











### *NEWSLETTER* GLAWCAL

Issue 24, 2014

### Focus on:

### Climate Change and Environmental Protection in China

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# THE UN CLIMATE SUMMIT: CHINA IS NOT READY TO BE WORLD-LEADER ON CLIMATE GOVERNANCE

uring the UN Climate Summit 2014, held in New York, came to light that China is not ready to lead climate deal and, as expected, no sign of firm commitments have been decided to reduce climate emissions.

If a deal is to be reached in Paris next year, expectations for progress are pinned on prospects of an initial agreement between the world's two largest emitters: China and the US.

A pre-condition of US action is a commitment from China to cutting emissions.

In the past, at the UN climate held in Copenhagen, China and India protested against what they saw as a failure to reduce emissions by developed countries, and an attempt to restrict their own economic growth and development.

Now, China is far more willing to accept its important role, but differentiated, responsibility, said Professor Huan Qingzhi (Peking University's Centre for Environmental Politics Research). Speaking to chinadialogue, Huan said China was "not ready to be a world-leader on climate governance and still sees developed countries like the US as having a bigger responsibility to lead"; but it "is becoming a more active player in global climate politics and it is ready to take on more responsibility".

According to his opinion, China looks to the United States as the key mover for cutting emissions from coal-burning power plants and for this reason the decision of including emission targets in its next Five Year Plan (2016-20).

Speaking after the UN summit in New York, Greenpeace climate campaigner Li Shuo said environmental concerns were higher up the agenda in China today. This year saw the lowest coal consumption growth because domestic air pollution is forcing the country to embark on a new path away from coal.









#### KOREAN COMPANY CONTAMINATES FARMLAND IN CHINA

n 2011, Liu Yuying, found a large number of opened bags filled with an unidentified gray powder dumped on local farmland in Miyun, near Beijing. The waste came from KB Autosys, a Korean company producing sets of auto brake pads.

At first, the company promised to test the soil, compensate Liu, and clean up the waste. But, these promises were denied. In early 2012, authorities fined the company ¥180,000 (€22,487), but Liu was not compensated.

After a preliminary sampling study of metals, the results showed antimony levels in wastes 640 - 990 times higher than regulatory limits in China. The exposure to antimony causes skin irritation, fertility problems, and lung cancer, and the USA State of California classifies antimony trioxide as a carcinogen.

This story is just one example of the challenge China faces in cleaning up its polluted soil. According to the Ministry of Environmental Protection, 10 million hectares or 8.3% of farmland in China is polluted.

The dumping of wastes containing high concentrations of toxic wastes on farmland violates





Chinese law and the Solid Waste Law.

Public right to know is a key principle of chemical safety but neither the landowner nor the community was ever informed about the identity or possible danger of hundreds of tons of toxic metal waste openly dumped on farmland. Public access to plant emissions including waste should be regularly provided via an accessible, free, pollutant release and transfer registry. Another key aspect to information disclosure is the Environmental Impact Assessment (EIA) report of the KB Autosys facility. According to Chinese law, this report should be freely available to the public, however so far, neither the company nor the local Environmental Protection Bureau has agreed to provide it after requests from Nature University.

Moreover, in the Miyun case, the court did not require the KB Autosys (the defendant) to take responsibility to disapprove the causal relationship between the pollution and damage and it did not designate a body that could do the evaluation. This improper action blocked the ability for the plaintiff to receive compensation from a pollution case and this problem applies to many other cases in China. Clearly, the company should pay for its waste dumping, both to the landowner and the authorities who spent public money cleaning up the company's dumped waste.

KB Autosys was contacted, but declined to comment.





#### HOW POLLUTION AFFECTS CHILDREN'S HEALTH IN CHINA

ow are China's schools dealing with smog?

On October 8, after China's long National Day holiday, a blanket of air pollution descended on Beijing and other Chinese cities that had been forced to raise its alert from yellow to orange, the second highest level.

There is confusion about how to deal with smog, particularly when it comes to young children. In fact, they are weaker than adults: their respiratory and immune systems are not fully developed, and they have less of the nose hair that helps filter pollution. As the Natural Resources Defense Council explains, they also breathe a proportionately greater level of air than adults and are more likely to be involved in vigorous activity. This is believed to make them more vulnerable to the effects of pollution.

Long-term exposure to pollution makes children more likely to develop respiratory infections and asthma, and even increases the risk of lung cancer. Actually, a third of China's 30 million known asthmatics are children.





Chinese children represent a third of China's 30 million asthmatics





# CHINESE FOREST RESTORATION PROJECT TO FACE ENVIRONMENTAL PROBLEMS

ust north of Beijing, take place a project to restore a diversity of trees to a variety of land uses in the watershed of the Miyun Reservoir Basis. The purpose of this project is to produce self-sustaining forests and parklands by welcoming back a variety of tree species to a variety of land uses, tailored to the local landscape.

China's forest restoration efforts have been immense and impressive and the Chinese government has invested more than 500 billion RMB (US billion) in forest protection and restoration. Today, roughly 60 percent of China's forests are newly established.

However, the gains have been tempered by a focus on quantity over quality. Most of the restoration in China has occurred through the establishment of monoculture plantations, which lack the diversity required for a fully functioning ecosystem.

At the International Union for Conservation of Nature (IUCN), we have been trying to do this for one of the most vital forested lands in the world: the rolling hills of the Miyun region, the primary source of clean drinking water for Beijing's population of 21 million people.

Beijing suffers chronic and severe water shortages. Over the last few years, Beijing's water tables have dropped so low that existing wells cannot tap them. To help tackle this problem, in partnership with Beijing Forestry Society and the international NGO Forest Trends, we carried out a watershed-scale analysis of the Miyun region to see where restoring diverse trees across the landscape (rather than in monoculture plots) could increase the filtration, and potentially flow, of water heading to taps in Beijing.

We assessed 136 water basins for priority restoration status based on numerous socio-economic and biophysical factors (such as current land use, and their potential to conserve water). We selected two sites, one in Miyun district and one in Fengning County, in neighbouring Hebei province, to start large-scale restoration.

Now, with the support of central and local government agencies, and local leaders, we are now preparing an action plan for restoration in these sub-basins for the next three to five years. It will determine what trees should be planted, where and when, and how to train landowners to plant, care for and monitor them. Such a landscape approach for restoration will

Such a landscape approach for restoration will invariably help China meet its commitment to increase forest area as a national response to climate











# CHINA'S 13TH FIVE-YEAR PLAN ENCOURAGES PEOPLE PARTICIPATION

n the nation's 13th Five-Year Plan, China should establish the principle that protection of the public's health and the nation's water, air and other natural resources have the same importance as economic prosperity.

In addition to the Environment Law, there are more environmental measures that the 13th Five-Year Plan might include: a national coal cap, maximum daily pollution restrictions and strict limits on small particulate matter (PM 2.5) for all Chinese cities. Ultimately, citizen collaboration is the point to solve the nation's water and air-pollution problems.

Citizen engagement takes two forms: implementation and enforcement. To ensure implementation, the 13th Five-Year Plan should direct regional and local governments to maximise public participation in determining the best local anti-pollution measures to meet strict national standards.

To ensure enforcement, the public is authorised to help the government identify violators in the community and help craft solutions to remedy violations.





Moreover, the 13th Five-Year Plan should require that all polluting companies install real time pollution monitoring equipment and release monitoring data in a manner that is easily accessible to the public.

Regional and local governments are currently working on new clean air plans and they will be experimental attempts to identify how to clean up local air-pollution problems.

Citizen participation from the beginning would help ensure that the new plans and new policies include measures to ensure that they will actually be strongly enforced, and the public would be a critical ally to local government officials charged with redressing excessive pollution.

The 13th Five-Year Plan should mandate an environmental protection system that ensures that local governments collaborate fully with the public they serve.





## CHINA REFORMS NATIONAL PARKS TO IMPROVE ENVIRONMENTAL PROTECTION

hina's central government is planning to create a unified national parks management system seeking to halt environmental damage within national parks. The new, unified system will cut across the local and departmental interests of existing operators so parks can be run to benefit the public.

The National Development and Reform Commission (NDRC) has already identified seven of China's most famous tourist spots to test the new system (the Great Wall area, the mountain lakes of Jiuzhaigou in Sichuan, and the rock formations at Zhangjiajie in Hunan province).

In the current fragmented system, local governments did not actually have the right to declare a park national.

Actually, as the result of many reforms, China has many so-called national parks, all managed by different bodies. To solve the problem, the establishment of a national parks system was proposed in the November 2013 "Decision of the CPC Central Committee on Comprehensively Deepening Reforms". It proposes that the State Council create a body for overall management of national parks and reserves, doing away with the existing regional and departmental divisions and creating a comprehensive and unified management system. The new system should

Chinese park management system aims to halt environmental damage within national parks

stand above departmental interests in order to improve environmental protection.

The draft said national parks are part of China's national image, considering them as natural heritage and not as private assets. National parks' management must protect large-scale ecosystems, allowing for research, education and tourism. Parks should not be run for company profits, or as drivers of development for local government, and this is essential for funding and management to come directly from central government.

The lack of a unified system has stored up huge problems. Although China's nature reserves cover 20% of its land, the environment is still worsening. Zhu Chun of the International Union for the Conservation of Nature (IUCN), said a national management body would provide a rare chance to improve the protection of nature and promote environmentalism.

Finally, the importance of public participation in environmental protection is fundamental because national parks can provide ordinary people with a window into conservation and make ideal venues for environmental education.







## CREDIBILITY OF US-CHINA CLIMATE COOPERATION HIT BY MID-TERM ELECTIONS

he US administration sees climate change at the top of its bilateral agenda with China. The expectation is that president Barack Obama will use his upcoming meeting with Chinese President Xi Jinping during the APEC summit in Beijing to create momentum for the UN climate talks in Lima in December, and ultimately the international climate conference in Paris next year.

Climate-change cooperation was a bright spot in US-China relations in an otherwise dark year, dominated by territorial disputes in the South China Sea, cyber spying and democracy protests in Hong Kong. Today, the US and China are in a much better position to come to an agreement: both sides have taken steps to counter climate change domestically. China is under pressure to react to almost apocalyptic levels of air pollution and its leadership is debating a cap on carbon emissions for its next five-year development plan. In the US, Obama has worked around a reluctant Congress by using the Environmental Protection Agency in an attempt to cut emissions.

Both sides have built mutual trust through numerous bilateral initiatives; the Climate Change Working Group is developing projects that range from reducing vehicle emissions to developing smart-grid technologies and enhancing energy efficiency in buildings.

Actually, the Copenhagen accord, often described as a failure for its lack of enforceability, has set the groundwork for a more ambitious follow-up in Paris. Unlike the 1997 Kyoto Agreement, the contract was not binding under international law. But while the

biggest emitters, the US and China, stayed outside of Kyoto, they entered the global climate regime in Copenhagen. Furthermore, there is another important body: the Climate Fund, into which rich countries can pledge money to help poorer countries to adapt to climate change.

But even though the domestic developments on both sides have been encouraging, doubts remain as to whether they can be translated into a successful global agreement. China shows no sign of backing off from its position, and the challenge for the US side will be to persuade others that further emission cuts will be possible in the face of political resistance to climate change action at home.

Obama has taken administrative action through the Environmental Protection Agency (EPA) by setting fuel-efficiency standards for cars and limits for coalplant emissions, and it is certain that Obama will go into the next climate talks with little political backing. While the US is on the way to reach its target of meeting emissions by 17% below 2005 levels in 2020, there will be doubts as to how much more ambitious it can get without national legislative action on issues such as cap and trade.

The next months will show how far the mutual trust built up since Copenhagen can carry the US and China on the road to Paris.









## CHINA-BASED COMPANIES TURN BLIND EYE TO WATER RISKS

ompanies operating in China reported a wide range of negative impacts on their businesses due to water (property damage, brand damage and higher operating costs).

However none of the companies have evaluated how water will affect operations; nor did they report any water related targets or goals or state whether they are exposed to supply chain risk or not. These results are startling in a country struggling with dwindling water supplies and where 70% of fresh water resources are polluted to some degree.

Recent scandals have besmirched the reputation of big business. Top clothing brands like Armani, Calvin Klein, Marks and Spencer and Zara have been linked to devastating water pollution in the Chinese textile industry. On a global level, water risks to business are growing, but the willingness of businesses to provide information about these risks has actually fallen.

A growing number of companies reported impacts from droughts, pollution and other water related problems, but almost half the companies approached failed to disclose transparent water risk assessments to investors.

More companies worldwide are also requiring their suppliers to disclose information about how they are managing water risks. It is striking how companies in the energy sector remain the least transparent according to the report, given the widely accepted connections between water and energy.

In China, lack of water has forced the closure of coal-fired power stations in arid regions of the country and will constrain growth of alternative energy sources in the future, with continued effects down supply chains.

The few companies in China that did disclose information to CDP did so on the behest of their purchases and their buyers. This shows that in China it is the consumers who are driving change, rather than investors.







## CHINA CAN HAVE ECONOMIC GROWTH, CLEAN AIR AND LOWER EMISSIONS

he Chinese economy would benefit from a faster switch to renewable energy and a reduction in carbon emissions.

A study launched in Beijing by the The Global Commission on the Economy and Climate, says a low-carbon development path is now "unavoidable for China". The good policy design could limit the cost of peaking carbon emissions by 2030 to less than 1% of GDP. Moreover, if the associated benefits of cleaner air and better health are taken into account, even those costs could largely be cancelled out.

The report assessed that if China maintains 7% growth but allocates 1% of GDP to spending on energy-saving and developing new energy technology, it will be much easier to improve China's environment than under the low-growth scenario.

The findings also have implications for China's air quality. In fact, if energy-saving and emissions -reduction efforts continue unchanged, almost half of Chinese cities may still be afflicted by poor air quality in 2030. The report calculates that, if energy-saving and emissions-reduction measures are accelerated, China's carbon emissions from energy would peak around 2030 and start to fall soon after, while 2030 carbon intensity would be 58% lower than in 2010. The

addition of strict rules on cleaning up air pollution at the point of release and implementing structural reforms could, by 2030, help all major cities in China to enjoy air up to quality standards.

The current investment-driven model of economic growth is unsustainable, while the economic drag of resource constraints are already becoming apparent. If China cannot mitigate that through new technology and efficiency gains, it may fall into the middle-income trap of low-speed growth.

Following the joint China-US Statement on Climate Change, the report recommends imposing initial emission caps only on energy-hungry sectors with surplus capacity, and in the economically developed east of the country.

First, coal consumption should be brought under control, and new and renewable energy sources will become the economic growth points of the future.

Finally, the fossil fuel price reforms should be implemented alongside controls on greenhouse -gas emissions and total energy consumption. These reforms would account for the external environmental costs of fossil fuels and gradually create the market environment for development of clean and renewable energy sources. A competitive market would encourage companies to invest in low-carbon technology and stimulate innovation and development in





### CHINA CO-ORDINATES PLANNING RULES TO PREVENT WASTEFUL GROWTH

n a fresh attempt to improve policy co-ordination, four government bodies are testing a new combined planning regime in 28 locations. They straddle China's developed east as well as its less developed western regions.

The trials will see multiple plans combined within clearly-defined urban areas, in order to eliminate incompatibilities between individual plans. The new system aims to tackle a deep-seated problem of poor coordination and wasteful growth.

Included in the new mechanism are the National Reform and Development Commission's plans for economic and social development, the Ministry of Land Resources' planning for land use, the Ministry of Housing and Urban-Rural Development's urban-rural plans, and the Ministry of Environmental Protection's planning for protection of the environment.

If combined planning can be well implemented, it could prevent problems such as unfettered expansion in the west of China, and the changes are essential for environmental reasons.

Currently, China's eastern coastal provinces have already seen a period of over-expansion and now need to plan for optimization, whereas western China remains less developed and suffers from weak management. Therefore, currently for the east of China this merging of plans is a response to its own needs, while the west of China is a passive recipient.





The new combined planning regime will tackle poor coordination and wasteful growth





## CHINA'S TOP COURT MAY LEAN ON LOCAL GOVT TO ENFORCE ENVIRONMENTAL LAW

he official newspaper of China's Supreme Court has castigated local officials in Wuhan for not doing more to protect the city's residents from two-recently built waste incinerators. Critics say the incinerators are located near schools and water treatment facilities that are in breach of environmental laws.

A lack of enforcement by central government will lead to challenges to the new environmental protection law, damaging the credibility of the law. The judiciary is positioning itself more clearly and increasing awareness of its independence, rather than on its dependence on the government. Previously, courts would not risk holding local officials in account, making it difficult to enforce environmental laws. China's courts have long been subordinate to the authority of the Communist Party but the central government, mindful of the political impact of environmental breaches, has approved a more independent track for the judiciary to prosecute wrongdoers. But in the case of the Wuhan waste treatment plants, no legal hearing has been scheduled. That means that the responsibility of pursuing the Wuhan incinerator cases rests with local courts rather than with the city government.

The two facilities, located side-by-side, are close to two kindergartens, an elementary school and homes to 30,000 people. Although the household waste plant was temporarily closed at the end of 2013 after the Hubei Environmental Protection Department found its operation illegal, it soon started operating again despite no approval having been given by environmental protection authorities.

China's new environmental law, which came into effect on January 1, 2014, is intended to increase the protection for residents against breaches of environmental controls. But during its first month, activists have expressed worries about its implementation, in particular, local governments have put pressure on courts to be lenient, or even ordered them not to accept cases. The Wuhan case has highlighted this problem.

In August 2014 a court in Wuhan declined to hear a case brought by five residents living near the controversial waste treatment plants. According to an investigation, both incinerators are illegally releasing harmful substances, but local residents protesting against the plants have been detained.

This case shows that environmental cases are often complex: government failings and misconduct are often the main reasons for pollution caused by companies; relocating the incinerators would be a huge problem for the local government, thus, it is claimed to have interfered with the court's handling of the case.

The main problem is that environmental problems are common, but judicial redress is largely unavailable.

The successful implementation of the new environmental protection law will depend on local government: to solve China's environmental problems requires balancing the needs of protecting the environment and fostering economic growth, and it is often local government that has to find that balance, but implementation of the new law will be extremely difficult, mainly because of the close links between business and local government.







#### ONE YEAR ON AFTER "WAR" DECLARED ON POLLUTION, BEIJING AIR SCARCELY IMPROVES

ir pollution levels in and around Beijing remained dire last year, underlining the scale of effort that will be needed to win the self-declared "war on pollution".

The area surrounding Beijing accounted for the worst air pollution in China, with Hebei home to six cities judged to have the country's worst air quality.

Given the scale of the problem, few will have expected China to make a big improvement to its air quality in just a year since premier Li Keqiang said that tackling chronic air quality would be a national priority. But the figures show that heavily-industrialised areas surrounding the capital are still churning out harmful particulates on a massive scale despite the announcement of policies last year aimed at curbing coal use.

Hebei's reliance on heavy industry, particularly on iron and steel, means that targets on cutting pollution and coal use could stoke unemployment and migration to nearby Beijing, and local officials want more economic aid and subsidies to cushion the blow.

Double Links

Experts argue China is still underfunding its "war on pollution". In 2013 China's environmental spending fell by almost 10% despite premier Li Keqiang's much-publicised commitment to tackling pollution.

This falls far short of what is needed to address problems of air pollution, much of which stems from the burning of coal for power generation and heating, and fuels used in cars and trucks.

Dealing with pollution will be major theme at the National People's Congress in Beijing next month, when Communist Party officials will discuss how measures to clean up China's air, soil and water can be integrated in the 13th five-year-plan.

The MEP data shows that only eight out of 74 big cities managed to meet national standards last year on a series of pollution criteria, including PM2.5 and sulphur dioxide levels.







#### gLAWcal Activities

### Conferences and Workshops

As part of the Research Project on "Evaluating Policies for Sustainable Energy Investments: towards an integrated approach on national and international stage", Acronym of the Project: EP-SEI, funded by the European Community's Seventh Framework Programme (FP7/2007-2013) People, Marie Curie IRSES Project under grant agreement n° 269327, the following events have been organized by gLAWcal—Global Law Initiatives for Sustainable Development (United Kingdom):

ThinkIN China and gLAWcal- Global Law Initiatives for Sustainable Development (United Kingdom) jointly organized an event held at the Bridge Cafe' (Beijing, China) on December 1, 2014 with Ms. MAO Ziwei, World Resources Institute China, Energy Programme and Professor Paolo Davide Farah, West Virginia University (WV, USA), gLAWcal - Global Law Initiatives for Sustainable Development (United Kingdom) and EPSEI Scientific Vice-Coordinator EU Commission Research Project with a talk on "China Low Carbon Dream". gLAWcal financially supports the activities of ThinkIN China, Beijing (China).

The link to the program: <a href="http://www.glawcal.org.uk/images/Leaflet\_1\_December\_2014.jpg">http://www.glawcal.org.uk/images/Leaflet\_1\_December\_2014.jpg</a>







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### GLAWCAL GLOBAL LAW INITIATIVES FOR SUSTAINABLE DEVELOPMENT

#### WHO ARE WE

gLAWcal is an independent non-profit research organization (think tank) that aims at providing a new focus on issues related to economic law, globalization and development, namely the relationship between international economy and trade, with special attention to a number of non-trade-related values and concerns.

Through research and policy analysis, gLAWcal sheds a new light on issues such as good governance, human rights, right to water, rights to food, social, economic and cultural rights, labour rights, access to knowledge, public health, social welfare, consumer interests and animal welfare, climate change, energy, environmental protection and sustainable development, product safety, food safety and security.

All these values are directly affected by the global expansion of world trade and should be upheld to balance the excesses of globalization.

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