



ENVIRONMENTAL CHINA

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



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PACE is now in cooperation with

chinadialogue



Issue 144, January 27th, 2012 to February 2nd, 2012

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Invite your friends and colleagues to subscribe to the weekly e-mail newsletter [here](#). Please note that our blog is currently under construction. We hope to add some additional features in the coming weeks and we will let everyone know when it is fully functional again. Thanks for your patience!

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 or timquijano@gmail.com.

OPINION

[The Ugly Side of Globalization in the New York Times this Week](#) (Linda Greer, NRDC Switchboard, 1/27/2012) This week, the New York Times week published articles about Apple Computer ([here](#) and [here](#)) which paint a grim picture about the prospects that manufacturing will ever move back to the U.S. and an even grimmer picture of life in Chinese factories. This news has shocked many readers, but not me.

[U.S. - China Energy Trade War Imminent?](#) (John Daly, Oil Price, 1/31/2012) In an election year, with a modest economic recovery underway, American politicians are trumpeting their

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credentials in saving and creating jobs and protectionism sentiment against foreign products is rising.

[Eight Questions: Tim Wright on China's Blood-Stained Coal](#) (Tom Orlik, Wall Street Journal, 2/2/2012) If you want to understand China's reform-era growing pains you can do a lot worse than dig into the coal industry. Coal powers China's industry, pollutes its environment, and is the site of conflict for the state and private entrepreneurs – each eager to monopolize control of a precious resource.

RESEARCH/CIVIL SOCIETY

[Activists crack China's wall of denial about air pollution](#) (Sharon LaFraniere, New York Times, 1/27/2012) Last May, Beijing citizen activists bought their own \$4,000 air-quality monitor and posted its daily readings on the Internet. Volunteers in Shanghai and Guangzhou purchased monitors in December, followed by citizens in Wenzhou, who are selling oranges to finance their device. Wenzhou donated \$50 to volunteers in Wuhan, 140 miles inland. Faced with Internet-led criticism, the government recently reversed course and began to track PM 2.5 data. It decreed that about 30 major cities must begin monitoring the particulates this year, followed by about 80 more next year. The Ministry of Environmental Protection also promised to set health standards for such fine particulates "as soon as possible." Last week, after years of concealing its data on such pollutants, Beijing began publishing hourly readings from one monitoring station.

['River pigs' rarer than pandas](#) (China Daily, 1/30/2012) Fishermen, scientists and green campaigners have joined forces to prevent the rare Yangtze finless porpoise from disappearing from Dongting Lake in Central China. Since April, He Daming and another 10 friends have been patrolling the lake, hoping to protect the animal from illegal fishing techniques, such as electrofishing. Yet, fishermen alone cannot solve the problem. Studies show that the porpoises, which are found only in the Yangtze River and Poyang and Dongting lakes, have also been affected by pollution, busy water traffic, extreme weather conditions (mainly droughts) and the construction of hydropower projects.

["We should look behind the curtain"](#) (Isabel Hilton, China Dialogue, 1/30/2012) State-owned companies are pushing for a "Great Leap Forward" in dam building. But Chinese NGOs can hold them to account, environmentalist Yu Xiaogang tells Isabel Hilton.

[Report escalates rift within solar industry over China](#) (Andrew Restuccia, The Hill, 1/30/2012) A new report released Monday escalated the internal battle within the U.S. solar industry over a push to impose duties on Chinese solar imports. The Coalition for Affordable Solar Energy (CASE) released [a report](#) that says the duties could result in as many as 60,000 job losses and cost up to \$2.6 billion.

[China's largest freshwater lake dries up](#) (Harold Thibault, Guardian, 1/31/2012) Drought and new Three Gorges Dam blamed as fishers forced to seek other work and freight trade comes to a halt

[Pollution in China: Man-made and visible from space](#) (Economist, 2/1/2012) "PM2.5" seems an odd and wonky term for the blogosphere to take up, but that is precisely what has happened in China in recent weeks. It refers to the smallest solid particles in the atmosphere—those less than 2.5 microns across. Such dust can get deep into people's lungs; far deeper than that rated as PM10. Yet until recently China's authorities have revealed measurements only for PM10. When people realised this, an online revolt broke out. Such was the public pressure that authorities caved in, and PM2.5 data are now being published for Beijing and a handful of other cities.

[Duties on China solar would kill jobs, report says](#) (Reuters, 2/2/2012) A U.S. solar industry group fighting a rival coalition's request for steep import duties on Chinese-made solar cells and modules warned in a report on Monday that more than 60,000 U.S. jobs could be lost if such duties were imposed.

CORPORATIONS

[Converting food waste is not a rubbish idea](#) China Daily (January 30, 2012) As Beijing continues to expand, so does its volume of waste. The city's 20 million residents generate 11,000 tons of cooking waste every day. Some companies are working on technologies to generate electricity with rubbish. Others plan to turn food scraps into fertilizer or animal feed. Beijing Goldenway Bio-Tech operates about 10 facilities that convert food waste into fertilizer soil and, when put into full operation, one factory could deal with 400 tons of waste a day. The company collects the garbage in urban areas, processes it, makes it into organic fertilizers and sells them to the rural areas. Goldenway now collects mainly from companies assigned by the government. It hasn't yet tapped into individual families, a main source of cooking waste.

[Beijing's smog is appmakers' gain](#) (Leslie Hook, Financial Times, 1/31/2012) Microsoft's Beijing office handed out a curious Chinese New Year's gift to its staff a few weeks ago: a heavy-duty gas mask. Other global companies have also been distributing face masks to their Beijing staff, including electronics maker LG.

[China hits potholes on road to green autos](#) (AFP, 1/31/2012) Foreign and domestic carmakers are struggling to sell environment-friendly vehicles in China, the world's largest auto market, even as Beijing pumps billions into clean energy.

[Solar CEOs See Boom in China Will Ease Glut in 2012](#) (Alex Morales and Jacqueline Simmons, Bloomberg, 1/31/2012) China may double its installations of solar panels this year, absorbing excess production that depressed prices and margins in 2011, chief executive officers from two of the industry's top five manufacturers said.

[Sinovel Profits to Fall 50% as Competition Drives Down Prices](#) (Sally Blackwell, Bloomberg, 1/31/2012) Sinovel Wind Group Co., China's biggest wind-turbine maker, expects its 2011 earnings to fall by more than 50 percent as heightened competition at home and abroad dragged down prices.

[China rare earths safe from WTO ruling on export curbs](#) (David Stanway, Reuters, 1/31/2012) A World Trade Organisation ruling against China's restrictions on raw material exports could force changes to some of its rare earth policies but is unlikely to yield the boost in exports of the metals that consumers want to see.

[Thorns in the African dream](#) (Wang Xiaojuan, China Dialogue, 2/1/2012) Chinese companies are facing problems on the ground in Africa as they ignore local politics and stir hostilities. Wang Xiaojuan opens a two-part article

[Eight executives detained in China pollution case](#) (AFP, 2/1/2012) China has detained another company official, bringing the total to eight, over a massive river pollution case in the country's south, the government and state media said Thursday.

[20 tons of cadmium poisoning vital Chinese river](#) (David Eimer, Telegraph, 2/1/2012) Twenty tons of the cancer-causing metal cadmium have been discharged into a river in southern China in one of the worst chemical spills of its kind that could affect up to 4 million people.

[Alibaba sets up environmental protection foundation](#) (Xinhua, 2/2/2012) China's e-commerce giant Alibaba Group announced Wednesday that it had set up a foundation to support the development of the country's environmental protection organizations.

[Goldwind Signs \\$5.5 Billion China Development Bank Wind Pact](#) (Sally Bakewell, Bloomberg, 2/1/2012) Xinjiang Goldwind Science Technology & Co., China's second-largest wind-turbine maker, signed a financial agreement with China Development Bank Corp. for wind power projects worth 35 billion yuan (\$5.5 billion).

[PetroChina Boosts Shell Ties With 20% Stake in Shale Project](#) (Bloomberg, 2/2/2012) PetroChina Co. (857), the country's biggest energy producer, boosted ties with Royal Dutch Shell Plc (RDSA) after agreeing to buy a 20 percent stake in its Groundbirch shale-gas project in Canada.

GOVERNMENT

[China to further reduce paper use](#) (China Daily, 1/27/2012) China will promote recycling paper and reducing its use in order to save resources and protect the environment, according to the country's new five-year plan for its paper industry. According to the plan, current paper product standards should be revised to encourage the production of energy-saving and emission-

reducing paper, and promote the substitution of paper packaging for alternatives. China is the world's largest producer and consumer of paper and paperboard products. The country has made plans to eliminate at least 10 million tonnes of outdated papermaking capacity before 2015 by encouraging corporate mergers and acquisitions.

[China's Game-Changing Water Policies](#) (Elizabeth Economy, Council on Foreign Relations, 1/30/2012) Water is an issue that preoccupies Chinese officials throughout the country, but nowhere perhaps as much as in Beijing. The already water-scarce capital has been suffering a continuous and precipitous decline in water availability over the past decades, as both population size and income levels have grown dramatically. Caixin magazine has a [terrific new piece](#) that details not only the current crisis but also the historical challenges Beijing has faced. The piece also explores what the capital should be doing but isn't. Experts, for example, have been pushing pricing reform, water conservation, and recycling. Some of this is being done, but not enough. Instead, Beijing's plans center on desalination, exploiting karst resources, and the South-North Water Diversion, each of which, as the article discusses, brings with it additional economic and potentially serious environmental costs.

[WTO Rejects Chinese Appeal of Ruling Against Mineral Curbs](#) (Jennifer M. Freedman, Bloomberg, 1/30/2012) World Trade Organization judges rejected China's appeal of a ruling that found restrictions on exports of nine raw materials break global rules and give the country's manufacturers an unfair edge over competitors.

[China quietly shelves new diesel emission standards](#) (Jonathan Watts, Guardian, 2/1/2012) The government has quietly postponed plans to clean the fumes from truck and bus exhaust pipes

[2.8 mln Tons of Algae Removed from Taihu Lake](#) (CRIEnglish, 2/1/2012) Great efforts have been made by governments at multiple levels to clean up Taihu Lake, located in the city of Wuxi in east China's Jiangsu Province, following a catastrophic outbreak of blue-green algae in summer 2007.

[China to cut pollutant emissions by over 30%](#) (Xinhua, 2/1/2012) China has set a goal of reducing its major pollutant emissions by more than 30 to 40 percent by 2015 in its latest 12th Five-Year Plan (2010-2015) for environment protection, according to a Wednesday report in the People's Daily newspaper.

[Li Keqiang and Green Growth](#) (Eve Cary, Diplomat, 2/1/2012) Li Keqiang is poised to become China's number 2, taking over Premier Wen Jiabao's spot. But we are relatively in the dark about what we might expect from Li when he takes over for Wen for two reasons: 1) his rise to prominence (at least among Western observers) is relatively recent, and 2) rising leaders in China don't usually succeed by making their political beliefs loudly known (two exceptions may prove to be Wang Yang and Bo Xilai, depending on if they are promoted to the Politburo Standing Committee).

[China mulls tough emissions rules for cement makers](#) (Reuters, 2/1/2012) China's environment ministry is planning to launch stricter rules regarding nitrogen oxide emissions from cement

plants, a policy change that an industry representative warned could wipe out a third of the industry's total net profits, the [China](#) Business News reported on Wednesday.

[China Set to Vigorously Develop Green Economy](#) (Liu Yuanyuan, Renewable Energy World, 2/1/2012) Due to growing urbanization and resulting environmental threats, China has invested nearly US\$50 billion annually into its renewable energy sector since 2009. China's five-year investment in environmental protection is on track to reach 3.1 trillion yuan (US\$454 billion). By 2015, its environmental protection industry is expected to top 2 trillion yuan (US\$317 billion).

[Germany, China take lead in environmental policies](#) (Chai Hua, China Daily, 2/2/2012) Strong economic ties drive the Sino-German bilateral partnership. Energy, environment and climate change issues remain at the heart of economic relations.

[China opposes sanctions on Iran](#) (Xinhua, 2/2/2012) China believes dialogue and cooperation is the only correct and effective solution to resolve the Iran nuclear issue, and that sanctions will not fundamentally address the problem, Chinese Premier Wen Jiabao reaffirmed Thursday afternoon.

[China Cuts Subsidies for Pilot Solar-Power Projects on Declining Costs](#) (Bloomberg, 2/2/2012) China, the world's biggest producer of solar panels, cut subsidies for demonstration sun-power projects approved in 2011 and this year after the cost of components declined.