



# ENVIRONMENTAL CHINA

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

## RESEARCH & CIVIL SOCIETY

[Curbing pernicious side of energy-saving products](#) (Xinhua, 10/30/2012) China should increase public awareness of the toxicity in used energy-saving products, according to an investigative report. The report carried by the Economic Information, an economy news daily under Xinhua, said that 0.5 milligram of mercury, the average amount contained in a used energy-saving fluorescent tube is enough to pollute 180 metric tons of water and surrounding soil. In 2008, energy-saving lights were included in a national list of hazardous waste. People are aware of their energy-saving function without knowing much about the poisonous dangers, said experts.

[China building massive energy lifeline through Myanmar](#) (Jeff Howe, 10/29/2012) The Sino-Burmese Pipeline is a massive, \$2.5 billion project intended to ensure China's energy security well into

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the 21st century. It follows the Burma Road up from the Irrawaddy River plain through the Shan Hills and finally, into China. When completed, the pipeline's double-barreled conduits will annually deliver 22 million tons of oil and 12 billion cubic meters of gas to destinations within China's Yunnan Province.

[WRI President: Global carbon trading 'near'](#) (Lan Lan, China Daily, 10/29/2012) China's efforts to combat climate change win praise from leading expert. A global platform for carbon trading may be in place this decade, an official at one of the world's major environmental think tanks said. China's emissions trading system, which is likely to be the world's second-largest carbon market by 2015, may be a major player if it is connected to the proposed world system, said Andrew Steer, president of the World Resources Institute.

[Special report: the boom and bust of China's bike-hire schemes](#) (Xu Nan and Meng Si, China Dialogue, 10/26/2012) The mixed success of public bicycle rental programmes in three Chinese cities – Beijing, Wuhan and Hangzhou – shows need for direct government support.

[China: Green versus growth](#) (Aljazeera, 10/29/2012) Chinese authorities are halting work on a chemical factory after thousands of people gathered in the eastern Chinese port city of Ningbo denouncing the expansion of the plant. "There is ... a widespread resentment about the way in which industrial development goes ahead without local consultation and is very little regulated or supervised concerning the effects that it might have on local people." The facility is a subsidiary of China Petroleum and Chemical Corporation in the district of Zhenhai and was being targeted for its use of the chemical paraxylene – a potentially cancer-causing substance.

[China's pollution time bomb highlighted](#) (Patti Waldmeir, Leslie Hook and Jamil Anderlini, Financial Times, 10/29/2012) Environmental protesters in the city of Ningbo, scene of violent weekend demonstrations, went back to work on Monday after the local government made a carefully calculated concession designed to defuse unrest over plans to expand a petrochemical complex.

## CORPORATE SECTOR

[Chinese Firm to Provide A123 Funds](#) (Patrick Fitzgerald, Wall Street Journal, 10/29/2012) A123 Systems Inc., the electric-car battery maker that recently filed for bankruptcy, is seeking emergency approval to tap a \$50 million loan provided by a Chinese auto parts maker to fund its Chapter 11 case pending an auction of the clean energy firm. Lawyers for A123 Systems said Sunday in a bankruptcy court filing that Chinese auto parts maker Wanxiang Group Corp. will provide the so-called debtor-in-possession financing, replacing initial lender Johnson Controls Inc.

[Gas Golden Age Darkens in Europe on U.S. Coal: Energy Markets](#) (Matthew Brown, Bloomberg, 10/31/2012) Europe is missing out on the natural gas boom that is transforming energy use in the U.S. and Asia, instead burning cheaper, dirtier coal imported from America. Global gas consumption may rise 19 percent by 2017 from 2010 levels as demand surges in Asia and the U.S. while Europe's usage drops 1.6 percent, according to the International Energy Agency. Increasing coal-fired generation in Europe

has cut gas demand by 3 billion cubic feet a day, according to Sanford C. Bernstein & Co., about 7 percent of consumption. The IEA last year predicted a golden age for the fuel with new exports from America to Australia.

[China completes shale bidding](#) (UPI, 10/30/2012) The latest bidding round for exploration rights on 20 Chinese shale gas blocks attracted a record 83 companies, the Chinese Ministry of Land and Resources said. The blocks total 7,723 square miles spread over eight Chinese provincial regions, Xinhua news agency reports. The auction is the second since June 2011, when six companies bid on four shale natural gas blocks.

[Chinese Electric Car Revolution Running On Half A Battery](#) (Energy Collective, 10/29/2012) China, much like the United States, has ambitious goals around the spread of green car technology among its population. Whereas President Obama called for 1 million electric vehicles on the road by 2015 last year, Chinese leaders were hoping for 500,000 cumulative EV sales by 2015 and 5 million by 2020. We know here at home Obama's goal unfortunately likely won't be hit, and now a new report suggests China might not hit government targets in that much more populous nation either.

[China takes new step in oil sands](#) (Nathan Vanderklippe, Globe and Mail, 10/29/2012) China is cementing its Canadian energy ambitions with a commitment to a new \$3-billion pipeline that would carry oil sands crude south. Phoenix Energy Holdings Ltd., the Canadian subsidiary of PetroChina Co. Ltd., is partnering with TransCanada Corp. to build a 900,000 barrel-a-day project, called the Grand Rapids Pipeline System, 500 kilometres from northwest of Fort McMurray to Fort Saskatchewan, near Edmonton.

[Striving for Energy Efficiency, Duke Energy in China](#) (Stuart Wiggin, China Radio International, 10/30/2012) At a time when environmental concerns are building both within the Chinese central government and in the society at large, Duke Energy, the major player among US utilities, is currently working alongside Chinese energy giants in an effort to improve energy efficiency within both countries. Environmental pollution and uneven distribution of coal resources have left China with major ecological and environmental problems as it relied on coal for 77 percent of its primary energy production last year. Following the first coal value chain exchange held in Beijing, organized in conjunction with the Carnegie Endowment for International Peace and the BP Tsinghua Clean Energy Research and Education Center, CRI was able to sit down and talk with David Mohler, the Vice President of Duke Energy, to talk about the collaborative efforts and explore what successes have been achieved.

[Bright future for Chinese energy investment](#) (Rick Morton, Australian, 10/30/2012) And it's not just power being generated by the two projects at Mortons Lane and Gullen Range, as Australia embraces Chinese capital and technology in the Asian century. "We supplied and built 13 turbines at Mortons Lane in a project which involved 120 local people in the design, construction and operation," managing director John Titchen said. "Our project at Gullen Range is much larger, with about 73 turbines under construction right now. It will be fully operational by 2014." Goldwind Australia is a relatively new player in Australia's energy market -- lured here by government renewable energy targets that require power companies to source sustainable energy as part of regular supply.

[Chinese energy giants set sights on Canada's potash and fertilizer production](#) (Jason Fekete, Montreal Gazette, 11/1/2012) Two of China's largest state-owned energy giants — CNOOC and Sinopec — have expressed interest to the federal government about investing in Canada's potash sector and fertilizer production, government documents obtained by Postmedia News show. The documents also reveal the Conservative government was aware for the past year, well before the recent controversy over foreign investment rules and the takeover bid for Nexen, that CNOOC was interested in cooperating "with other oil majors in investments in Canada." China was also looking for "early completion" of the Northern Gateway oilsands pipeline currently under review by a federal panel.

[Wal-Mart in China, pushes suppliers down green path](#) (Business Recorder, 10/30/2012) Wal-Mart Stores Inc has given global suppliers five years to comply with its environmental rules or risk being pushed off US shelves at the world's largest retailer, expanding a sustainability campaign launched in 2009. The new requirements, announced in China where Wal-Mart has more than 20,000 suppliers, will compel workshops that churn out much of the world's toys, clothing and electronics to improve on energy efficiency, waste reduction and other markers on the retailer's checklist.

## GOVERNMENT

[China Doesn't See End to Reliance on Foreign Energy](#) (Gao Zitan, Epoch Times, 10/30/2012) China is worryingly dependent on foreigners for key energy resources like oil and gas, according to a recent report from the Chinese Communist Party's external propaganda office. The State Council Information Office, also known as the CCP's arm for foreign propaganda, published a white paper on China's energy policy recently, noting that the country's dependency on foreign oil sources already sits at 57 percent. The white paper does not propose any easy solutions for the problem.

[China and Japan Hit Nuclear Energy Play Button](#) (Ken Silverstein, EnergyBiz, 10/28/2012) Asia may once again hit the play button when it comes to either resuming or restarting nuclear construction. Any movement, of course, has been on pause since the Fukushima nuclear accident in March 2011. But the need for those countries to achieve cleaner air and energy independence remains paramount.

[China's Government To the Rescue As Solar Crisis Deepens](#) (Laura He, Forbes, 10/31/2012) Amidst a full-blown solar trade war with the U.S., the Chinese government has declared backing for its ailing solar energy industry, which has dominated the world market on the strength of very low prices, but is now struggling for survival due to decreasing global demand and steep tariffs levied by the US.

[Why Are China and Japan Sparring Over Eight Tiny, Uninhabited Islands?](#) (Marianne Lavelle and Jeff Smith, National Geographic, 10/26/2012) Why are China and Japan locked in a tense face-off, alarming the world and inflicting substantial economic pain on themselves, over a bunch of tiny uninhabited islands in the East China Sea? Nationalist politics and historical resentments figure heavily in the territorial dispute, as do fish. But there's another potent ingredient: energy.

[India, China rivals by destiny; may fight for energy needs'](#) (First Post, 11/1/2012) Underlining that India and China are to an extent destined by geography to be "rivals", West Bengal Governor and former national security advisor MK Narayanan today said Beijing's increasing assertiveness on its part while dealing with disputes is "most disconcerting".

[China prioritizes use of natural gas by vehicles, ships](#) (Reuters, 10/31/2012) China unveiled on Wednesday a natural gas policy designed to spur the transport sector's use of the cleaner-burning fuel, and particularly of liquefied natural gas (LNG), as the world's second-largest user of fuel reins in consumption of dirtier oil. Besides homes, utilities and factories, the government for the first time targeted the transport sector, covering buses, taxis, trucks, and vessels as preferred users of natural gas, according to a document published on the website of the National Development & Reform Commission.

[China launches probe of European solar silicon](#) (Associated Press, 10/31/2012) China announced an anti-dumping probe Thursday of European exports of polysilicon used in making solar panels, adding to a flurry of trade disputes with the European Union and the United States. Beijing's latest probe follows the EU's launch of an investigation in September into whether Beijing was improperly subsidizing exports of solar panels. The Ministry of Commerce announcement gave no indication when a verdict might be issued.

[Clearing away the fog of doubt](#) (Wu Wencong, Jiang Xueqing, and Qiu Quanlin, China Daily, 10/30/2012) While Friday's airborne pollution in Beijing became a hot topic on China's online social networks and in newspapers, the environmental authorities insisted they are taking measures to contain the problem. "Beijing has finished framing regional measures to jointly prevent and control air pollution within Beijing, Tianjin and Hebei province," said Yu Jianhua, head of the atmospheric environment management office of the Beijing Environmental Protection Bureau. According to the Beijing Municipal Environmental Monitoring Center on Friday, trial readings of PM2.5 – particulate matter smaller than 2.5 micrometers – from most of the city's 35 monitoring stations exceeded 300 micrograms per cubic meter. The readings hit level six, indicating the highest level of pollution, four times the national standard.

[China urges improved environmental information disclosure](#) (Xinhua, 11/1/2012) The Ministry of Environmental Protection has urged local authorities to be more transparent when providing information related to the environment, especially data regarding potentially hazardous construction projects. In a circular newly published on its website, the ministry told local authorities to disclose more information regarding administrative reviews and approvals for related projects.

[China to raise environmental bar for mining projects](#) (Reuters, 10/30/2012) China is expected to issue new guidelines by the end of the year to encourage metals miners to conserve domestic resources and protect the environment, a director at the China Nonferrous Metals Industry Association said on Tuesday. Hu Changping, director of heavy metals at the association, said Beijing aims to tighten the requirements on firms allowed to mine metals and will announce the guidelines before the end of this year.

[A Great Green City To Arise In China](#) (Susan DeFreitas, EarthTechling, 10/31/2012) Now, in a development from the greener side of China, the Chinese government is working with Chicago-based Adrian Smith + Gordon Gill Architecture to develop a self-sustaining, environmentally sensitive 1.3-square-kilometer satellite city outside Chengdu. The master plan for Chengdu Tianfu District Great City (which comes to us via Inhabitat) was developed to offer a solution to the problems of overburdened infrastructure and high pollution levels that plague many of China's major urban centers.

[More than 50 detained in China pollution protests](#) (AFP, 10/30/2012) China's eastern city of Ningbo detained more than 50 people over violent protests last week that successfully blocked a planned chemical plant, state media said Tuesday.