



# ENVIRONMENTAL CHINA

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



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By CC Huang, TimQuijano

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**Dear Readers,**

Before you get to the newsletter, I just wanted to give everyone a quick update. Tim and I have been moving around a lot - he is now in Beijing about to start working for NRDC and I am in the United States about to start graduate school at Princeton. We thank you for your patience as we have both in transition periods. Also, since we are in very different time zones, the newsletter might be sent at different times each week - though we are trying our best to release it as close to Thursday/Friday as possible.

We hope that you have been enjoying the newsletter and again, we are always looking for feedback and comments.

One random thing that I would like to recommend to everyone (as we have quite a few China and environmental experts getting this newsletter!) is signing up for Quora (<http://www.quora.com/>) to spread knowledge and awareness about environmental issues. I think it is an absolutely fantastic platform and as far as social media goes, it is one of the platforms where people are really showing some of the best sides of themselves. One problem I noticed though: not enough China and environmental experts using the site. One board I started is on China's Energy Dilemmas (<http://www.quora.com/chinaenergy>) and another great one is by Paul Denlinger on China's Future (<http://www.quora.com/Chinas-Future>).

PACE

Thanks again for all your continued support and please enjoy this issue! The pollution protests and China's deals with Canada are especially interesting topics this week.

**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](mailto:cc.huang2@gmail.com) or [timquijano@gmail.com](mailto:timquijano@gmail.com).

## OPINION

["Occupy" with Chinese characteristics](#) (Asia Times, 8/4/2012) One of life's many ironies is that the Occupy model of disobedient activism has racked up more successes in the land ruled by that poster child of remorseless authoritarianism, the Chinese Communist Party, than it has in the United States.

[Why China is losing the solar wars](#) (Bill Powell, CNN, 8/2/2012) Four years ago, investors placed bets that China would dominate solar energy. Now China's solar industry is just a capital destruction machine, with some of its most prominent companies desperately flailing for lifelines.

[The Benefits of Chinese FDI](#) (Project Syndicate, 8/2/2012) In a rare act of bipartisanship, the United States Congress recently passed legislation to encourage more inward foreign direct investment. Democrats and Republicans agree that FDI, or "insourcing," is important to US jobs and competitiveness. They are right.

[Dealing with China](#) (Calgary Herald, 7/25/2012) To listen to critics of the sale of Nexen to the state-run China National Offshore Oil Co. (CNOOC), a communist oppressor will be coming to Alberta with slave labour to extract oil as it prepares for war with the West. In their view, it is a smooth-talking tyrant that has promised to protect Canadian jobs and the environment, and behave like good corporate citizens to maintain the social licence it needs to operate.

## RESEARCH/CIVIL SOCIETY

[On China's web, green activists grow bolder](#) (Business Week, 7/20/2012) 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.

[Chinese Olympic Athletes Aren't Allowed To Eat Local Meat Because It Might Get Them Banned For Doping](#) (Business Insider, 7/16/2012) There's a lot of reasons to be fearful of food in China — and apparently Olympic officials in the country are so worried about local supplies that athletes have received stern warnings about the type of food they can eat while training.

[Hong Kong's dirty is worst in two years](#) (Wall Street Journal, 8/2012) Roadside air-pollution levels hit a two-year high in some parts of Hong Kong this week, obscuring the city's vistas in a sea of white haze and prompting the government to warn the young, the elderly and people with heart or respiratory illnesses to stay inside.

[China's Dirty Water](#) (The Atlantic Cities, 8/1/2012) China's rise to an economic powerhouse has brought with it environmental degradation, especially in the country's waterways. About one third of the industrial waste water is released, without treatment, into rivers and lakes. According to one report, 43 percent of state-monitored rivers are so polluted, they're "unsuitable for human contact."

## CORPORATIONS

[Endgame looms for Sinopec, ENN's \\$2.2 billion China Gas bid](#) (Reuters, 8/3/2012) Sinopec Corp ([0386.HK](#)) and ENN Energy Holdings are finding the odds increasingly stacked against them in their \$2.2 billion bid for China Gas Holdings ([0384.HK](#)) as regulatory hurdles remain uncrossed and key shareholders of the target company place new obstacles in their way.

[Argentina looks to China to fund shale oil](#) (UPI, 8/3/2012) Frustrated in its attempts to draw Western investors into Spanish oil company YPF it nationalized in April, Argentina is looking to China to fund its future plans to produce shale oil and natural gas.

[China deals meet growing scrutiny as Suntech spurs questions](#) (Bloomberg, 7/31/2012) Suntech Power Holdings Co. (STP)'s admission that it may have failed to verify the existence of German bonds it accepted as loan collateral adds to growing concerns about Chinese business practices that are sparking a wave of lawsuits and regulatory probes.

[China paper blames poor government decisions for violent protests](#) (Reuters, 7/30/2012) Bad decision-making was the main reason for a violent environmental protest in eastern China at the weekend, a state newspaper said in an unusually mild reproach stance after thousands of residents ransacked offices and overturned cars.

[China keeps buying Iran's oil as U.S. and EU intensify sanctions](#) (Bloomberg, 7/30/2012) Oil tankers able to haul at least 20 million barrels of Iranian crude signaled for China in July, highlighting one of the challenges the U.S. and Europe face as they pressure the Persian Gulf state over its nuclear program.

## GOVERNMENT

[Fishing ban lifted over South China Sea](#) ([China.org.cn](#), 8/2/2012) Fishermen in Hainan and Guangdong provinces have resumed operation after the annual fishing ban in the northern part of the South China Sea was lifted on Wednesday, said local fishery authorities.

[Beijing probes water pollution reports](#) (China Daily, 8/3/2012) The Fangshan water authority in Beijing is investigating a report that one of the capital's sources of drinking water may be polluted.

[China, Canada, and Oil: A Complicated Calculus](#) (The Diplomat, 8/2/2012) China National Offshore Oil Corporation's (CNOOC) \$15.1 billion bid for Canada's Nexen energy, a Calgary-based firm with oil assets in the Gulf of Mexico, the North Sea, and in Alberta's oil sands, is highlighting the pros and cons of State Owned Enterprises (SOEs) investing in North American resources.

[U.S. raises tariffs on Chinese wind-turbine makers](#) (New York Times, 7/27/2012) Chinese manufacturers have been illegally selling steel towers for wind turbines below the cost of production and will have to pay duties of 20.85 to 72.69 percent on imports, the United States Commerce Department said Friday in a preliminary ruling in an antidumping case brought by four American tower manufacturers.

[China to build first polar-expedition icebreaker](#) (Phys.org, 7/31/2012) China is set to construct its first icebreaker for polar expeditions, state media said Tuesday, in a move it described as greatly boosting its ability to explore the strategic Arctic.

[China promises measures to attract private investment in energy, health, other key industries](#) (Washington Post, 7/30/2012) China's government said Monday it will launch projects to attract private investment in energy, health and other industries as it tries to reverse an economic slump.

[China paper says leaders must listen after riots](#) (AFP, 7/29/2012) China's most influential newspaper on Monday urged authorities to listen to people's worries about pollution, after fears over a new waste water pipeline sparked weekend riots.

[Ivory seizures prompt calls for China to end domestic trade](#) (Guardian, 7/24/2012) More ivory was seized last year by customs officials around the world than at any time since a global ban was introduced in 1989, the international organisation that regulates trade in wildlife has heard.

[Africans urge China to help create sustainable development](#) (Voice of America, 7/23/2012) 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.