

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 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

Coal will still fuel economic miracles (Gregory H. Boyce, China Daily, 6/12/12) China's 12th Five-Year Plan (2011-15) for coal demonstrates the essential role that 21st century coal plays in the energy, economic and environmental future of the world's second-largest economy. China's experience is a lesson for the rest of the world.

China dream: a lifestyle movement with sustainability at its heart (Peggy Liu, Guardian, 6/13/12) An ambitious project offers a new model of prosperity and sustainable consumerism for world's second largest economy

RESEARCH & CIVIL SOCIETY

Sleuthing China's Environmental Scandals (Clarissa Sebag-Montefiore, Wall Street Journal, 6/7/12) Bestselling crime writer Qiu Xiaolong has gripped readers in the West for over a decade with his Inspector Chen character, the winsome detective who always gets the better of corrupt officials. The series' latest novel leaves Shanghai's murky backroom politics for an even dirtier subject: the rampant pollution of the country's air and water.

Film of China's environmental protection wins award (China Radio International, 6/8/12) When Canadian director Gary Marcuse set out to make a film about China's environmental protection, he didn't expect to return with an optimistic story. But that's what he got. After four years of production in China and Canada, his documentary Waking the Green Tiger: A Green Movement Rises in China on Wednesday won a Grantham Award of Special Merit, which includes \$5,000 in cash.

Environmental NGOs grow across China but still struggle for support (Liu Sha, Global Times, 6/12/12) Environmentalism has made giant strides in China, led in part by the efforts of NGOs that have taken it upon themselves to bring about small changes capable of making big differences. Their campaign to improve the environment across the country began years ago, before this current age when checking the dir's PM2.5 levels is as easy as a swipe on a smartphone.

Most satisfied with environment protection (Xinhua, 6/9/12) A majority of Chinese expressed satisfaction in 2011 with the government's efforts to preserve the environment, though residents in urban areas are less satisfied than their rural counterparts, according to a US poll released Friday.

<u>China releases captive-bred alligators into wild</u> (Xinhua, 6/12/12) A nature reserve in east China's Anhui province released six captive-bred Chinese alligators into the wild Tuesday morning as part of an experimental program to boost the population of the endangered animal.

Poll: Most Chinese adults prioritize environment over economy (Olga Khazan, Washington Post, 6/12/12) China's industrialization has famously caused its pollution problems to worsen, but that's not necessarily because the Chinese value industry over air quality.

<u>Climate change rate could be faster than thought, study suggests</u> (Reuters, 6/11/12) China's carbon emissions could be nearly 20% higher than previously thought, a new analysis of official Chinese data showed on Sunday, suggesting the pace of global climate change could be even faster than currently predicted.

<u>Pollutants</u>, <u>pesticides threaten farm land</u> (Xinhua, 6/12/12) Environmental experts warn China's food safety has been undermined by worsening farm land pollution from industrial pollutants and overuse of pesticides and fertilizers.

<u>China's emissions estimates don't add up</u> (David Cyranoski, Nature, 6/13/12) When Dabo Guan was studying the sources of carbon dioxide that were driving China to become the world's top emitter of global—warming gases, he came across a puzzling mismatch: adding up the emissions estimates from

China's 30 provinces and municipalities gave a figure much higher than those reported for the nation as a whole.

Clearing the air on measuring pollution (China Daily, Peng Yining, Wu Wencong and Hu Yongqi, 6/13/12) Beijing's Chegongzhuang Xilu was packed with pedestrians and cars on Monday morning, but few people even bothered to glance at the small white box set up by the roadside. However, from the telltale pumps jutting from the top, it's instantly recognizable as an air monitoring station.

China could be hiding an entire Japan's worth of carbon emissions (Brad Plumer, Washington Post, 6/12/12) Let's go ahead and state the obvious: It will be impossible to hash out any sort of global agreement on climate change if we can't even agree on how much carbon—dioxide different countries are actually putting into the air.

<u>China carbon emissions may be overstated: scientist</u> (Alan Wheatley, Reuters, 6/12/12) China's carbon emissions could be much lower than estimated by a U.N. panel of scientists, according to a leading Chinese climate change specialist.

Global gas glut narrowed, coal, wind surged in 2011: BP (Reuters, 6/14/12) A global glut in natural gas narrowed in 2011 while rival coal grabbed its largest share of energy consumed since 1969, BP said in its Statistical Review of World Energy 2012 published on Wednesday.

Orange Haze Swallows Chinese Metropolis, Tweeters Report (Adam Minter, Bloomberg, 6/12/12) Monday morning June 11, 9:45 a.m., a microblogging account devoted to news about China's Hubei Province tweeted three photos depicting downtown buildings wrapped in gray-orange haze.

The clean-up begins on China's dirty secret — soil pollution (Jonathan Watts, Guardian, 6/12/12) Nowhere is the global push to restore degraded land likely to be more important, complex and expensive than in China, where vast swaths of the soil are contaminated by arsenic and heavy metals from mines and factories.

China topped USA in renewable energy investment in 2011 (Frank Jordans, Associated Press, 6/11/12) Global investment in renewable energy reached a record \$257 billion last year, with solar attracting more than half the total, according to a U.N. report released Monday.

CORPORATIONS

Chinese company ordered to stop coal mining (Zimbabwean, 6/13/12) Government has ordered a Chinese company to stop coal and coal-bed methane exploration for electricity generation in Gwayi, Matabeleland North province after failing an Environmental Impact Assessments (EIA).

China ready to impound EU planes in CO2 dispute (Alison Leung and Anurag Kotoky, Reuters, 6/12/12) China will take swift counter-measures that could include impounding European aircraft if the

EU punishes Chinese airlines for not complying with its scheme to curb carbon emissions, the China Air Transport Association said on Tuesday.

Chinese Rare Earth producers to consolidate and create rare earth giants (ProactiveInvestors, 6/10/12) China, the largest producer of rare earths in the world, has been restricting the export of its rare earth minerals through a quota system for some years now. Reduced rare earth exports from China have forced many global companies to setup production facilities in China to ensure access to a steady supply of raw materials.

<u>Vestas sells factory to Titan Wind Energy</u> (Mette Fraende, Reuters, 6/13/12) Danish wind turbine maker Vestas Wind Systems is to sell a tower factory in Denmark to Chinese group Titan Wind Energy for an undisclosed sum, allowing the world's biggest wind turbine maker to cut costs.

China Aggressively Moving Forward with Nuclear Power Projects (Business Insider, 6/13/12) China's top nuclear power producer, China National Nuclear Power Co., is planning a public listing on the Shanghai Stock Exchange to finance the development of new nuclear power projects. While the expected size of this initial public offering (IPO) is not available, the money raised from the equity listing is to be applied towards funding five nuclear power projects worth \$27.3 billion.

<u>China slows overseas unconventional energy acquisitions</u> (Reuters, Charlie Zhu, 6/8/12) China's energy giants are slowing their purchases of overseas unconventional oil and gas assets following two years of aggressive investment, leaving the door open for Asian rivals to step up their game in regions including the Americas.

China energy firm Huadian launches slashed \$340 mln HK IPO (Denny Thomas and Elzio Barreto, Reuters, 6/11/12) China diversified clean—energy firm Huadian Fuxin Energy Corp has cut the size of its planned Hong Kong initial public offering by nearly two—thirds to \$340 million, underscoring a weak global economic environment and tepid demand for new listings.

Hanergy to supply 383MW of PV as Ikea goes solar in China (Dominique Patton, Recharge, 6/13/12) Chinese PV manufacturer Hanergy will install 383MW of its thin-film panels on the rooftops of furniture retailer Ikea's China stores and those of its suppliers.

<u>China's mega-cities: expensive, "yes"; pleasant, "no"</u> (Peter Vanham, Financial Times, 6/12/12) Contemplating life as an expat in China? Then take a deep breath, get your renminbi ready and be prepared for some serious spending. China isn't getting any cheaper.

<u>China auto sales rise 16% in May</u> (Agence France Press, 6/9/12) Vehicle sales in China rose 16 percent year—on—year in May to 1.61 million units, according to industry data on Saturday, indicating a strengthening recovery in the world's biggest auto market.

Who's funding the green energy revolution? (Eoghan Macguire, CNN, 6/12/12) Money invested in renewable energy reached new heights last year, topping \$257 billion. So is the world finally going green? The figures come from The Global Trends in Renewable Energy Investment 2012 report, a UN

Environment Program backed study that has tracked the finance flowing into green energy across the world since 2004.

GOVERNMENT

China says only it has right to monitor air pollution (Ben Blanchard, Reuters, 6/7/12) A senior Chinese official demanded on Tuesday that foreign embassies stop issuing air pollution readings, saying it was against the law and diplomatic conventions, in pointed criticism of a closely watched US embassy index.

Rio, China Say They Won't Use Sold CO2 Credits For Limits (Mathew Carr, Bloomberg, 6/13/12) Officials from Rio de Janeiro and China said they would not use emission—reduction credits that have been exported when accounting for new domestic greenhouse—gas targets, potentially easing climate negotiations.

China proposes framework plan on South China Sea (Zee News, 6/9/12) Amid escalating territorial disputes with its maritime neighbours, China on Friday put forward a framework plan on the South China Sea and its surrounding waters mainly to address the environmental and ecological concerns.

China Has No Good Answer to the U.S. Embassy Pollution-Monitoring (Susan Shirk and Steven Oliver, 6/14/12) Last week the Chinese government accused the U.S. Embassy and consulates of illegally interfering in China's domestic affairs by publishing online hourly air—quality information collected from their own monitoring equipment. (While the critiques didn't name the U.S., the U.S. Embassy is the only foreign embassy reporting air quality information.)

China sets 2012 hydro targets for rural areas (Interfax, 6/7/12) China plans to add three gigawatts (GW) of small—scale hydropower plants in rural areas by the end of the year, state media Technology and Science Daily reported Wednesday.

China power use up 5.2 pct in May, summer shortages seen easing (Reuters, David Stanway, 6/14/12) Chinese power consumption growth recovered to 5.2 percent in May from 3.74 percent in April, but summer shortages are unlikely with industrial electricity use still sluggish, official data showed on Thursday.

<u>China encourages energy</u>, <u>power co-op with Pakistan</u> (Xinhua, 6/8/12) President Hu Jintao said Thursday that China encourages and supports its enterprises to participate in energy and electric power projects in Pakistan.

China NDRC To Cut Gasoline, Diesel Prices for Second Time in a Month (Dow Jones, 6/8/12) The cuts will provide relief to consumers and businesses, and will follow the People's Bank of China's surprise interest rate cut, announced Thursday, which was intended to stimulate investment and economic growth.

<u>China Detains 2 for Wuhan Pollution Rumor, Daily Reports</u> (Bloomberg, 6/12/12) Police in the Chinese city of Wuhan detained two people for spreading rumors that heavy pollution in the capital of Hubei province was caused by an industrial accident, a newspaper controlled by the local Communist Party reported.

<u>Luoyang apologizes over pollution</u> (An Baijie, China Daily, 6/13/12) The government of Luoyang city in Central China's Henan province on June 12 apologized to the public over the city's high pollution levels. Luoyang's Environmental Protection Bureau said that it felt "deeply ashamed" for being ranked as the most polluted city in the province and apologized to the residents.

China NDRC: Asked Local Offices to Speed up Green Project Submissions (Liyan Qi, Wall Street Journal, 6/14/12) China's top economic planner has asked its local offices to speed up submitting energy—saving and environment—friendly projects for approval.

China's Evolving Sustainability Effort (Atlantic, 6/8/12) China has a triple incentive to become a "green superpower": environmental problems, growing energy needs, and a desire to underpin its leadership of the globe with a powerful green tech sector.

<u>China holds key to Greenland treasure chest</u> (Ray Weaver, Copenhagen Post, 6/13/12) While Denmark's business leaders and politicians are looking forward to the commercial potential of Chinese president Hu Jintao's visit this week, some believe that the Chinese are aiming to use improved Danish relations as a stepping stone to an even greater prize: Greenland.

China-U.S. Trade Tensions Rise As Renewable Energy Sags (Brian Wingfield and Justin Doom, Bloomberg, 6/7/12) When solar-panel maker Solyndra LLC collapsed in September after winning a \$535 million U.S. loan guarantee, President Barack Obama's administration blamed China's even bigger aid for its renewable-energy industry.

<u>China's Wuhan city covered in mysterious haze</u> (Agence France Presse, 6/12/12) Young and old residents of the Chinese metropolis of Wuhan were advised to stay indoors on Monday after a thick haze blanketed the city of nine million people, official media said.