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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 and/or timquijano@gmail.com.

OPINION

<u>Leadership By China is The Best Chance For Successful Climate Treaty</u> (11/30/2011) As the next round of international negotiations about a possible climate change treaty — the 17th to be exact since the Kyoto Treaty was signed in 1992 — get up to speed in Durban, South Africa, it's becoming increasingly clear that an environmental emergency stands the best chance of compelling industrialized countries to act. That's because nothing else will.

Alberta's Oil Sands: 'China or Bust!' (Huffington Post, Nicholas Ostroy, 11/30/2011) In the coming years, Canada's oil will continue to be extracted from the earth, but will it flow south to the United States or east across the Pacific in greater quantities? The ramifications of this answer impacts American, Canadian and Chinese economic and political relations for the

coming years in subtle ways. The proposed Keystone XL pipeline is not the way to reduce dependency on fossil fuels, but it is an opportunity to access a reliable source of oil from one of the United States most reliable partners.

China and US need to come on board for climate crisis (Christiana Figueres, Times Live, 11/28/2011) The UN's top official for climate change, Christiana Figueres, has warned that finding a solution to the global warming crisis will require "nothing short of the most compelling energy, industrial and behavioural revolution that humanity has ever seen."

Why China Cannot Fight Pollution (Panos Mourdoukoutas, Forbes, 11/27/2011) As the climate change summit in Durban, South Africa is about to begin, China's Vice-Premier Li Keqiang has a clear and loud message about the country's climate concerns: "Energy conservation and environmental protection is a long-term strategy as well as an urgent practical option for China." While we do agree with the first part of the statement, we disagree with the second.

<u>China wants Kyoto for others, delays for itself</u> (Kelly McParland, National Post, 11/30/2011) A country rich in culture and learning, China knows a good joke when it hears one, and isn't bad at delivering the occasional jest as well.

RESEARCH & CIVIL SOCIETY

Water Cooperation Deal signed in Xi'an (Lu Hongyan, China Daily, 11/25/2011) The Dutch industrial water company Evides and three leading research institutes—the Technical University of Delft (The Netherlands), the National Engineering Center of Urban Water Resources of Harbin Institute of Technology (Heilongjiang province) and the Provincial Academy of Environmental Science at Xi'an (Shaanxi province) — signed a cooperation agreement on November 25, 2011, which represents the start of the Sino-Dutch Research Program (SDRP). The SDRP is funded by Evides and has an initial term of five years.

<u>Scientists highlight pollutant problem</u> (Xie Yu, China Daily, 11/30/2011) Chinese and foreign scientists on Monday called for more attention to tackle urgent environmental issues other than climate change, as homemade and imported pollutants threaten people's health.

Tainted Rice Part of China's Pollution Problem (Kathleen E. McLaughlin, PBS, 11/29/2011) "I'm not too picky about every single food item, but rice is the most important thing, so I want the cleanest," said Xu, a 28-year-old office worker in Beijing, chatting as she shopped for groceries in an organic supermarket.

More blocked noses due to smog (Wang Qian & Mao Weihua, China Daily, 11/29/2011) Heavy smog is expected to continue until Wednesday in Urumqi, Xinjiang, causing a surge in the number of patients suffering from respiratory diseases, doctors warn.

CORPORATE SECTOR

<u>China's rush into renewables: The way the world turns</u> (Leslie Hook and Ed Crooks, Financial Times, 11/28/2011) A Beijing-inspired drive in wind and solar power now faces its own set of market difficulties.

Johnson Controls: Shanghai Plant Not Leaking Lead (Elaine Kurtenbach, AP, 11/30/2011) U.S. battery maker Johnson Controls is at odds with Shanghai's environmental regulator over the credibility of tests the company says show it was not responsible for severe lead poisoning cases in children discovered earlier this year.

China clean energy shares climb on surcharge increase (Leonora Walet, Reuters, 12/1/2011) Shares in Chinese wind and solar companies listed in Shanghai and overseas rose strongly, lifted in part by Beijing's announcement that it will double the surcharge on power sales to subsidize renewable power generation, analysts said.

Soitec ships first solar energy system to China (Richard Wilson, Electronics Weekly, 12/1/2011) Soitec has shipped its Concentrix concentrator photovoltaic (CPV) systems to Focusic New Energy, a Chinese developer of renewable-energy power plants.

Pricing Reforms Alone Won't Solve China's Energy Challenges (Ian Mills, World Politics Review, 11/30/2011) Following recent declines in headline inflation, weak power generation in October and deepening financial losses for power companies, speculation has once again picked up regarding potential coal and electricity pricing reform in China. While some form of price adjustment looks imminent, structural reforms to pricing mechanisms affect multiple domestic interest groups and are proving hard to manage for the party-state. Beyond pricing, many broader reforms are already delayed, and the struggle to build consensus looks likely to cause further disruption.

GOVERNMENT

China, Japan join hands in energy conservation efforts (Xinhua, 11/26/2011) China and Japan inked agreements to join hands on 51 projects in energy conservation and environment protection, the latest cooperation between the two countries in the sector. The projects will cover the setup of a mechanism on energy-saving standards, enhancement of thermal power efficiency, standardization of semiconductor lighting, sea water desalination and other related subjects.

China starts investigation into U.S. support for renewable energy sector (Xinhua, 11/25/2011) The Ministry of Commerce (MOC) said Friday that it will start an investigation into the U.S. government's policy support and subsidies for its renewable energy sector over trade barrier concerns.

<u>China Looking Into U.S. Policies in Renewable Energy Trade</u> (Keith Bradsher, New York Times, 11/26/2011) The nation's commerce ministry opened an investigation on whether American subsidies in the solar, wind and hydroelectric sectors had hurt development of those industries in China.

<u>Green Drivers</u> (Lan Lan, China Daily, 11/27/2011) Energy conservation and environmental protection is a long-term strategy as well as an urgent practical option for China. Without structural adjustment and transformation, China is unlikely to maintain sustainable economic growth and a robust momentum of economic development.

<u>China steps up efforts to cut emission</u> (Xinhua 11/27/2011) In response to the government's call to build a greener economy, China's transport authorities have taken a slew of measures to promote energy saving and emission reductions in the sector.

China's Qinshan nuclear power plant in safe operation for 20 years (Xinhua, 11/27/2011) China's first-ever nuclear power plant, Qinshan nuclear power plant has maintained safe and stable operation for 20 years, according to a symposium held by China National Nuclear Corporation (CNNC) on Saturday.

China earmarks 18 billion yuan for mineral exploitation in eastern Tibet (Tendar Tsering, Phayul, 11/28/2011) Less than three months after Beijing announced plans to intensify its mining efforts in the Tibetan Autonomous Region (TAR), Chinese authorities in eastern Tibet have decided to quintuple the amount of money spent in the last five years on exploiting minerals in the region.

A climate regime that works for China (Thomas Spencer & Emmanuel Guérin, China Dialogue, 11/30/2011) A positive result in Durban demands political leadership, write Thomas Spencer and Emmanuel Guérin. With Europe in crisis and America politically jammed, will Beijing step up?

<u>China critical of Kyoto withdrawal plan</u> (Xinhua, 11/30/2011) The plan to withdraw from Kyoto Protocol will severely mar the talking process at the UN climate conference in Durban, South Africa, the Chinese delegation told Xinhua on Tuesday.

<u>China to double surcharge to subsidize renewable power</u> (Reuters, 11/30/2011) China will double a surcharge on power sales to 0.008 yuan per kilowatt hour to subsidize renewable power generation from Thursday, the National Development and Reform Commission said.

China to introduce special invoice for rare earth sector to curb illegal mining (Xinhua, 11/30/2011) China will introduce a special value-added tax invoice for the rare earth sector "as soon as possible" in order to further crack down on the illegal mining and over-exploration of rare earths, a government official overseeing the sector said Wednesday.

<u>China, Japan Clash With EU Over Aviation CO2 Curbs at Summit</u> (Bloomberg, 11/30/2011) European Union plans to impose curbs on carbon-dioxide emissions by international airlines as

of 2012 drew fire from countries including China, Venezuela and Japan, marking a new stumbling block at the climate summit this week.

China Arrives in Durban Greener than Ever (Melanie Hart, Center for American Progress, 11/30/2011) This week representatives from 194 parties are meeting in Durban, South Africa, for another two-week round of climate negotiations under the United Nations Framework Convention on Climate Change, or UNFCCC. As always, all eyes are on the United States and China—the world's biggest carbon emitters and, according to some, the biggest hurdles to a global climate agreement.

<u>China's nuclear energy need will persist</u> (UPI, 11/24/2011) China's reliance on nuclear power cannot be reduced as the country needs to diversify its energy requirements, a senior policymaker said.

Without Asia Support, an EU Ban on Iran Oil Imports Won't Bite (Gurdeep Singh, Wall Street Journal, 11/29/2011) A French-backed proposal to stop Iranian oil imports into Europe could inconvenience Tehran, but it would have a crippling effect only if big Asian buyers join in.

<u>China gives new-energy vehicles official nod</u> (Xinhua, 11/25/2011) New-energy vehicles are now officially on the Chinese government's list of "to-buy" vehicles, according to a new high-level directive.

<u>China focus: Five-year plan to cut pollution</u> (Leslie Hook, Financial Times, 11/25/2011) Any visitor stepping off an aircraft in Beijing will instantly be aware of why climate change and pollution issues have become a priority for China.

<u>Beijing presses Sudanese to end oil row</u> (Financial Times, 11/30/2011) The rare intervention by China, which last year bought two thirds of Sudan's output, comes as Brent crude, the benchmark, surged above \$110 a barrel.

<u>Video: Chinese Regime Steps Up Pressure on Power Plants</u> (NTDTV, 11/25/2011) The Chinese regime is issuing fines against eight coal plants for violating pollution limits. In a statement given on Thursday, the Chinese Ministry of Environmental Protection and National Development and Reform Commission said these power plants are connected to some of China's biggest utility companies.