

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



www.pacechina.net

PACE is now in cooperation with

chinadialogue



Issue 185, November 22 to December 1, 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

China should release data on polluted soil (South China Morning Post, 11/29/12) The high-profile emphasis on environmental protection at the Communist Party's 18th national congress was eye—catching. The news immediately boosted the A shares of environment—related industries, and spurred industry demands for timely information on the environment. China's development to become the world's second—largest economy over the past 30 years has come at a heavy environmental price. Environmental management as a whole has been deteriorating despite minor improvements, while mass protests related to environmental issues have been on the rise. At the congress, officials pledged to improve environmental assessment, strengthen accountability and raise public awareness. To do this, they must insist on transparency.

Ford Says China Should Embrace Electric Cars as Traffic Worsens (Bloomberg, 11/28/12) Ford Motor (F) Co.'s chairman said China should take steps against traffic congestion as its cities become increasingly crowded. An estimated 350 million people will move into Chinese cities in the next two decades, threatening to worsen air quality and traffic, Bill Ford, executive chairman and greatgrandson of the automaker's founder, said in Shanghai today. To avoid gridlock in its roads, China should facilitate the adoption of electric cars and embrace new technologies that help motorists find parking spots and avoid traffic, he said.

<u>Video: China Tea Leaf Index: Pollution a positive sign?</u> (Bloomberg, 11/27/12) Beijing pollution levels – just one component of the Tea Leaf Index of alternative China indicators – might be hazardous for residents but can be good news for growth, says Breakingviews' John Foley.

Equity 'not addressed' in climate talks (Wu Wencong, China Daily, 12/01/12) Long—term equity concerns are not being adequately addressed in climate negotiations so far, said Chinese scholars, emphasizing that equity is not a barrier to further emission reductions, but a key enabler of them.

RESEARCH & CIVIL SOCIETY

China's Coal Mines Near Uranium Deposits, Raising Pollution Fears (Oil Price, 11/25/12) China's omnivorous demand for energy to fuel its booming economy has led Beijing to place a high priority on developing indigenous fossil fuel resources, and one there is paramount. Coal. According to the U.S. government's Energy Information Administration, "China is the largest producer and consumer of coal in the world, and accounts for almost half of the world's coal consumption... Coal supplied the vast majority (70 percent) of China's total energy consumption of 90 quadrillion British thermal units (Btu) in 2009."

China's emissions expected to rise until 2030, despite ambitious green policies (Gaurdian, 11/26/12) China's position on its rising greenhouse gas emissions may seem contradictory. While the country flaunts ambitious green—tech investments and energy consumption targets, its officials continue to prioritise GDP growth over many environmental concerns. China "is resolute in reducing emissions", wrote the state newswire Xinhua last week, yet "it's unfair and unreasonable to hold China to absolute cuts in emissions at the present stage". Analysts say that beneath the apparent contradiction lies a consensus that barring any significant changes in policy, China's emissions will rise until around 2030 — when the country's urbanisation peaks, and its population growth slows — and then begins to fall. Proposed policy changes could speed up the process.

Lung Cancer Skyrockets in Beijing: Report (Epoch Times, 11/27/12) A recent report has shown that the lung cancer rate in Beijing's metropolitan area has increased by 56 percent in the last decade, and is now the leading cause of malignant tumors, with many Chinese social media users blaming poor air quality for this alarming rise. The Beijing Municipal Health Bureau released the data showing the increase between 2001 and 2010, reported the state—run China Youth Daily on Monday. A spokesperson with the agency told the publication the cause of lung cancer was mainly attributed to smoking.

In "beautiful China", local polluters still hold sway (Reuters, 11/22/12) In ramshackle semi-industrial Tianying in China's Anhui province, a state-owned lead smelter and foundry sits at the centre of town, behind high walls and secure gates that make it look more like a prison than the mainstay of the local economy. Decades of pollution from it and similar plants — Tianying once accounted for half of China's total lead output — has made much of the town's land uninhabitable and its water undrinkable. In 2007, the Blacksmith Institute, a New York-based non-profit group that helps clean up polluted sites, included Tianying in its list of the world's most polluted regions.

<u>Hong Kong's Hazy Outlook</u> (Wall Street Journal, 11/26/12) Diesel fumes from aging trucks and buses that clog Hong Kong's narrow streets are putting Asia's financial hub on course for one of its worst years ever for roadside air pollution. The city prides itself on its reputation for modernity that attracts professionals from around the world. And though smog regularly obscures Hong Kong's famed harbor, some pollution has become an accepted fact of life.

Hsinchu residents protest Siaoli River pollution (Joy Lee, The China Post, 11/29/12) Around 600 residents from Sinpu Township ($\hat{\mathbf{e}}-\hat{\mathbf{a}}\ddot{\mathbf{Y}}''$) of Hsinchu County protested in front of the Ministry of Economic Affairs (MOEA) and Environmental Protection Administration (EPA) in Taipei yesterday over pollution from wastewater in the Siaoli River ($\hat{\mathbf{e}}\hat{\mathbf{e}},\hat{\mathbf{e}}\hat{\mathbf{f}};\hat{\mathbf{e}}^{oa}$). Wastewater discharge from Chunghwa Picture Tubes, Ltd. (CPTT, $\ddot{\mathbf{a}},\dot{\mathbf{e}}\hat{\mathbf{e}}^{-$

India's Air Pollution: Is It Worse Than China's? (Krista Mahr, TIME, 11/30/12) India may have just gotten the wake up call it needed to start getting serious about its growing pollution problem. A study put out this week by Tel Aviv University reports that that Indian megacities are seeing a faster increase in pollution than the cities in the classic environmental villain to the east, China. According to the paper, between 2002 and 2010, Bangalore saw the second-highest increase in air pollution levels in the world at 34%, and Indian cities including Pune, Mumbai, Nagpur, and Ahmedabad, among others, also saw double-digit increases. Because the pollution measured reflects a combination of industrial and weather-related particles like dust, it's not possible to say that this is entirely a man-made problem. But the fact that India's population grew faster than China's in the last decade means that the air in India's cities is doomed to get worse before it gets better.

Activists: China at center of illegal timber trade (Associated Press, 11/29/12) Voracious demand for wood to feed factories for exports and satisfy wealthier consumers at home has turned China into a magnet for the illegal timber trade, causing other countries to strip their forests as Beijing does little to discourage the practices, an environmental group said in a report released Thursday.

The Future Is Green (Li Li, Beijing Review, 11/26/12) Yu Xiaolan, a farmer from Cuijiayao Village, Youyu County in north China's Shanxi Province, and a delegate to the 18th National Congress of the Communist Party of China (CPC), said she was thrilled when hearing Hu Jintao, former General Secretary of the CPC Central Committee, advocating ecological progress while delivering a report at the five—yearly congress.

<u>Poacher delights in role of forest gamekeeper</u> (China Daily, 11/30/12) Liang Feng'en is a wildlife ranger at the Suiyang Forestry Bureau in southeast Heilong jiang province. Every day Liang, 55, patrols the mountains on the Russian border as he monitors Siberian tigers, and destroys hidden traps. "I used to be the best hunter in the region when I retired from the army 30 years ago. But now I look after the animals, including tigers, black bears, roe deer and even squirrels," said the deeply tanned Liang, decked out in green camouflage clothing.

CORPORATE SECTOR

China planning 'huge fracking industry' (Guardian, 11/27/12) China is ratcheting up its fracking ambitions with virtually no regard for groundwater protection or other environmental safety measures, according to a new investigation by the independent publication Caixin. The report points to an 24 October white paper on energy development released by China's top cabinet which "calls for ramping up the industry and pumping 6.5 billion cubic meters of natural gas from underground shale formations by 2015."

China filled with opportunity and peril for Western clean tech companies (The Star, 11/26/12) I'm 34 stories above street level in Beijing's central business district. The windows in the Jing Guang Center point northeast, towards a six-lane expressway and some highrises. Just past them is Tuanjiehu Park, whose lakeside willow trees are normally a lush green. But the air pollution today makes them look gray. The haze is so thick that even nearby buildings appear soft and two-dimensional. "I hate it when it's like this," says Husayn Anwar, President of China operations for Westport Innovations, a clean technology — or "cleantech" — company based in Vancouver, B.C. "You need to see Bei jing when the sun is shining and the skies are blue."

China Dismisses the Environment in Pursuit of Shale Boom (Joao Peixue, Oil Price, 11/27/12) A recent report by the independent publication Caixin, investigated China's plans to develop its fracking industry. According to a white paper that the report looks at, China's government "calls for ramping up the industry and pumping 6.5 billion cubic meters of natural gas from underground shale formations by 2015."

<u>ADB to Help China Create Energy From Waste</u> (Voice of America, 11/26/12) The Asian Development Bank says it has signed a loan agreement with a Chinese company for waste—to—energy projects to reduce the environmental impact of agricultural and municipal waste disposal.

China's clean-energy-generated power usage on rise (China Daily, 11/24/12) Consumption of clean-energy-generated electricity has increased in China as it looks to become less reliant on fossil fuels, statistics from the State Electricity Regulatory Commission showed. China consumed 810.2 billion kilowatt-hours (kwh) of electricity generated by clean energy sources in the first ten months of 2012. This accounted for 20.4 percent of the country's total on-grid power during the period, the commission said.

China's Oil Quest Comes to Iraq (J. Michael Cole, The Diplomat, 11/30/12) While China's oil dealings with countries like Iran and Sudan receive global attention, its budding relationship with Iraq may turn out to be the most important.

GOVERNMENT

A tale of two energy visions: China and Australia (The Conversation, 11/22/12) Over the past few weeks China and Australia have both released white papers on energy. The two documents could not be more different. China clearly views its energy security as the most fundamental feature of its future prosperity. It is building renewable energy industries as fast as is economically and technologically possible, as its major `nation building' 21st century project. All government departments are focused on achieving the energy goals.

Tale of Two Eco-Conflicted Nations: China, Canada (The Tyee, 11/29/12) A list of popular villains from the 2009 climate talks in Copenhagen would almost certainly include Canada and China. Justly or not, both countries took much of the blame for the failure of the planet's leaders to negotiate a binding global warming treaty. The Climate Action Network, a global consortium of green groups, named Canada "Fossil of the Year" as the talks came to a close. "Tar sands beats climate every time," award presenter Ben Wikler said of the Canadian government. Observers were equally critical of China. Wrote Guardian newspaper reporter Mark Lynas: "China wrecked the talks, intentionally humiliated Barack Obama, and insisted on an awful 'deal' so western leaders would walk away carrying the blame."

China's commitment to green energy has plenty of tests ahead (The Star, 11/26/12) A 15-metre tall statue of Shaquille O'Neal marks the southeast entrance to Beijing's Chaoyang Park. The NBA star clutches a basketball close to his chest and gazes towards the horizon. Nearby are three outdoor basketball courts, where I've scheduled an interview with the head of Greenpeace East Asia's Sustainable Finance Program. Calvin Quek is playing a game of four—on—four when I arrive one morning this past August. Smog blocks the sunshine and makes the air feel thick. If the other players notice, they don't show it. Some smoke cigarettes during the water breaks. "It's hard to say black and white whether (the government) is for or against us," Quek says of Greenpeace, over the sound of bouncing basketballs. Earlier this week, his colleagues had published Thirsty Coal, a grim critique of China's coal strategy. The government plans to build 16 new coal—fired power bases by 2015 in some of the country's most arid regions. "Left unchecked," reads the English report summary, "these mining projects will only cause more ecological disaster and social unrest in the foreseeable future."

Heavily polluted Lanzhou city to publish PM2.5 data (Xinhua, 11/26/12) Readings of PM (particular matter) 2.5 in the city of Lanzhou, one of China's most polluted, will be available for public scrutiny in December, according to officials. The capital city of Gansu province will conduct the PM2.5 monitor according to new environmental air quality standards on Dec 1. Lanzhou is among the first batch of 74 Chinese cities required by the Ministry of Environmental Protection to publish daily reports on PM2.5 by the end of the year.

<u>Video: Scarcity, Pollution, and Energy are Choke Point: China II Focus</u> (Circle of Blue, 11/27/12) Choke Point: China is an on-the-ground report that displays in text, photographs, and interactive graphics the powerful evidence of a potentially ruinous confrontation between growth, water, and energy that is already visible across China; a confrontation that is virtually certain to grow more dire over the next decade.

Green China: Nation's push for clean energy commended (China Daily, 11/26/12) Seemingly unnoticed by the rest of the world are the extraordinary strides China has made to create and use various forms of alternative energy, particularly clean sources like hydropower, solar and nuclear power. Constantly we read of pollution caused by China's use of coal for power, but the fact is that a considerable portion of the energy China uses every day comes not from fossil fuels but these three alternative sources.

Chinese prefer Europe to US when it comes to green investment (Energy Live News, 11/28/12) Chinese companies consider Europe a more attractive place for renewable energy investment than North America. New research claims almost 80% of Chinese investors, debt and service providers and government agencies surveyed said they plan to invest or take over firms in Europe in the next 18 months and only 54% plan the same in the US.

The great green grid of China (South China Morning Post, 11/28/12) China is the world's greatest carbon-emitting nation, responsible for much of the greenhouse gases that are quickly destroying our planet. Some 70 per cent of China's energy comes from coal. Hydropower and nuclear account for most of the remaining output, while renewable energy – mostly solar and wind – is a remarkably low 0.7 per cent. The first response of an economist or businessman might be, "the market is too small, there is no possibility of solar and wind becoming significant power players. Market forces will rule and that means cheap coal." That is only a very short-term perspective, however.

<u>Jiangsu Holds Environmental Activist</u> (Fung Yat-yiu, Radio Free Asia, 11/29/12) Authorities in the eastern Chinese province of Jiangsu have detained an environmental activist who led an anti-pollution campaign against local chemical plants on charges of "endangering state security," according to a family member.

On Xi's to-do list: Fix China's drinking problem (CNN, 11/23/12) When China's new leader Xi Jinping spoke to the media last week, one sound bite struck me as especially noteworthy. The Chinese people love life, he said, and they wish for better education, more stable jobs, better medical care — in short, "more comfortable living conditions and a more beautiful environment." This, he said, is the goal that China must strive for, one that is surely shared by many Chinese. To achieve that, however, China needs to square the circle: to grow fast while mitigating the degradation of its environment and ecology, especially its air and water. China, for one, has a drinking problem.

Official projects China's 2015 nuclear power (China Daily, 11/29/12) China's nuclear power installed capacity will hit 42 gigawatts by 2015, accounting for 10 percent of the world's total, a Chinese nuclear official predicted on Wednesday. There will be 41 operating nuclear power units in China by 2015 or a little later, Zhang Huazhu, chairman of the China Nuclear Energy Association, told a seminar in Zhuhai

city of south China's Guangdong province. "At that time, China will be building nearly 20 extra nuclear power plants," he said at the seminar under the theme of "Nuclear Power and Environment" co-sponsored by two universities in Beijing and Hong Kong.

China: Green revolution becomes a plank of Beijing political agenda (Leslie Hook, Financial Times, 11/25/12) Once every five years, the head of the world's second-largest economy addresses the Communist party congress. The highly scripted speech kicks off what is China's most important political event and many elements of the speech remain the same from one congress to the next. There are calls to reform, warnings against corruption and many references to following the "path of socialism with Chinese characteristics". But this year party leader Hu Jintao changed the content of his address a little by adding a new section that called for greater environmental protection, including firm caps on energy, water and land use. "We should launch a revolution in energy production and consumption," he said, acknowledging that China faced "increasing resource constraints, severe environmental pollution and a deteriorating ecosystem".

China self-motivated to combat climate change (Xinhua, 11/27/12) The world can be assured that China is self-motivated to fight climate change, as the country suffers environmental woes and sees the endeavor as crucial to shifting its economic growth mode. Countries are calculating China's commitment in combating climate change as the actions of the world's second-largest economy and the most populous country have come into the limelight at the ongoing United Nations Climate Change Conference in Doha, Qatar. A green and low-carbon development path is China's only choice if the country is to realize sustainable growth, as China has a large population but limited resources and a vulnerable environment.

China, Brazil Call for \$100 Billion Climate Aid Roadmap (Bloomberg, 11/28/12) China and Brazil called for developed nations to detail plans on boosting aid for climate projects to \$100 billion by 2020, a measure they say is essential for United Nations climate talks to succeed. Su Wei, China's lead negotiator at the 190-nation talks, backed an identical request by representatives of the Least Developed Countries, a bloc of 48 nations, at the UN conference that began Nov. 26 in Doha, Qatar. Brazil's ambassador said he has the same position and both said they're concerned funding may dry up next year at the end of a three-year period that aimed to deliver \$30 billion of so-called fast-start financing.

Money talks in China's struggle to clean up decades of pollution (The National, 11/25/12) In ramshackle semi-industrial Tianying in China's Anhui province, a state-owned lead smelter and foundry sits at the centre of town, behind high walls and secure gates that make it look more like a prison than the mainstay of the local economy. Decades of pollution from it and similar plants Tianying once accounted for half of China's total lead output – has made much of the town's land uninhabitable and its water undrinkable. In 2007, the Blacksmith Institute, a New York-based non-profit group that helps clean up polluted sites, included Tianying in its list of the world's most polluted regions. For China's new leadership, reversing the environmental destruction wreaked by three decades of unrestrained economic growth is among its highest priorities. Across the country, to the government's alarm, social unrest spurred by environmental complaints has become increasingly common.

China unlikely to meet ambitious E.V. production and sales goals (EcoSeed, 11/23/12) China has ambitions plan for their electric vehicle industry, aiming to hit a production and sales mark of 5 million units by the end of the decade. By supporting the electric and hybrid vehicle sector, China hopes to bring in investments as well as ease their oil consumption and pollution levels by 2020, according to plans of the State Council. The governments want manufacturers to have an annual production capacity of 2 million units by 2020.