Page 1 of 5



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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

Pollution fee is unfair to tourists (China Daily, 8/7/12) The Kunming municipal government in Yunnan province is reportedly considering levying a 10-yuan (\$1.58) pollution fee per day on those checking in at any hotel in the six-county, 2,920-square-kilometer Dianchi Lake drainage basin. Local authorities are sending the right message the wrong way. It is fine to raise visitors' awareness of environmental protection. Yet it is unfair to make all visitors, about 40 million a year, pay for the pollution treatment, says an article in Beijing Youth Daily. Excerpts:

<u>China vs. the US in Africa: Who's 'Winning?'</u> (John C.K. Daly, Oil Price, 8/9/12) U.S. Secretary of State Hillary Clinton is in the midst of an 11-day trip across sub–Saharan Africa. Speaking on Aug. 1 on the topic of "Remarks on Building Sustainable Partnerships in Africa," at the University of Cheikh Anta

Diop in Dakar, Senegal, Clinton told her audience, "The Obama Administration's comprehensive strategy on Sub–Saharan Africa is based on four pillars: first, to promote opportunity and development; second, to spur economic growth, trade, and investment; third, to advance peace and security; and fourth, to strengthen democratic institutions."

RESEARCH & CIVIL SOCIETY

<u>Doomed toilet scheme was "valuable experience"</u> (China Dialogue, 8/7/12) Last week, chinadialogue published a report about the demise of the world's biggest urban eco-toilet project. Here, its Swedish collaborator – the Stockholm Environment Institute – gives its side of the story.

<u>As Severe Storms Overwhelm China's Infrastructure, Experts Warn That Climate Change</u> <u>Will Make The Problem Worse</u> (Max Frankel, Climate Progress, 8/10/12) On July 21st, the heaviest rainstorm to strike Beijing, China in over 60 years dumped an average of more than 7 inches of rain across the city, causing floods and leading to the deaths of more than 70 people. One suburb, Fangshan, received more than 18 inches of rain from the storm.

<u>China's new eco-warriors</u> (Le Monde, 8/6/12) Thanks to micro-blogs and the Internet's spreading the word, people in China have become more and more aware of environmental issues, taking a stand against big corporations. The state has responded with a mix of repression of protests and concessions, collectively designed to maintain stability and avoid escalation of the movement.

<u>A decade of food safety in China</u> (China Dialogue, 8/6/12) Ten years' of scares have ingrained a sense of crisis in the public psyche. Solving the problem will mean looking again at industrial food production, writes Xu Nan.

<u>Hong Kong chokes under 'worst' pollution</u> (Sydney Morning Herald, 8/3/12) Hong Kong has urged people to stay indoors as the city chokes under the worst cloud of man-made air pollution the city has recorded, officials say. Activists claim the pollution is partially the product of Hong Kong's own emissions and cannot be blamed solely on mainland China.

<u>China's New Eco-Warriors</u> (Harold Thibault, Le Monde) At 18-years-old, Li Wei does not look like a dissident. She is mostly focused on her studies in accountancy, her friends – with whom she is always in contact – and chatting with her sister. However, none of that stopped the young girl – who has given us a false name because of the difficult situation in her hometown of Qidong – from participating in a protest that escalated in the ransacking of the Communist Party of China's (CPC) offices.

CORPORATIONS

Boston-Power Signs Deal with Beijing Electric Vehicle (Environmental Leader, 8/9/12) Lithiumion battery maker Boston-Power has signed a multi-year agreement to provide battery systems to Beijing Electric Vehicle Co., the EV delivery arm of Beijing Automotive Industry Co., for electric cars that will be available in China this year.

<u>China welcomes Sudan, South Sudan oil deal</u> (Business Recorder, 8/6/12) China on Monday welcomed an oil deal between Sudan and South Sudan and urged both nations to find the "political courage" to overcome the remaining issues that have brought them to the brink of war.

Profits on Carbon Credits Drive Output of a Harmful Gas (Elizabeth Rosenthal and Andrew Lehren, New York Times, 8/8/12) When the United Nations wanted to help slow climate change, it established what seemed a sensible system. Greenhouse gases were rated based on their power to warm the atmosphere. The more dangerous the gas, the more that manufacturers in developing nations would be compensated as they reduced their emissions. But where the United Nations envisioned environmental reform, some manufacturers of gases used in air-conditioning and refrigeration saw a lucrative business opportunity.

<u>China drills into shale gas, targeting huge reserves amid challenges</u> (National Geographic, 8/8/12) The Chinese southwestern city of Chongqing has recently become the site of one of China's first shale gas exploration sites. China sits on natural gas reserves 50% greater than those of the US and aims for this gas to provide 6% of the nation's energy by 2020, providing hope for a cleaner energy future for the world's number one green house gas producer. Yet questions remain about the short-term feasibility of this ambitious goal, as China lacks some of the experience and infrastructure that may be necessary to support hydraulic fracking.

<u>Our Chinese oil sands</u> (Macleans, 8/8/12) China National Offshore Oil Corporation's bid to purchase the Calgary-based Nexen Inc. last week was yet another in a series of state-sponsored attempts to acquire North American energy firms in the last year. The move has raised concerns about the environmental and political implications of having foreign, and specifically Chinese, state-run firms gain ownership in the Canadian oil sands and in general the North American energy sector.

Rare-earth mining in China comes at a heavy cost for local villages (The Guardian,

8/7/12) The town of Baotou, in Inner Mongolia, is the largest Chinese source of rare earth metals, essential to advanced technology, from smartphones to GPS receivers, but also to wind farms and, above all, electric cars. Yet studies have found that these rare-earth metals and the facilities used to process them are toxic to crops, animals and humans; the population of Baotou has fallen from 2,000 to 300 in the last 10 years.

<u>China to build agricultural research facility in Mali</u> (The Science and Development Network, 8/7/12) China plans to build a centre for agricultural research and technological demonstration near Bamako, Mali, to carry out experiments and technical training, and to contribute to the development of sustainable agriculture in the country, according to an agreement between the two governments announced last month. The center will be built using a 55 million RMB (USD8.6 million) loan from China, and is part of China's soft power diplomacy strategy.

<u>Plastic pellets blanket Hong Kong beaches after typhoon</u> (Los Angeles Times, 8/6/12) Hundreds of millions of tiny plastic pellets are washing up on Hong Kong beaches after a powerful typhoon sent "white plastic sacks of death" tumbling off a ship into the sea, environmental group Sea Shepherd Hong Kong said, warning that the spilled pellets could send chemicals up through the food chain.

<u>EU fights to catch Chinese in Greenland rare-earths gold rush</u> (Industry Week, 8/6/12) EU industry commissioner Antonio Tajani approached Greenland about rights to rare earth metal ores in return for technological and environmental mining know-how, but the Chinese were already there. China dominates much of the world's rare earth metals market, protecting its holdings with export quotas that have been challenged by the EU, Japan and the US through the World Trade Organization.

<u>China's New Target: Batteries</u> (Mike Ramsey, Wall Street Journal, 8/9/12) A company that two years ago was one of the most promising U.S. innovators in the clean-fuel auto industry was rescued from collapse Wednesday. Its buyer: A Chinese auto-parts company.

Fortune squandered without recycling (Zheng Xin, China Daily, 8/6/12) For most people, disposing of electronic waste is an afterthought, and used devices are often thrown into drawers and forgotten, sold at secondhand markets or dumped with other household trash.

GOVERNMENT

<u>Chinese eco pilots find habits hard to change</u> (China Dialogue, 8/6/12) Only a small proportion of people in China's low-carbon pilot cities are living "low-carbon lives" in spite of widespread knowledge of the green agenda, a year-long survey of household energy consumption carried out by Beijing-based NGO Green Beagle suggests.

<u>Beijing probes water pollution reports</u> (China Daily, 8/6/12) The Fangshan water authority in Beijing is investigating a report that one of the capital's sources of drinking water may be polluted.

Japan, China to promote energy-saving projects (China Daily, 8/7/12) China and Japan will work together to promote 47 energy-saving projects, Jiji Press reported on Tuesday.

<u>Official shrugs off public food "panic"</u> (China Dialogue, 8/10/12) Chinese people have a "poor understanding" of food-safety issues, senior official Wang Guowei tells Xu Nan and Zhou Wei.

Taiwan jumps into South China Sea fray (Brendan O'Reilly, Asia Times, 8/9/12) Until recently, the government of the Taiwan-based Republic of China (ROC) had remained fairly quiet regarding heightened tensions in the South China Sea. This silence has now been broken, with important diplomatic and strategic implications for the relevant disputant nations and concerned world powers. Those who were hoping for Taipei eagerly to join a nascent anti-Beijing alliance are likely to be sorely disappointed.

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<u>Data gaps hobbling trial carbon markets</u> (China Dialogue, 8/9/12) Seven Chinese regions are due to launch emissions-trading schemes next year. They will struggle to do so, write Liu Shuang and Xu Nan.

<u>Full steam ahead toward a cleaner, more efficient China</u> (China Daily, 8/9/12) As coal power plants continue to provide upwards of 70% of China's energy, the country remains a hub for R&D directed at decreasing the pollution produced by burning coal. One new technology, in particular, promises to reduce the nitrous oxide output produced by coal-burning plants by up to 65%, while also improving efficiency of energy output. Meanwhile, the Ministry of Environmental Protection announced in September of last year that starting in January, all Chinese power plants should adopt measures to meet new national standards for nitrogen oxide emissions in two years.

Eco pilots find habits hard to change (China Dialogue, 8/3/12) China's low-carbon city programs are doing well on public awareness, but an NGO survey finds little evidence of greener habits. While 99% of polled residents in the eight cities included in a low-carbon pilot program launched in 2010 had heard of climate-change and low-carbon lifestyles, few had actually changed their energy consumption patterns to increase environmental friendliness.

<u>China to weed out rare earths producers?</u> (United Press International, 8/8/12) China has announced new industry rules for rare earth production, a move expected to weed out smaller operations. While some officials have suggested that rare earth production rules are designed to protect the environment, others have directly stated that reducing the number of domestic rare earth companies is "good for fixing prices" and will help the Chinese government control the international market for rare earth metals.