

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



www.pacechina.net

Issue84, November 5th to November 12th, 2010

By CC Huang and Chris Langer

Now in cooperation with chinadialogue



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

China to mold future world energy use: IEA (Christian Science Monitor, 11/10/2010) China's increasing appetite for energy will drive rising global energy demand over the coming decades, putting the country in position to mold the future of both energy security and alternative energy sources.

Californian vote inspire China to fight dirty energy (Global Times, 11/10/2010) Amid the wasteland of the US midterm election results, there were a few glimmering spots of hope for progressives. One of them was the massive defeat in California of Proposition

23, an oil industry-backed initiative that was designed to cripple the state's clean energy initiative, the "Global Warming Solutions Act" of 2006, aka "AB 32."

Embracing urban evolution (China Dialogue, 11/10/2010) China risks building a generation of rigid cities, unfit for the demands of a changing society, writes Adrian Hornsby. But there is an alternative approach – as an exercise this summer demonstrated.

<u>China's transformation paradox</u> (China Dialogue, 11/09/2010) In order to finance the shift to a low-carbon economy, China first requires a period of high-carbon growth, argues Pan Jiahua.

<u>China's dangerous gambit</u> (Kansas City Star, 11/08/2010) Just as mysteriously as it began, China's embargo of rare-earth exports has been lifted. So, back to business as usual? No. As Secretary of State Hillary Clinton observed, the episode was a "wake-up call" for importers, especially high-tech industries in Japan and the United States for which the elements are essential.

China's CO2 emissions must be same in 2030 as now, Stern report says (Bloomberg, 11/08/2010) China's rising carbon dioxide emissions must return to today's level by 2030 if warming since pre-industrial times is to be kept to 2 degrees Celsius (3.6 degrees Fahrenheit), London School of Economics professor Nicholas Stern said.

PUBLIC SECTOR/NGO'S

Oil spills pose threat to China's oceans (People's Daily, 11/12/2010) Oil spills are posing an increasing threat to China's marine environment as the country's energy demand grows, a leading environmental think tank warned on Thursday.

<u>Bilingual comic book on green life unveiled in China</u> (Xinhua, 11/11/2010) A bilingual comic book promoting low carbon lifestyles was launched here on Wednesday. The Green Life Comic Book published 57 cartoon works on low carbon living habits by 16 artists from China's mainland, Hong Kong and Taiwan.

<u>Chinese contemplate cost of wearing fur as industry booms</u> (Xinhua, 11/10/2010) For some Chinese, fur jackets, coats and hats are a way to show off wealth and success. For others, though, fur products represent nothing more than animal cruelty and environmental destruction.

CORPORATIONS

<u>Crude oil is unchanged as US stocks decline, China's processing surges (Bloomberg, 11/12/2010)</u> Oil settled unchanged as U.S. equities retreated after Cisco Systems Inc. said profit will miss analyst estimates and a report showed Chinese refiners processed a record amount of crude.

China diesel squeeze boosts refineries as \$100 oil looms: energy markets (Bloomberg, 11/12/2010) China's drive to curb energy use is exacerbating a shortage of diesel, sending refining profits to a three-month high and raising the likelihood that oil will trade at \$100 a barrel in coming months.

<u>Firm would export US natural gas to China</u> (Wall Street Journal, 11/12/2010) The United States is the world's largest energy importer, a statistic that has impacted its economy and foreign policy for decades. But is it about to become a major exporter of one type of domestic fuel?

Solar cell output of China's PV firms to surge 50 percent by year end (iStockAnalyst, 11/11/2010) Solar cell output of China's PV enterprises will surge over 50 percent by the end of 2010, predicted Meng Xiangan, deputy director with China Renewable Energy Society. Domestic PV enterprises are actively expanding their production capacity despite of unfavorable changes in solar power policies of European countries.

China diesel output gains as thermal power wanes (Reuters, 11/11/2010) China's attempts to clamp down on coal usage appear to have driven power-hungry steel and aluminium producers to seek alternative power sources in October, prompting oil refiners to churn out a record amount of diesel.

Mitsubishi pushes into China's energy sector (China CSR, 11/11/2010) Mitsubishi Electric Corporation announced that it will ship the first of 10 sets of digital instrumentation and control systems for nuclear power plants in China, an order worth a total of JPY48 billion, as part of the first commercial collaboration between China and Japan in the field of nuclear power.

PetroChina, Shell sign Canada oil, China gas accords (Bloomberg, 11/09/2010) PetroChina Co. and Royal Dutch Shell Plc agreed to study energy projects in Canada and China as Asia's largest oil company seeks global partners to benefit from growing energy demand.

HK, Shanghai shares up on China growth; energy, banks rise (Reuters, 11/11/2010) Shanghai and Hong Kong shares rose on Thursday after two days of declines, led by

commodity-related issues and financials on the prospects for continued capital inflows into Chinese stocks.

What does China want with south Texas? Hint: cleaner energy know-how (Christian Science Monitor, 11/10/2010) Last month, China's thirst for energy came to American shores. On Oct. 11, the government-run China National Offshore Oil Corp. agreed to pay \$2.2 billion for access to oil and gas assets in south Texas – marking China's first successful energy investment in the American market.

<u>Turning coal into diesel: Taking a toll on China's environment</u> (NTDTV, 11/9/2010) China is the world's second largest importer of crude oil. And with a growing demand for the black gold the country is turning its cheap surplus coal into liquid fuel. Coal giant Shenhua produces almost three thousand tons of diesels daily from coal at its massive plant in Ordos in Inner Mongolia.

General Electric plans to invest \$2 billion in China (Bloomberg, 11/09/2010) General Electric Co. plans to invest more than \$2 billion in China in technology and financial service ventures and research, adding 1,000 jobs in a country Chief Executive Officer Jeffrey Immelt is targeting for growth.

Analysts warn of China's aimless green investment (MarketWatch, 11/08/2010) China's investment in the "new energy" sector has shown signs of overheating, warned Shao Bingren, vice director of the Committee of Population, Resources and Environment of the Chinese People's Political Consultative Conference.

GOVERNMENT

China embraces green, low-carbon economy, says Chinese vice-premier (Xinhua, 11/12/2010) Chinese Vice Premier Li Keqiang said that China will firmly embrace green and low-carbon development ideals and step up efforts in saving resources and protecting the ecological environment.

Significant reductions in carbon emissions likely to be binding in new five year program: NRDC official (People's Daily, 11/11/2010) China would strengthen its efforts in carbon emissions control and would make every effort to realize the goals for coping with climate change, a central government official said Thursday.

<u>China energy conservation goals lead to diesel shortage</u> (Platts, 11/11/2010) China's efforts to reach its ambitious targets to reduce energy consumption by the end of 2010

has forced local governments to cut power supplies, in turn pushing industrial users to rely on diesel to generate electricity and compete with farmers, fishermen and truckers for the fuel.

<u>Top Chinese political advisor, Kazakh PM vow to strengthen co-op</u> (Xinhua, 11/11/2010) China's top political advisor Jia Qinglin and Kazakh Prime Minister Karim Masimov pledged Thursday to strengthen bilateral cooperation in economics and trade and energy. "China will work with Kazakhstan to ensure the sound construction of major joint energy projects, seek cooperation potential in clean energy," said Jia, chairman of the Chinese People's Political Consultative Conference (CPPCC) National Committee.

Remarks by H.E. Ambassador Song Zhe at the Roundtable Discussion with MEPs on climate change (Ministry of Foreign Affairs, 11/10/2010)

<u>China's strategy on energy security</u> (World Politics Review, 11/9/2010) The rapid economic growth of the People's Republic of China has fueled a demand for energy that has now outstripped domestic sources of supply. As a result, China can no longer sustain its economic expansion without importing massive quantities of energy.

<u>China to limit output from 2011-2015, Oriental says</u> (Business Week, 11/09/2010) China will limit annual coal output to about 3.7 billion tons during the five years from 2011 through 2015, the Oriental Morning Post reported today, citing Fang Junshi, head of the National Energy Administration's coal department.

<u>China mulls pollution rules for rare earth output</u> (Reuters, 11/12/2010) China's industry ministry is considering regulations to tighten pollution standards for rare earth producers, Xinhua news agency reported on Sunday, a move the country's top firm said might further raise export prices.