

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 or timquijano@gmail.com.

OPINION

"China must alter its nuclear policy" (He Zuoxiu, China Dialogue, 10/12/2011) He Zuoxiu believes Beijing's nuclear plans are too risky to justify. Opening a debate on the role of atomic energy in China's future, he outlines three lessons from Fukushima.

Coming clean on the environment (Harvey Dzodin, China.org.cn, 10/8/2011) Recently there have been major reported demonstrations in Haining against a polluting solar panel manufacturer which led authorities to a temporary shutdown of the plant, and in Dalian, where a polluting chemical facility was forced to move its operations.

RESEARCH/CIVIL SOCIETY

<u>China dominates global coal production</u> (EIA, 10/4/2011) China produced almost half the world's coal in 2010, three times more than the United States, the world's second largest producer, and almost as much as the next 10 highest producing countries combined.

<u>China says 100 million farmers to move to cities by 2020</u> (AFP, 10/11/2011) More than 100 million Chinese farmers will move to cities by 2020, posing huge challenges for urban planners and already stretched social welfare systems, according to a new official forecast.

<u>Scant CO2 Benefit from China's Coal-Powered Electric Cars</u> (Andrew Revkin, New York Times, Dot Earth, 10/10/2011) Much has been made of China's big push to build and deploy 1 million electric vehicles a year by 2015. The move will help cut smog and oil imports. Less has been made of the scant impact this is likely to have on the country's emissions of carbon dioxide, given its enduring reliance on coal for most of its electricity. Here's a "Your Dot" contribution describing the situation from Lucia Green-Weiskel, who has worked in China for the Innovation Center for Energy and Transportation and co-authored a <u>report</u> on electric vehicles there for the United Nations.

<u>Video: River Runs Black</u> (Asia Society's China Green, 10/6/2011) For thousands of years Beijing depended on the Yongding River, but for the last decade the river has been dry. Low rainfall and rampant industrial development caused the river's demise. Reservoirs fed by the river are less than a tenth full, a symptom of a water crisis affecting the whole of Beijing. Now the river faces another dramatic transformation. Beijing's government is spending the equivalent of over 2.5 billion US dollars to create a manicured landscape of lakes and parkland along the river.

<u>Chinese sceptics see global warming as US conspiracy</u> (John Garnaut, Sydney Morning Herald, 10/8/2011) In China, where carbon emissions have surged despite tough government constraints and targets, President Hu Jintao is having to stare down claims that human-induced climate change is an elaborate American conspiracy. "Global warming is a bogus proposition," says Zhang Musheng, one of China's most influential intellectuals and a close adviser to a powerful and hawkish general in the People's Liberation Army, Liu Yuan.

<u>New study 'How's Life?' by OECD says Indians are more satisfied with life than Chinese</u> (Manoj Nair, Economic Times, 10/14/2011) New publication, aims to throw some much needed light on what makes up people's life in about 40 countries including the emerging economies like India and China.

<u>Beijing residents face rising cancer threat</u> (Cheng Yingqi, China Daily, 10/12/2011) About 105 people were diagnosed with cancer every day in the capital last year, with the disease responsible for one in four deaths, a recent study shows.

<u>Iran replaces Gazprom with local consortium</u> (Najmeh Bozorgmehr, Financial Times, 10/11/2011) Iran has replaced Russia's Gazprom Neft with a local consortium and suspended a gas contract with the China National Petroleum Corporation International (CNPC) as it struggles to speed up development of its oil and gas fields.

CORPORATIONS

<u>Chinese suitor reopens Kalahari Minerals talks</u> (Michael Kvanagh, Financial Times, 10/9/2011) China Guangdong Nuclear Power has reopened takeover talks with Kalahari that could lead to a deal valuing the Aim-quoted miner at more than £650m (\$1bn).

Sinopec makes C\$2.2bn bid for Canada's Daylight (Leslie Hook, Financial Times, 10/10/2011) China's Sinopec has offered C\$2.2bn (US\$2.1bn) to buy Canadian oil and gas firm Daylight Energy, the latest in a series of acquisitions by Chinese oil companies hungry for assets in North America.

<u>Sinovel in American Superconductor challenge</u> (Leslie Hook, Financial Times, 10/12/2011) Sinovel, the Chinese wind turbine manufacturer, has launched a \$125m counterclaim against former supplier American Superconductor.

<u>A lead poisoning too far?</u> (Lu Minghe, Southern Weekend, 10/6/2011)The sickness of dozens of Shanghai children has provided ammunition to those cracking down on China's battery makers – and this time it's an industry leader in the firing line.

<u>Lessons from the Irrawaddy</u> (Liao Ruo, China Dialogue, 10/10/2011) Though painful for China's investors, the suspension of a multibillion-dollar dam in Myanmar could teach those wanting to do business abroad an important lesson in political risk.

<u>Video: Huaxi, the village that towers above China</u> (Jonathan Watts, Guardian, 10/6/2011) Until recently, Huaxi was a poor farming community, typical of eastern China. Now, thanks to the ambition of one man, it is a powerhouse symbol of the country's economic expansion, embodied by a giant 328m-tall tower.

<u>JinkoSolar resumes Haining City operations following environmental review</u> (Photovoltaics World, 10/11/2011) First, there were <u>protests by villagers</u>. Then <u>an apology</u>. Now, vertically integrated Chinese solar company JinkoSolar Holding Co. Ltd. (NYSE:JKS) has resumed production at its facility in Haining City in Zhejiang Province, China, following new measures to upgrade environmental protection practices.

Fears Over Battery Plant Plans (Bi Zimo and Wen Yuqing, Radio Free Asia, 10/11/2011) Residents of the southern Chinese city of Shenzhen are mounting a vocal campaign against plans to build a battery plant in their neighborhood, following a slew of cases of lead poisoning in children across the country in recent months.

<u>China gushes over high-end bottled water</u> (Meng Jing, China Daily, 10/7/2011)The days of French brands Evian and Perrier having a hold on half the premium bottled water market in China may be over. Consumers can now find plenty of domestic high-end bottled water at any

medium-sized supermarket, ranging from glacier mineral water from Tibet to spring water from Qingdao Laoshan.

<u>New solar power plant to fuel China's clean energy plan</u> (Xinhua, 10/12/2011) Construction began on Wednesday for a major solar power plant in northwest Ningxia Hui Autonomous Region as part of China's efforts to accelerate the development of renewable energy.

GOVERNMENT

Environmental rules set to shift (Li Jing, China Daily, 10/10/2011) Local governments at all levels are expected to face stronger obligations to protect the environment, and polluters will face much heavier fines, according to a draft proposal to amendChina's decades-old Environmental Protection Law.

Money can't solve China's water woes (Grace Ng, Straits Times, 10/13/2011) Although China will double its spending on water conservation projects over the next decade to an eye-popping four trillion yuan (S\$805 billion), it is unlikely to improve water quality, a senior official admitted yesterday.

<u>City government fails to clean up pollution</u> (Xiang Mingchao and An Baijie, China Daily, 10/11/2011)More than 200 villagers in Central China's Henan province do not have clean water to drink because their water sources were polluted by chromium residue, a toxic chemical waste which the central government had ordered to be cleared 10 months ago.

<u>China to inspect offshore oil businesses after oil spill disaster</u> (Xinhua, 10/10/2011) The Chinese government will launch a nationwide campaign starting Saturday to inspect the country's offshore petroleum drilling and exploration businesses to prevent future oil spills.

<u>Chinese Polar Ambitions Rise with Global Temperatures</u> (Ivan Broadhead, Voice of America, 10/13/2011) China has been active in Antarctic exploration and scientific research since 1984, but only recently signaled its intent to become a hands-on player in Arctic affairs. As Beijing implements an unusually ambitious shift toward the poles, its goals and motivations are drawing scrutiny.

<u>China's PV Feed-In Law Results in Solar Boom, Unlike Weak US Subsidies</u> (Sustainable Business, 10/10/2011) One need only look at China for an example of the potent effect of government subsidies. In July, China instituted a national solar PV feed-in law, which has already led to a non-residential pipeline of over 1000 projects, adding up to 14 gigawatt (GW). China's PV market will exceed 1.6 GW in 2011, up 230% from 2010.

<u>China to Extend Oil, Gas Resource Tax Nationwide Next Month</u> (Bloomberg, 10/11/2011) China will extend a value-based tax on sales of oil and natural gas nationwide starting next month to help save energy in the world's fastest-growing major economy and boost local government revenues to develop inland provinces. China eyes shale gas and uranium firms

(Terry MacAlister, Guardian, 10/9/2011) China's growing attempts to seize global natural resources has reached Britain with a link to the <u>recent shale discoveries near Blackpool</u> and a bid for a London-listed uranium company.

<u>U.S. moves to bar sale of solar patents to China</u> (Biz Journals, 10/11/2011) The U.S. Department of Energy has moved to block the sale of solar panel manufacturing patents to Chinese companies in a move that could have implications for future foreign acquisition of technology that the federal government helps to fund.

<u>Offshore energy equipment sector set to develop</u> (Zhou Yan, China Daily, 10/11/2011) A 10year plan to develop the country's offshore engineering equipment manufacturing industry is expected to be released by year's end, an official from the Ministry of Industry and Information Technology (MIIT) said on Monday.

<u>China sets ambitious shale gas output targets</u> (Jim Bai, Chen Aizhu and Jacqueline Wong, Reuters, 10/12/2011) China plans to produce 6.5 billion cubic metres (bcm) of shale gas by 2015 and aims for 80 bcm by 2020, an official with top Chinese oil and gas producer China National Petroleum Corporation (CNPC) was quoted as saying by Chinese media.