



上海交通大学

SHANGHAI JIAO TONG UNIVERSITY



# China's System Innovation on Rating Corporation Environmental Credit and Its Implementation

Shanghai Jiao Tong Univ.  
& Shanghai Environmental Protection  
Bureau

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# 企业环境信用评价制度

## China' s Evaluation System of Enterprise Environmental Credit

 ESEEC (Abbreviation)



# A clarification of ESEEC

## 1. NOT EDI (Environmental Democracy Index)

- ⊗ access to information,
- ⊗ public participation
- ⊗ access to justice

## 2. Not Domestic EDI===== “PITI” in China

**PITI=Pollution Information Transparency Index**



**COUNTRY SCORE 1.35**

**Pillars scores**

<b>Access to information</b>	<b>1.76</b>	<b>29</b>
<b>Public participation</b>	<b>1.06</b>	<b>31</b>
<b>Access to justice</b>	<b>1.23</b>	<b>56</b>



# IPE

Institute of Public & Environmental Affairs

公众环境研究中心

## 2015-2016年度 120城市PITI评价结果

4	中山	76	升	42	桂林	43.2	升	80	长沙	27.5
5	台州	75.4	升	43	贵阳	43.2	升	81	阳泉	26.7
6	佛山	74.6	升	44	焦作	42.9	升	82	安阳	26.3
7	北京	72.9	升	45	盐城	41.3	升	83	南昌	26
8	温州	72.7	升	46	湖州	40.9	升	84	韶关	25.6
9	东莞	72.1	升	47	常德	40.4	升	85	株洲	25.2
10	青岛	70.6	升	48	鞍山	40	升	86	咸阳	24.6
11	上海	68.8	持平	49	湘潭	39.6	升	87	抚顺	24.1
12	福州	68.1	升	50	珠海	39.4	持平	88	秦皇岛	24
13	重庆	67.1	升	51	沈阳	39.3	升	89	日照	23.2
14	南通	63.1	持平	52	荆州	39.2	持平	90	长春	23.2
15	南京	62.7	升	53	大庆	39.1	持平	91	枣庄	22.8
16	广州	61.2	升	54	湛江	39	升	92	济宁	22.6
17	无锡	60.3	升	55	潍坊	38.8	升	93	岳阳	22.2
18	杭州	60.2	升	56	郑州	38.4	降	94	临汾	22
19	苏州	60.1	持平	57	本溪	38	升	95	齐齐哈尔	21.6
20	泉州	58.4	降	58	烟台	37.3	降	96	攀枝花	21.2
21	马鞍山	57.1	升	59	成都	36.7	持平	97	鄂尔多斯	20.8
22	汕头	56.7	升	60	铜川	36.5	升	98	吉林	20.8
23	武汉	56	升	61	石嘴山	36.2	升	99	九江	20.8
24	洛阳	55.8	升	62	乌鲁木齐	35.8	持平	100	宝鸡	20.4
25	南宁	55.8	升	63	徐州	35.3	持平	101	大同	20.4
26	合肥	55.2	持平	64	唐山	34.7	降	102	金昌	19.6
27	石家庄	55	升	65	邯郸	34	持平	103	延安	19
28	宜昌	54.7	持平	66	哈尔滨	32.6	降	104	曲靖	19
29	银川	53.7	升	67	兰州	32.6	持平	105	克拉玛依	18.4
30	大连	53.7	升	68	柳州	32.3	升	106	宜宾	18.3
31	长治	51	升	69	泸州	31.4	降	107	泰安	17.6
32	绍兴	50.1	持平	70	淄博	30.9	降	108	咸阳	16.6

排名	城市	得分	得分升降	排名变动
1	北京	77.1	+10.1	+3
2	杭州	75.9	+10.7	+6
3	青岛	74.8	+8	+2
4	宁波	72.8	+3.7	-2
5	温州	72.7	+3.4	-4
6	广州	71.9	+25.9	+51
7	嘉兴	70.7	+15.2	+16
8	济南	69.3	+4.8	+2
9	绍兴	68.8	+16.7	+26
10	苏州	67.8	+7.5	+7



**PITI**

Public to  
governments

**ESEEC**

Governments to  
enterprises



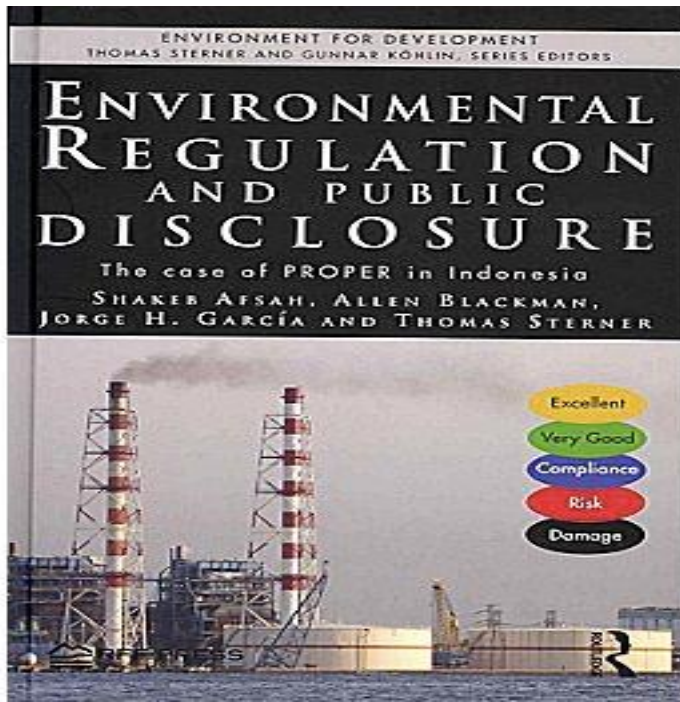
# Shanghai EPB





# The international background and sources of ESEEC

- In June 1995, the Ministry of Environment, Government of Indonesia decided to launch a rather unconventional environmental initiative called PROPER – Program for Pollution Control, Evaluation and Rating.



**Helped by the World Bank;  
AUSAID, CIDA.**



## MOE : Proper : Program for Environmental Compliance Performance Rating

Color Coded  
Rating

Compliance Level	Rating Alternative		Performance Assessment		Type of Compliance
			Area	Method	
Beyond Compliance	Gold	A	Environmental Management System	Effort Oriented	Voluntary
	Green	B	Resource Conservation, Reuse, Recycle, and Recovery (3R), Reduce & utilize HW		
			CSR: Community Development		
Comply	Blue	C	Water and Sea Water Pollution	Result Oriented	Obligatory
			Air Pollution		
			Hazardous Waste Management		
			Implementation of EIA		
Non Compliance	Red	D			
	Black	E			



# ESEEC indicators

## 企业环境信用评价指标及评分方法

(试 行)

类别	序号	指标名称	权重	参 考 分 档 分 值		
				第 1 档 [80 分-100 分]	第 2 档 [50 分-79 分]	第 3 档 [0 分-49 分]
污染防治	1	大气及水污染物达标排放	15%	每个排污口监督性监测达标率在 90%以上 (含 90%)。	有排污口监督性监测达标率为 75% (含 75%) -90%。	有排污口监督性监测达标率低于 75% (低于 50%为 0 分)。
	2	一般固体废物处理处置	5%	固体废物处理处置率在 95%以上 (含 95%)。	固体废弃物处理处置率为 80% (含 80%) -95%。	固体废物处理处置率低于 80%。
	3	危险废物规范化管理	5%	根据《危险废物规范化管理指标体系》(环办〔2011〕48 号), 危险废物规范化管理综合评估为达标。	根据《危险废物规范化管理指标体系》(环办〔2011〕48 号), 危险废物规范化管理综合评估为基本达标。	根据《危险废物规范化管理指标体系》(环办〔2011〕48 号), 危险废物规范化管理综合评估为不达标。
	4	噪声污染防治	4%	工业企业厂界环境噪声排放符合规定。	工业企业厂界环境噪声排放值超标 5dB (A) 以下 (含 5dB (A))。	工业企业厂界环境噪声排放值超标 5dB (A) 以上。



# E Credit Rating & CSR





# The international background and sources of ESEEC

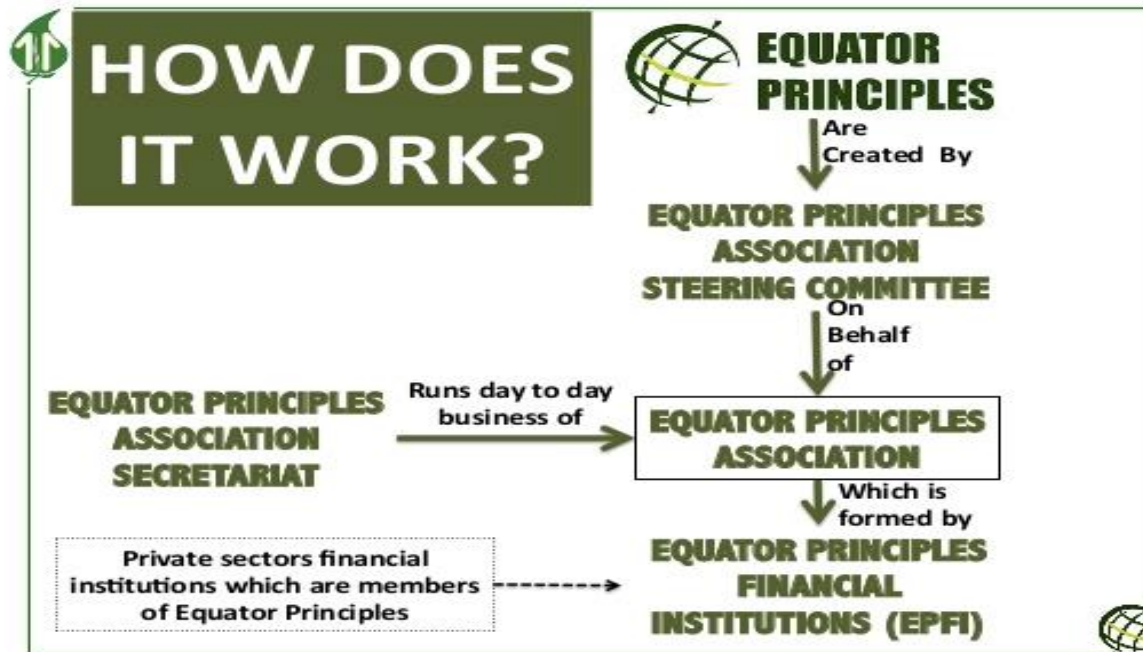
- United Nations Environment Programme – Finance Initiative (UNEP FI)





# The international background and sources of ESEEC

## THE EQUATOR PRINCIPLES





# The international background and sources of ESEEC CECR

- ④ **Environmental, Social And Governance (ESG) Criteria** is a set of standards for a company's operations that socially conscious investors use to screen investments. Environmental criteria looks at how a company performs as a steward of the natural environment.....



**Dow Jones  
Sustainability Index**

The Corporate Sustainability Assessment Criteria of Dow Jones Sustainability Indexes			
D	Criteria		W(%)
Economic	Codes of Conduct / Compliance / Corruption & Bribery	Organisational design	4.2
	Corporate Governance		4.2
	Scorecards / Measurement Systems		4.2
	Strategic Planning		4.2
	Customer Relationship Management	Business Processes	3.0
	Investor Relations		3.6
	Risk & Crisis Management		4.2
Environment	Environmental Policy / Management	Organisational design	4.8
	Environmental Reporting*		3.6
	Environmental Performance (Eco-Efficiency)	Outputs	1.8
Social	Labour Practice Indicators	Organisational design	3.0
	Social Reporting*		1.8
	Standards for Suppliers		2.4
	Corporate Citizenship/ Philanthropy	Business Processes	2.4
	Stakeholders Engagement		3.6
	Human Capital Development		3.0
	Knowledge Management/ Organizational Learning		3.0
	Talent Attraction & Retention		3.0

*D: Dimension, W: Weighting*

**Each dimension includes sector specific criteria**



# Indicators (Effective now)

- ④ The indicators of enterprise environmental credit rating are composed of 4 catalogs:  
24 items.
- ④ 1. Pollution prevention index,
- ④ 2. Environmental management index,
- ④ 3. Ecological protection index and
- ④ 4. Social influence index



## 2. Methodology

- ④ Analysis Method & Semantic Analysis Method:
  - ④ 1. Opinions on speeding up the Evaluation of Enterprises' Environmental Behavior (Referred to the '2005 Regulation' );
  - ④ 2. the Evaluation of Enterprise Environmental Trustworthiness (for Trial Implementation). (Referred to the '2013 Regulation' ).
  - ④ 3. the strengthening of enterprises environmental credit system (Referred to the '2015 Regulation' ).



## 2. Methodology

- ① Interview Method: The Interview is mainly in Jiangsu, Shanghai, Henan three provincial environmental protection authorities.
- ② Statistical Analysis Methodology.
- ③ .....



## 3. Result

- ④ 3. 1 The nature of ESEEC.
- ④ Sort out the ESEEC into two actions:  
rating + opening.
- ④ Administrative confirmation?
- ④ 1. No need to carry out large-scale credit  
rating for management needs of the EPBs.
- ④ 2. No need to interpret data and then  
monitor the business.
- ④ 3. Open oriented.

A typical system for environmental  
information disclosure.



## 3. Discovery and Result

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A typical system for environmental information disclosure.



### 3. Discovery and Result

- ⊙ Secondly, the ESEEC is not just a simple system of environmental information disclosure.
- ⊙ In 2013 EPB Measure combined the most authoritative three economic administrative ministries.
- ⊙ In 2015 EPB Measure, the results of the ESEEC must share with at least 16 Chinese central agencies.
- ⊙ For accepting public supervision and public participation, promoting public access to environmental justice, but reconstructing to co-regulatory system between governmental agencies.



## 3.2 The significance of the ESEEC in China

- ③ 3.2.1 Facilitate social supervision and public participation.
- ③ In Aarhus convention, Article 9 Each Party shall take steps to establish  
.....appropriate, a coherent, nationwide system of pollution inventories or registers on a structured, computerized and publicly accessible database compiled through standardized reporting.



## 3.2 The significance of the ESEEC in China

- ④ 3.2.1 Facilitate social supervision and public participation.
- ④ Raw data versus credit rating, the latter is considerable uncomplicated environmental information for its ease for public understanding and participation.
- ④ 4 or 5 colors.



## 3.2 The significance of the ESEEC in China

- ③ 3.2.2 To improve the leverage mechanism through market.
- ③ mechanism of ‘encouraging trustworthy, punishing dishonesty’ by using of economic incentives.
- ③ 2013 Measure four departments.
- ③ 2015 Measure 16 departments. Some among the 16.....



# The Instruments of Governance

- ① **1.The command-and-control regulation;**
- ② **2.The economic incentive mechanism and market-based instruments;**
- ③ **3. Social co-governance (社会共治)**



## 3.2 The significance of the ESEEC in China

- 3.2.3 Conform to the social co-governance & co-regulation of the environment. This is in line with the characteristics of environmental governance, especially under the context of difficult environmental implementation in China.



Ministry of Finance, Commerce, the People's Bank, Industry and commerce, Production Safety Supervision and Management, Quality and Technology Supervision, State-owned Assets Supervision and Management, Taxation, Customs, Energy and other relevant departments..., along side with banks, securities, insurance regulators, supervisory organs, trade unions, industry associations etc, to improve the ESEEC.



## 3.2 The significance of the ESEEC in China

- 3.2.4 The ESEEC is an anthropomorphic credit rating, to compel the enterprises taking more social responsibility.



- ③ 3. 3 The relationship among enterprises self-discipline, social co-governance and co-government regulation.

If not sufficient spontaneous self-discipline, that is mandatory self-discipline in fact.

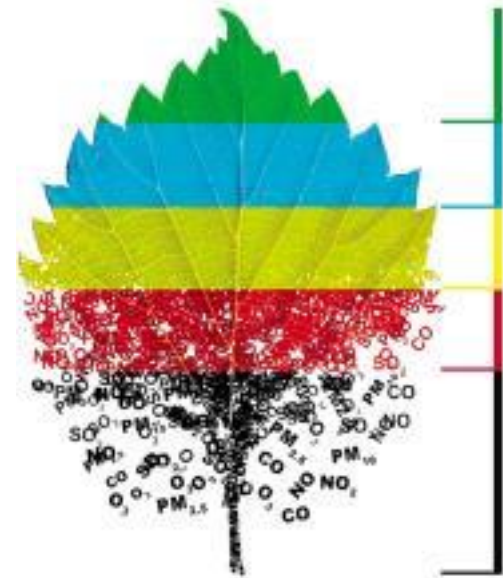


	2005 MEP Measure	2013 MEP Measure	2015 MEP Measure
Full Title	Opinions on speeding up the Evaluation of Enterprises' Environmental Behavior	The Measures issuing for the Evaluation of Enterprise Environmental Credit	The Guidance of issuing on the Strengthening of Enterprises Environmental Credit System
Issuing Authority	MEP	1. MEP; 2. The National Development and Reform Commission; (NDRC) 3. The People's Bank of China; 4. The China Banking Regulatory Commission.	1. MEP; 2. National Development and Reform Commission (NDRC) But including 10 related ministries and 6 organizations.
Indicator System	Including 1.pollution control; 2.ecological protection; 3.environmental management; 4.social supervision. Total: 17 items	Four areas as 2005, Total: 21 items	Same as 2013. But every province can have more detailed indicators Jiangsu: 24 items
Credit Grade	Rating five: Green, blue, yellow, red, and black	Rating four: Green, blue, yellow, red + 'One-vote veto'	Rating four: Green, blue, yellow, red + 'blacklist'
Degree of Punishment	Ordinary	Heavy! 14 cases One-vote veto Become "red grade"	Uncertain ! Canceled veto system But 16 departments combined
Primary Mechanism	Public participation	Green loan	Co-government &Co-regulation
Punishment & Effect	Not obvious	Not obvious	Remains to be seen



## 4. Discussion/Conclusion:

- ④ 4.1 The information disclosed was changed from direct to indirect in the ESEEC. it will distort the authenticity of the information.
- ④ 4.2 Social co-governance is based on the maturity of the social organizations. The current development of China's civil society has not yet reached this stage. Sounds trend to multi sectors co-regulation.





# Co-regulation

## 江苏省物价局文件 江苏省环境保护厅

苏价工〔2015〕335号

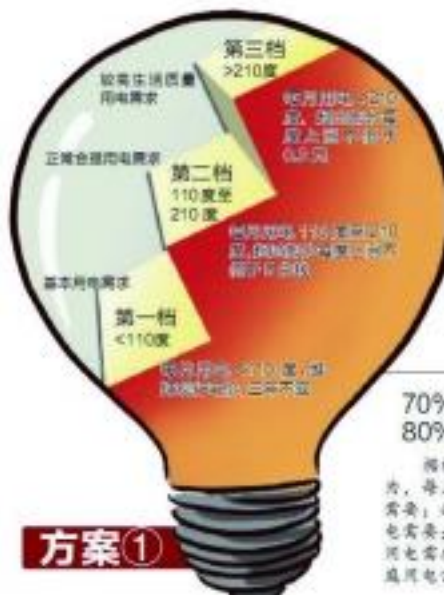
### 省物价局 省环保厅关于根据环保信用等级 等级试行差别电价有关问题的通知

各市、县（市、区）物价局（发改委、发改局）、环保局，省电力公司：

为发挥价格杠杆对高污染行业的抑制作用，完善环境保护“守信激励、失信惩戒”机制，推进环保信用体系建设，促进经济发展方式转变和结构调整，根据国家发展改革委关于差别电价管理的相关规定及环保部《企业环境信用评价办法（试行）》、《江苏省企业环保信用评价及信用管理暂行办法》（苏环规〔2013〕1号）等，明确根据环保信用评价对部分高污染企业试行差别电价政策，现将有关事项通知如下：



中国城乡金融报



电价6年调6次

自2004年以来，我国销售电价共调整6次。累计每千瓦时上调13.43分，平均上涨约4%。

70%家庭每月用电110度  
80%家庭每月用电140度

据统计，2009年全国户均用电情况为：每月110千瓦时可满足70%家庭用电需要；每月140千瓦时可满足80%家庭用电需要；每月210千瓦时可满足90%家庭用电需要；每月270千瓦时可满足95%家庭用电需要。





## 4. Discussion/Conclusion:

- ④ 4.3 The game between central and local is still cannot be diminished. Central model is generally considered too strict. In 2013 MEP Measure there are 14 votes in the veto, Local against that.
- ④ 4.4 The difficulty of co-governance in China is apparent because of civil society. Dependence on governments instead of social society will become a kind of "lazy" thinking, which may further suppress the growth of social society in the long run in China.



# Jiangsu Province

附件1:

2015年国控重点企业环保信用评价结果统计表

设区市	绿色企业	蓝色企业	黄色企业	红色企业	黑色企业	参评企业数
南京	50(3.87%)	1202(92.97%)	25(1.93%)	14(1.08%)	20(1.5%)	1293
无锡	896(20.49%)	3004(68.71%)	328(7.50%)	120(2.75%)	24(0.55%)	4372
徐州	248(22.22%)	490(43.91%)	207(18.55%)	150(13.44%)	21(1.88%)	1116
常州	733(28.02%)	1691(64.65%)	94(3.59%)	77(2.94%)	21(0.80%)	2616
苏州	396(13.33%)	1972(66.40%)	352(11.85%)	202(6.80%)	48(1.62%)	2970
南通	115(4.98%)	1503(65.04%)	437(18.91%)	187(8.09%)	69(2.98%)	2311
连云港	53(8.09%)	506(77.25%)	67(10.23%)	19(2.90%)	10(1.53%)	655
淮安	103(7.22%)	1246(87.32%)	54(3.78%)	21(1.47%)	3(0.21%)	1427
盐城	131(8.17%)	1383(86.28%)	64(3.99%)	22(1.37%)	3(0.19%)	1603
扬州	117(6.66%)	1357(77.19%)	122(6.94%)	96(5.46%)	66(3.75%)	1758
镇江	229(24.16%)	580(61.18%)	48(5.06%)	86(9.07%)	5(0.53%)	948
泰州	152(3.47%)	3218(73.54%)	749(17.02%)	227(5.19%)	34(0.78%)	4376
宿迁	14(7.78%)	133(73.88%)	18(10.00%)	10(5.56%)	5(2.78%)	180
省厅(国控)	301(31.89%)	478(50.64%)	102(10.80%)	43(4.55%)	20(2.12%)	944
总计	3538(13.32%)	18763(70.61%)	2663(10.02%)	1274(4.80%)	331(1.25%)	26569



- ④ In short, the ESEEC is a very realistic system designed under Chinese context. It continues to play the advantages of information disclosure while trying to improve the effectiveness of that. Hope in the future, public participation and the power of civil society will be further enhanced for environment.

