

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



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OPINION

Green tax may mean end to polluter's profits (Global Times, 7/23/2010) On July 15, Pan Yue, deputy head of China's Ministry of Environment Protection, confirmed that ministries were collaborating on an environmental tax. It is expected that some local governments in Hubei, Beijing, and Jiangxi will begin to experiment with this new policy instrument soon, but the details are still not made public.

Spills remind China that polluters must pay (Caixin Online, 7/30/2010) The Dalian oil spill and other environmental tragedies demand thorough investigations and fair penalties. An oil pipeline explosion at the port of Dalian on July 16 spilled about 1,500 tons of crude oil into the sea. The next day, on the other side of the planet, BP managed to cap a leaking oil well that had dumped millions of tons of oil into the Gulf of Mexico over a three-month period.

Senate inaction cedes U.S. energy race to China: Eric Pooley (Bloomberg, 7/29/2010) Right now the U.S. Senate is conducting a master class on the perils of legislation by rearview mirror. On July 27, when Majority Leader Harry Reid unveiled the "Clean Energy Jobs and Oil Company Accountability Act," the two most powerful clean energy provisions were missing: a cap on carbon emissions from the electric power sector and a national Renewable Electricity Standard (RES), which would require utilities to generate at least 15 percent of their electricity from renewable sources by 2021.

Is urban air pollution in China rising? (Christian Science Monitor, 7/29/2010) The New York Times claims that China's air pollution is growing worse due to increased motorization, construction, coal burning and general economic growth. But, their article didn't report any data trends. One way to measure air pollution is to use the API = air pollution index.

<u>China's Energy-Efficiency mandate</u> (Forbes, 7/28/2010) In an interview with Alex Dumortier of The Motley Fool in 2008, I was asked which industries I thought had good future prospects in China. I mentioned several growth areas, but Alex focused on my third suggestion: "Any technology that has anything to do with the environment."

<u>Yiyi Lu: The Lesser-Known Internet Story in China</u> (Wall Street Journal, 7/27/2010) Less well known are various experiments to use the Internet to improve governance and state-society communications. While the government is wary of the political threat posed by new information technologies, it has also started to view the Internet as an opportunity. It can be used to spread official messages, monitor public sentiments, soothe feelings of resentment toward the government, and provide references for decision-making. It is also a convenient tool for officials who are keen to cultivate a good public image.

PUBLIC SECTOR/NGOs

China's environmental disasters on the rise (Time, 7/29/2010) A massive explosion in a southern Chinese city is only the latest in a series of industrial accidents that have hit China in recent weeks. While the country's economic boom has always been dogged by environmental and safety hazards, the frequency of disasters this summer has raised new questions about whether the country can maintain its pace of expansion without

doing catastrophic harm to its people and the environment. "These accidents are happening all over China, and the scale ... has become larger and larger," says Wen Bo, a senior fellow with the San Francisco–based NGO Pacific Environment. "You see something you have never seen before, and then you see it again on a larger and larger scale."

Flooding tests Three Gorges Dam, pollutes Songhua River in China (Ciricle of Blue, 7/29/2010) Flooding from torrential rains has washed more than 1,000 barrels of explosive chemicals into the Songhua River in northeastern China, Reuters reports. The chemicals have caused officials to shutdown water supplies to more than 4 million people, while the overflowing river has trapped nearly 30,000 people in Jilin city, the BBC reports.

Worst floods in a decade in China, 30,000 trapped (AP, 7/29/2010) Floods caused by heavy rains in northeastern China stranded tens of thousands of residents without power Wednesday, as the worst flooding in more than a decade continued to besiege many areas of the country.

<u>China's environmental accidents double as growth takes toll</u> (Bloomberg, 7/28/2010) China, the world's largest polluter, said the number of environmental accidents rose 98 percent in the first six months of the year, as demand for energy and minerals lead to poisoned rivers and oil spills.

Rain in 9 regions all acid in first half of 2010 (People's Daily, 7/28/2010) Acid rain hit 189 Chinese cities in the first half of 2010. The frequency of acid rain in eight areas, including Lishui County of Jiangsu Province, reached 100 percent, meaning that every rainfall in those eight areas was acid rain, said Tao Detian, a spokesperson for the Ministry of Environmental Protection, on July 27.

With the global climate pact dead, China hungry for U.S. factory pork (Grist, 7/28/2010) Now that we've figured out why the climate bill died, it's time to start thinking about the consequences. The failure doesn't just mean that U.S. greenhouse gas emissions will continue inching up. It also means that we probably won't see a global climate deal anytime soon. And that means untold years of ever-increasing emissions -- and likely dire consequences for human habitation on Earth.

In China, pollution worsens despite new efforts (New York Times, 7/28/2010) China, the world's most prodigious emitter of greenhouse gas, continues to suffer the downsides of unbridled economic growth despite a raft of new environmental initiatives. The quality of air in Chinese cities is increasingly tainted by coal-burning power plants, grit from construction sites and exhaust from millions of new cars squeezing onto crowded roads, according to a government study issued this week. Other newly released figures show a jump in industrial accidents and an epidemic of pollution in waterways.

Beijing experiences longest hot-weather spell in decade (Xinhua, 7/27/2010) Beijing is experiencing its longest hot-weather spell in a decade, and it is expected to continue until Friday. This month the Chinese capital has experienced 10 days with a maximum temperature in around 35 degrees Celsius -- the most for the month of July in a decade.

<u>Chinese zoo accidentally gasses giant panda to death</u> (Telegraph, 7/27/2010) Quan Quan, a 21-year-old panda at Jinan Zoo in Shandong province, in eastern<u>China</u>, died after inhaling a mixture of chlorine, chlorine hydride and carbon monoxide, according to a spokesman.

<u>China's money and migrants pour into Tibet</u> (New York Times, 7/24/2010) They come by new high-altitude trains, four a day, cruising 1,200 miles past snow-capped mountains. And they come by military truck convoy, lumbering across the roof of the world.

CORPORATIONS

1,000 evacuated as fire burns at natural gas well in NW China (Xinhua, 7/29/2010) A gas leak caused a fire at a state-owned natural gas well in northwest China's Shaanxi Province last Friday, and the fire continues to burn, authorities said Thursday.

China needs foreign know how for domestic gas (Financial Times, 7/28/2010) A push by China to exploit its domestic energy resources, especially gas shale reserves, could lead to the country importing less gas from abroad in coming decades. But the strategy will be anything but self-sufficient. It will depend crucially on engaging foreign companies to share costs, risks and technology.

China Smart Grid Report points to incentives for energy use and electric vehicles (TMCnet, 7/27/2010) More than 400,000 gallons of oil have spread to over 170 square miles of water off the coast of Dalian, China. Civilian volunteers and firefighters are struggling to clean it up using bare hands and plastic bags before the spill reaches international waters. By comparison, the Deepwater Horizon oil spill spewed 94 million to 184 million gallons covering at least 44,000 square miles of the Gulf of Mexico. The outlook for the clean-up remains hopeful although it illustrates the similarities between energy-hungry giants like China and the U.S. and college binge drinkers; there are very few societal consequences for overindulgence.

China joins exclusive high-tech nuclear club (Edie, 7/26/2010) Scientists there have reported successfully testing the country's first so-called 'fourth generation' reactor. Zhang Donghui, general manager of the China Experimental Fast Reactor (CEFR) project, said: "The CEFR is safer, more environment- friendly, and more economic than its predecessors."

Chinese miner goes from corporate star to villain (AP, 7/25/2010) A month ago, Zijin Mining Group was a Chinese corporate star, a profitable gold and copper miner with ambitions to further expand abroad. Today, Zijin is an environmental villain to China's public after a July 3 leak of copper mine waste into a river killed fish, fouled drinking water for 60,000 people and flowed into a populous neighboring province. Zijin admits breaking rules and state media are questioning whether local officials ignored misconduct.

GOVERNMENT

Official: Water safe after chemical spill in China (AP, 7/30/2010) The water supply was safe in a northeastern China city after more than 3,000 containers of toxic chemicals were washed into a river by the worst floods in a decade in the country, an official said Thursday.

<u>IMF report urges China to consume more</u> (Wall Street Journal, 7/30/2010) China's trade surplus is set to balloon again unless the government takes more steps to support domestic consumption, including letting its currency strengthen, the International Monetary Fund warned in its annual review of the nation's economy.

<u>China shows strong resolve to develop clean energy: ITER</u> (People's Daily, 7/29/2010) China had shown its commitment to developing clean energy through its strong support for an international alternative energy program, the head of the program's China office said Wednesday.

China grapples with blast, chemical spill in latest accidents (Bloomberg, 7/29/2010) China sent hundreds of officials to assist people hurt in a gas-pipeline blast in the city of Nanjing and to retrieve 3,000 barrels of hazardous chemicals that washed into a river in Jilin as authorities grappled with the latest in a string of industrial accidents.

<u>China trains fur farm foxes to combat rat plague</u> (Reuters, 7/28/2010) Authorities in <u>China's</u> far west have bred and trained "an army" of silver foxes bought from a fur farm to fight a plague of rats threatening a huge expanse of grasslands, state media said on Wednesday.

Chinese consider setting coal production ceiling by 2015 to cut emissions (Bloomberg, 7/28/2010) China, the world's biggest polluter, may impose a cap on the country's coal production by 2015 and enforce energy consumption targets to cut carbon emissions and reduce reliance on fossil fuels.

Japan, China agree to speed up gas fields cooperation (AFP, 7/28/2010) Japan and China agreed on Tuesday to seek an early conclusion to talks over plans to jointly exploit oil and gas fields in a disputed area of the East China Sea, officials said. Senior government officials from the two countries met at the Japanese foreign ministry in Tokyo in the first talks on the matter since their leaders pledged to tackle the issue at a summit in May.

China needs \$118 billion to build high-speed rail lines that cut pollution (Bloomberg, 7/28/2010) China, the world's most populous nation, needs about 800 billion yuan (\$118 billion) to complete high-speed rail projects as the country invests in train services to pare pollution and travel times.

<u>China seen quickening hydropower approvals – media</u> (Reuters, 7/27/2010) China is likely to expedite approving hydropower projects from the second half of this year, or face missing its ambitious renewable energy target after cutbacks in the past five years, local media said.

<u>China surveys chronic disease prevention capabilities</u> (Xinhua, 7/26/2010) China has launched a nationwide survey of chronic disease prevention and control capabilities, examining all-level disease control and prevention centers and some selected grassroots healthcare units.