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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>People at congress?</u> (China Environmental News, 3/14/2012) As Beijing closes its yearly conference season, Chen Yuanyuan reports on new ways civil society is getting ideas across.

<u>A dream of blue skies</u> (Global People, 3/13/2012) Writing from his smog-enveloped home city, Ma Jun dares to imagine a China free of urban air pollution — and invites others to join him.

China Transportation Briefing: How to Save China's Capital? (Heshuang, Zhuang, TheCityFix, 3/12/2012) In February 2012, the number of cars in Beijing exceeded 5 million. Given the problematic levels of traffic congestion and air pollution in the Chinese capital, few people hailed the milestone as an

"achievement." Car ownership rose to this level 11 months later than originally predicted, thanks to a city policy that issues license plates based on a monthly lottery system.

How to Avoid a Wind and Solar Trade War (Wall Street Journal, Matthew J. Slaughter, 3/13/2012) China and the United States are drifting toward a trade war in clean—tech energy.

RESEARCH & CIVIL SOCIETY

World Wind Power Climbs to New Record in 2011 (J. Matthew Roney, Earth Policy Institute, 3/14/2012) Wind energy developers installed a record 41,000 megawatts of electricity—generating capacity in 2011, bringing the world total to 238,000 megawatts. With more than 80 countries now harnessing the wind, there is enough installed wind power capacity worldwide to meet the residential electricity needs of 380 million people at the European level of consumption.

<u>China irrigation system responsible for rising emissions, research shows</u> (Jonathan Watts, Guardian, 3/14/2012) New study highlights energy and climate costs of watering crops in drought-plagued northern China.

<u>Design tips for a carbon market</u> (China Dialogue, 3/8/2012)China is planning emission—trading trials in key spots including Beijing and Shanghai. Alvin Lin and Yang Fuqiang have some words of advice.

Chinese Fish for Meaning in U.S. Carp Rampage (Adam Minter, Bloomberg, 3/15/2012) Sometimes, Chinese netizens pay more attention to a U.S. news story than Americans do. President Barack Obama's Feb. 23 decision to allocate \$51.5 million to eradicate an invasive species known as the Asian carp is a prime example.

A New East Asian Import: Ozone Pollution (Douglas Main, New York Times, 3/7/2012) Researchers find that westerly winds can push ozone across the Pacific to the Southwest, where it descends to the ground level, sometimes pushing concentrations to unacceptable levels.

China's vast shale gas potential limited by pipeline infrastructure obstacles (Anthony Kim and Zheng Yu, Financial Times, 3/15/2012) The infrastructure as well as the geological differences that exist between China and the US are likely to make the PRC's development of its vast and largely—untapped shale gas reserves follow a slower growth curve than the boom that has recently swept through the American shale gas sector, according to a number of industry experts interviewed by mergermarket. These hard facts are likely to disappoint the many US—based, natural gas exploration and production companies as well as the many companies in their supply chain which had been eagerly anticipating a major opportunity to export their products and services to the energy—hungry, emerging economic powerhouse.

CORPORATIONS

China's high-speed building boom (Jonathan Kaiman, Los Angeles Times, 3/7/2012) Reporting from Changsha, China— In early December, Liu Zhangning was tending her cabbage patch when she saw a tall yellow construction crane in the distance. At night, the work lights made it seem like day.

Deal Shows China's Sway in Rare-Earth Minerals (James Areddy, Wall Street Journal, 3/11/2012) Molycorp Inc.'s \$1.3 billion deal to acquire a key processor of rare-earth minerals has sparked a warning from industry officials that it could reinforce China as the main source for specialized magnets used in consumer electronics and sophisticated weapons.

<u>Fracking failing to crack China, Europe shale, Exxon says</u> (Bloomberg, 3/9/2012)Some shale formations in Europe and China are impervious to drilling techniques that opened vast reserves of natural gas and oil from Texas to Pennsylvania, said Rex Tillerson, Exxon Mobil Corp. (XOM)'s chief executive officer.

How A Trade Complaint Against China Will Impact U.S. Solar Market Growth (Forbes, Ucilia Wang, 3/14/2012) Despite the end of a popular federal subsidy, the U.S. solar market should grow about 51% and see over 2,800 megawatts of solar panels installed in 2012, according to a market research report released Wednesday. While the country accounted for 7% of the world's solar market last year, it will likely increase that share to nearly 15% in 2016.

<u>China Seeks `Breakthroughs' in Developing Shale-Gas Resources</u> (Bloomberg, 3/12/2012) China, holder of the world's biggest shale-gas resources, is gauging reserves and acquiring exploration expertise as it seeks "breakthroughs" in developing the unconventional fuel in the 10 years ending 2025.

Johnson Controls on the Defense in China Pollution Case (Forbes, 3/12/2012) The Chinese government has decided to tackle heavy metal pollution head on as there has been a public outcry on increasing incidents of acid contamination from copper mines and drinking water being threatened by cadmium spills.

GOVERNMENT

China's rare earth stranglehold in spotlight (Leslie Hook and Jonathan Soble, Financial Times, 3/13/2012) Alarmed foreign governments race to develop alternative sources to break Beijing's China's monopoly

The U.S. Decision on Chinese Solar Panel Imports: Why Tariffs Are Only A Partial Solution (Melanie Hart and Kate Gordon, Climate Progress, 3/15/2012) The U.S. Department of Commerce early next week will issue a preliminary verdict on a trade petition filed by SolarWorld Industries America, Inc. That petition alleges that the Chinese government unfairly subsidizes

crystalline silicon photovoltaic solar cells and modules by providing cash grants, tax rebates, cheap loans, and other benefits designed to artificially suppress Chinese export prices and drive U.S. competitors out of the market.

A test for China in Myanmar hydro dam (Gwen Robinson and Leslie Hook, Financial Times, 3/13/2012) A hydropower project in Myanmar is one of the biggest in southeast Asia is testing China's capacity to influence its impoverished neighbour, and deal with a phenomenon rarely seen at home in the NGO.

Province lobbies hard for damming of China's largest freshwater lake (Xinhua, 3/13/2012) Officials from east China's Jiangxi have been pushing for support of a water project at the mouth of China's largest freshwater lake Poyang, but the potential impact of the project is still strongly disputed.

Maritime environment 'not optimistic' (Xinhua, 3/13/2012) The head of China's oceanic authority has said that the outlook for China's maritime environment is "not optimistic", calling for further efforts to build the ocean conservation culture.

China stands firm in row over rare earths (China, 3/16/2012) China is likely to be embroiled in a new round of trade disputes this year, as the United States, the European Union and Japan are expected to lodge complaints with the World Trade Organization (WTO) against the nation's controls on exports of rare earths.

<u>Nuclear power important to China's energy strategy</u> (China.org.cn, 3/11/2012) Nuclear power remains important to China's energy development strategy because of its quest for clean energy and climate change mitigation, Ren Junsheng, nuclear safety expert commission of China's Ministry of Environment Protection, said Saturday.

<u>Rural Chinese Pollution to Be Monitored Soon</u> (CRIEnglish, 3/12/2012) China aims to finish building a nationwide network to monitor air quality in its vast rural areas by the end of the year, an environmental researcher said.

The cost of China's pollution (Leslie Hook, Financial Times, 3/14/2012) China's surging economy has made it the world's biggest energy consumer and by some measures its biggest polluter. Now a former senior official has put a price tag on the cost of that pollution: between 5 and 6 per cent of GDP last year, equal to some Rmb2.6tr — or \$410bn, an eighth of the country's gargantuan currency reserves.

<u>China explores possibilities of low-carbon future</u> (Xinhua, 3/13/2012) As China tunes down its growth expectations, the Asian economic powerhouse is trying to leave itself more room to improve the way in which it grows, and a low-carbon economy is certainly among its major goals.