



# 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 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).

## OPINION

[Why We Care About the Price of Water in China: Peter Orszag](#) (Bloomberg, 7/6/2011) An American trucker barreling down Interstate 95 bemoaning the high price of diesel fuel might never imagine that one of the things driving up his bill is the way water in China is being mispriced. But the truth is, water shortages are indirectly causing increased use of diesel generators for electricity in China, and that, in turn, is helping raise diesel prices in the U. S.

[China has legal, moral right to curb rare earth exports](#) (Reuters, 7/7/2011) China is well within its rights, legally and morally, to limit rare earth exports, argued an article in Chinese state media on Thursday, days after the World Trade Organization ruled against China on its curbs of raw materials exports.

[The paradoxes of water](#) (China Dialogue, 7/6/2011) In China, water scarcity limits growth and urbanisation escalates a crisis, say James G Workman and Montgomery F Simus. Opening a four-part series, they address the subject of value, the first conservation challenge to overcome.

## **PUBLIC SECTOR AND NGOs**

[Green groups demand apology over spill 'secrecy'](#) (China Daily, 7/7/2011) Eleven environmental organizations have sent an open letter to ConocoPhillips China and the China National Offshore Oil Corp (CNOOC) Ltd calling for a "full apology for the concealment of recent oil leaks and their failure to immediately disclose the specifics of the incidents."

[China urged to halt Myanmar dams](#) (WSJ, 7/6/2011) A coalition of Myanmar dissident groups called on China to halt a series of dam projects it is building in the resource-rich Southeast Asian nation, the latest sign of rising hostility toward Chinese investment there.

[Global warming lull down to China's coal growth](#) (BBC, 7/5/2011) The lull in global warming from 1998 to 2008 was mainly caused by a sharp rise in China's coal use, a study suggests. The absence of a temperature rise over that decade is often used by "climate sceptics" as grounds for denying the existence of man-made global warming.

[Sulphur from Chinese power stations 'masking' climate change](#) (The Guardian, 7/4/2011) The huge increase in coal-fired power stations in China has masked the impact of global warming in the last decade because of the cooling effect of their sulphur emissions, new research has revealed. But scientists warn that rapid warming is likely to resume when the short-lived sulphur pollution - which also causes acid rain - is cleaned up and the full heating effect of long-lived carbon dioxide is felt.

[City native writes book on environmental law in China](#) (The Charleston Gazette, 7/3/2011) A project director for the San Francisco-based ClimateWorks Foundation, Charles R. McElwee II works to promote public policies to prevent dangerous climate change and enhance global prosperity.

## **CORPORATIONS**

[Queue forms for a stake in China's vast shale gas reserves](#) (Sunday Morning Herald, 7/7/2011) China, estimated to hold more gas trapped in shale than the United States, will open new areas to exploration as PetroChina and Cnooc seek drilling technology through partnerships and acquisitions.

The mystery of the Chinese consumer (The Economist, 7/7/2011) Lily Li wears a lanyard with a little plastic card around her neck, even at weekends. It is a badge of honour: it shows that she has a white-collar job. (She is a secretary at Access Asia, a retail-research company in Shanghai.) She uses Apple earphones for the cheap Chinese mobile phone in her pocket, so it looks as if she owns an iPhone. And she drives to work, though it takes four times longer than public transport, just to show off her little car.

[Georgia farmers hail China's new taste for pecan's](#) (NPR, 7/7/2011) About 80 percent of the pecans eaten in the world are grown in the United States, and Georgia is the country's top

producer. In a place referred to as the Peach State, it's the pecan farmers who are planting thousands of new trees. The farmers are trying to keep up with skyrocketing demand from more than 7,000 miles away, in China.

[Lighting the way for solar power](#) (China Daily, 7/7/2011) Zhao Chunjiang's dream is that one day every rooftop in this eastern metropolis will have a solar power generator. Although he admits that day is still a way off, as the director of Shanghai University of Electric Power's solar energy institute he hopes to lead by example.

[China's Cotton Demand May Weaken on High Costs, Dreyfus Says](#) (Bloomberg, 7/6/2011) Cotton demand from China, the world's biggest consumer, may weaken as high costs encourage consumers to switch to cheaper synthetic fibers, said Chen Tao, chairman of Louis Dreyfus (Beijing) Commodities Trading Company Ltd.

[Chinese and US consumers think the same way when it comes to green vehicles, report shows](#) (The Independent, 7/5/2011) A new report has suggested that Chinese consumers prioritize saving money over saving the environment when it comes to electric vehicles - in much the same way as their US counterparts.

[China: swing factor for oil market](#) (Foreign Policy, 7/4/2011) When the International Energy Agency - the western countries' energy watchdog- [shocked oil markets by announcing a reserve release a few weeks ago](#), one key question on traders' minds was, how will China react?

## GOVERNMENT

[New rules to target chemical accidents](#) (Shanghai Daily, 7/7/2011) The Chinese chemical industry faces a raft of new regulations as it has become the number one source of man-made environmental disasters in the country.

[China, DPRK to boost renewable energy co-op](#) (Xinhua, 7/7/2011) China and the Democratic People's Republic of Korea (DPRK) have agreed to share their experience and beef up cooperation in exploring and utilizing renewable energy.

[Chinese oil spill half the size of London went unreported for a month](#) (The Guardian, 7/7/2011) Polluted [water](#). Murky information. Public anger. Government promises of transparency and oversight to prevent a recurrence. And then, a short time later, it all happens again.

[China to reform oil pricing mechanism](#) (Xinhua, 7/5/2011) To make domestic oil prices better reflect international prices, China is considering a reform of its pricing mechanism. On July 1st, the country lowered import duties for diesel and jet kerosene to zero, and cut fuel oil prices.

[China plans massive growth in offshore wind power by 2020](#) (7/3/2011) One of the most interesting news items in the past week was a report that energy-challenged China is planning to rapidly boost its offshore wind energy sector to 30 GW by 2020. According to the nation's National Energy Administration, China will increase its offshore wind farm installed capacity

to 5 GW in the next five years and create a complete technology and industrial chain to service the growing wind turbines sector.

[Electric Cars Remain Tough Sell in China](#) (Reuters, 7/3/2011) A pioneering electric-taxi project in this city, China's southern economic powerhouse, seems to be a success by most accounts. Riders are enthusiastic, there have been no accidents and drivers are termed "gracious" — not a term usually applied to mainland drivers.

[China approves plan for energy "golden zone"](#) (Xinhua, 7/7/2011) The central government has approved plans for an energy industry "golden zone" linking Shaanxi province and the autonomous regions of Ningxia Hui and Inner Mongolia in northwestern China, said an autonomous region official on Wednesday.

[WTO to fault China's curbs](#) (WSJ, 7/5/2011) The World Trade Organization is set Tuesday to condemn China for limiting its exports of major raw materials, rebuffing Beijing's arguments that curbs are necessary to protect the environment, according to trade diplomats and lawyers.