



ENVIRONMENTAL CHINA

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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. 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

[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.

US tries to trip China at starting line of green energy (Global Times, 10/21/2010) On October 15, the US announced an investigation into China's clean energy industry

under Section 301 of the Trade Act of 1974, which empowers the US president to take measures against unfair or discriminatory trade practices by other countries. But this time the investigation is not focused on traditional industries or a single product. It focuses on green technologies, including wind and solar products and high-performance batteries and efficient cars.

[What to make of China's efforts to meet its energy intensity targets](#) (NRDC, 10/21/2010) Adam Moser at Vermont Law School's China Environmental Governance blog drew a contrast between a blog post of mine discussing China's efforts to meet its energy targets, and a post by Michael Levi at the Council on Foreign Relations positing the view that China's energy statistics "have become pretty meaningless." Mr. Moser frames our posts as being on opposite sides of the argument ("circus or savior"), but it is perhaps more accurate to say that we are looking at different aspects of the same picture.

[China to lead with policy on climate change and fossil fuel depletion](#) (Financial Times, 10/21/2010) Sir, Your article "China feels strain in rush to save energy" (October 19), on the implications of China's efforts to achieve its 20 per cent energy intensity reduction target, and the associated editorial "China's low-energy plan" are likely to be read by the Chinese as offensive – and with good reason.

[China failing to meet energy use targets](#) (Metal Miner, 10/20/2010) China must feel like its damned if it does and damned if it doesn't. What are we talking about? – green technologies and environmental responsibility. Five years ago in the last plan, China committed to reducing the country's energy intensity – the energy consumed per unit of output – by 20% according to a FT report. The target looks unlikely to be achieved, but even so China came under considerable criticism at the time because it was not seeking to cut outright emissions, only the intensity.

[Failed-state US criticizes China for clean energy subsidies](#) (Clean Technica, 10/18/2010) In an article in the New York Times, [US to Investigate China's Clean Energy Aid](#), Senator Schumer voiced a complaint that China is engaging in unfair trade practices by supporting clean energy development with government funds. Schumer is right. It is unfair. Don't they know we are a plutocracy! How can we compete? The US is unable to emulate china in this level of support, because our hands are tied. The corporate control of all the Senate Republicans (and two or three Senate Democrats) in this country by

the fossil fuel industry effectively eliminates competition by the newer renewable energy industry.

PUBLIC SECTOR/NGOs

[China's cold snap may strain energy supply, hit farms](#) (Bloomberg, 10/21/2010) A cold snap will hit China today and lower temperatures by as much as 16 degrees centigrade through the weekend, potentially straining the country's energy supply and transportation and disrupting agricultural production.

[China a surprise leader in clean energy: study](#) (AFP, 10/20/2010) The world's top polluter, China, is a surprise leader in clean energy efforts, a study showed Tuesday, outstripping the United States and Japan and leaving Australia lagging far behind. The Vivid Economics report, commissioned by Australia's Climate Institute think tank, showed China was second only to Britain in the value of its incentives to cut pollution from electricity generation.

CORPORATIONS

[CNOOC said to bid \\$5 billion with GNPC for Kosmos Jubilee stake](#) (Bloomberg, 10/21/2010) Cnooc Ltd., China's largest offshore oil producer, and Ghana National Petroleum Corp. made a \$5- billion bid to buy Kosmos Energy LLC's assets in the West African country, including its stake in the Jubilee field, according to three people with knowledge of the matter.

[China Hydroelectric, China Guangdong Nuclear Energy Development Company to jointly develop and construct Wuyue pumped-storage hydro project](#) (PennWell, 10/21/2010) China Hydroelectric Corp., an owner, developer and operator of small

hydropower projects in China, has signed a framework agreement with China Guangdong Nuclear Energy Development Co. for the equity transfer of a controlling interest of the Wuyue Pumped-Storage Power Generation Co. Ltd. China Hydroelectric currently holds a 79 percent equity interest in Wuyue Company, which owns the right to develop a 1,000-MW pumped-storage hydroelectric power project in Xinyang, Henan Province, China.

[China petroleum and chemical industry to cut energy use by 10 percent in 2011-2015](#)

(Xinhua, 10/21/2010) China's petroleum and chemical industry has been required to further reduce its energy consumption by 10 per cent during the 12th Five-Year Program (2011-2015) period, according to a draft industry plan for public comments.

[CBI China will host Carbon Tech and Trading 2010](#) (Business Wire, 10/21/2010) In order to promote the information exchange between CDM projects owners and international buyers, CBI China will host Carbon Tech & Trading 2010 on November 17th-18th in Beijing, China. As the concerns on climate problem grow, CDM grows more popular among the people. Carbon trade extending from CDM stimulates the enthusiasm of the banks, funds, governments and kinds of companies around the world. A new report from World Bank indicated that the global carbon market reached USD 144 billion, up 6 percent on last year's same period.

[Steel output in China, World's biggest maker, Drops 5.9% on energy curbs](#) (Bloomberg, 10/20/2010) Crude steel production in China, the world's biggest maker, dropped 5.9 percent in September compared with a year ago as the government imposed power restrictions to meet energy-efficiency targets. Output was 47.95 million metric tons, according to data from the National Statistics Bureau today. That was also lower than August's production of 51.64 million tons, according to data compiled by Bloomberg news.

[Energy Storage 2010 – China's most important event focusing on ESS](#) (Business Wire, 10/20/2010) As the first summit focusing on the development of the industry of large-scale Energy Storage System (ESS), there will be 20+ Chinese power generation companies and 40+ ESS suppliers attending it to discuss the following 3 general topics together.

[China's BYD Aims to Build Not Just an Electric Car, but an Ecosystem](#) (Reuters, 10/19/2010) The Chinese company known as BYD-that's Build Your Dreams-has an audacious plan to solve China's energy and environment problems. Readers of this site might know BYD as the carmaker backed by famed investor Warren Buffet-and as the top contender to bring Chinese-made electric cars and plug-in hybrids to the United States.

[China charges into electric cars](#) (CNN, 10/19/2010) If you want to get a sense of just how car-crazy China is today, visit Chengdu, a booming city of 5.3 million in the southwestern part of the country. On a crisp Saturday recently, tens of thousands of eager new auto buffs have swarmed the opening of the Chengdu auto show. The would-be buyers pack into eight airplane-hangar-size structures filled with hundreds of sparkling new models being shown off by young Chinese women in cowboy hats and purple hot pants dancing to techno music.

GOVERNMENT

[Will new Chinese infrastructure prevent the next 10-day traffic jam?](#) (Fast Company, 10/22/2010) China just keeps growing and growing and this week two critical infrastructure announcements were made--the first being that the country is building a new super-speed railway and the second being that the country is expanding its highway from Beijing to Tibet in an effort to prevent any future long, historic traffic jams from ever happening again. (In early September a traffic jam lasted for 10 days and stretched on for 180 kilometers).

[China allocates 8 billion yuan to fight flooding of smaller rivers](#) (Xinhua, 10/22/2010) The Chinese government will earmark 8 billion yuan (\$1.2 billion) to reinforce small and medium-sized river banks against flooding, government officials said Thursday. "The central government has shifted its stress of investment to small and medium-sized river control, and all the 8 billion yuan will be in place by the end of October," Zhang Shaochun, Vice Minister of Finance, said at a national conference on river regulation in Hefei, Anhui Province.

[China remains solar haven as protectionism allegations pick up steam](#) (Market Watch, 10/21/2010) It has been an extremely volatile few weeks for solar stocks. Last week the bulls were out in full force after indications of strong demand came from the Solar

Power International conference in Los Angeles. But then on Tuesday we saw Chinese solar stocks plunge on news that the Chinese government is raising interest rates as well as growing concerns about U.S. complaints that China is subsidizing solar. The Bedford Report examines the outlook for companies in the Solar Power Industry and provides research reports on GT Solar International, Inc. (SOLR) and LDK Solar Co. (LDK 10.92, -0.11, -1.00%) .

[Germany to raise alarm over China rare earths restrictions at G20](#) (New York Times, 10/21/2010) Stung by Chinese muscle-flexing over minerals crucial for high-technology industries, the German government said Thursday that it would raise the alarm at the [Group of 20](#) talks, even as it looks to step up efforts to develop new supplies in Eastern Europe and Central Asia.

China becomes global leader in clean energy: study (Xinhua, 10/21/2010) Xinhua quoted a study commissioned by the Australia Climate Institute showed recently that China has become a leader in clean energy efforts, outstripping the United States and Japan and leaving Australia lagging far behind.

[China Intensifies Push for Consolidation in Coal Mining Industry](#) (Xinhua, 10/21/2010) The Chinese government has urged greater efforts to consolidate coal mines to reduce the number of outdated small mines, the General Office of the State Council, China's cabinet, said Thursday citing a statement from the nation's top economic planner. The National Development and Reform Commission ordered coal firms in major coal producing regions, including Shanxi, Inner Mongolia, Henan and Shaanxi, to concentrate coal mines and eliminate outdated small mines.

['Red China' Energy Jobs Play in House Races](#) (New York Times, 10/18/2010) The Chinese flag is being raised in states around the country -- in campaign attack ads warning voters that Congress is creating renewable energy jobs within the borders of America's biggest rival.

[China to enhance international energy cooperation: senior official](#) (Xinhua, 10/19/2010) Chinese State Councilor Ma Kai said Tuesday that China was willing to enhance energy dialogue and cooperation with other nations. China attaches great importance to energy-saving and environmental protection while striving to achieve a comprehensive,

coordinated and sustainable development of energy, Ma said during a meeting with some participants of the 2010 China International Energy Forum in Beijing.

[China unveils plan to protect wildlife](#) (Telegraph, 10/18/2010) After years in which China's has been criticized for putting its pell-mell economic growth above environmental concerns, the biodiversity action plan aims to begin tilting the balance back in favor of preserving natural resources, analysts said.

The plan, which designates 52 "priority" conservation areas that covering 23 per cent of the country also include cash payments from central government to local regions of China that preserve areas of habitat for forests and wildlife.

[China's low-energy plan](#) (Financial Times, 10/18/2010) China is signing up for another push to improve the efficiency of its smokestack economy. The government has committed to reduce the country's energy intensity – the energy consumed per unit of output – by 17.3 per cent as part of its next five-year plan. While cutting energy intensity has been criticized as a poor substitute for capping emissions, this is still a welcome ambition for the world's largest energy consumer. Whether it will deliver is another matter.

[China says US energy probe 'irresponsible'](#) (AP, 10/17/2010) The U.S. decision to investigate China's trade policies in the clean energy market is "groundless and irresponsible," China said Saturday. President Barack Obama's administration said Friday the issue would be looked into after a union complaint. "The signal it sends is that the U.S. does not support China's efforts at improving the environment," said a statement posted in response on China's commerce ministry website.

[US to launch inquiry into China's subsidies for clean-energy firms](#) (Washington Post, 10/16/2010) The Obama administration is launching a broad investigation into whether the Chinese government improperly supports its alternative energy companies, one of the sharpest challenges yet to Beijing's alleged efforts to seize world leadership in particular industries. U.S. Trade Representative Ron Kirk announced on Friday he had accepted a petition from the United Steelworkers union contending that the subsidies and other benefits China grants to its clean-energy companies violate World Trade Organization rules.