, in light of the seriousness of the circumstance, be fined not less than 500 yuan but not more than 2, 000 yuan, and the punishment may be announced to the general public.

Article 23 Where a renewable resource recovery enterprise violates the provisions of Paragraphs 1 and 2 of Article 10 of these Measures due to failure to faithfully register the relevant information during the course of purchasing production waste metals, it shall be punished by the public security organ in accordance with the Administrative Measures for the Public Security of Waste Metal Purchase Industry.

Article 24 Anyone who violates the provisions of Paragraph 3 of Article 10 of these Measures shall be ordered to make a correction and fined not less than 500 yuan but not more than 1, 000 yuan by the public security organ.

Article 25 Anyone who violates Article 11 of these Measures due to failure to report to the public security organ any booty or article as suspicious booty found by him/it shall be given a warning by the security organ and shall be fined not less than 500 yuan but not more than 1, 000 yuan. If any serious consequence is caused or if he/it refuses to make a correction after repeated warnings, he/it shall be fined not less than 1, 000 yuan but not more than 5, 000 yuan.

Article 26 Where a functionary of a relevant administrative department seriously neglects his duties, abuses his power, seeks private benefits, accepts bribery or damages the legitimate rights and interests of any business operator of recovery of renewable resources, the relevant administrative department shall, in light of the concrete circumstance, give him a corresponding administrative sanction. If any crime is constituted, he shall be subject to criminal liabilities.

Chapter V Supplementary Provisions

Article 27 The term "production waste metals" as mentioned in these Measures refers to metal materials and metals products that are used in construction, railway, communication, electric power, water conservancy, oil field, public utilities and other production fields, and have lost entire or partial use value.

Article 28 The power to interpret these Measures shall remain with the Ministry of Commerce, National Development and Reform Commission, the Ministry of Public Security, State Administration for Industry and Commerce, State Environmental Protection Administration and the Ministry of Construction.

Departments of commerce, development and reform (economic and trade), public security, industry and commerce, environmental protection, construction, rural and urban planning of all provinces, autonomous regions and municipalities directly under the Central Government may, pursuant to

these Measures, formulate detailed rules for the implementation of these Measures by taking into consideration the development of local economy.

Article 29 These Measures shall come into force as of May 1, 2007.