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## CHINA UPDATE

### U.S.-CHINA RELATIONS

#### U.S.-Asia Institute to Host Form for East Asian Diplomats

On February 12, the U.S.-Asia Institute will host a Capitol Hill forum on “Understanding the 113<sup>th</sup> Congress.” The event is open only to East Asian diplomats.

#### Center for National Policy Event on Taiwan

On January 23, the Center for National Policy (CNP) will host a discussion on “Reassessing Taiwan’s Strategic Position.” The event will be held at The George Washington University’s Elliot School of International Affairs and will be led by CNP president Scott Bates with commentary by national security consultant Joseph Bosco and Richard Fisher, a Senior Fellow on Asian Military Affairs at the International Assessment and Strategy Center. Additional information can be found [here](#).

### TRADE

#### ITIF Event on Competition and Innovation in China and the U.S.

On January 17, the Information Technology and Innovation Foundation (ITIF) will host a discussion titled “Chased by the Dragon: Competition and Innovation in China and the United States.” The discussion will focus on whether trade with China increases or decreases innovation in the U.S. The event, held at the ITIF’s offices in Washington, DC, will be moderated by Jimmy Goodrich, Director of Global Policy, Information and Technology Industry Council. Participants include ITIF president Robert Atkinson; Nicholas Bloom, a professor of economics at Stanford University; Phillip Levy, a professor of business administration at the University of Virginia; and former ambassador Alan Wolff, senior counsel at McKenna Long & Aldridge. More information can be found [here](#).

## **USCC Report on the U.S. Balance of Trade with China**

On January 11, the U.S.-China Economic and Security Review Commission (USCC) released a staff report on that day's announcement from the U.S. Census Bureau that the U.S. trade deficit with China as of November 2012 was nearly \$291 billion. At more than \$18 billion higher than the previous year, the 2012 trade deficit with China was "a record imbalance and was the largest bilateral U.S. trade deficit in history with any country." According to the report, agricultural products accounted for about one-third of all U.S. exports to China in November 2012, while the U.S. trade deficit with China in advanced technology products had, as of November, widened to more than \$10 billion. The report also discusses China's consumption of coal and says that, despite having the third largest coal reserves in the world, China has become a net importer of coal and will increase its coal imports due to various issues including outdated equipment and transportation bottlenecks. The USCC report can be found [here](#).

## **USTDA FY2012 Annual Report**

On January 2, the U.S. Trade Development Agency (USTDA), an independent U.S. government foreign assistance agency, released its Fiscal Year 2012 Annual Report. According to the report, USTDA increased its export multiplier to a record \$63 in U.S. exports generated for every program dollar invested, and identified more than \$2.2 billion in U.S. exports in FY2012 that were supported by the agencies programs. The report highlights several agency-funded and U.S.-led efforts in China, and can be found [here](#).

## **ENERGY & ENVIRONMENT**

### **Additional Chinese Renewable Energy**

On January 8, China's National Energy Administration announced plans to add 49 GW of renewable energy capacity in 2013, and to develop an energy plan for the gradual transition from overreliance on fossil fuels to cleaner sources of energy. The new renewable energy capacity is planned to be made up of 21 GW hydro-power, 18 GW wind power, and 10 GW solar energy.

### **Former Armed Services Committee Chairmen Oppose Battery Sale to China**

On January 14, former Representatives Duncan Hunter (R-CA) and Ike Skelton (D-MO), both of whom served as Chairman of the House Armed Services Committee during their tenure in Congress, wrote a joint Op-Ed for U.S. News & World Report opposing the sale of American battery manufacturer A123 Systems to the Chinese Wanxiang Group Corp. The Op-Ed from Hunter and Skelton, arguing that the sale would jeopardize national security, comes as the Committee on Foreign Investment in the United States (CFIUS) is set to make its recommendation on the sale to President Obama this month.

### **Asian Development Bank Supports "Green" Buses in China**

The Asian Development Bank (ADB) will provide \$275 million for as many as five top-tier financial leasing companies in China to finance leased buses that operate on cleaner fuels such as compressed natural gas (CNG) and liquefied natural gas (LNG), as well as electric and hybrid buses. The program is expected to put at least 5,000 buses on the road by 2018, reducing GHG emissions by 1.31 million tons annually.

## **MISCELLANEOUS**

### **House Foreign Affairs Committee**

In the new 113<sup>th</sup> Congress, Representative Ed Royce (R-CA) has taken over as Chairman of the House Foreign Affairs Committee. Chairman Royce has promoted international broadcasting into countries with

limited free speech and authored the *Radio Free Asia Act of 1997*, which boosted broadcasting activities in China and other Asian countries. Representative Steve Chabot (R-OH) has been named Chairman of the House Foreign Affairs Subcommittee on Asia and the Pacific. The subcommittee post was previously held by Representative Donald Manzullo (R-IL), who was defeated in the 2012 Republican primary.

### **World Resources Institute “Stories to Watch” List Includes China**

On January 15, Andrew Steer, president of the World Resources Institute (WRI) hosted an event at the National Press Club in Washington, DC where he presented the WRI’s 10<sup>th</sup> Annual “Stories to Watch. “ The 2013 list includes [Toward “Ecological Progress” In China?](#) More information can be found [here](#).

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