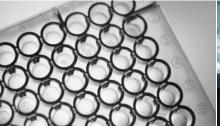
Regulations on the Safe Management of Hazardous Chemicals in China

Decree 591 of the State Council of China in 2011 – Full English Translation (non-official)







The Regulation on the Safe Management of Hazardous Chemicals revised and approved by the State Council at its144 executive meeting on 16 February 2011 is hereby promulgated and shall be implemented as of 1 December 2011.

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Chemical Inspection and Regulation Service (CIRS) is an independent firm providing comprehensive hazardous substance testing and chemical regulatory consulting services with a strong focus on worldwide chemical compliance. We are dedicated to providing valued chemical compliance services and solutions by delivering valued information through original expert analysis. More info about us can be found at http://www.cirs-reach.com

Chapter 1 General Provisions

Article 1

This regulation has been promulgated to strengthen the safe management of hazardous chemicals, and to prevent and decrease accidents involving hazardous chemicals, whilst also guaranteeing the safety of people's life and property, and to protect the environment.

Article 2

The regulation applies to the manufacture, storage, usage, operation and marketing of hazardous chemicals. Disposal of hazardous chemical waste should be carried out in compliance with relevant environmental protection laws, administrative regulations and other state provisions.

Article 3

Hazardous chemicals refer to highly toxic substances and other chemicals which are toxic, corrosive, explosive, flammable or are combustion-supporting and can do harm to people, facilities or the environment.

The Catalogue of Hazardous Chemicals should be determined, promulgated and properly adjusted in accordance with the hazard identification and classification by the State Administration of Work Safety as well as the Ministry of Industry and Information Technology, the public security authorities, the Ministry of Environmental Protection, the Ministry of Health, the quality supervision, inspection and quarantine department, the transport department, the railway department, the civil aviation department and the agricultural department under the State Council.

Article 4

Safe management of hazardous chemicals should abide by the policy of safety first, precaution mainly and comprehensive management, to strengthen and implement the main responsibility of enterprises.

The person chiefly in charge of the enterprises which manufacture, store, use, deal in and transport hazardous chemicals (hereinafter referred as the units of hazardous chemicals) shall be responsible for the safe management of such hazardous chemicals.

Units of hazardous chemicals should meet the safety requirements of laws, administrative regulation, national and industrial criterions, establish safety management rules, educate the employees on safety and legal systems as well as provide technical training. Employees shall be educated and trained. Only the qualified person after examination should be permitted to work; For the jobs requiring qualifications, only the staff with relevant qualification can perform such work.

Article 5

Any units and personnel are not allowed to manufacture, sell or market, and use the hazardous chemicals, whose production, operation, and usage are banned by the State. Any units and personnel should not use the hazardous chemicals by breaking the restrictive provisions set up by the State.

Article 6

Relevant authorities in charge of safety supervision and administration of the manufacture, storage, operation and transportation of hazardous chemicals should perform the duties in compliance with the following rules:

- 1. The State Administration of Work Safety is responsible for the safety supervision and administration of hazardous chemicals, the issue and adjustment of the Catalogue of Hazardous Chemicals, the safety evaluation and inspection of newly established construction projects, re-constructed projects, or expanded facilities for the production and storage of hazardous chemicals (including the transport of hazardous chemicals by long distance pipeline). They are also responsible for the verification and issue of operating licenses for safe production, safe use of hazardous chemicals, business license for hazardous chemicals and for the registration of hazardous chemicals.
- 2. Public security authorities are responsible for the public safety management of hazardous chemicals, the verification and issue of purchase permit for highly toxic chemicals, land transport permit for highly toxic chemicals, and administrating the road traffic safety of vehicles transporting hazardous chemicals.
- 3. Department of quality supervision & inspection quarantine is responsible for issuing industrial product manufacturing licenses to manufacturers who produce hazardous chemicals or the packaging and containers for hazardous chemicals (excluding the fixed large tanks for storing hazardous chemicals), supervising the quality of the products, and inspecting the imported and exported hazardous chemicals and their packages.
- 4. The Ministry of Environment is responsible for the supervision and administration of the disposal of hazardous chemical waste, identification of the hazards and evaluation of the environmental risk of hazardous chemicals, the determination of the hazardous chemicals as key hazardous chemicals for environmental management, and the environmental management registration of hazardous chemicals and new chemicals. They are also responsible for the investigation of relevant environmental pollution accidents and ecological destruction by hazardous chemicals and the monitoring of any scenes of accidents involving hazardous chemicals.
- 5. Departments of transportation are responsible for the issue of transport permit for the transport of hazardous chemicals by land and waterways, and the safety management of transport vehicles. They are also responsible for the safety supervision of the transportation of hazardous chemicals by waterway and for the determination of qualifications for drivers, sailors, loading and uploading managerial staff, escorts, applicants, and on-site container

inspectors. Department of railway is responsible for safety management of railway transportation for hazardous chemicals, and is responsible for the qualification approval of carriers and shippers for railway transportation of hazardous chemical and safety management of transport vehicles. Department of civil aviation is responsible for the supervision of the transport of hazardous chemicals by air.

- 6. The Ministry of Health is responsible for management of toxicity appraisal of hazardous chemicals, and is responsible for the organization and coordination of medical rescues of injured person involved in accidents with hazardous chemicals.
- 7. Department of administration for industry and commerce is responsible for verifying and issuing business license of the enterprises who manufacture, store, deal in and transport hazardous chemicals, investigating and taking legal action against companies who procure hazardous chemicals illegally.
- 8. Department of administration for post is responsible for the investigation of the delivery hazardous chemicals.

Article 7

Above departments in charge of safety supervision and administration of hazardous chemicals may take measures as follows in the course of supervision and inspection:

- To enter into a workplace which contains hazardous chemicals in order to carry out on-site inspection, and to learn more information from units and staff, to consult and copy the relevant files and profiles.
- 2. To order the units to get rid of potential risks immediately or eliminate the risks during a limited time once as soon as the hidden risks of hazardous chemicals are discovered.
- 3. To order the units to cease the use of the facilities, equipments, apparatus and transport tools which do not meet the requirement of laws, administrative regulations, rules and national industrial standards:
- 4. To shut down the illegal workplaces manufacturing, storing, dealing in and using hazardous chemicals. To detain the illegal hazardous and the raw material, apparatus and transport tools used to manufacture, use and transport hazardous chemicals illegally.
- 5. To order the units to correct immediately or command a correction during a limited time if incompliance is found. Departments in charge of safety supervision and administration of hazardous chemicals should supervise and inspect by law, ensuring that there are no less than 2 inspectors each time and presenting their identification cards before inspection; The relevant units and persons should coordinate with the supervision and inspection in accordance with the law, without any refusal or hinderance.

Article 8

Government above the county level should initiate a coordination system of safety supervision and administration of hazardous chemicals to support and guarantee that the departments in charge of safety supervision and administration of hazardous chemicals can implement their

responsibilities by law, and can coordinate and solve the major problems during the work on safety supervision management of hazardous chemicals. Departments in charge of safety supervision and administration of hazardous chemicals shall coordinate and cooperate closely, strengthening the safety supervision and administration of hazardous chemicals under the law.

Article 9

Any unit or personnel has the right to report to departments in charge of safety supervision and administration of hazardous chemicals regarding any actions that could be seen as being in defiance against this regulation. Departments in charge of safety supervision and administration of hazardous chemicals should deal with those cases promptly. If the case is out of the responsibilities of one department, the department shall hand this case to relevant department.

Article 10

The State encourages the enterprises that manufacture or use hazardous chemicals to adopt advanced technologies, techniques, facilities and auto-control systems to improve safeguards level. The State also encourages special facilities for storage, massive distribution and concentrated sales.

Chapter 2 Safety Management of Manufacture and Storage

Article 11

The State implements the principle of proper planning for the manufacture and storage of hazardous chemicals. Departments of Industry and Information Technology as well as other departments of state should be responsible for the industrial layout, planning for manufacture, and storage of hazardous chemicals in compliance with stated duties/ responsibilities.

Local government should make urban and rural planning according to the local actual situation; and plan a specialized area for the manufacture and storage of hazardous chemicals.

Article 12

The State Administration of Work Safety (SAWS) shall carry out safety evaluations of newly established projects, re-constructed or expanded project for the production and storage of hazardous chemicals (hereinafter referred to as construction projects).

The construction units should be able to prove the safety conditions of construction projects by appointing qualified agencies under state laws to carry out safety assessment and submitting the report to the State Administration of Work Safety(SAWS) at city-level or above. SAWS should issue the examination decision within 45 days after receiving the report and inform the construction units of the decision in writing. Specific measures shall be formulated by the State Administration of Work Safety (SAWS).

Regarding ports-construction projects for newly established, re-constructed, expanded storage, load and upload of hazardous chemicals shall be inspected by port administrative departments according to the regulation of the transport administrative department of the State Council.

Article 13

The units involved in the manufacture and storage of hazardous chemicals, should set visible symbol/warning for the laid pipeline of hazardous chemicals and examine, detect, monitor such pipeline of hazardous chemicals regularly.

The construction units should inform any parties involved with the pipeline in writing before starting the construction which may endanger the safety of pipeline for hazardous chemicals, draw up a contingency plan with any parties involved with the pipeline, and take the corresponding security and protection measures. Any parties involved with the Pipeline should assign specific persons to guide the on-site safety protection of pipeline.

Article 14

Before any manufacturing activities, manufacturers of hazardous chemicals should apply for an operating license for safe production in compliance with the 《Measures on the administration of operating licenses》.

Manufacturing enterprises shall obtain the industrial products manufacturing license when they produce the hazardous chemicals listed in the Catalogue of Industrial Products with production permit required by the State in compliance with the 《Regulation of the people's republic of China on administration of production licensing of industrial products》.

The departments in charge of issuing operating licenses for safe production and the industrial products manufacturing license shall share the information about the grant of licenses with the Ministry of Industry and Information Technology, the Ministry of Environment Protection, and public security authorities at the same level.

Article 15

Manufacturers of hazardous chemicals shall provide safety data sheet consistent with the hazardous chemicals that are produced, post or affix a chemical safety label on the package (including outer packaging). The contents in safety data sheet and chemical safety labels should meet the requirements of relevant national standards.

Manufacturers should make an announcement and amend the safety data sheet and chemical safety label in time if new hazard information of the hazardous chemical is discovered.

Article 16

Manufacturers of hazardous chemicals that have been identified as key hazardous chemicals for environmental management shall notify relevant environmental authorities of the release information of hazardous chemicals in accordance with relevant laws and measures. The

Ministry of Environmental Protection may take relevant environmental risk control measures depending on the case.

Article 17

Packaging of hazardous chemicals should meet the requirements of relevant laws, administrative regulations, national or industrial standards.

The material of packages and containers of the hazardous chemicals and the patterns, formats, ways and unit quantity (weight) of the package of hazardous chemicals should correspond with the properties and uses of the packed hazardous chemicals.

Article 18

Manufacturers of packages and containers for hazardous chemicals shall apply for industrial product manufacturing license in accordance with (Regulation of the people's republic of China on administration of production licensing of industrial products) if the packages and containers are listed in the Catalog of Industrial Products; The packages and containers cannot be sold unless they have passed the inspection of the department of quality supervision & inspection quarantine.

The ships and loading containers transporting hazardous chemicals should be manufactured under the regulation of national inspection standard of ships and checked by the qualified ship inspection institutes designated by maritime authority before they can be put into use.

The re-used packages and containers for hazardous chemicals should be inspected before they are reused; the packages and containers should be maintained or changed if hidden risks are discovered. Parties or units using these should keep records of the inspections available for more than 2 years.

Article 19

Hazardous chemical production facilities, that can constitute a major dangerous source or storing facilities (except for transport gas stations and filling stations) of which the quantity creates a major hazard, shall conform to the relevant provisions of national regulations in terms of their distance from the following areas or facilities:

- 1. Residential estates, downtown areas, parks and other densely inhabited districts;
- 2. Schools, hospitals, theatres, sport stadiums and other public facilities;
- 3. Sources of drinking water, waterworks and water source protection zones;
- Stations, ports (excluding those permitted by law to engage in hazardous chemicals loading and unloading operations), airports and communications avenues, communication centers, railways, traffic road and water arteries, subway and subway entrances-or-exits;
- Basic farmland protection zones, basic grassland, livestock and poultry inheritance source protection zones, livestock and poultry breeding plants of scale (or breeding farms), fishing waters, production bases of crop seeds, livestock and poultry breeds

and fish fry;

- 6. Waterways, lakes, scenic sports and nature reserves;
- 7. Closed military zones, military management areas;
- 8. Other places, facilities and districts specified by laws and administrative regulations.

If existing hazardous chemicals production devices or storing facilities of which the quantity creates a major hazard do not meet the preceding provisions, the Department of Safety Production Supervision and Administration under the municipal government shall work with other relevant departments and monitor the responsible units to make corrections within the specified time limit; the change of the line of production, the stoppage of production, the move, or shutdown shall be reported to the people's government at the same level where the responsible unit is located for approval, and be executed upon the governmental decision.

Location of the hazardous chemicals storing facilities of which the quantity creates a major hazard should avoid active earthquake fault zones and areas prone to floods and geologic hazard areas.

The "major hazard" herein refers to units (including places and facilities) in which the hazardous chemicals are manufactured, transported, used or stored and the quantity of the hazardous chemicals is equal to or exceeds the threshold quantity.

Article 20

Units engaged in hazardous chemicals production and storage shall set up relevant safety facilities and equipments for inspecting, monitoring, ventilation, sun protection, temperature adjustment, fireproofing, fire control, explosion protection, pressure relief, poisoning prevention, neutralization, moisture prevention, lightening prevention, static electricity resistance, antisepsis, leak prevention, and reclamation dam protection or isolated operation in the working sites, according to the type and hazard properties of the hazardous chemicals produced or stored, and carry out regular repair and maintenance for the safe use of those safety facilities and equipments according to the national standards, industry standards or relevant provisions of the State.

Units engaged in hazardous chemicals production and storage shall set up visible safety warning signs in the concerned operation sites and on the concerned safety facilities and equipments.

Article 21

Units engaged in hazardous chemicals production and storage shall set up communication and warning installations in the concerned operation sites.

Article 22

Units engaged in hazardous chemicals production and storage shall commit the agencies with relevant qualifications issued by the State to carry out safety evaluation every three years on ones' own safety production conditions and submit safety evaluation reports. Content of the

safety evaluation report shall include suggestions and plans for existing problems of safety production.

Units engaged in hazardous chemicals production and storage shall report the implementation of the reform programs for record to the department of safety production supervision and administration under the people's government at the county level. Units engaged in hazardous chemicals storage in port areas shall submit the safety evaluation report and the implementation of reform program to the competent authorities for port administration for record.

Article 23

Units engaged in the production and storage of highly toxic chemicals or engaged in the production of the hazardous chemicals that are used to manufacture explosive products (hereafter referred to as "explosive precursor hazardous chemicals") with permission of the department of Public Security under the State Council shall record faithfully and accurately the quantity and distribution details of the highly toxic chemicals and explosive precursor hazardous chemicals, and take necessary safety and prevention measures to prevent the highly toxic chemicals or explosive precursor hazardous chemicals from losses and theft; in case of such above losses or theft occurring, the local Public Security department shall be informed immediately.

Units engaged in the production or storage of highly toxic chemicals or explosive precursor hazardous chemicals shall set up a particular department of public security and allocate full-time safeguard personnel.

Article 24

Hazardous chemicals shall be stored in specialized warehouses, fields or specialized storage rooms (hereafter referred to as "warehouses") and managed by responsible personnel; highly toxic chemicals and other hazardous chemicals of which the storing quantity creates a major hazard shall stored in the specialized warehouses and subject to the system of double-person receiving and dispatching and double-person safekeeping.

The storage method, approach and quantity should meet the relevant requirements of the national standards or regulations.

Article 25

Units engaged in the storage of hazardous chemicals shall establish a system of hazardous chemicals in-and-out stock checking and registration.

For highly toxic chemicals and other hazardous chemicals of which the quantity creates a major hazard, the concerned storage units shall report the storing quantity, location and safekeeping personnel details to the department of Safety Production Supervision and Administration at the local county level (if stored within port areas, the report shall submitted to the port administrative authority) and the Public Security department for record.

Article 26

The specialized warehouses for hazardous chemicals shall meet the requirements of the national standards and industry standards, and be designed with visible signs/ warning notices. Specialized warehouses used to store highly toxic chemicals and explosive precursor hazardous chemicals shall be equipped with relevant technical prevention facilities in accordance with the national regulations.

Units engaged in the storage of hazardous chemicals shall carry out regular testing and inspection on the safety facilities and installation of the specialized warehouses.

Article 27

If the units engaged in the production and storage of hazardous chemicals have changed their line of production, ceased production, shut down business or dissolved the enterprise, effective, timely and proper measures must be taken to dispose of the equipment for hazardous chemicals production or storage as well as the remaining hazardous chemicals in stock; hazardous chemicals shall never be discarded; disposal proposals shall be submitted to the responsible department of the safety production supervision and administration under the local people's government at the local county level, and the administrative department in charge of industry and information technology, environmental protection and the public security for record. The responsible department of safety production supervision and administration shall work with the departments of environment protection and public security to monitor and inspect the implementation of disposing; if non-conforming cases are found, proper disposal in compliance with regulations shall be ordered immediately.

Chapter 3 Safety Management of Use

Article 28

The conditions of use (including technical process) of the units engaged in the usage of hazardous chemicals shall meet the requirements of the law, the administrative regulations, the national standards and industry standards. The units shall establish and improve safety management rules and operation procedures, based on the type, hazard property, the quantity and method of the concerned hazardous chemicals, ensuring the safe use of hazardous chemicals.

Article 29

Chemical enterprises (excluding manufacturers of hazardous chemicals) who are engaged in manufacturing activities by using hazardous chemicals shall apply for operating license for safe use if the quantities of hazardous chemicals used have exceeded certain limits.

The quantity limit in the preceding paragraph shall be determined and published by the State Administration of Work Safety, together with the department of public security and the agricultural competent authority.

Article 30

Chemical enterprises that apply for operating license for safe use shall be qualified under the following conditions apart from meeting the provisions of Article 28 hereof:

- 1. Having professional technical personnel who know how to use hazardous chemicals;
- 2. Having department or agency of safety management and full-time health and safety personnel;
- 3. Having the state-approved emergency plans for hazardous chemicals accidents and necessary emergency rescue equipment and facilities;
- 4. Having received safety evaluation according to law.

Article 31

Chemical enterprises that apply for operating license for safe use shall submit application documents and credential materials in compliance with the provisions of article 30 herein to SAWS at the local municipal level. SAWS shall examine and inspect all application documents according to law and return the applicant a decision of approval or non-approval upon the receipt of documents within 45 days. The licenses shall be issued to the approved applicants and unapproved applicants shall be informed by written notice with the corresponding reasons.

The departments in charge of issuing operating licenses for safe use shall share the information about the grant of licenses with the Ministry of Environment Protection and public security authorities at the same level.

Article 32

The provisions on enterprises engaged in the production of key hazardous chemicals for environmental management as specified in Article 16 herein apply to all units that manufacture products using key hazardous chemicals for environmental management; the provisions as specified in Article 20, Article 21, 1 of Article 23, and Article 27 herein on units engaged in the production and storage of hazardous chemicals also apply to the units that use hazardous chemicals; the provision as specified in Article 22 herein on units engaged in the production and storage of hazardous chemicals also apply to the units that manufacture products using hazardous chemicals.

Chapter 4 Safety Management of Operation and Marketing

Article 33

The State implements a license system on the operation and marketing of hazardous chemicals. Without license, no entity or individual is allowed to engage in the operation and marketing of hazardous chemicals.

Manufacturers of hazardous chemicals do not need to obtain a license for operation and marketing if the hazardous chemicals are sold within the scope of plant and the hazardous chemicals are manufactured by the plant itself.

The port operator that has obtained a license according to the Port Law of the People's Republic of China does not need to obtain the license when the port is engaging in the storage operation and marketing of hazardous chemicals within the port area.

Article 34

Enterprises engaging in the operation and marketing of hazardous chemicals shall meet the following requirements:

- It shall have premises in compliance with the national and industrial standards; units engaged in the storage of hazardous chemicals and shall still have storage facilities in compliance with the national and industrial standards;
- 2. The operation personnel shall receive professional training and be approved as qualified after passing due examination and verification;
- 3. It shall have a wholesome system of safety control;
- 4. It shall have full-time health and safety personnel;
- 5. It shall have the state prescribed emergency rescue plans and the necessary emergency rescue equipment and facilities.
- 6. It shall meet the other requirements of laws and regulations.

Article 35

Enterprises engaging in the commercial operation of highly-toxic chemicals and explosive precursor hazardous chemicals shall submit applications to the responsible department of SAWS under the local municipality government; enterprises engaged in the commercial operation of other hazardous chemicals shall submit applications to the responsible department of SAWS under the local county government (Units that have storing facilities shall submit applications to the responsible department of SAWS under the local municipality government). The applicants shall submit the supporting documents for qualifications as specified in Article 34 herein. The responsible departments of Safety Production Supervision and Administration under the people's governments at the municipality level (with districts) or at the county level shall, upon the receipt of applications, examine the supporting documents submitted by the applicants and their business premises and storage facilities in accordance with the provisions herein. The approval or un-approval decisions shall be made within 30 days after the receipt of applications. The operating license for operation and marketing shall be issued to the approved applicants; and the unqualified applicants shall be informed by written notice with the corresponding reasons.

The responsible departments of SAWS under the local municipal government and the local county government shall promptly report the issuing of the operating license for operation and marketing to the competent authorities of environmental protection and public security at the same levels.

Applicants who apply for the operating license for operation and marketing are not allowed to engage in the commercial operation of hazardous chemicals until they have registered with the department of industry and commerce. If other licenses or permits are required, applicants

shall provide those licenses or permits when they register with for the department of industry and commerce.

Article 36

If enterprises engage in the commercial operation of hazardous chemicals and also store hazardous chemicals, relevant provisions in Chapter II herein shall be applied. Hazardous chemicals stores are only allowed to keep small packages of hazardous chemicals for civil use.

Article 37

Enterprises engaging in the commercial operation of hazardous chemicals are forbidden to purchase such chemicals from enterprises that do not have an operating license, and are forbidden to sell or market hazardous chemicals without safety data sheet or chemical safety label.

Article 38

Enterprises that have obtained operation licenses for safe production or safe use or operation and marketing shall demonstrate the corresponding licenses when purchasing highly toxic chemicals or explosive precursor hazardous chemicals. Civil explosives manufacturers shall demonstrate the license for production of civil explosives when purchasing explosive precursor hazardous chemicals.

Units excluded in the preceding paragraph shall apply for the purchase permit of highly toxic chemicals from the responsible department of public security under the local county government; units that purchase explosive precursor hazardous chemicals shall demonstrate the official use descriptions issued by such units.

Individuals are forbidden to purchase highly toxic chemicals (excluding the pesticides classified as highly toxic chemicals) and explosive precursor hazardous chemicals.

Article 39

Applicants who apply for the purchase permit of highly toxic chemicals shall submit the following documents to the responsible department of public security under the local county government:

- 1. Copies of business license or legal representative certificate (certificate of registration);
- 2. Descriptions of the type and quantity of the highly toxic chemicals to be purchased;
- 3. Descriptions of the use of the highly toxic chemicals to be purchased;
- 4. The Identification card of the person who executes the application.

The responsible department of public security under the local county government shall examine and inspect all application documents according to law and return the applicant a decision of approval or non-approval upon the receipt of documents within 3 days. The purchase permit of highly toxic chemicals shall be issued to the approved applicants and

unapproved applicants shall be informed by written notice with the corresponding reasons.

The administration measures on the license for purchasing highly toxic chemicals are formulated by the Ministry of Public Security under the State Council.

Article 40

The enterprises that manufacture or deal with hazardous chemicals should firstly check the purchaser's relevant licenses and documents for qualification in accordance with the provisions specialized in 1 and 2 of Article 28 before they sell the highly toxic chemicals and explosive precursor hazardous chemicals, and they shall not sell the highly toxic chemicals and explosive precursor hazardous chemicals to units without relevant purchase certification or qualification. When selling the highly toxic chemicals to units that hold the relevant purchase certifications, the kind and quantity of products sold must be in accordance with the contents as specified on the licenses.

It's prohibited to sell highly toxic chemicals (excluding the pesticides classified as highly toxic chemicals) and explosive precursor hazardous chemicals to individuals.

Article 41

Enterprises that manufacture and deal with highly toxic chemicals and explosive precursor hazardous chemicals, when selling such chemicals, shall record names and addresses of purchase units, names and identity card numbers of purchasing personnel, as well as kind/type, quantity, and purposes of purchased highly toxic chemicals and precursor of explosive precursor hazardous chemicals. The sales records and the copies of purchasing personnel ID and relevant licenses or supporting documents for qualification shall be kept for a period of one year at least.

The enterprises that sell or purchase the highly toxic chemicals and explosive precursor hazardous chemicals shall submit the information including the kind, quantity and distribution of sold or purchased highly toxic chemicals and explosive precursor hazardous chemicals to the public security of the people's governments at the county level within 5 days after selling out or purchasing for record, and the relevant data shall be input to computer system at same time.

Article 42

The enterprises that use the highly toxic chemicals and precursor of explosive precursor hazardous chemicals shall not lend or transfer the highly toxic chemicals and precursor of explosive precursor hazardous chemicals they purchased; In case of changing the line of production, halting production, relocating and shutting down, they shall transfer such chemicals to the units that having relevant licenses and qualification documents in accordance with 1 and 2 of Article 38, and shall report relevant things to the public security of the people's government at county level after finishing the transfer business.

Article 43

The enterprises that engage in the transportation of hazardous chemicals by road and waterway shall obtain transportation permit for hazardous chemicals by road and waterway according to the provisions of laws and regulations, register themselves with the Industrial and Commercial Bureau, and get equipped with specialized safety management personnel.

Article 44

The drivers, crewmen, loading and unloading management personnel, transport escorts, declarers, and on-site container inspectors shall pass the examination by the administrative department of transportation and obtain job qualifications. The detailed measures shall be established by the department of transportation of the State Council.

The loading and unloading of the hazardous chemicals shall follow standard safety operation procedure standards or rules, and shall be conducted under the command and control of on-site loading and unloading management personnel. The container stuffing operation of hazardous chemicals with waterway shall be conducted under the command and control of on-site container stuffing inspectors, and shall be in accordance with the requirements of regulation regarding stowage and isolation; the on-site container stuffing inspectors shall sign the packing certificate.

Article 45

When transporting the hazardous chemicals, the relevant precautions for safety should be taken in accordance with the hazard properties of hazardous chemicals, and the necessary protective equipments and facilities for emergency responses should also be allocated.

The trough containers and other containers for transporting hazardous chemicals should be sealed tightly to protect the hazardous chemicals from any leakage and sparkle leakage because of any change of temperature, moisture or pressure; The overflow and pressure relief device shall be set accurately and be easy to work.

The drivers, crewmen, loading and unloading management personnel, transport escorts, declarers, and on-site container stuffing inspectors for transporting of hazardous chemicals shall understand the hazard properties of the transported hazardous chemicals, the requirements for the use of packaging materials and containers, and emergency response measures in case of accidents.

Article 46

For the transportation of hazardous chemicals by road, consignors shall entrust transportation enterprises that are licensed to transport such chemicals in accordance with the laws regarding transport of such chemicals.

Article 47

For the transportation of hazardous chemicals by road, the loading weight of the hazardous

chemicals should not exceed the approved load limits of the vehicles.

The vehicles for transportation should meet the safety requirements of the national standards, and the technical safety conditions of the vehicles should be inspected regularly in compliance with the national provisions.

The vehicles used for transportation of hazardous chemicals shall affix or be sprayed with warning signs in compliance with the national provisions.

Article 48

For the transportation of hazardous chemicals by road, vehicle transport escorts shall be assigned, and all of the hazardous chemicals being transported shall be under the supervision of such transport escorts at all times.

In the case of vehicles parking for accommodation purposes on the way or where longer stay times are needed, in case of influences occurring during normal transportation, the drivers and transport escorts shall take relevant protective measures of safety; for the transportation of highly toxic chemicals, consignors shall also report to the local public security authorities.

Article 49

Vehicles transporting the hazardous chemicals shall not be permitted to enter restricted zones for such vehicles without firstly being approved by the public security authorities. The restricted zone for vehicles that transport the hazardous chemicals shall be clearly demarcated/ set out and clearly marked by the public security authorities of the people's governments at the county level.

Article 50

For the transportation of highly toxic chemicals through road networks, consignors shall apply for road transportation pass from the public security authorities of the people's governments at the county level at places of origin or destination.

When applying for the road transportation pass for highly toxic chemicals, the consignors shall submit the following documents to the people's governments at the county level:

- 1. The description of the category and quantity of highly toxic chemicals for transportation;
- 2. The detail regarding the place of departure and the place of destination, expected transportation time and route;
- 3. The transportation permit for hazardous chemicals, vehicle registration certificates, and the qualification certificates of drivers and workers.
- 4. Purchase permit for highly toxic chemicals in accordance with the provisions specified in 1 and 2 of Article 38 herein, or the qualification certificate for import and export issued by Customs.

The public security organs of the people's governments at the county level shall make the approval or non-approval decisions within 7 days after the receipt of the preceding paragraph materials; the road transportation pass for highly toxic chemicals shall be issued to qualified applicants; the unqualified applicants shall be informed in writing with the corresponding reasons.

The administrative measures for the road transportation pass for highly toxic chemicals shall be established by the public security of the State Council.

Article 51

When highly toxic chemicals are lost, stolen, drained, or leaked during road transportation, the drivers and transport workers must take relevant warning measures and report them to the local public security authorities forthwith. The public security authorities, upon the receipt of reports, shall notify other administrative departments of state administration of work safety, environmental protection and public health forthwith, and these departments shall adopt the necessary emergency response measures.

Article 52

The transportation of hazardous chemicals through waterways shall be compliance with the relevant laws, administrative regulations and provisions of the administrative departments of transportation of the State Council.

Article 53

The administrative department of marine shall determine the relevant transporting conditions for transportation of hazardous chemicals by ships depending on the kind and hazardous properties of the hazardous chemicals.

Chemicals to be transported by ships with uncertain relevant transporting conditions shall be evaluated by qualified institutions stipulated by the administrative department of marine. Those chemicals can only be delivered by ships after the relevant transporting conditions for safety transportation have been determined by the administrative department of marine.

Article 54

The transportation of highly toxic chemicals and other hazardous chemicals whose transportation by inland waterways have been prohibited are banned on inland waterways.

The scope of highly toxic chemicals and other hazardous chemicals whose transportation are banned on inland waterways shall be issued by the administrative departments of transportation of the State Council in consultations with the administrative departments of environmental protection, industry and information technology, and state administration of work safety based hazard properties of the hazardous chemicals, the degree of possible damage caused by the hazardous chemicals to human health and aquatic environment, and the degree of difficulty of eliminating the consequences.

Article 55

The department of transportation of the State Council shall manage the hazardous chemicals other than those transported through inland waterways as specified in Article 54 herein (refer to as the hazardous chemicals that transported through inland waterways) based on categories, and supervise the method of transportation, packaging and safety preventative measures.

Article 56

For the transportation of hazardous chemicals through shipping channels such as inland waterways, the carriers must be transportation enterprises who are licensed to transport such chemicals. No other units and or individuals shall transport hazardous chemicals. The consignors shall only entrust the shipping to enterprises licensed to transport such chemicals.

Article 57

Regarding the transportation of hazardous chemicals through shipping channels such as inland waterways, the transportation ships should have the legal certificates of packing for the hazardous chemicals. The enterprises involved in transportation through shipping channels such as inland waterways shall prepare emergency plans to deal with accidents involving transportation of hazardous chemicals with ships, depending on the hazardous properties of the hazardous chemicals, and also shall allocate adequate and effective rescue equipments and facilities for the ships.

For the transportation of hazardous chemicals through shipping channels such as inland waterways, the owners or operators of the ships must obtain the liability insurance certificate for pollution damage or proof document for financial guarantee. The copies of the liability insurance certificate or certificate of financial guarantee shall be carried on board.

Article 58

Regarding the transportation of hazardous chemicals through shipping channels such as inland waterways, the materials, type, intensity and packing methods for hazardous chemicals shall be in compliance with the requirements of the provisions on packages for hazardous chemicals that are transported through waterway. If the amounts of hazardous chemicals that are transported per ship have limits set by the administrative department of communications of the State Council, the carriers shall transport the quantities in compliance with the provisions.

Article 59

The inland pier and berth for transportation of hazardous chemicals shall be in compliance with the relevant national provisions of safety. They shall be kept at a prescribed distance away from for the source of drinking water with the relevant national provisions. The relevant bodies shall set up an emergency plan in case of accidents involving hazardous chemicals within the pier and berth area, and allocate adequate and effective rescue equipments and facilities for pier and berth.

The inland pier and berth for transportation of hazardous chemicals shall be inspected by the administrative departments of communications according to the relevant national provisions, only the approved inland pier and berth shall be put to use.

Article 60

When the ships carrying the hazardous chemicals arrive or depart the inland port, the names of hazardous chemicals, their hazard properties, packages and the times of arrival or departure at the port shall be submitted to the administrative department of marine. The agreed or disagreed decision shall be made within the prescribed time by the administrative department of transportation of the State Council, the reporter and the administrative department of marine shall be notified at same time.

When passing navigation structure, the ships with hazardous chemicals onboard sailing on inland water ways must report to the administrative department of transportation, and accept the administration.

Article 61

When the ships carrying the hazardous chemicals are sailing, loading or parking on inland waterways, special warning signs must be hung, and these special signals must be visible in accordance with relevant provisions.

When the ships carrying hazardous chemicals are on inland waterway, application for pilotage should be filed if pilotage is required according to the provisions of the administrative department of communications of the State Council.

Article 62

When ships carrying hazardous chemicals are sailing in inland waterways, the law, administrative regulations and other national provisions on protecting the source of drinking water must be respected. The development of the inland waterway shall coordinate with the approved protection zone plan legally.

Article 63

When consigning hazardous chemicals, the consigners shall state the kind, quantity, hazardous properties and emergency response measures for accidents of such chemicals to the carriers. The consigners shall also package properly and affix relevant labels on outer packaging in accordance with the relevant provisions of the State.

When the depressors or stabilizers are required for the transportation of hazardous chemicals, consignors shall inform the carriers.

Article 64

Consignors shall neither carry hazardous chemicals when consigning ordinary goods, nor conceal or lie about the true information of the hazardous chemicals with the intention to

disguise them as ordinary goods.

No companies or individuals are allowed to post/deliver hazardous chemicals or carry hazardous chemicals inside posts or parcel express, nor to conceal or lie about the true information of the hazardous chemicals with the intention to disguise them as ordinary goods. No post enterprises or express enterprise is allowed to post/deliver hazardous chemicals.

For the alleged breaches of Article 64 section 1 and section 2, the competent authorities of transport and communications and authorities of postal services are entitled to open the parcels and examine the chemicals according to law.

Article 65

Regarding the safety management of hazardous chemicals through railway and air transport, the relevant provisions of railway and air transport laws, administrative decrees or regulations shall apply.

Chapter 6 Hazardous Chemicals Registration and Emergency Response

Article 66

The State operates a system of chemicals registration and provides technical and information support for the safety management of hazardous chemicals, chemical accident prevention and emergency rescue.

Article 67

Manufacturers and importers of hazardous chemicals shall register hazardous chemicals with the National Chemicals Registration Centre (NRCC) of State Administration of Work Safety (hereinafter referred to as Hazardous Chemicals Registration Office).

The following information shall be submitted:

- 1. Classification and labeling information;
- 2. Physical and chemical properties;
- 3. Major applications;
- 4. Hazard properties;
- 5. Safety requirements on storage, usage and transportation;
- 6. Emergency response measures if case of accidents.

It is not necessary to re-register a hazardous chemical with the same classification manufactured or imported by the same enterprise. Yet when the producer or importer discovers any new hazard properties of the hazardous chemical(s) produced or imported, the producer or importer is obliged to update his registration with the hazardous chemicals registration office.

Specific measures for the registration of hazardous chemicals shall be stipulated by the SAWS.

Article 68

The Hazardous Chemicals Registration Office shall provide information and data related to hazardous chemicals registration with Ministry of Industry and Information Technology, Ministry of Environmental Protection, Ministry of Public Security, Ministry of Health, Ministry of Transport, Ministry of Railway, General Administration of Quality Supervision, Inspection and Quarantine and other state departments.

Article 69

Competent authorities of Safety Production Supervision and Administration under the local governments above the county level shall, based on the local locations and together with the efforts of Ministry of Industry and Information Technology, Ministry of Environmental Protection, Ministry of Public Security, Ministry of Health, Ministry of Transport, Ministry of Railway, General Administration of Quality Supervision, Inspection and Quarantine and other state departments, formulate an emergency plan regarding chemical accidents and report it to the local people's government for approval.

Article 70

Hazardous chemicals involved companies shall formulate their own emergency plans regarding chemical accidents and be equipped with emergency rescue staff and necessary rescue instruments, devices, as well as organize regular emergency rescue drills.

Hazardous chemicals involved companies must report their emergency plans regarding chemical accidents to the municipal competent authority of Safety Production Supervision and Administration under which jurisdiction of the enterprise is allocated for the record.

Article 71

In case of an accident involving hazardous chemicals, the unit mainly responsible for the accident should carry out immediately its prepared emergency plan for dealing with chemical accidents and report the accident to the local competent authority of Safety Production Supervision and Administration, Ministry of Environmental Protection, Ministry of Public Security and Ministry of Health; in case of an accident involving hazardous chemicals during the process of road or water transportation, driver, ship crew and cargo attendant shall also report to the local competent authorities of transport and communications.

Article 72

In case of an accident involving hazardous chemicals, the local government concerned shall immediately organize local competent authority of Safety Production Supervision and Administration, Ministry of Environmental Protection, Ministry of Public Security and Ministry of

Health and Ministry of transport and other related authorities and carry out the prepared emergency rescue plan without any undue delay or excuses.

The relevant local government and competent authorities shall take necessary emergency measures to minimize losses caused by the accident and prevent the accident from spreading.

- Immediately carry out the emergency rescue, rescue and hospitalize the affected and wounded people, evacuate people from the dangerous area or take other measures to protect other personnel inside the dangerous area'
- Quickly put any dangerous source under control, evaluate the properties of the hazardous chemicals, the affected range of the accident as well as the extent of damage;
- 3. Take rapid measures such as enclosing, quarantining and cleaning (disinfecting), etc. to prevent or lessen the actual and potential hazards caused to the human life, animals and plants, soil, water source and the atmosphere;
- 4. Monitor and assess the environmental pollution and ecological damage caused by hazardous chemicals accidents, and take relevant environmental pollution treatment measures and ecological restoration measures.

Article 73

The relevant units involved with hazardous chemicals shall provide emergency rescue technical instruction and necessary assistance in a hazardous chemicals accident.

Article 74

Regarding the environmental pollution caused by a hazardous chemicals accident, the competent authorities of environmental protection under the people's government above municipal level is exclusively responsible for the release the relevant information.

Chapter 7 Legal Liabilities

Article 75

Companies that produce, trade in or use the hazardous chemicals that are prohibited to be produced, traded in or used by the state regulations shall be ordered to stop such activities by the competent authority of Safety Production Supervision and Administration, and will be imposed a fine ranging from 200,000 to 500,000 RMB and punishment of confiscation of illegal earnings (if there are illegal earnings) or even be investigated according to law and if a crime is constituted criminal responsibilities may be applied.

Where there is an act falling under the preceding paragraph, the competent authority of Safety Production Supervision and Administration shall order the concerned enterprise to conduct harmless disposal of the hazardous chemicals produced, traded in or used.

Where there is an act violating the state regulation on restriction of hazardous chemicals, it

shall be dealt with in accordance with the provisions of the first paragraph of the Article.

Article 76

Companies that create, modify, expand or store hazardous chemicals projects without Safety Qualifications approval shall be ordered to stop and rectify within a specified time limit by the competent authority of Safety Production Supervision and Administration; if upon expiration of the time limit no correction is made, the concerned enterprise will be imposed a fine ranging from 200,000 to 500,000 RMB and be investigated according to law and if a crime is constituted criminal responsibilities may be applied.

Companies that create, modify, expand, store and unload hazardous chemicals projects without Safety Qualifications approval shall be fined by the port administrative department in accordance with the preceding paragraph.

Article 77

Companies that fail to acquire the operating license for safe production or manufacturing license for industrial products according to law and engage in production of hazardous chemicals and the related packing or containers, shall be sentenced in accordance with the provisions specified separately in "Measures on the administration of operation licenses" and "Regulation on the Administration of Production License for Industrial Products of the People's Republic of China".

Companies that violate provisions of this Article by engaging in hazardous chemicals production without obtaining an operating license for safe use shall be ordered to correct within a prescribed time limit and imposed a fine ranging from 100,000 to 200,000 RMB by the competent authority of Safety Production Supervision and Administration; if upon expiration of the time limit no correction is made, the concerned enterprise shall be ordered to suspend operations to rectify the mistakes.

Companies that violate provisions of this Article by engaging in hazardous chemicals business without obtaining a Safety Business License for Hazardous Chemicals shall be ordered to suspend business operation and be imposed a fine ranging from 100,000 to 200, 000 RMB, and any illegal earnings from hazardous chemicals business will be confiscated; the concerned companies shall be investigated according to law and if a crime is constituted, criminal responsibilities may be applied.

Article 78

In the event of any of the followings, companies shall be ordered to correct by the competent authority of Safety Production Supervision and Administration and will be imposed a fine less than 50,000 RMB; if no correction is made despite all disciplinary punishment, a fine above 50,000 and less than 10,000 RMB shall be imposed; if the circumstances are serious, the concerned enterprise shall be ordered to suspend operation for rectification to be enacted.

1. If units/ companies engaged in hazardous chemicals production and storage fail to set

- an apparent marking on their paved hazardous chemicals pipes or fail to execute regular examining and testing on their hazardous chemicals pipes;
- 2. While carrying out an operation that might threaten the safety of hazardous chemicals pipes, construction units fail to inform by written notice of the entity to which the pipe belongs based on prescribed rules or fail to work with the entity to which the pipe belongs in making an emergency plan regarding chemical accidents and taking proper safety prevention measures, and the entity to which the pipe belongs fails to assign professional support to the construction site for pipe safety instruction;
- If hazardous chemicals producers fail to provide chemicals Safety Data Sheets (SDSs)
 or fail to attach chemicals safety label(s) to the chemical product package (including
 outer packaging);
- 4. If hazardous chemicals producers provide inconsistent SDSs with the produced hazardous chemicals or attach inconsistent chemicals safety labels to the product package (including outer packing sets) with the packed chemicals, or provide SDSs or chemicals safety labels that are not compliant with the requirements of relevant national standards;
- 5. If hazardous chemicals producers discern a new dangerous property on the hazardous chemicals they produced but fail to make it public after the discovery in a timely manner, or fail to update their SDSs and chemicals safety labels in time.
- 6. If companies engaged in operating and marketing of hazardous chemicals businesses sell hazardous chemicals that do not possess an SDS or chemicals safety label;
- 7. If the packing or container materials of a hazardous chemical product or the type, specifications, method of packaging or the quality (weight) of a single package does not correspond to the nature and usage of the hazardous chemicals packed;
- 8. If units engaged in hazardous chemicals production and storage fail to mark apparent safety warning markings on the operation site, safety equipment and facilities, or fail to set up communications and alarm device on the operation site;
- 9. If there is no assigned personnel in charge of the warehouse designed for hazardous chemicals storage or there is no reception-delivery double safe keeper system established for the storage of specific hazardous chemicals and other hazardous chemicals in quantities large enough to become a major danger source;
- 10. If units engaged in hazardous chemicals storage fail to establish a hazardous chemicals in-and-out stock checking and registration system;
- 11. If the warehouse designed for hazardous chemicals storage is not marked with apparent markings;
- 12. If hazardous chemicals producers and importers fail to obtain the hazardous chemicals registration certificate or fail to update the certificate when the hazardous chemicals they produced and imported are discovered to have certain new hazard properties.

If port business units engaged in hazardous chemicals storage and operation are under circumstances as provided in the preceding paragraph, provisions of the preceding paragraph shall be applied by the relevant authority of port administration and punishment be made. If warehouses designed for the storage of highly toxic chemicals and explosive precursor

hazardous chemicals fail to be equipped with the relevant technical prevention facilities in accordance with the national regulations, provisions of the preceding paragraph shall be applied by the Ministry of Public Security.

If units engaged in highly toxic chemicals and explosive precursor hazardous chemicals production and storage fail to set up relevant security and safeguard agencies or equip themselves with professional security and safeguard personnel, provisions of the Regulations of Peace Order and Safeguard inside Enterprises and Institutes shall be applied.

Article 79

If companies that produce hazardous chemicals packing and container materials sell hazardous chemicals package and containers without inspection or not conforming to the inspection rules, they shall be ordered to correct their actions by the competent authority of Quality Supervision Inspection and Quarantine and be concurrently imposed a fine ranging from 100,000 to 200,000 RMB. Illegal earnings will be confiscated; if no correction is made despite all disciplinary punishment, they shall be ordered to suspend operation for rectification; if a crime is constituted, criminal responsibility shall be investigated according to law. If units put into use the hazardous chemicals transferring vessels or containers without inspection or without conforming to inspection rules, provisions of the preceding paragraph shall be applied by the competent authority of maritime administration.

Article 80

In the event that units engaged in hazardous chemicals production, storage and usage fall under any of the followings circumstances, they shall be ordered to correct their actions by the competent authority of Safety Production Supervision and Administration and concurrently imposed a fine ranging from 50,000 to 100,000 RMB; if no correction is made despite all disciplinary punishment, they shall be ordered to suspend operation for rectification and their original certificates and licenses may be revoked by the authorities that issued the licenses, and the administrative department for industry and commerce shall either order the concerned companies to register the updated business scope or revoke their original business licenses; if the relevant responsible personnel's acts constitute a crime, criminal responsibility shall be investigated according to law:

- 1. Hazardous chemicals packages and containers that are used repeatedly are not inspected before use;
- No safety equipment or facilities is set up on the operation site according to the
 classification and hazard properties of the hazardous chemicals produced or in
 storage, or no regular maintenance is carried out for the safety equipment and
 facilities according to relevant national regulations, standards and industry standards;
- 3. No safety evaluation is executed in terms of safety production conditions according to this Article;
- Hazardous chemicals, highly toxic chemicals as well as other chemicals in quantities big enough to become a major danger source are not kept in the warehouses designed for their storage;

- 5. Storage and transport type, method or quantities of hazardous chemicals do not correspond to the national standards or relevant national regulations;
- 6. Hazardous chemicals designed warehouses do not correspond to the national standards or industry standards;
- 7. No regular safety equipment and facilities inspection and test are made on the hazardous chemicals designed warehouses;

If port business units engaged in hazardous chemicals storage and operation fall under any circumstances as provided in the preceding paragraph, provisions of the preceding paragraph shall be applied by the relevant authority of port administration and punishment be made.

Article 81

In the event of any of the following circumstances, the department of Public Security shall order the concerned companies to correct their actions and impose upon them a fine less than 10,000 RMB; if no correction is made despite all punishment, a fine ranging from 10,000 to 50,000 RMB shall be imposed.

- If units engaged in the production, storage and usage of highly toxic chemicals, explosive precursor hazardous chemicals fail to keep a truthful record of their production, storage and usage facts in relation to those chemicals in terms of quantity and circulation;
- The enterprise that manufactures, stores and uses highly toxic chemicals or explosive
 precursor hazardous chemicals doesn't immediately report to the public security
 authorities upon finding that such hazardous chemicals are lost or stolen.
- 3. The enterprise that stores highly toxic chemicals fails to report the storage quantity, place and management personnel of such highly toxic chemicals to the public security authorities of local people's government at the county level.
- 4. The enterprise that manufactures or deals with hazardous chemicals doesn't record the names and addresses of companies highly toxic chemicals and explosive precursor hazardous chemicals where purchased, names and identity card numbers of purchasing personnel, as well as varieties, quantity, purpose of purchased highly toxic chemicals and explosive precursor hazardous chemicals, or keep the sale records and relevant materials less than one year old.
- 5. The enterprise who sells or purchases highly toxic chemicals and explosive precursor hazardous chemicals fails to report the varieties, quantity and circulation of such chemicals within a specified time limit to the public security authorities of local people's government at county level for record.
- 6. The unit that uses highly toxic chemicals and explosive precursor hazardous chemicals transfer the purchase of the highly toxic chemicals and explosive precursor hazardous chemicals in accordance with the provisions, doesn't report the related information to the public security authorities of local people's government at county level.

An enterprise that manufactures, stores hazardous chemicals or uses of hazardous chemicals to engage in production doesn't submit the safety evaluation report and implementation of the

improvement plan to the department in charge of safety supervision or administrative department in charge of port for record, or an enterprise who stores hazardous chemicals fails to report the information of quantity, places, and management personnel of the stored highly toxic chemicals and other hazardous chemicals that constitute serious hazard sources to the department in charge of safety supervision or administrative department in charge of port for record, shall be punished by the two departments mentioned above according to the provisions in the preceding paragraph.

An enterprise that manufactures hazardous chemicals for key environmental management or makes use of such chemicals to engage in production fails to report the related information to the administrative department in charge of environmental protection, shall be punished by the administrative department in charge of environmental protection according to the provisions of the first paragraph in this Article

Article 82

The unit of manufacturing, storing or using hazardous chemicals when changing to other products, suspending production, closing down or dismissing, that doesn't adopt the effective measures promptly and appropriately to dispose of its production equipments, storage devices and inventory hazardous chemicals, or discarding the hazardous chemicals, shall be ordered into rectification by the administrative department in charge of safety supervision, imposed a fine not less than RMB 50,000 but not more than RMB 100,000. If the violations constitute crimes, criminal liability shall be investigated according to law.

The unit of manufacturing, storing or using hazardous chemicals when changing to other products, suspending production, closing down or dismissing, that fails to report the disposal method of production equipments, storage devices and inventory hazardous chemicals to the concerned department, shall be ordered rectification by the concerned department respectively, imposed a fine less than RMB 10,000, Whoever refuses to make correction, shall be imposed a fine not less than RMB 10,000 but not more than RMB 50,000.

Article 83

The enterprise who deals with hazardous chemicals, and purchases hazardous chemicals from enterprises illegally engaging in production and operation of hazardous chemicals without permission, shall be ordered into rectification by the administration for industry and commerce and be imposed a fine of not less than RMB 100,000 but not more than RMB 200,000. If the enterprise refuses to make the correction, it shall be ordered to suspend production for rectification, and have its license revoked for dealing in hazardous chemicals by the original license-issuing authorities, and shall be ordered to conduct business scope change in registration or the business license shall also be revoked by the administration for industry and commerce.

Article 84

The enterprise who manufactures, or deals with hazardous chemicals, whoever has one of the following cases, shall be ordered into rectification by the administrative department in charge

of safety supervision, and shall be confiscated of any illegal incomes, and be imposed with a fine of not less than RMB 100,000 but not more than RMB 200,000. If it refuses to make the necessary correction, it shall be ordered to close down for rectification, while its safety production license for hazardous chemicals and license for dealing in hazardous chemicals is revoked, and it shall be ordered to conduct business scope change in registration or the business license shall also be revoked by the bureau of industry and commerce registration.

- 1. Selling highly toxic chemicals or explosive precursor hazardous chemicals to the units without relevant licenses or supporting documents specified in 1 and 2 of Article 38.
- 2. Selling highly toxic chemicals not in accordance with the varieties, quantity stated in the license for purchasing highly toxic chemicals.
- 3. Selling highly toxic chemicals (except pesticides classified as highly toxic chemicals) and explosive precursor hazardous chemicals to individuals.

The unit without related licenses or supporting documents specified in 1 and 2 of Article 38 who purchases highly toxic chemicals and explosive precursor hazardous chemicals, or individuals whoever purchases highly toxic chemicals (except pesticides classified as highly toxic chemicals) and explosive precursor hazardous chemicals, shall have its purchased highly toxic chemicals and explosive precursor hazardous chemicals confiscated by the public security authorities, and may concurrently imposed a fine of less than RMB 5,000.

The unit using highly toxic chemicals and explosive precursor hazardous chemicals lends or transfers such chemicals to the units without related licenses or supporting documents specified in 1 and 2 of Article 38, or transfers highly toxic chemicals (except pesticides classified as highly toxic chemicals) and explosive precursor hazardous chemicals to individuals, shall be ordered rectify this situation by the public security authorities and be imposed a fine of not less than RMB 100,000 but not more than RMB 200,000. If they refuse to make the required correction, they shall be ordered to close down for rectification.

Article 85

Whoever engages in the road or waterway transportation of hazardous chemicals without lawfully obtaining road or waterway transportation permit for hazardous chemicals shall be punished in accordance with relevant road and waterway transportation laws and regulations, respectively.

Article 86

Under any of the following circumstances, the transportation department shall order corrections be made and may impose a fine of not less than RMB 50,000 but not more than RMB 100,000. If the unit involved refuses to make the required correction, it shall be ordered to close down for rectification. If the violations constitute crimes, criminal liability shall be investigated according to law.

 The drivers, crewmen, loading and unloading management personnel, transport escorts, declarers and container field inspectors in enterprises who transport hazardous chemicals by road or waterway take up their jobs without obtaining the professional qualification.

- 2. The transportation of hazardous chemicals doesn't adopt corresponding protective measures according to the hazard properties of hazardous chemicals, or doesn't provide the necessary protective equipments and emergency apparatus.
- 3. Using ships without obtaining certificates for carrying hazardous chemicals according to law to transport hazardous chemicals through inland waterways.
- 4. The carriers that transport hazardous chemicals through inland waterways violate the restrictive provisions by transportation department of the State Council on quantity of hazardous chemicals that are permitted to be transported by a single ship.
- 5. The port or berth used for transporting hazardous chemicals doesn't meet the requirements of the related national safety standards, or fails to keep the safe distance from the source of drink water, or put into use without approval of the transportation department.
- 6. A consignor doesn't state the varieties, quantity, hazard characteristics of hazardous chemicals and emergency measures in a dangerous situation to the carrier, or fails to pack the consigned hazardous chemicals appropriately and set up corresponding signs in external package according to the relevant provisions of State.
- 7. A consignor doesn't inform the carrier of related information, where it is necessary to add inhibitors or stabilizers to hazardous chemicals.

Article 87

Under any of the following circumstances, the transportation department shall order corrective action be taken and may impose a fine of not less than RMB 100,000 but not more than RMB 200,000. If there is any illegal income, such illegal income shall be confiscated. If they refuse to make the required corrections, they shall be ordered to close down for rectification. If the violations constitute crimes, criminal liability shall be investigated according to law.

- Entrusting enterprises without obtaining road transportation permit or waterway transportation permit for hazardous goods according to law to transport hazardous chemicals.
- Transporting highly toxic chemicals through enclosed waters of inland waterways and other hazardous chemicals that have been prohibited by the provisions of State to transport through inland waterways.
- 3. Transporting highly toxic chemicals that have been prohibited by the provisions of State to transport through inland waterways and other hazardous chemicals.
- 4. The hazardous chemicals were hidden secretly in consigned common goods, or making a false report of hazardous chemicals, or concealing hazardous chemicals as common goods.

The hazardous chemicals were hidden secretly in mails and expresses, or reporting hazardous chemicals as common goods to post, it shall be penalized by public security authorities. If the violations constitute crimes, criminal liability shall be investigated according to law. It shall be punished according to Postal Law of the People's Republic of China, if postal enterprises or express corporations accept and post hazardous chemicals.

Article 88

Under any of the following circumstances, a party shall be ordered to make corrections by the public security authority and imposed a fine of not less than RMB 50,000 but not more than RMB 100,000. If acts constitute the violation of security administration, it shall be given administration punishment in accordance with law. If the violations constitute crimes, criminal liability shall be investigated according to law.

- 1. The weight of hazardous chemicals loaded exceeds the approved loading weight of transport vehicles.
- 2. The safety specifications of vehicles used for transporting hazardous chemicals doesn't meet the requirements of national standards.
- The vehicles that transport hazardous chemicals enter into limited traffic areas for vehicles of transporting hazardous chemicals without the approval of the public security authorities.
- 4. Transporting highly toxic chemicals through road without obtaining road transportation permit for highly toxic chemicals.

Article 89

Under any of the following circumstances, a party shall be ordered to make corrections by the public security authorities and may be imposed with a fine of not less than RMB 10,000 but not more than RMB 50,000. In cases of a crime committed, criminal penalties shall be imposed in accordance with relevant laws and regulations.

- 1. The vehicles used for transporting hazardous chemicals doesn't hang or spray warning signs on it, or the warning signs that are hung or sprayed don't satisfy the requirements of national standards.
- 2. Transporting hazardous chemicals through road without assigned transport escorts.
- The drivers or transport escorts don't make reports to the local public security organs
 where long-term parking is necessary on the way of transporting highly toxic
 chemicals or explosive precursor hazardous chemicals.
- 4. The drivers or transport escorts don't adopt the necessary warning and security measures, or fails to make reports to the local public security authorities, when transported highly toxic chemicals or explosive precursor hazardous chemicals are lost, stolen, robbed, drained, or leak on the way of transporting through road.

Article 90

The enterprises that transport hazardous chemicals by road, whoever bears full liability or major liability in a traffic accident if occurred, shall be ordered to eliminate the hidden safety risks. Any of transport vehicles that fails to eliminate the hidden safety risks, shall be forbidden to be used during the transportation process.

Article 91

Under any of the following circumstances, the transportation department shall order corrections to be carried out and may impose a fine of not more than RMB 10,000, if the party involved refuses to make the required correction, it shall be imposed with a fine of not less than RMB 10,000 but not more than RMB 50,000.

1. The enterprises that transport hazardous chemicals through road and waterway don't

- assign full-time safety management personnel.
- 2. The unit that manages the port or berth used for transporting hazardous chemicals fails to formulate the emergency response pre-schemes for accidents involving hazardous chemicals, or fails to provide enough equipment and effective emergency rescue apparatus for the port or berth.

Article 92

Under any of the following circumstances, any parties shall be punished according to the Regulations on the Administration of Transportation Safety of China on Inland Waters:

- The enterprise that transports hazardous chemicals through inland waterways fails to formulate the emergency response pre-schemes for accidents involving hazardous chemicals, or fails to provide enough and effective emergency rescue apparatus and equipment for the transportation ship.
- 2. The owner or operator of ships being used for the transporting of hazardous chemicals through inland waterways fails to obtain the liability insurance certificate for shipping pollution and damage or certificate of financial guarantee.
- The enterprise that uses ships to load and transport hazardous chemicals fails to report the related information to the maritime administrative agency and obtain its approval for the ships to enter into and exit from inland port.
- 4. The ship that is used to load and transport hazardous chemicals, when sailing, loading and unloading or berthing, fails to have specialized warning signs displayed on it, or fails to display these specific signals according to provisions, or fails to apply for a pilot escort according to provisions.

The enterprise engaged in the loading and unloading, lightering operation of hazardous chemicals in ports, fails to make the reports to port administration and obtain its approval, shall be punished according to Port Law of the People's Republic of China.

Article 93

Whoever forges, alters, or hires, lends, transfers the operating license for safe production or manufacturing license for industrial products, or makes use of such forged or altered Permits, shall be punished according to Regulations on the Administration of Operating Licenses and the Regulations on the Administration of Industrial Production License of the People's Republic of China separately.

Whoever forges, alters, or hires, lends, transfers other licenses specified herein, or makes use of other forged or altered licenses specified herein, shall be imposed with a fine of not less than RMB 100,000 but not more than RMB 200,000 by agency for issuing and administration of relevant licenses separately, and if there are any illegal incomes, these shall be confiscated. If acts constitute the violation of security administration, they shall be given administration punishment in accordance with law. In cases of a crime committed, criminal penalties shall be imposed in accordance with relevant laws and regulations.

Article 94

The chiefly that fails to organize the rescue, or fails to make reports to relevant department

immediately when an accident happens shall be punished according to Regulations on the Reporting, Investigation and Disposition of Production Safety.

The party using hazardous chemicals in which a hazardous chemical accident occurs, causing the personal injury or death, or property loss, shall bear the liability for compensation according to law.

Article 95

In case of an accident caused by hazardous chemicals, if the local people's government and relevant departments fail to organize the rescue immediately, or fail to adopt the necessary emergency rescue measures to reduce the loss or damage and prevent the accident from spreading, the persons chiefly in charge with responsibilities and other directly responsible personnel shall be punished according to law. In cases of a crime committed, criminal penalties shall be imposed in accordance with relevant laws and regulations.

Article 96

In case of abusing power or neglecting duties, the relevant department and the responsible person(s) involved in the supervision and administration of hazardous chemical substances shall be subject to administrative punishments in accordance with relevant laws and regulations; in cases of a crime committed, criminal penalties shall be imposed in accordance with relevant laws and regulations.

Chapter 8 Supplementary Provisions

Article 97

The safety management of monitoring chemicals, medicines and pesticides that belong to hazardous chemicals and pesticides are subject to the regulations. The regulations shall be applied except as otherwise provided by other laws and administrative regulations.

The regulations are not applicable to the safe management of civil explosives, fireworks and firecrackers, radioactive articles, nuclear materials and hazardous chemicals used for national defense.

If the safety management of fuel gas is otherwise regulated by other laws and administrative regulations, those laws and administrative regulations are applied.

If the containers for hazardous chemicals belong to special equipments, the relevant laws and administrative regulations for special equipments shall apply.

Article 98

The management of the import and export of hazardous chemicals shall be implemented

according to the laws, administrative regulations and administrative or local rules related to foreign trade; The safety management of storage, use, operation and transportation of imported hazardous chemicals shall be implemented according to the regulations.

The environmental management registration of hazardous chemicals and new chemical substances shall be implemented according to the laws, administrative regulations and administrative or local rules related to environmental protection. The environmental management registration of hazardous chemicals shall be levied according to relevant rules.

Article 99

Any of the derelict hazardous chemicals found or picked up by the public shall be handed over to the public security authorities. For the hazardous chemicals requiring harmless disposal, public security authorities shall send hazardous chemicals to a disposal service provider appointed by the environment protection authorities or the manufacturers of relevant hazardous chemicals for disposal. Disposal charges for handling these chemicals shall be borne by the State finance.

Article 100

For chemicals whose hazard properties are not yet determined, the administrative department in charge of work safety, environmental protection and health of the State Council shall organize the evaluation of physical hazards, environmental hazards and toxicological hazards of the chemicals. Based the result of evaluation, if the modification of the Catalog of Hazardous Chemicals is required, the revision shall be carried out in accordance with Article 3.2 of the regulations.

Article 101

Enterprises that engage in the use of hazardous chemicals prior to the implementation of the regulations and are required to obtain operating licenses for safe use according to the regulations herein shall apply for operating licenses within the limit specified by the administrative department in charge of work safety.

Article 102

The regulation shall be implemented from 1 December 2011.