

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



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By CC Huang, TimQuijano and Chris Langer

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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.

OPINION

Matching Words with Deeds (China Daily, 8/5/2011) Evidence abounds that the Philippines is not matching its words with deeds. It lacks sincerity in solving the South China Sea dispute with China in peace.

China, the Green Energy Superpower (Money Show, 8/2/2011) The United States lost its edge in what I call this "technology of the future" to China in 2009, and without far-sighted leadership from Washington (and there is currently no sign of that), China will only increase its lead in terms of technology and investment, writes James Trippon of China Stock Digest.

PUBLIC SECTOR AND NGOs

<u>Video: At Desert's Edge</u> (China Green by the Asia Society, 7/29/2011) The threat of desertification is an issue of global concern. In China, expanding deserts are taking a heavy toll on the lives and livelihoods of citizens all across the world's most populous country. China lost approximately 660,000 squares miles of land to deserts between 2005 and 2009 alone. While there is not one single solution to combating desertification, Kulun Qi, a dry area in northeastern Inner Mongolia, has shown signs of hope that may eventually work as an example to others adversely affected by encroaching deserts around the world.

<u>Losses at Sea</u> (China Dialogue, 7/29/2011) Coastal pollution is back in the public eye thanks to the latest oil spill in the Bohai Gulf. Xia Jun looks at three maritime lawsuits, and what they tell us about environmental litigation in China.

Green groups sound warning over China's love affair with SUVs (Telegraph, 8/4/2011) With more than a million sports utility vehicles (SUVs) now hitting the road in China each year, environmentalists have voiced their concern about the impact of these "oil tigers."

<u>Dam proposal for Poyang Lake</u> (China Daily, 8/4/2011) Conservation groups voice opposition to government plan, Li Jing reports in Beijing. Some conservation groups were not convinced as to the merits of the proposed project. Zhu Laiyou, a senior water official in Jiangxi province, announced that the country's top scientists and ecologists had decided that a dam on Poyang Lake would do little harm to the environment or disrupt wildlife.

CORPORATIONS

<u>Hard Slog to Greener Banks</u> (China Dialogue, 7/29/2011) China's financial behemoths are still providing key support to major polluters, writes Yuan Ying. They have a long way to go to meet global green standards.

What Investors Should Know About China's Upcoming Solar Feed-in-Tariff (Bloomberg, 8/2/2011) China's NDRC has set a unified feed-in-tariff (FIT) for solar projects approved before July 1 or completed in 2011, at RMB 1.15/kwh (USD \$0.179/kwh), which will be reduced to RMB 1.00/kwh (USD \$0.155/kwh) in 2012.

The Future Of Cheap Energy: Underground Coal Gasification (The Oil Drum, 8/3/2011) Between 2000 and 2010 world energy use increased by 2.6 billion metric tons of oil equivalent per year. Of this increase, a little over half came from coal, and 72% of the coal increase came from China. The vast exploitation of Chinese coal, the cheapest source of electricity in the world, enabled western nations to benefit from both cheaper goods and outsourcing environmental issues, and for China to benefit from increasing goods exports and rising domestic consumption. Substantial doubt has risen, however, about the possible duration of this economic miracle since China now produces 48% of global coal and consumes around 3% of its reserves every year. How long will Chinese coal last?

<u>China Beefs up its Smart Grid</u> (China Daily, 8/4/2011) Echelon Corp, which is based in the Silicon Valley, announced a partnership on Wednesday with China Holley Metering Ltd to provide smart metering products for the Chinese market.

The Big Worry about China on the Energy Patch (Foreign Policy, 8/3/2011) As American and Chinese energy officials and scientists meet in Chicago this week, the trick for the U.S. is how to collaborate in the battery laboratory without spilling any secrets.

US Oil Giant Says China Spill Worse than Thought (AFP, 8/4/2011) A massive oil spill off northeast China may be worse than first thought, the US energy giant behind the leak said, after authorities ordered it to clean up the sea bed by Sunday.

China's Energy Shortages Start to Bite (Asia Sentinel, 8/2/2011) The magnitude of China's enormous need for new sources of power is starting to come clear, with rationing expected in as many as 10 major areas between now and September, according to a number of reports issued recently.

<u>Pollution clouds Hong Kong's future</u> (BBC, 7/31/2011) To gaze across Hong Kong's harbour to the city's famed skyline of shimmering skyscrapers and lush, green peaks is to experience one of the world's most spectacular urban landscapes.

<u>China Minmetals calls for rare earth production suspension</u> (Reuters, 8/3/2011) State-owned trader Minmetals has called on all firms in the rare earth sector to adhere to a national output quota by suspending production starting from the beginning of August.

KKR buys into China's United Envirotech (Financial Times, 8/1/2011) An investment by KKR in United Envirotech, a Chinese water treatment firm,

underscores the growing business opportunities in China's water sector. The US private equity firm announced on Monday that it will invest \$114 million in the Singapore-listed builder and operator of large-scale wastewater treatment plants across China. This year water has become a top government priority as rampant water pollution, falling water tables, droughts and floods all take a growing toll on the country and the health of its people.

GOVERNMENT

<u>End of the High Speed-Myth?</u> (China Dialogue, 8/2/2011) As China struggles with the aftermath of a fatal train wreck, its breakneck push to lead the world in rail is under scrutiny. Lu Zongshu, Shen Nianzu and Zhu Yang report.

China Moving Forward on 12th Five Year Plan Climate and Energy Implementation; Targets, Taxes, Emissions Trading Plans in Development (WRI's ChinaFAQs, 8/2/2011) The many climate and energy pieces of China's 12th Five Year Plan appear to be moving into place. Most recently, Chinese Climate Change Minister Xie Zhenhua announced that China was about to come out with a full plan for the 17% carbon emissions reduction target in the Plan (2011-2015). In March, China announced an initial set of initiatives to control the growth in carbon emissions, and the 17% figure is part of the larger goal or reducing emissions by 40-45% by 2020.

<u>Did Oligarchs Cause the Crash?</u> (China Dialogue, 8/4/2011) The Wenzhou train disaster is the latest signal China's economic miracle is not all it seems: local officials and powerful monopolies are leading the nation down a treacherous path, writes Tang Hao.

China's Silk Road city to develop new energy to protect environment (Xinhua, 7/31/2011) A city on the ancient Silk Road will strive to develop solar and wind energy to drive the local economy and protect the vulnerable environment characterized by its desert-threatened oases.

China Tightens Supervision over Solid Waste Import (CRIEnglish, 8/3/2011) The Chinese government has issued a new regulation that bans the dumping of solid waste from overseas and the transfer of hazardous solid waste to China. It requires enterprises that specialize in the disposal of solid waste to conduct daily monitoring activities to prevent the spread of pollution.

<u>China to cap energy use in national low-carbon plan</u> (Guardian, 8/4/2011) A cap on energy consumption is expected to be at the heart of a Chinese low-carbon plan to be issued this year, experts believe, amid reports that officials have now agreed its level.

<u>Philippines Pursues Spratly Oil</u> (UPI, 8/4/2011) Despite contesting the Spratly Islands with a number of nations, including the Peoples' Republic of China, the Philippines will continue its oil exploration efforts there.

<u>Urgent Need to Save Energy</u> (China Daily, 8/4/2011) China's crude oil imports are now 55.2 percent of its total energy consumption and for the first time surpass the 53.5 percent of the United States, which points to the increasingly heavy pressure its development faces.

<u>Xinjiang Port Upgrades Facility to Transport Mongolian Coal</u> (8/4/2011) A six-kilometer path specially built for coal transport has been completed in northwest Takeshiken, the second largest port at the China-Mongolia border, as the import of coal from Mongolia picks up, local officials said Wednesday.

<u>Poor Air Quality Hits Many Big Cities</u> (China Daily, 8/2/2011) The average air quality in 45 major cities - nearly four out of every 10 major cities int he country - was rated as "poor" in the first half of this year, according to the Ministry of Environmental Protection.

<u>Slideshow: Long Trek for Water</u> (China Daily/ 8/5/2011) Due to drought conditions that have persisted since April, some residents of Longlin, Guangxi have had to endure a twice-daily, two-hour walk to fetch water for their homes.

China shuts down 583 plants in lead battery plant overhaul (Xinhua, 8/2/2011) A total of 583 lead battery manufacturing plants were shut down after government authorities conducted a series of inspections earlier this year in an effort to reduce heavy metal pollution.

Continuous drought leaves 190,000 people short of water in SW China (Xinhua, 8/4/2011) A lingering drought has left 190,000 people and 28,000 livestock short of drinking water in Zhaotong, Yunnan Province, local authorities said Thursday.

Wenzhou Crash Shows the Dangers of China's Nuclear Power Ambitions (Jamestown Foundation, 7/29/2011) A high-speed train crash near Wenzhou in the coastal Chinese province of Zhejiang took the lives of at least 39 people on July 23 and has raised equal measures of fear, anger and astonishment across the country.