



# China, People's Republic of: Air Quality Improvement in the Greater Beijing-Tianjin-Hebei Region--Henan Cleaner Fuel Switch Investment Program

Project Name	Air Quality Improvement in the Greater Beijing-Tianjin-Hebei Region--Henan Cleaner Fuel Switch Investment Program	
Project Number	52007-001	
Country	China, People's Republic of	
Project Status	Proposed	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan: Air Quality Improvement in the Greater Beijing-Tianjin-Hebei Region-Henan Cleaner Fuel Switch Investment Program	
	Ordinary capital resources	US\$ 300.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development	
Sector / Subsector	Energy - Energy efficiency and conservation - Oil and gas transmission and distribution - Renewable energy generation - biomass and waste	
Gender Equity and Mainstreaming	Some gender elements	
Description	<p>The proposed program aims to switch coal to cleaner fuel for residential, commercial, and industrial use for air pollution reduction in Henan Province, which is one of major pollutant provinces in the greater BTH Region. Henan Province has the largest population in PRC. In 2018, the primary energy is highly dependent upon coal which accounts for around 77.6% as compared to 59.0% in the national average. While Henan Province has reduced the dependence on coal from 84.3% in 2010, the province becomes one of the major contributors of air pollution in the greater BTH region. Henan Province records its air pollutant emissions in terms of PM2.5 (62 ug/m3), particulate matter less than 10 micrometer in diameter (PM10) (106 ug/m3), SO2 (21 ug/m3), and NOx (41 ug/m3), all of which are far above the national air quality category I standard, and of the World Health Organization standard. Since the air pollution is largely sourced from coal burning, the medium and long-term energy development plan in Henan province (2012-2030) was issued in 2012 to accelerate renewable energy penetration into the grid, enhance energy efficiency, and expand natural gas supply network. In 2018, the provincial government also issued the Three Year Action Plan for Henan Province to Combat Blue Sky War (2018-2020), which targeted to (i) reduce PM2.5 to 58 ug/m3 by 2020, and (ii) achieve 35 ug/m3 of national air quality category II standard by 2023. There are wide-ranging actions, which primarily focus on reduction of coal consumption, demolition of energy inefficient coal fired boilers, expansion of cleaner district heating systems, and promotion of gas or the other cleaner energy use.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>The proposed program for ADB financing aims to construct gas transmission and distribution pipelines to deliver natural gas and alternative locally available clean gas (biogas) to urban and rural customers, who heavily rely on use of coal in primary energy use. Overall cleaner fuel switch investment program has been implemented since June 2018. It already outreached 300,000 households by the end 2018 and targets to outreach 3.5 million households by 2030. Upon successful completion of the investment program, 1,540 million normal cubic meter (Nm3) of cleaner fuel will be supplied and thereby 6.7 million tons of carbon dioxide emission, 84,583 tons of SO2, 15,750 tons of PM emission, and 8,458 tons of NOx emission to be avoided.</p>	
Impact	Coal consumption reduced and air quality improved	
Outcome	Increased use of cleaner fuels by residential, commercial, and industrial customers in Henan of the greater Beijing -Tianjin- Hebei region	
Outputs	<p>Cleaner gas network systems expanded Alternative clean fuel developed Private and public sector finance mobilized for cleaner fuel switch Cleaner fuel use awareness enhanced</p>	
Geographical Location	Nation-wide, Henan	
<b>Safeguard Categories</b>		
Environment	B	
Involuntary Resettlement	B	
Indigenous Peoples	C	
<b>Summary of Environmental and Social Aspects</b>		
Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		
Stakeholder Communication, Participation, and Consultation		
During Project Design		

During Project Implementation

Responsible ADB Officer	Shigeru Yamamura
Responsible ADB Department	East Asia Department
Responsible ADB Division	EASI
Executing Agencies	Henan Provincial Government (HPG) Planning & Econ. Commission of HenanProv 23, Weier Road, Zhengzhou People's Republic of China

Timetable	
Concept Clearance	28 Jun 2019
Fact Finding	05 Aug 2019 to 16 Aug 2019
MRM	30 Sep 2019
Approval	-
Last Review Mission	-
Last PDS Update	11 Jul 2019

Project Page	<a href="https://www.adb.org/projects/52007-001/main">https://www.adb.org/projects/52007-001/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=52007-001">http://www.adb.org/forms/request-information-form?subject=52007-001</a>
Date Generated	13 July 2019

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