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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

<u>Fresh approach to Hong Kong's air</u> (Mike Kilburn, China Dialogue, 2/13/2012) Bleak new statistics on pollution in China's richest city show government efforts have failed to attack the most serious threats to public health. There is a better way forward, writes Mike Kilburn.

U.S., China need a green peace, not a trade war (Joanna Lewis, Salon, 2/14/2012) As Obama meets Xi, the U.S. is investigating China's practices in the solar and wind sectors

RESEARCH & CIVIL SOCIETY

PACE

Long struggle for a cleaner Lake Tai (Liang Guorui & He Hanfu, Guangzhou Daily, 2/14/2012) China has spent billions of yuan trying to cleanse its third largest lake, where decades of pollution have brought ecosystems to the brink. But problems persist, report Liang Guorui and He Hanfu.

<u>Can Smarter Growth Guide China's Urban Building Boom?</u> (David Biello, Yale Environment 360, 2/13/2012) The world has never seen anything like China's dizzying urbanization boom, which has taken a heavy environmental toll. But efforts are now underway to start using principles of green design and smart growth to guide the nation's future development.

<u>UT Researchers Find China's Pollution Related to E-Cars May Be More Harmful than Gasoline</u> <u>Cars'</u> (Tennessee Today, 2/13/2012) Electric cars have been heralded as environmentally friendly, but findings from University of Tennessee, Knoxville, researchers show that electric cars in China have an overall impact on pollution that could be more harmful to health than gasoline vehicles.

Taiwan presses ahead with home-built nuclear power plant despite safety fears (Florence de Changy, Guardian, 2/14/2012) Even the head of the safety department at Taiwan's Atomic Energy Council, has doubts about the country's fourth nuclear plant, suggesting it no longer enjoys much support. But since the presidential election on 14 January, plans to finish Nuclear Power Plant Four are back on the agenda.

<u>Lingering drought cripples Yunnan province</u> (Xinhua, 2/14/2012) A drought continues to plague most parts of Yunnan province. Rainfall has been scarce since the start of January. Particularly hard-hit cities include Kunming, Qujing, Chuxiong, Dali and Lijiang.

<u>Amid U.S.-China Energy Tension, "Clean Coal" Spurs Teamwork</u> (Catherine Yang, National Geographic, 2/13/2012) When Chinese Vice President Xi Jinping visits the White House on Valentine's Day, he and President Barack Obama aren't expected to exchange words of love over energy.

<u>An Upside to China's Air Pollution: More Snowfall in the Sierras</u> (John Upton, Bay Citizen 2/16/2012)

Researchers uncover a link between dust storms in Asia and weather in California

Worsening air pollution costs China dearly (Tan Ee Lyn, Reuters, 2/15/2012) China's worsening air pollution, after decades of unbridled economic growth, cost the country \$112 billion in 2005 in lost economic productivity, a study by the Massachusetts Institute of Technology (MIT) has found.

Jones Lang LaSalle Report: China Treats Sustainability and Economic Growth as Complementary, Not Conflicting, Goals (PR Newswire, 2/16/2012) When a surge of manufacturing production in China resulted in greenhouse gas emissions in excess of what the country's five-year plan called for, the Chinese government in 2010 cut off power to heavy industrial districts, forcing many plants to close temporarily. The dramatic move—unthinkable in most industrialized countries—demonstrated that, in China, sustainability goals are no less important than economic growth goals.

<u>Pictures: A Rare Look Inside China's Energy Machine</u> (Toby Smith, National Geographic, 2/14/2012) To power its tremendous economic growth, China has called on every fuel, every technology. It is the largest producer of coal and its greatest consumer, and yet China has more nuclear reactors under construction than any other nation. Its growing appetite for oil has kept gasoline prices high around the globe. And yet China's commitment to wind and solar power is so outsized that its young industries are now among the largest in the world.

<u>Public awareness of environmental rights improved</u> (Xinhua, 2/14/2012) Chinese people have largely improved their awareness of environmental rights, although difficulties exist for environmental lawsuits, the All-China Environmental Federation (ACEF) said Monday.

CORPORATIONS

<u>China Shale Delay to Boost LNG Imports in Boon for Exxon</u> (Rakteem Katakey, Dinakar Sethuraman and Guo Aibing, Businessweek, 2/16/2012) China's ambitions to unlock the natural gas trapped in shale rocks are likely to take longer than planned, boosting the nation's reliance on overseas suppliers from Exxon Mobil Corp. to Royal Dutch Shell Plc.

<u>China Solar Silicon Production Curbed 30% to Lift Prices</u> (Bloomberg, 2/16/2012) China's polysilicon industry, the biggest supplier to solar-panel manufacturers worldwide, has idled almost one-third of production and may keep the plants closed until prices recover from a 60 percent plunge.

<u>Hudson Heralds China's Clean-Tech Potential, With Quirks</u> (Jonathan Shieber, Wall Street Journal, 2/15/2012) With its latest investment, Hudson Clean Energy Partners has become the newest entrant into China's clean technology and renewable energy market as the country looks to invest 5 trillion Yuan (\$794 billion) over the next five years.

<u>China's Clean Coal Game</u> (James Wellstead, Coal Investing News, 2/13/2012) As the world's largest coal consumer, China is striving to balance its growing energy demand with its environmental priorities. Through recent expansion of clean coal technologies, China is becoming a testing ground for large-scale clean coal facilities.

Duke Energy, China Huaneng Group to expand carbon capture and sequestration technologies in US (Energy Business Review, 2/15/2012) Under the terms of the contract, the firms will carry out an engineering study to determine the potential feasibility of applying Huaneng Group's low-cost carbon capture process.

<u>DuPont and Yingli Green Energy Enter \$ 100 Million Strategic Agreement</u> (ENP Newswire, 2/15/2012) DuPont and Yingli Energy Company Limited have signed a \$ 100 million strategic

agreement for photovoltaic materials aimed at accelerating the adoption of solar energy to address one of the world's biggest challenges - reducing dependence on fossil fuels.

<u>Wind Tower Makers in U.S. Hurt by China Imports</u> (William McQuillen, Businessweek, 2/15/2012) U.S. makers of wind towers such as Broadwind Energy Inc. are being harmed by cheaper imports from China and Vietnam, a trade panel ruled in the first step toward imposing tariffs on the shipments.

<u>U.S. to Share Cautionary Tale of Trade Secret Theft With Chinese Official</u> (Jonathan Weisman, NEW YORK TIMES, 2/14/2012) China's next leader, Xi Jinping, may never have heard of American Superconductor Corp. before he arrived here Monday, but by the end of his visit US officials hope to make the small Massachusetts wind-energy company an object lesson in the impact of Chinese trade secret theft on US business.

<u>Uranium Deal with China to Increase Canada's Exports</u> (Dave Brown, Business Insider, 2/15/2012)Last week Canadian Prime Minister Stephen Harper negotiated a new agreement that will allowed uranium mining companies to increase their uranium exports to China as part of a number of joint initiatives aimed at renewing existing bilateral trade in energy, resources, agriculture, technology, and education.

<u>Solar Stocks Surge on Speculation of Rising China Panel Demand</u> (Businessweek, 2/10/2012) Solar stocks yesterday gained the most in a month on speculation that demand for panels will increase in China.

<u>China the catalyst for gas exports</u> (Mark Robinson, Investors Chronicle, 2/15/2012) This month's cold snap may have provided a fillip for the UK's energy utilities, but it came too late for the gas producers themselves – at least those operating across the Atlantic. The northern winter, which hitherto had been positively balmy, gave way to a more familiar Artic blast, although it proved insufficient to alleviate a slump in US wholesale gas prices.

<u>China to Complete Two Oil Reserve Sites This Quarter</u> (Bloomberg, 2/12/2012) China will complete construction of two strategic petroleum reserve sites in the first quarter, according to the International Energy Agency.

<u>Oil Rises From Two-Day Low as China Pledges Help on Europe Debt</u> (Ben Sharples and Ann Koh, Bloomberg, 2/15/2012) Oil rose after China pledged to help resolve Europe's debt crisis, easing concern that economic growth will slow and curb fuel demand. Brent crude may advance to \$120 a barrel, according to Goldman Sachs Group Inc.</u>

Origin expects to grow China's first GMO corn in 2013 (Niu Shuping and Ken Wills, Reuters, 2/10/2012) Origin Agritech Ltd said it expects the Chinese government to approve its genetically modified organism (GMO) corn for production in 2013, China's first GMO strain in commercial production, its chairman Han Gengchen said on Friday.

<u>China Green Channel International Brings Ecological, Environmental Television to China</u> (Bob Petz, Ecology, 2/13/2012) This week, China Green Channel International (CGCI) rolls out its

first phase of environmental and ecological programming on China Educational Television (CETV), featuring a weekly schedule of 13 programs designed to entertain and inform viewers about some of the most pressing and popular topics in the world today.

GOVERNMENT

Ask the ChinaFAQs Experts: "With New Chinese Leadership, What Are the Prospects on Climate & Energy Policy?" (ChinaFAQs, 2/9/2012) Chinese Vice President Xi Jinping, expected to become president next year, is visiting Washington the week of February 13th. This has drawn attention to the future of the U.S.-China relationship. The visit presents an attractive platform to discuss climate and energy issues, which have often represented areas of cooperation between the two countries. We asked our panel of ChinaFAQs experts to provide their insights on top issues for new leadership to address on climate and energy, as well as prospects for the U.S.-China relationship on climate and energy under a Xi presidency.

<u>China detains Korean ship over Yangtze chemical leak</u> (Jacqueline Wong, Reuters, 2/11/2012) A Chinese maritime court on Saturday ordered the detention of a South Korean cargo ship over a chemical leak that polluted the Yangtze River, contaminating drinking water in parts of Jiangsu province, the official Xinhua news agency reported.

<u>China to boost seawater desalination capability</u> (Lan Lan, China Daily, 2/13/2012) The State Council, China's cabinet, unveiled guidelines on Monday to ensure sustainable supplies of fresh water and to protect water resources by raising China's capability to desalinate seawater.

Getting Smarter on China: Understanding the Next Generation of Chinese Leaders to Solve Shared Challenges (Rudy deLeon, Melanie Hart, Ali Fisher, Climate Progress, 2/14/2012) We can't solve the climate crisis without China's commitment to reducing carbon emissions and deploying more clean energy. But the geopolitical stakes are so high and so complicated, building enough trust to get swift, meaningful action from an emerging powerhouse like China isn't easy.

<u>Urumqi to invest heavily to cut air pollution</u> (Xinhua, 2/15/2012) China's northwestern city of Urumqi, one of the country's badly polluted cities in winter, plans to invest 4.45 billion yuan (\$712 million) this year to curb air pollution.

<u>China province mulls law on radioactive pollution control</u> (Xinhua, 2/11/2012) Northwest China's Gansu Province, home to the country's earliest nuclear base, plans to draft a new law on radioactive pollution control this year, the local government said Saturday.

<u>China to Overhaul Pollution Controls along Yellow River Tributary</u> (Xinhua, 2/15/2012) Environmental authorities in northwest China's Shaanxi province said Wednesday that they will start a pollution control overhaul on plants along the Weihe River, the biggest and most polluted tributary of the Yellow River. <u>China, US join hands to tackle climate challenges</u> (2/16/2012, China Daily) China and US business entities took initiatives to jointly tackle environmental challenges by signing three memorandums of understanding (MOU).

<u>China Has Built Almost Half the World's Wind</u> (Herman K. Trabish, Greentech Media 2/14/2012)In what was "not an easy year for the Chinese wind industry," according to Chinese Renewable Energy Industry Association (CREIA) Secretary General Li Junfeng, the country's wind builders nevertheless built at least 18 gigawatts of wind in 2011, 44 percent of all the wind built in the world last year.

<u>China Holds Key to Climate Change</u> (Kevin Jianjun Tu, Yuhan Zhang & David Livingston, Diplomat, 2/16/2012) Progress over climate change depends largely on the actions individual major carbon emitters, particularly China – not U.N. summits. But is the political courage there to exact change?

<u>China's Emergency Crude Oil Storage Bases</u> (Businessweek, 2/13/2012) The following table shows planned and operational sites for emergency crude storage in China, according to government data reported by state-owned oil companies, official media and the International Energy Agency.

<u>China Closer To Joining Shale Gas Fracking Craze</u> (<u>Kenneth Rapoza</u>, Forbes, 2/13/2012) The Chinese government will step into fifth gear this year when it comes exploring for natural gas hidden under thick shale rock beneath the earth's surface, an official said over the weekend. China's been promising to move forward on shale gas production for the past two years.

<u>China invests 5.5b yuan in rural clean-up</u> (Xinhua, 2/14/2012) China's central government will invest 5.5 billion yuan (\$873 million) this year to cleanup pollution in the country's rural areas, the Ministry of Finance (MOF) said Monday.

<u>China back on bicycles to fight pollution</u> (City Journal, 2/11/2012) China, once a nation of bicycles, is reverting to it as a means of movement once again in a measure to push government vehicles off the roads at least once a week in a nationwide effort to conserve energy and curb pollution.

<u>Urbanization to engine China's economy</u> (Xinhua, 2/15/2012) The Chinese government is building new cities in the country's underdeveloped interior, hoping to convert millions of farmers into city dwellers and maintain China's burgeoning economic success in the following decades.