

Capacity Building for Environmental Compliance in Chinese Outward Investors

GEI Investment, Trade and the Environment; [REN Peng](#), [ZHU Rong](#), [ZHANG Jingwei](#)

Beijing, Kunming; China



The Asia Foundation

Global Environmental Institute (GEI)'s Capacity Building Project within Investment, Trade and the Environment Program has recently focused on two main project areas to meet the opportunities presented by increased Chinese investment abroad:

- To work with domestic agencies to vigorously promote policies that guide and regulate the behavior of Chinese foreign investors.
- To design and hold trainings for businesses that explain relevant provisions of China's foreign investment policy and help executives understand methods for environmental protection.

TRAININGS: In 2015, GEI developed a training program called "**Environmental Capacity-Building Training for China's Foreign Invested Enterprises,**" specifically designed for Chinese medium-sized private and state-owned enterprises seeking opportunities in **Southeast Asia hydropower, mining or agriculture projects.**

Over 200 representatives attended the two training sessions that were held in Beijing, China's capital city, a central location for decision makers in policy and corporations; and in **Kunming,** the hub for Chinese Southeast Asian investment with 454 enterprises with foreign-investment enterprises and over 90% of the outward investment flow.

Company representatives attending the training sessions learned about environmental and social impacts of their projects and how to regulate and mitigate any risk of their overseas investment in the local area.

REPORT SERIES: To maximize the results of the training, and enable more businesses to benefit in the future, the project team, with several other drafters, created a set of case studies of Chinese investments in Southeast Asia called "**Foreign Investment and Cooperation of Environmental Protection Guidelines.**" These reports utilize GEI's previous projects and public information as well as new first-hand research. The guidelines cover corporate social responsibility, environmental impact assessment (EIA), conflict management, and other aspects of sustainable community development.

GEI will continue building its training materials for future 'Going Out' workshops and cooperating with more and more enterprises.

CAPACITY BUILDING FOR CHINESE COMPANIES

The Reality: Chinese overseas investment and business cooperation continues* to increase and expand geographically. Investment in underdeveloped countries of Southeast Asia is also growing due to its proximity to China, opportunity and the ASEAN agreement.

*since the implementation of China's "Going Out" Strategy in 2002.

The Problem: Economic and social impacts of Chinese investments are concerning the international community, particularly host governments and local people in developing regions.

The Opportunity: 1) Build the capacity for Chinese responsible investment
2) Enhance the position of Chinese business on the international stage