

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



www.pacechina.net

Issue86, November 20th to November 26th, 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 <u>here</u>.

OPINION

In China, environmentalism means two different things (The Atlantic, 11/24/2010) The consensus is that the main issues are rising labor costs, getting infrastructure built quickly enough to handle urbanization, the high tech export ban, and the environment. And of those, the fourth is the one we have heard about most consistently; virtually every development zone, commerce ministry official, entrepreneur, NGO leader, and economist, agrees that China needs to get the pollution under control.

<u>Happiness index should be measured</u> (People's Daily, 11/24/2010) A white paper on middle-income families published in March by China Youth Daily (CYD), showed Jiangsu, Sichuan, Fujian, and Chongqing are the highest

four cities in the Happiness Index while Beijing and Shanghai, the big two Chinese metropolises lag behind the lowest ones. Experts name the state of people in big cities as "fake happiness" — they seem glamorous at present, however, suffer greatly from high living expenses, education fees, and intense work competition pressure.

Piñón on Energy: China taking on strategic role in Cuba (Cub Standard, 11/24/2010) China could play a very important and strategic future role in Cuba's energy sector. According to a recent Reuters report, Chinese engineering and construction companies, backed by Venezuelan-guaranteed loans, are to build the new Cienfuegos heavy oil refinery and associated industries such as liquefied natural gas and petrochemical plants. These projects signal China's strategic interest in Cuba.

James Hansen is optimistic on global warming (because of China, not us) (Red, Green, and Blue, 11/24/2010) Hansen just got back from China, and sees the Chinese as getting serious about doing something about global warming and climate change (unlike Washington, which looks to be stuck in gridlock for the next two years).

<u>Yingli can sit out a price war – and profit</u> (Money Show, 11/23/2010) While the United States has dithered over how, when, and whether to invest in the energy industries of the future, solar cells and panels have become a commodity business. And that gives a huge edge to China's solar manufacturers with their significantly lower labor costs.

<u>China ramps up solar manufacturing (Reuters, 11/23/2010)</u> China's increasing domination of a rapidly expanding solar module industry is revealed in a report that shows that Chinese companies are expected to account for nearly 72 percent of new photovoltaic manufacturing capacity this year.

Eye on the prize: China is make or break for climate (The Energy Collective, 11/23/2010) Were the European Union to call for a deeper cut in carbon dioxide emissions, it would do little to stem the unrelenting increase in global emissions and is unlikely to have any effect on the international climate negotiations, according to the International Energy Agency.

PUBLIC SECTOR/NGO'S

<u>Cold climate sparks warm view</u> (China Daily, 11/26/2010) It was in one of the most desolate places where Li Lina discovered a new view of the world - immaculate floating ice in the Antarctic gleaming of purest azure, a fleecy snow blanket molding the wildness into a smooth glaring white and waddling penguins that looked like tap dancers.

Most wanted list of climate change culprits rewritten (New Scientist, 111/25/2010) China is the new number one cause of global warming, yes? It just got ahead of the US, right? Maybe not. It all depends how you look at the numbers, says a new analysis that finds new heroes and villains in the story of global warming.

CORPORATIONS

Ming Yang signs cooperation intention agreement for 200MW wind turbines (Energy Business Review, 11/25/2010) China Ming Yang Wind Power Group, a wind turbine manufacturer, has signed a cooperation intention agreement with a Chinese independent power producer (IPP) relating to up to about 200MW of turbines for an offshore wind project in tidal flat areas located in Beibu Gulf area of China.

China unconventional gas development faces unique challenges,

<u>WoodMac says</u> (Bloomberg, 11/25/2010) China, the world's biggest energy user, will take a different course from the U.S. in unconventional gas development because of "unique" geological, technical and commercial reasons, consultant Wood Mackenzie said.

Thermal coal stocks at China power plants dangerously low: ministry (Platts, 11/25/2010) Thermal coal stockpiles at some 349 Chinese power plants have fallen to dangerously low levels and the Ministry of Railway has pledged to increase rail shipments to power plants to ensure adequate electricity supply during winter, the official Xinhua news agency reported late Wednesday, citing a statement from the ministry. Hong Kong billionaire Lee Shau Kee's energy arm targets new China projects (Forbes, 11/25/2010) Hong Kong and China Gas, the city gas and clean energy arm of Hong Kong billionaire Lee Shau Kee's business empire, expects to invest more than \$1 billion in energy projects in China and Asia in the next two years."The company will make use of its cash for new projects," said Colin Lam, a company director, told Forbes in an interview.

<u>CNOOC, BP in South China Sea production sharing talks</u> (Business Week, 11/24/2010) Cnooc Ltd. and BP Plc are in talks on a production sharing agreement in the South China Sea, the chief executive officer of China's biggest offshore energy explorer said.

Analysis: Where is gas used next in China? Trucks and trawlers (Reuters, 11/24/2010) Feeling the pain of soaring fuel bills, trawler captain Liang Liming is thrilled to hear that in a few years his diesel-guzzling 400-horsepower boat may shift to natural gas, a cleaner fuel about a third cheaper.

GOVERNMENT

China eases power restrictions on aluminum smelters, CRU says

(Bloomberg, 11/25/2010) China authorities are easing power limits on aluminum producers, which may lead to plant restarts as early as next month, said CRU International Ltd. A plant in Guangxi plans to restart production in December, Beijing-based analyst Wan Ling said, declining to identify the company. In Henan, conditions improved after Nov. 10, she said.

<u>China nuclear body recommends 2020 target of 70 GW</u> (Reuters, 11/23/2010) The China Nuclear Energy Association has recommended the government adopt a 2020 target of 70 gigawatts of nuclear power capacity,

but companies in the sector are pushing for more, association Vice-Chairman Zhao Chenkun told Reuters on Wednesday.

China looks to lead global 'green-tech' industry (Mail and Guardian, 11/25/2010) China has made global headlines in recent months for overtaking the United States as the largest emitter of carbon dioxide, while state media ran almost daily stories of chemical water pollution and contaminated food. But Western governments and environmental groups have welcomed the ruling Communist Party's plans to remould its unrelenting economic rush into a form of "sustainable" development that curbs carbon emissions and pushes China to the forefront of "green" technology.

<u>EU seeks strategy to reduce reliance on China for rare earths (New York</u> Times, 11/25/2010) The European Commission intends to propose pursuing more bilateral trade agreements and investing in infrastructure in Africa as a means to increase alternative sources of rare earth metals, hoping to break China's dominance of the market for the strategic minerals.

<u>China's energy drive: back on track</u> (Financial Times, 11/25/2010) Beijing has set an ambitious target to reduce the intensity of energy use in China - and so desperate is the desire to meet it that <u>in one town in</u> <u>Hebei</u> thousands of traffic lights were shut off for more than a week this year.

<u>China likely to introduce environment tax in 12th Five-Year Plan</u> (People's Daily, 11/23/2010) China may introduce an environment tax during the 12th Five-Year Plan, deputy minister Xie Zhenhua of the National Development and Reform Commission (NDRC) said on Oct. 23.

<u>China, Russia agree on energy cooperation</u> (China Daily, 11/23/2010) Visiting Chinese Vice Premier Wang Qishan met with his Russian counterpart Igor Sechin here on Monday, exchanging views on Sino-Russian bilateral energy cooperation and reaching consensus on further development.

<u>China orders restoration of power supply to residents</u> (Bloomberg, 11/23/2010) China, the world's biggest energy consumer, ordered

resumption of power supply to residences after some local governments shut generating plants and limited electricity use by households to meet an energy-saving goal.

<u>China expands protection for its sunken treasures</u> (People's Daily, 11/23/2010) China plans to beef up the protection of underwater cultural heritage, said Shan Jixiang, the director of the State Administration of Cultural Heritage. As of now, China has found more than 200 underwater cultural heritages and more than 70 sunken ship heritages. An agreement pledging closer cooperation was signed between two Chinese central government agencies chiefly responsible for safeguarding underwater cultural heritage on Nov. 22.

<u>China, Russia sign energy accords, no gas price breakthrough</u> (Business Week, 11/23/2010) China and Russia agreed to expand oil, coal and nuclear power cooperation as economic growth in the Asian country drives energy demand while talks continued on gas pricing to start exports.

<u>China pushes to develop green economy</u> (China Daily, 11/23/2010) China invested a total of 2 trillion yuan (\$301 billion) in plans to save energy and reduce emissions during the 11th Five-Year Plan (2005-2010).

The investment came as the world's second-largest economy made efforts to develop a green economy, a top official from the National Development and Reform Commission (NDRC) said on Monday.

World Bank gives China measure praise on green energy (Wall Street Journal, 11/23/2010) China is making progress in meeting targets to get 15% of its energy from non-fossil fuels by 2020, but it needs to improve and expand hydropower generation and deal with inefficiency in its wind-power sector, the World Bank said Tuesday.

Nations that debate coal use export it to feed China's need (New York Times, 11/21/2010) Even as developed countries close or limit the construction of <u>coal</u>-fired power plants out of concern over pollution and climate-warming emissions, coal has found a rapidly expanding market elsewhere: Asia, particularly China.

China's energy consumption to be kept below 4.2 billion tonees of coal by 2015 (iStockAnalyst, 11/20/2010) According to FDI: China's

primary <u>energy</u> consumption will be kept to between 4 to 4.2 billion tonnes of standard coal by 2015, Jiang Bing, director of the development and planning department of the National Energy Administration (NEA), said on Saturday.

Former China nuclear head jailed for life over bribes (BBC, 11/19/2010) The former head of China's main nuclear energy company has been jailed for life for taking almost \$1m in bribes. Kang Rixin was dismissed last year from the state-owned China National Nuclear Corporation, the biggest operator of nuclear power plants in China. He was convicted by a Beijing court of abusing his position to enable others to profit, state media said.