

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

<u>Social Media, China, and The Environment</u> (Monica Tan, Diplomat, 7/25/12) Of the many misconceptions that outsiders hold about China, there is one that is incredibly easy to disprove: there are no protests in China.

A Beijing Family's Holiday From Pollution (International Herald Tribune, 7/19/12) Is it fair to compare the environment of Beijing, a city of nearly 20 million, to this village of about 700 in Austria, on the shores of the Hallstätter See in the Salzkammergut region?

China's lead in green tech reflects political will, social consensus (Zhu Dongyang, Xinhua, 7/24/12) A series of recent international reports have reconfirmed China's impressive progress in clean

technology and its lead in global green development, which once again demonstrates China's strong political will and social consensus for sustainable development.

<u>China, think before you frack</u> (China Dialogue, 7/25/12) The rise of unconventional gas in America has proved a "real distraction" from the number one task of avoiding global warming, Bill McKibben tells *chinadialogue*.

### RESEARCH & CIVIL SOCIETY

In China's Pollution Struggles, Information Is King (Melanie Hart and Jing Shen, Climate Progress, 7/25/12) The air in Beijing has been a hot topic this past year. Beijing residents are generally quite stoic about local air pollution, and willing to turn a blind eye to differences between the grey air they see outside and the "blue sky days" the local government is reporting.

China's population and economy are a double whammy for the world (Kenneth R. Weiss, Los Angeles Times, 7/22/12) China's 'one-child' policy has slowed population growth and brought prosperity — but it couldn't avert massive damage to the environment.

On China's Web, Green Activists Grow Bolder (Dexter Roberts, Businessweek, 7/20/12) When residents of Shifang, in Sichuan province, started worrying about the environmental impact of a planned molybdenum copper plant, they aired their concerns on the Internet. "Without doubt, Shifang will become the biggest cancer town in years," said a post on Sina Weibo, one of China's two Twitter-like microblogging sites. "An overdose of molybdenum may cause gout, arthritis, malformation, and kidney problems," warned another, according to China Elections and Governance, a website launched by the Carter Center in Atlanta and Beijing's Renmin University of China.

Melting Glaciers May Worsen Northwest China's Water Woes (Mike Ives, Yale e360, 7/26/12) In China's sprawling Xinjiang region, where the population is growing and cotton farming is booming, a key river has been running dry in summer. Now a team of international scientists is grappling with a problem facing the Tarim River basin and other mountainous regions — how to secure water supplies as demands increase and glaciers melt.

Reducing traffic at 2008 Olympics yielded large cut in CO2 (Phys.org, 7/24/12) China's Olympian attempt to improve air quality during the 2008 summer games did more than provide a healthier atmosphere for the athletes. It also demonstrated that widespread changes in transportation patterns could greatly reduce the threat of climate change.

## CORPORATIONS

China in talks to build UK nuclear power plants (Terry Macalister and Fiona Harvey, Guardian, 7/20/12) British officials talking to Chinese about plan that could see up to five reactors being built at cost of £35bn, sources say.

China seeks N. American energy reserves, know-how (Associated Press, 7/25/12) Offshore Chinese energy giant CNOOC's \$15 billion offer for Canadian oil and gas producer Nexen Inc. is strategically calibrated to win regulatory approval — unlike its failed 2005 attempt to buy Unocal.

Germany mulls solar panel anti-dumping suit vs China (Reuters, 7/20/12) Germany's environment ministry is considering launching anti-dumping proceedings against China over its financial support for solar power firms amid a bitter price war in the industry that has left many German panel producers fighting for survival.

<u>China threatens US solar exports</u> (Zack Colman, The Hill, 7/20/12) China's trade ministry said that it would investigate U.S. solar—grade polysilicon on anti-dumping and anti-subsidy grounds, Reuters reported. The move is the latest in a series of tit-for-tat measures between China and the United States regarding solar power.

The American Shale Conundrum Facing China's Energy Champions (Liam Denning, Wall Street Journal, 7/23/12) Over half of global upstream oil and gas mergers and acquisitions since the start of 2011 targeted U.S. assets, up from an average of 37% in the prior four years, according to consultancy IHS Herold. Besides a relatively open market for energy assets, the shale boom has drawn in companies seeking reserves and know-how.

<u>China-Europe Relations Tested in Solar Dispute</u> (Wayne Ma, Wall Street Journal, 7/26/12) Chinese solar panel manufacturers Thursday called on Beijing to begin talks with the European Union to prevent what they said would be the largest trade dispute in the history of China-Europe relations.

More than 100 firms interested in China's 2nd shale gas auction (Chen Aizhu, Reuters, 7/25/12) More than 100 Chinese companies, including a grain trader, are interested in a shale gas exploration tender the government is expected to issue within weeks, underscoring the appeal of the unconventional resource in the world's second largest energy consumer.

Will China exploit its shale gas? (China Dialogue, 7/26/12) China urgently needs new sources of energy, but is shale gas the way forward? As the government prepares to launch a new auction of drilling rights, Xu Nan and Wang Haotong look at the debate within China.

China's CNOOC offers \$15B for Calgary oil firm Nexen (CBC, 7/23/12) Calgary-based oil and gas firm Nexen Inc. has agreed to be acquired by China National Offshore Oil Company in a \$15.1 billion US cash deal. State-owned CNOOC Ltd. will pay \$27.50 per Nexen share. That price makes the deal the largest foreign transaction that Beijing has ever attempted.

<u>China shuts down illicit rare earth mines</u> (Xinhua, 7/25/12) Police in south China's Guangdong Province said Tuesday that they have closed nine illegal rare earth mines in Longchuan County, a major rare earth reserve, over the past six months.

#### GOVERNMENT

WTO to Investigate Chinese Curbs on Rare-Earth Exports (Jennifer M. Freedman, Bloomberg, 7/24/12) World Trade Organization judges will probe China's export quotas and tariffs on rare earths, tungsten and molybdenum following complaints by the U.S., the European Union and Japan that the curbs break global commerce rules.

China to continue rare earth protection: official (Xinhua, 7/25/12) China will continue to protect its rare earth resources while working to solve disputes with other countries on its rare earth policies within the World Trade Organization (WTO) framework, an official with China's industry watchdog said Wednesday.

Africans Urge China to Help Create Sustainable Development (Shannon Van Sant, Voice of America, 7/23/12) African leaders and independent groups are pressing China to prioritize sustainable development in its trade with African countries. In Beijing, officials say they increasingly recognize the importance of sound environmental practices for building strong relations with the continent.

China Burns up the Clean Energy Race (Sunserae Smith, State of the Planet, 7/26/12) Although China dominates in the race to be the leading global manufacturer of clean renewable energy, they are not necessarily doing the most for the environment. China, consistently pushing the clean energy market towards an economic future, was expected to be a leading developing country in negotiations at Rio+20. As they lap the United States and world economies in this race by training a skilled clean energy workforce and providing steep subsidies more and more manufacturing companies are heading overseas. The US simply cannot compete. If the U.S. does not demonstrate a greater sense of urgency to contrive alternative clean energy policies coupled with investment initiatives, it will fall further behind economically.

<u>Guangzhou's rubbish charge struggle</u> (China Dialogue, 7/23/12) The idea of paying for the collection of household waste is a controversial one in China. This summer, Guangzhou became the first mainland city to trial charges for this service. Wang Haotong reports.

South China Sea: From Bad to Worse? (Joshua Kurlantzick, Council on Foreign Relations, 7/24/12) Tensions in the South China Sea have risen to their highest level in at least two years in the wake of the disastrous breakup of the Association of Southeast Asian Nations (ASEAN) foreign ministers meeting in Phnom Penh. Secretary—General Surin Pitsuwan, an eternal optimist, admitted that the summit was an "unprecedented" failure in ASEAN's history, and Indonesia's foreign minister rushed to mediate tensions between ASEAN members lest they explode again. At nearly the same time, a Chinese naval frigate ran aground in a disputed area of the sea, raising regional suspicions that Beijing was trying to bolster its claim to the entire South China Sea.