

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



www.pacechina.net

PACE is now in cooperation with

chinadialogue



Issue 183, November 11 to November 18, 2012

By CC Huang, TimQuijano

Invite your friends and colleagues to subscribe to the e-mail newsletter here.

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

Environment the biggest challenge (China Daily, 11/13/2012) The 18th National Congress of the Communist Party of China is being held at a time when China is facing some critical economic challenges. Foremost among them is the balance that needs to be struck between economic growth and sustainable development. The concerns over environment, and the priority to be given to its preservation, were reflected in CPC General Secretary Hu Jintao's opening address to the 18th CPC Congress, where he put as much emphasis on ecological civilization and sustainable development as economic, political, cultural and social civilizations.

<u>Water: The next challenge for China's new leaders?</u> (Olga Khazan, Washington Post, 11/15/2012) Now that the 18th Communist Party Congress is over, China's new leadership team turns its attention to tackling the problem of the country's slowing economy. China faces a number of challenges, including dependence on exports and weak domestic consumption, but one of the most pressing issues is a risk of severe water shortages.

Choices lie ahead in world that is green (Lin Boqiang, China Daily, 11/16/2012) The 18th National Congress of the Communist Party of China that has just finished in Beijing will affect the country's social and economic development for at least the next 10 years. Many people will be interested in how the congress will affect China's green development.

RESEARCH & CIVIL SOCIETY

China surveys Yangtze dolphin as extinction looms (AFP, 11/12/2012) Chinese scientists on Sunday began a survey of the dwindling population of an endangered porpoise in the country's longest river, as the animal edges towards extinction from man-made threats. Researchers will spend more than a month tracking the finless porpoise -- known as the "river pig" in Chinese -- in the Yangtze River, China's longest waterway at more than 6,000 kilometres (3,700 miles), organisers said.

CO2 emissions hit new record on China surge (Sydney Morning Herald, 11/14/2012) Carbon dioxide emissions from fossil fuels rose 2.5 per cent to a record last year on surging pollution in China, Germany's IWR research institute said. Worldwide emissions rose 834 million metric tons to 33.99 billion tons, IWR said on its website. China's releases of the greenhouse gas climbed 6.5 per cent, offsetting declines in the US to 6 billion tonnes, Russia and Germany, the Muenster-based institute said. "If the current trend persists, global CO2 emissions will go up by another 20 per cent to over 40 billion tons by 2020," Norbert Allnoch, the IWR's director, said in the statement.

China Strains to Satisfy Growing Demand for Meat (PBS Newshour, 11/13/2012) China's growing appetite for meat and dairy is driving big changes in everything from farming to food safety, reports Mary Kay Magistad, correspondent for Public Radio International's "The World" in the next installment of the "Food for 9 Billion" series airing on Tuesday's PBS NewsHour. The growing demand for meat has put a strain on China's land and water resources. Agriculture runoff, mostly manure from large-scale farms, is causing water pollution within the country. Because of water shortages, China imports 70 percent of its soybeans and increasing amounts of its corn from the United States, Brazil and Argentina to feed its cows and pigs, Magistad reports.

China's birth defects blamed on pollution, unhealthy living (South China Morning Post, 11/11/2012) Pollution and unhealthy lifestyle choices have contributed to a big rise in the incidence of birth defects on the mainland in the past 15 years, experts say. Last year, birth defects were detected in 1.53 per cent of newborns in their first seven days of life, up from 1.09 per cent in 2000 and 0.87 per cent in 1996, the Ministry of Health said in September. It said this rose to 5.6 per cent in the first five years of life because some conditions were hard to spot early on, but did not provide historical comparisons.

With China and India Ravenous for Energy, Coal's Future Seems

Assured (New York Times, 11/12/2012) Last summer, nearly half of India's sweltering population suddenly found the electricity shut off. Air-conditioners whirred to a stop. Refrigerators ceased cooling. The culprits were outmoded power generation stations and a creaky electricity transmission grid. But another problem stood out. India relies on coal for 55 percent of its electric power and struggles to keep enough on hand. Coal remains a critical component of the world's energy supply despite its bad image. In China, demand for coal in 2010 resulted in a traffic jam 75 miles long caused by more than 10,000 trucks carrying supplies from Inner Mongolia.

It's official: Hong Kong has poor air quality (Howard Winn, South China Morning Post) The government's Audit Commission published two reports yesterday which are a damning indictment of the previous government's record on monitoring air quality and its lamentable efforts at improving it. The two reports, Implementation of Air-Quality Improvements Measures, and Monitoring and Reporting of Air Quality show a remarkable level of failure in meeting its obligations under the air pollution control ordinance, and in taking very obvious steps such as getting old polluting diesel-engined vehicles off the road.

CORPORATE SECTOR

Power transmission, new-energy sectors eye overseas growth (China Daily, 11/14/2012) China's ultra-high voltage transmission and new-energy industries will expand rapidly in the next three years, with a steady move into the overseas market, the chairman of a leading Chinese power transmission company said on Tuesday. "The government is going to approve many UHV transmission projects in the coming years, to satisfy the energy demand during the economic expansion," said Zhang Xin, chairman of the Tebian Electric Apparatus Stock Co Ltd (TBEA) in the Xinjiang Uygur autonomous region, at a news conference of the 18th National Congress of the Communist Party of China.

<u>China focus: Beijing mounts push for increased energy from renewables</u> (Financial Times, 11/11/2012) When Danish enzyme maker Novozymes

was looking for partners to help it make chemicals out of corn cobs, it came to China. And when German solar-panel maker Q-Cells was trying to sell a subsidiary that had developed a record-breaking technology for thin film solar panels, it found a buyer in China. The world's largest energy consumer can seem like a Mecca of clean energy development, with a level of state support and commercial enthusiasm for new technologies that is almost unparalleled.

China's Second Shale Gas Auction Fails to Dazzle Amid Profitability Concerns (Energy Tribune, 11/12/2012) China's breakthrough announcement last Spring that it had discovered massive amounts of shale gas deposits, allegedly surpassing that of US reserves, kept media buzzing in the US, abroad and particularly in China. In March, China's Ministry of Land and Resources disclosed that China had 25.08 trillion cubic meters (Tcm) or 886 trillion cubic feet (Tcf) of exploitable onshore shale-gas. The deposits, part of estimated 134.42 Tcm of potential resources gas in the country were discovered in 880,000 square kilometers (340,000 square miles) of exploration blocks that contain 15.96 Tcm of the fuel to be extracted. In order to develop these resources, China held its second shale gas auction last month.

China Calls for Solar Applications Eligible for Subsidies (Bloomberg, 11/12/2012) China, the world's biggest supplier of solar modules, will begin accepting new applications from regional governments seeking to qualify for subsidies through a second round of funding this year to develop solar projects. The government will subsidize projects of at least 5.5 yuan (88 cents) a watt if they're completed by the end of June, China's Ministry of Finance said in a Nov. 9 statement on its website. China will also offer subsidies of 25 yuan a watt for independent photovoltaic power plants in remote areas and 18 yuan a watt for residential systems.

<u>China's green shoots of ecotourism</u> (Clarissa Sebag-Montefiore, Guardian, 11/16/2012) China usually makes headlines for its environmental protests, and pollution. It is the world's largest emitter of CO2 gases and 70% of China's rivers and lakes are contaminated. As such "green" hasn't really featured as a selling point for travel to the Middle Kingdom. Until now. A new retreat tucked among the bamboo forests and tea plantations of Zhejiang province — a two-and-a-half-hour journey from Shanghai — has become a highly comprehensive ecoresort. The Naked Stables Private Reserve has been built to provide sustainable tourism in some of China's prettiest countryside.

<u>Solar Powers China's March Toward Sustainability</u> (Marjorie Sun, KQED, 11/16/2012) There's a trade war brewing with China over solar panels and California is right in the middle. Just this month, federal trade officials authorized sanctions against China for "dumping" solar components onto the U-S market below cost. China is the world's biggest producer of solar panels, and yet very few are installed there domestically. Many end up on rooftops here in California. "Cheap solar" has been good for California consumers but bad for the state's own makers of solar energy hardware.

<u>Wind Power Market to Slow on EU, U.S., China Hurdles, Lobby Says</u> (Alex Morales, Bloomberg, 11/14/2012) Wind farm growth is set to slow as limits on capacity in China's grid, falling carbon prices in Europe and a lack of direction in U.S. government policy hamper demand in major markets, the Global Wind Energy Council said.

Sinopec Chairman: China Can Become Self-Sufficient in Energy (Selina Williams, Dow Jones, 11/13/2012) "China has to go with industrialization which consumes less energy," he told the Oil and Money conference. He said China's energy intensity is twice the world's average and that presented big potential for energy efficiency. Wind, hydropower, solar and other types of low-carbon energy were also growing fast in China, he said. But it will take a while for government policy to accommodate both traditional fossil fuel energy and renewables.

Share of imported oil to rise (Du Juan, China Daily, 11/16/2012) China will import about 60 percent of the 500 million metric tons of oil it uses next year, government officials said on Thursday. "The country's use of crude oil will continue to increase in the coming years but at a modest pace," said Gao Shixian, assistant director-general of the energy research institute of the National Development and Reform Commission. This year, China is expected to import about 280 million tons of crude oil, or 57 percent of all of the oil it uses, according to an industrial report from China National Petroleum Corp's Economic and Technology Research Institute.

<u>China's Solar Industry Is Bankrupt</u> (Travis Hoium, Seeking Alpha, 11/14/2012) The goal of any business is to sell goods or services for more than it costs to produce said goods and services. If you can't sell goods or services for more than their cost you no longer have a viable business. It should now be clear that Chinese solar companies are no longer viable businesses as they're currently constructed. Not only are margins so low that it would be tough to make a profit, they all have debt that makes them less competitive than healthier suppliers.

GOVERNMENT

Quarry workers get new jobs in clean-city push (An Baijie, China Daily, 11/14/2012) Chang Wenyu thought he would be unemployed when the quarry he worked for in a small city in East China was ordered to close this year out of environmental concerns. The 49-year-old resident of Chaohe township in Rizhao, Shandong province, earned up to 3,600 yuan (\$580) a month, almost double the average income in his hometown, since starting at the quarry. The local government closed it in March, along with a large number of polluting companies in the region, as it tried to get away from the city's environmentally devastating growth mode. Chang said he expected to live in poverty again. However, like many others who lost jobs in the

government's crackdown on polluters, he was given a job at a green-tea processing plant, an industry that the government promoted following the closures.

Communist Party Congress: inside the Chinese village 'shrouded in the shadow of cancer' (Telegraph, 11/13/2012) There is something about Houwanggezhuang village Chinese authorities do not want the world to know. Stone-faced freelance thugs patrol its streets. Residents are afraid to talk. By night a chemical factory located at its entrance is said to pump foul-smelling fumes into the air and a succession of villagers have lost their lives to cancer. "Quite a few people have had cancer in recent years," whispered one local woman, who declined to give her name. "We don't know the details." Located around 40 miles north-east of central Beijing, this tiny suburban village first made headlines in 2008 when a local newspaper reported suspicions that pollution from the factory had caused a spike in cancer-related deaths and described it as "a village shrouded in the shadow of cancer".

After environmental protests, China moves to increase transparency, public involvement (Associated Press, 11/12/2012) The Chinese government will require that future industrial projects include assessments of their risk to social stability, following several large protests around the country over pollution, a top official said Monday.

<u>China seeks to stem environmental protests</u> (Gillian Wong, Associated Press, 11/12/2012) The Chinese government will require that future industrial projects include assessments of their risk to social stability, following several large protests around the country over pollution, a top official said Monday.

Henan vows to clean up its water quality act (An Baijie, China Daily, 11/14/2012) An official in charge of water resources in Central China's Henan province vowed on Tuesday to improve water quality in the central route of the South-to-North Water Diversion Project.

<u>Air quality gets better test</u> (Shi Yingying, China Daily, 11/16/2012) Shanghai, 24 other cities adopt new system for checking area pollution. Shanghai and all prefecture-level cities in Jiangsu and Zhejiang provinces will today begin using a new air quality reporting system. The Shanghai Environmental Protection Bureau said the new system will provide more authentic readings of the city's air quality to the public.

China's 'Gridlock' May Slow Conversion to Clean Energy (Marjorie Sun, KQED, 11/16/2012) Building a modern, more resilient version will cost hundreds of billions of dollars—but most agree it's essential to a cleaner, more energy-efficient future. It's a challenge confronting California and the nation—as well as other nations—notably China, where the aging grid is already proving to be an obstacle to "greening" that nation's energy production. The country plans to spend \$530 billion dollars to revolutionize the way its electricity is distributed. But one of China's main technical

challenges, it turns out, is not all that different than what we face here in the U.S: how to integrate renewable energy, like wind and solar power, into a new electric grid.

<u>Green is new color of beauty</u> (Liu Xiangrui, China Daily, 11/14/2012) Green progress, which President Hu Jintao emphasized in his report to the 18th National Congress of the Communist Party of China, has remained one of the hot topics among delegates in the past few days. In the report, Hu drew an unprecedented parallel between ecological progress and economic as well as political development.