



# ENVIRONMENTAL CHINA

*A weekly update of China's environmental news and analysis from  
PACE*



环球中国环境专家协会  
Professional Association for China's Environment

[www.pacechina.net](http://www.pacechina.net)

Issue 21, August 13<sup>th</sup> to August 20<sup>th</sup>, 2009

By CC Huang and Chris Langer

Now in cooperation with  
[chinadialogue](http://chinadialogue.net)



**WELCOME** to *Environmental China*, PACE's electronic newsletter devoted to giving interested readers a comprehensive update of news concerning China's environment. Any comments, suggestions or questions can be directed to [cc.huang2@gmail.com](mailto:cc.huang2@gmail.com). PACE especially welcomes any input or suggestions for news articles and will give due credit to anyone who contributes to the newsletter. If you know anyone who would like to subscribe, please direct them [here](#).

## OPINION

**The dangers of boosting consumption** (*China Dialogue*, 8/20/2009) China's government and the domestic market are calling for greater spending. Economic growth may be maintained, writes Huo Weiya, but US-style living may mean we need another two Earths.

**China repeats U.S. energy policy mistakes** (*Seeking Alpha*, 8/20/2009) The point here is that China appears headed to duplicate America's love affair with the gasoline powered automobile and its addiction to foreign oil. For a country with 1.3 billion people (1 billion more than the U.S.) the worldwide impact of Chinese automobile use is not hard to predict: Chinese oil imports will continue to surge and oil supplies around the world will tighten in the very near future.

**Will China drown in its own effluent before taking over the world?** (*Telegraph*, 8/20/2009) The lead poisonings remind us that China is immense and has huge

challenges to meet in the next few years, even while its growth outstrips mature economies. As Peter Foster points out, China's newfound green credentials are far from clear, and it is currently showing signs that it will be an awkward customer at the climate discussions in Copenhagen in December.

**The great paradox of China: Green energy and black skies** (*Yale Environment 360*, 8/17/2009) China is on its way to becoming the world's largest producer of renewable energy, yet it remains one of the most polluted countries on earth. A year after the Beijing Olympics, economic and political forces are combining to make China simultaneously a leader in alternative energy – and in dirty water and air.

## PUBLIC SECTOR/NGOs

**Hopes of Hubei relocated for water project** (*Xinhua*, 8/20/2009) 75 families, including Zhou's, were moved from three villages in Danjiangkou, a city in Hubei Province, to make way for construction of the central route of the South-to-North water diversion project.

**China's 'cancer villages' heavily polluted** (*Ethiopian Review*, 8/19/2009) Located just downstream from three steel factories, a paper mill and a bone-processing plant, the citizens of Xiadian have grown used to seeing the Baoqiu River turn red, yellow and sometimes white from what they say is untreated industrial wastewater.

**Is China on track for suburban sprawl?** (*New York Times*, 8/18/2009) Beijing's transit development is at a crossroads. The capital of the world's largest emitter of greenhouse gases is in danger of locking itself into a pattern of Los Angeles-type sprawl with ever-rising CO2 emissions, a new World Bank study finds.

**The Renewable Landscape: A look at clean energy in Asia** (*Reuters*, 8/19/2009) Asia, however, has recognized the advantages of embracing clean energy development and the race for clean energy dominance is heating up faster than the planet. Here's a look at the development of clean energy technology in the some of the world's developing Asian economies.

**China moves to "go green"** (*People's Daily*, 8/18/2009) Recently, the US-based National Geographic Society released a "Greendex 2009: Consumer Choice and the Environment — A Worldwide Tracking Survey" report. To the surprise of many people, the US ranked last in the Greendex survey, which covers 17 developed and developing countries, with Canada in the penultimate spot. China, which has been labeled a "big environmental polluter" by the West, ranked third.

**China's heritage sites in danger** (*Huffington Post*, 8/17/2009) The total budget of conservation fund from the central government in 2008 was 31.2 billion Yuan.

This seemingly large amount is split between more than 1,200 national level sites and the more than 1,000 museums (for both site and artifact conservation), not to mention the numerous provincial and municipality level sites, historical cities, towns, and villages that are left out of the budget.

**Qinghai-Tibet plateau warming will bring serious problems, Experts warn**

(*Xinhua*, 8/17/2009) The Qinghai-Tibet Plateau is growing warmer and experts warn, if the trend continues, it will cause environmental deterioration and water shortages.

**Scant rainfall in east China tied to pollution** (*AP*, 8/16/2009) Air pollution in China's industrial east appears to have significantly reduced light rainfall over the last 50 years, raising the possibility that cutting pollution could ease a severe drought in the region, according to a study released Saturday.

## CORPORATIONS

**PepsiCo, Coca-Cola reject Beijing environmental watch list** (*AP*, 8/20/2009) US soft drink giants PepsiCo and Coca-Cola on Thursday rejected their inclusion on an environmental watch list published by the Beijing city government, saying their plants abided by Chinese standards.

**China Carbon reduces \$4M Intercompany contribution and reports 10Q results for three and six months ended June 30, 2009** (*CNN*, 8/20/2009) China Carbon Graphite Group, Inc. (OTCBB:CHGI), one of China's largest producers and wholesale suppliers of fine grain and high purity graphite, announced that it received the government's approval to reduce the registered capital of its subsidiary from \$4,000,000 to \$100,000, which reduces the Company's obligation to make a capital contribution to its subsidiary from \$4,000,000 to \$100,000.

**Enviro to drill more coal seam gas wells in China** (*Reuters*, 8/20/2009) Enviro Energy International Holdings, plans to drill up to five wells of coal-bed methane/shale gas in Western China this year, and five more in 2010, a top company official said on Thursday.

**Will China light a fire under coal?** (*Wall Street Journal*, 8/20/2009) China's status as a coal exporter is slipping away, and with it another layer of the country's energy security blanket.

**Shipping firms given break from spills** (*China Daily*, 8/20/2009) Shipping companies could be forced to take out insurance against pollution spills under a draft law under debate in the largest city in China.

**13 cement producers to move out of Beijing** (*CCTV*, 8/20/2009) Beijing is eliminating a number of small-scale cement companies that are marked by heavy-pollution, high-energy and high-water consumption. At the kickoff ceremony of "China Cement Industry Promotion Program" on August 16, Beijing Cement

Industry Association Secretary Hu Zhongjia said Beijing will retain only about 10 large-scale cement plants by 2010.

**China's first voluntary carbon standard to release September** (*AsiaPulse via COMTEX, 8/20/2009*) The China Beijing Environment Exchange (CBEEEX) will launch China's first Voluntary Carbon Standard during the UN climate conference, to be held in New York from September 21 to 25, 2009.

**Analysis: China seeks new iron ore import negotiation mechanism** (*AsiaPulse via COMTEX, 8/19/2009*) The China Iron and Steel Association (CISA) has reached an agreement with Anglo-Australian Fortescue Metals Group Ltd. (ASX:FMG) on a 35.02 per cent price cut for iron ore fines.

**Crude oil falls as China equities decline on growth concern** (*Bloomberg, 8/19/2009*) Oil fell as shares in China dropped on concern tighter lending will dampen growth in the world's second-largest crude consumer.

**The good and the bad of the Asian car boom** (*Environmental Research Web, 8/19/2009*) In China, India and South-East Asia the automobile industry hits the sky. The Chinese market is by January 2009 larger than the US market, the Indian Tata Nano is longed for and aspires to revolutionize the global car industry. The environmental degradation and unsustainability of this trend is obvious. But, of course, the Asian car boom doesn't come from nowhere. So let's look in detail at the good and the bad of the Asian car boom.

**Why Asia will supplant Detroit the global center of the auto industry** (*Money Morning, 8/19/2009*) It's true that - in terms of value delivered for the money invested - "Cash for Clunkers" has eclipsed every other stimulus program that has been tried. But the program has a projected lifespan of only three months, meaning it can't reverse the powerful global forces that are destined to turn the U.S. auto market from leader to laggard on the global stage.

**China Mobile may bring solar power technology** (*The News, 8/19/2009*) China Mobile Communication Corporation is actively considering introducing solar power technology in Pakistan for electrifying cellular base stations of its subsidiary China Mobile Pakistan. The move comes amid an acute power deficit and prolonged load-shedding in Pakistan.

**Protecting China's natural landmarks** (*China Daily, 8/17/2009*) Lushan Mountain, a UNESCO World Heritage Site, has long attracted the attention of global scholars and tourists. Now Germany's luxury carmaker, Mercedes-Benz, is providing financial support for conservation projects at the mountain and national park in eastern China's Jiangxi province.

**Solar power prices test a downward path** (*Caijing, 8/14/2009*) China's largest photovoltaic solar power project, the 10 megawatt Dunhuang station in Gansu Province, is getting under way with a set price for electricity that may become a

new, ultra-low benchmark and a ticket to success for the growing industry.

## GOVERNMENT

**China approves Tianwan nuclear plan expansion** (*AFP, 8/20/2009*) China has given the green light to a plan to start building the third phase of its Tianwan nuclear power plant on the east coast from October next year, a government agency has announced.

**Garrett last bar to Gorgon project** (*The Australian, 8/20/2009*) The welfare of the Barrow Island mouse, the spectacled hare-wallaby, the golden bandicoot and burrowing bettong -- not to mention the flatback turtle -- is all that stands in the way of the \$50 billion Gorgon gas contract with China.

**China tour to study green cover rise** (*Express News Service, 8/20/2009*) Union Minister of State for Environment and Forests of India, Jairam Ramesh said he would shortly be visiting China to study ways to increase the country's forest cover.

**Chinese-built power plant hailed by Sri Lankan government** (*Xinhua, 8/20/2009*) The Sri Lankan government Thursday hailed the smooth progress of the island's largest coal-fired power plant which is being built by a Chinese company in the northwest of the island.

**UNEP praises China's green efforts** (*China Daily, 8/19/2009*) Shanghai, the host city of Expo 2010, will offer a glimpse of a greener future, Achim Steiner, Under Secretary General of the United Nations, said Tuesday.

**China unveils its first EEI rating** (*ChinaCSR, 8/19/2009*) A document titled "Study on the Regional Difference of Ecological Civilization in China", which is said to be the first rating on the ecological civilization of Chinese provinces and cities since the term 'ecological civilization construction' was put forward, has been formally published.

**China faces acute water shortage, turns to the sea to solve the problem** (*Med India, 8/19/2009*) China is turning to the sea to solve the growing problem of water shortages afflicting the country and cut utility costs as well, indicates recent reports.

**Chinese city aims for greener growth** (*AFP, 8/19/2009*) The mayor of Huizhou, Li Ruqiu, likes to tell a story that he believes highlights the southern Chinese city's environmental credentials. A 4.3 billion dollar petrochemical joint venture between Chinese energy giant CNOOC and Anglo-Dutch firm Shell -- one of the largest ever foreign deals in China -- was halted suddenly when developers found a bird's nest.

**China moves on rare earths a threat to global supplies** (*Mineweb, 8/18/2009*) Arafura says that the Chinese draft report, entitled Rare Earths Industry

development Plan 2009 - 2015, has been submitted to the China State Council for review and implementation in 2010, and outlines plans to restrict Chinese administration of rare earth quotas, totally banning the export of some rare earths and consolidating a large number of Chinese rare earth facilities.

**China injects “green power” into national economy** (*Xinhua*, 8/17/2009) In the wake of the outbreak of the financial crisis, UN Secretary-General Ban Ki-moon repeatedly warned that the crisis might dent global efforts to fight climate change and environmental degradation.

**China drafting plan for environment industry** (*Xinhua*, 8/16/2009) China's top economic planner, the National Development and Reform Commission, said Saturday it is drafting a development plan for the emerging industry of energy conservation and environmental protection.

**The world's first carbon positive city will be in...China?** (*ABCNews*, 8/16/2009) The Mayor of Baoding is on a crusade to make it a hub of renewable energy.

**1,200 new cars hit Beijing every day: state media** (*AFP*, 8/16/2009) More than 1,200 new cars hit the roads of China's capital Beijing every day on average in the first seven months of the year, state media reported Sunday.