



# ENVIRONMENTAL CHINA

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



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**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

**Environmentalists back China's green credentials** (*China Daily 10/16/2009*) The world's environment is deteriorating at an alarming speed. Economic growth has come at a high environmental cost. Pollution of the air, water and land is having a serious impact on the well-being and health of people and on the world's ecosystems. These environmental problems are not only affecting China. Emissions of CO<sub>2</sub> contribute to global warming, and degradation of land and forests and air pollution may have consequences far beyond national borders.

**High health and environmental costs of cheap food** (*People's Daily, 10/16/2009*) Time magazine published a cover story on August 31, The Real Cost of Cheap Food, which reflected on food in the US, the most powerful country in the world when it comes to agricultural production and the export of agricultural products.

**A chance for Sino-US partnership** (Chinadialogue, 10/15/2009) Joint projects on

low-carbon cities can help the United States and China face the climate crisis and the economic downturn, write Du Tingting and CS Kiang.

**China is in a unique position to develop alternative fuel technologies** (*Alibaba, 10/15/2009*) Nowadays electric and hybrid vehicles are in the vogue worldwide. While the commercial interests in North America and Europe may continue to keep focuses on internal combustion engines, China's auto industry, with a lot of help from government, would make much more investments in electric and hybrid as a transition technology. Which technology do you think will become the development trend for the auto industry in China? What are the future prospects for new energy vehicles in Chinese market?

**Carbon trading, taxes and putting the cart before the horse** (*The Green Leap Forward, 10/13/2009*) There have been mixed messages lately about whether China will soon adopt a carbon emissions trading scheme. On the eve of President Hu Jintao's speech at the UN Climate Summit in New York last month, Times Online ran a sensationally misleading story suggesting that China would adopt a carbon emissions trading scheme that would "for the first time, place limits on the amount of greenhouse gases Chinese industries are allowed to emit."

**Poisoned children test China** (*Chinadialogue, 10/13/2009*) Central planners have resolved to clean up the country's heavy industries, but they don't always get what they want, writes Patti Waldmeir. In the provinces, local officials often have another agenda.

## PUBLIC SECTOR/NGOs

**Greenpeace says companies in China hide pollution details** (*China CSR, 10/16/2009*) According to a survey conducted by the eco-activist organization Greenpeace, 18 enterprises — including ten Chinese companies and eight multinational companies — have been involved in holding back information on pollution emissions.

**Study says China is ripe for carbon storage** (*New York Times, 10/15/2009*) China has vast underground repositories that could store more than a century's worth of carbon emissions from coal-fired power plants and industrial facilities, according to a report to be released by the United States Department of Energy's Pacific Northwest National Laboratory. The study, conducted with scientists at the Chinese Academy of Sciences, found that the geologic formations are in close to a large percentage of the country's power plants.

**China, Germany to build astronomical observatory in Tibet** (*Xinhua, 10/14/2009*) Chinese and German scientists are establishing an astronomical observatory in a Tibetan county 4,300 meters above sea level. Construction of the observatory

began on Monday in Yangbajain Township, of Damxung County in the suburbs of Tibet's regional capital Lhasa, said project leader Wang Junjie Tuesday.

**Drought hit south China provinces** (*Xinhua, 10/11/2009*) Spreading drought hit south China's Guangdong Province, where more than 50,000 people had drinking water shortage while 53,333 hectares of crops were affected.

**Green technology: China means business** (*INSEAD, 10/9/2009*) A substantial portion of the Chinese government's stimulus package, more than a third in fact, has been earmarked for projects that would either, directly or indirectly, have a positive environmental impact. Are these green initiatives indicative of a broader strategic stance on the part of the Chinese government on environmental issues, or just a temporary boost to China's economy and the country's image?

**High blood pressure over salty pressure** (*China Daily, 10/9/2009*) Beijingers' appetite for salt has come under fire by health officials who say too many salty dishes have given Beijingers the highest blood pressure in China. The latest study by the Beijing municipal health bureau on residents' nutrition and health found high blood pressure among city residents aged above 15 was about 25 percent, ranking the highest in the country.

## CORPORATIONS

**Chinese smelter Yuyang Gold and Lead acknowledges poisoning role** (*Steel Guru, 10/16/2009*) Reuters reported that China's largest lead smelting firm has acknowledged partial responsibility after nearly 1,000 children living near some of China's biggest lead plants showed excessive levels of lead in their blood.

**Chinese group boosts S.F.'s biotech aspirations** (*San Francisco Chronicle, 10/15/2009*) San Francisco's push to be a major biotech hub just got a big shot in the arm from the Chinese. Under a preliminary agreement signed this week, China Medical City, a giant industrial park in Jiangsu province, and one of the chief centers of China's burgeoning pharmaceutical industry, will be looking to open an office and drug development facilities at Mission Bay.

**Quarry fined over lake pollution** (*Shanghai Daily, 10/16/2009*) A stone quarry in Anhui Province has been fined 200,000 yuan (US\$29,412) for discharging waste water into Chao Lake, the province's largest lake.

**Manila says China's Zijin eyes \$1 bln gold, copper ventures** (*Reuters, 10/15/2009*) China's Zijin Mining Group (2899.HK) (601899.SS) is eyeing up to \$1 billion in investments in gold and copper projects in the Philippines within five years, the Philippine environment secretary said on Thursday.

**Water Expo China set to attract first time exhibitors** (*Environmental Expert,*

10/15/2009) As well as the world's best-known names in water technology, Water Expo China is also attracting many first time exhibitors who are keen to help solve China's water problems. "China's water market is developing very quickly, creating demand and opportunities for businesses and industry organisations," said Mr Jason Cao, General Manager of Messe Frankfurt (Shanghai) Co Ltd. "This is why our show appeals to both established Companies who are well known in China and to those who are showcasing their products for the first time in China."

**New report just published on hog industry of China** (*Reportlinker, 10/14/2009*)

Reportlinker.com announces that a new market research report related to the Livestock industry is available in its catalogue.

**China supermarket industry report reveals – China has become the 5th largest consumption market** (*Business Wire, 10/14/2009*)

China's personal consumption value has exceeded US\$890 billion, and China has become the 5th largest consumption market, just behind the USA, Japan, Britain and Germany. However, huge potential in China's consumption demand still desires to be fully released. The ratio of China's personal consumption value to GDP is only 36%, half of the USA figure and two thirds of the figures in Europe and Japan.

**China Iron and Steel Association has forecast exceeding 500 million tonnes in 2009** (*Business Wire, 10/14/2009*)

The Chinese steel market endured a roller-coaster ride in Q2 and Q3 as price volatility exacerbated an uncertain environment and aluminium demand remained poor. The latest China Metals Report forecasts rapid growth from H209, although smaller and less-efficient steel mills and aluminium smelters are likely to close as the metals industry consolidates. In H109, China produced 317.3mn tonnes of crude steel, up 3% year-on-year (y-o-y).

**OPEC predicts that China will lead recovery and boost world oil demand by 1%** (*Examiner.com, 10/13/2009*)

Confirming what many economists have been saying all year, The Organization of Petroleum Exporting Companies estimates that China and other developing nations will lead the global economic recovery in 2010, not the world's richest countries. Gazprom strikes preliminary gas deal with China (*AP, 10/13/2009*) Russian Prime Minister Vladimir Putin on Tuesday negotiated a major new gas deal with China and said that ties between Moscow and Beijing help restrain other powers, a veiled allusion to the U.S.

**China Energy Recovery completes US \$1.42 million contract for Hubei Yangfeng Group** (*Reuters, 10/13/2009*)

China Energy Recovery, Inc. (OTC Bulletin Board: CGYV) (ISIN: US16943V2060; "CER"), a leader in the waste heat energy recovery sector, today announced the completion of two waste heat recovery systems for Hubei Yangfeng Group ("Yangfeng"), a leading phosphate fertilizer producer in China.

**Predictions that Chinese steel companies will be able to force a 30-40% drop**

**in iron ore prices in 2009 look optimistic** (*Business Wire, 10/13/2009*) This China Mining Report provides industry professionals and strategists, corporate analysts, mining associations, government departments and regulatory bodies with independent forecasts and competitive intelligence on China's mining industry.

**Steel giants refuse to cut output despite price plunge** (*People's Daily, 10/13/2009*) China's steel prices have dropped around 1000 yuan per ton from its peak in August. However, most domestic steel producers say that they won't reduce output as long as they are still profitable.

**China New Energy appoints new chief financial officer** (*PRNewswire, 10/13/2009*) China New Energy Group Company (OTC Bulletin Board: CNER) ("China New Energy" or the "Company"), a leading energy project developer specializing in the discovery, development, and distribution of natural gas in China, announced the appointment of Mr. Eric Yu as Chief Financial Officer, effective on September 28, 2009. Mr. Yu replaces Mr. Peng Mun Foo, who left the Company for personal reasons.

**Reportlinker adds China desulphurization industry report** (*Business Wire, 10/12/2009*) In 2008, China SO<sub>2</sub> emissions dropped to 23.21 million tons, down 6.0% from 2007; of which industrial SO<sub>2</sub> emissions fell to 19.91 million tons, down 6.9% year-on-year; life SO<sub>2</sub> emissions rose 0.5% year-on-year to 3.299 million tons. At the end of 2008, the flue gas desulphurization installed capacity of thermal power plants in China surpassed 379 GW, accounting for 66% of total capacity of coal-generating power.

**Reportlinker adds China sewage treatment industry report** (*Business Wire, 10/12/2009*) China has focused on sewage treatment, for which the investment increases yearly, from RMB8.74 billion in 2003 to RMB25.74 billion in 2008. Bolstered by State policies, the construction of local sewage treatment plants progresses rapidly. Sewage disposal rose from 46.82 million cubic meters in 2003 to 82.95 million cubic meters in China in 2008. And, the pace of development is speeding up.

**General Motors says China sales set new record** (*AP, 10/9/2009*) General Motors Co. said Friday it set a sales record in China in September and total sales for the first nine months of the year rose 55% to nearly 1.3 million vehicles.

## GOVERNMENT

**Bulgaria, China sign copper deal, vow to boost trade** (*AFP, 10/16/2009*) Bulgaria and China signed a major copper deal Thursday during a visit to Sofia by Chinese Vice-President Xi Jinping who pledged to further boost trade and investment



between the two countries.

**Tibet launches environment protection campaign** (*People's Daily*, 10/16/2009) An activity on environmental protection in Tibet on Oct.15 started in Lhasa, capital of Tibet, as a part of the 2009 Environmental Protection Work in China.

Environmental protection work will be launched in Xigaze, Lhoka, Nyingchi and Lhasa, publicizing banning on "white pollution", inspecting environment in downtown, major traffic tracks, scenic spots and regulating the disposal of domestic garbage.

**China willing to continue contribution to peaceful rise of Antarctica, says**

**Chinese official** (*Xinhua*, 10/15/2009) China is willing to continue its contribution to the peaceful use of Antarctica, said Chen Lianzeng, deputy director of the National Bureau of Oceanography (NBO) on Wednesday.

**China finds more cases of lead in children** (*Wall Street Journal*, 10/14/2009) Lead poisoning continues to emerge among children in China despite growing public protests, with officials revealing Tuesday that tests showed nearly 1,000 children had excessive lead in their blood, and a factory owner acknowledging some responsibility.

**Guangdong to issue energy index for doors and windows** (*China CSR*, 10/13/2009)

Guangdong province will certify door and window products by matching their energy-conservation characteristics to their proposed application.

**China's Shandong makes big but deep iron ore find** (*Reuters*, 10/13/2009) China's Shandong province announced the discovery of a huge iron ore deposit on Tuesday, days before the country unofficially kicks off annual negotiations on iron ore pricing for 2010/2011.

**China government sets plan to boost solid-state lighting industry** (*Wall Street Journal*, 10/12/2009) China plans to expand the value of products made by its solid-state lighting industry by around 30% yearly through 2015, the government said Monday. The government intends to "nurture a new economic growth sector, boost consumption demand and promote energy conservation and cut emissions," according to a joint statement by the National Development and Reform Commission, the industry ministry, and other government agencies.

**China, Japan, South Korea pledge to help enact climate accord** (*Bloomberg*, 10/10/2009) The leaders of China, Japan and South Korea pledged to work together to help enact a new climate-change accord this December in Copenhagen.