



## China, People's Republic of: DYNAGREEN WASTE TO ENERGY PROJECT

Project Name	DYNAGREEN WASTE TO ENERGY PROJECT		
Project Number	46930-014		
Borrower/Company	DYNAGREEN ENVIRONMENTAL PROTECTION		
Country	China, People's Republic of		
Location			
Approval Number	7377/2960		
Type of ADB Assistance / Amount	7377/2960	Loan	USD 622.99 million Approved
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Private sector development		
Sector / Subsector	<b>Energy</b> - Renewable energy generation - biomass and waste <b>Water and other urban infrastructure and services</b> - Urban solid waste management		
Gender Equity and Mainstreaming			
Responsible ADB Department	Private Sector Operations Department		
Responsible ADB Division	Portfolio Management Division, PSOD		
Responsible ADB Officer	Hoshi, Hayato		
Project Sponsor(s)			
Description	DYNAGREEN WASTE TO ENERGY PROJECT		
Objectives and Scope	Increased production of energy from technically efficient and environmentally sustainable waste-to-energy (WTE) power plants in small and medium sized cities in the PRC.		
Status of Development Objectives	To be evaluated.		
Status of Operation/Construction	Loan agreements have been signed. Following completion of conditions precedent, first draw down was made on 9 December 2013 for RMB205,000,000. Construction of subprojects funded by the loan is ongoing.		
Linkage to Country/Regional Strategy	<p>ADB's country partnership strategy (CPS) for the PRC is based on three development pillars: inclusive growth, environmentally sustainable growth, and regional cooperation and integration. The CPS also sets out four priority sectors: natural resources and agriculture, energy, transport, and urban development. The CPS specifically states that ADB's non-sovereign operations will continue to finance catalytic projects, focusing on innovative financing solutions and demonstration projects for infrastructure investment, particularly in clean energy, urban environmental protection, and social infrastructure.</p> <p>The project will address energy and urban development sectors to leverage ADB's comparative strengths and expertise through provision of finance to a non-sovereign client in a new sector where commercial finance is still scarce. It will thus contribute to the CPS objective of supporting environmentally sustainable growth in the PRC.</p> <p>The project is fully consistent with the CPS and will complement ADB's overall support for urban development in the PRC through investment projects and knowledge products. In particular, the project benefits from public sector operations' policy advice and lessons learned from public sector waste management projects. The project is consistent with ADB's Energy Policy. Under the policy, ADB's investments will focus on energy efficiency and renewable energy projects, as well as expansion of energy access. The policy states that support for renewable energy projects will be prioritized and broadened with the objective of creating a framework that makes investing in renewable energy commercially viable. The project is in line with ADB's efforts to strengthen non-sovereign operations and has a significant demonstration impact as the first ADB intervention with a public enterprise to take over the municipal government responsibility of providing waste management infrastructure.</p>		

### Safeguard Categories

Environment	B
Involuntary Resettlement	B

### Summary of Environmental and Social Aspects

Environmental Aspects	<p>Since 2002, WTE plants in the PRC have been required to have a full environmental assessment. The sites for Dynagreen's municipal WTE plants are selected in coordination with the respective municipal governments to minimize impacts on the environment and nearby communities. Emission levels of major air pollutants are found to comply with PRC national standards. Dynagreen's WTE plants meet the European Union 2000 standard for dioxins, which is 10 times more stringent than the PRC national standard.</p> <p>Dynagreen's environmental and social management system incorporates measures to avoid, minimize, and mitigate the potential adverse environmental and social impacts of its subprojects. The audit of Dynagreen's implementation of its environmental and social management system is found to be satisfactory. Dynagreen's experience with its existing WTE plants ensures that the environmental and social impacts of future municipal WTE plants will have adequate mitigating measures and monitoring and reporting programs. The institutional capacity and commitment of Dynagreen to manage the project's social and environmental impacts are deemed adequate and the company has committed to enhancing its environmental and social management system to meet ADB Safeguard Policy Statement requirements. To ensure compliance with ADB's Safeguard Policy Statement, Dynagreen will be required to prepare an initial environmental examination and a resettlement or land acquisition planning report for each subproject and submit these to ADB for review and approval, and implement the approved plans. Dynagreen will also be required to submit annual monitoring reports. ADB will ensure that the investment documentation includes appropriate provisions requiring Dynagreen to comply with national labor laws and to take specific measures (including in relation to contractors), in compliance with ADB's Social Protection Strategy. Dynagreen will be required to report regularly to ADB on compliance with such measures. A no gender element classification is assigned for the proposed project.</p>
Involuntary Resettlement	<p>Land acquisition is not expected to be significant and is normally carried out by local governments before concessions are awarded to Dynagreen. The ESMS of Dynagreen also includes resettlement policies and procedures that will ensure all projects are screened and necessary resettlement or land acquisition planning is undertaken consistent with the requirements of national laws and in accordance with ADB's Safeguard Policy Statement. During project construction and operation, Dynagreen will implement social programs consistent with its ESMS and corporate social responsibility initiatives.</p>
Indigenous Peoples	<p>The ESMS will provide the necessary screening procedures to ensure adverse impacts to indigenous peoples are identified early. Since the projects are to be located in small and medium-sized cities, indigenous peoples safeguards are not likely to be triggered.</p>
Stakeholder Communication, Participation, and Consultation	<p>During due diligence, interview with Dynagreen staff at corporate and project level were undertaken to understand the procedure on how various project stakeholders are engaged. A specific interview with a village leader confirmed that Dynagreen undertakes public consultation before, during, and after the conduct of environment and social assessment. As a continuing process, Dynagreen engages the community and helps in many social development initiatives. For future WTE projects to be financed by ADB, consultation and participation will be undertaken in accordance with the ESMS and social planning.</p>

### Timetable for assistance design, processing and implementation

Concept Clearance	06 Aug 2012
Due Diligence	20 Sep 2012
Credit Committee Meeting	22 Oct 2012 to 22 Oct 2012
Approval	10 Dec 2012
Last PDS Update	14 Oct 2014

  

Project Page	<a href="https://www.adb.org/projects/46930-014/main">https://www.adb.org/projects/46930-014/main</a>
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