

 Early Warning System

AIIB-000685

China: China Inner Mongolia Clean Energy Transition Project



### Quick Facts

Countries	China
Specific Location	Inner Mongolia
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	A
Borrower	Government of China
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	\$ 200.00 million
Loan Amount (USD)	\$ 200.00 million
Project Cost (USD)	\$ 314.30 million



### Project Description

As stated by the AIIB, the project development objective is to promote clean energy transition by replacing coal with hydrogen-blended gas in residential and industrial sectors and promoting the use of hydrogen fuel-cell in the transport sector in Inner Mongolia, China.

Inner Mongolia, an autonomous region of China rich in fossil energy resources, is heavily dependent on fossil fuels, particularly coal. In 2019, coal production and quantity of sale of Inner Mongolia was the highest among all provinces, autonomous regions, and municipalities in China. This resulted in unfavorable economic and environmental issues, such as high greenhouse gas emissions and polluted air. On September 22, 2020, China officially announced that the country will strive to peak carbon dioxide (CO<sub>2</sub>) emissions by 2030 and achieve carbon neutrality by 2060. Since then, various plans and initiatives have been made to reduce carbon emissions. Local governments, correspondingly, must take charge of carbon reduction in their administrative areas. There is an urgent need for Inner Mongolia to use more renewable energy resources and transition to a clean development path.

The Project includes four components:

Component A: Construction of five hydrogen-blended gas pipelines.

Component B: Construction of five integrated energy service stations.

Component C: Construction of solar photovoltaic (PV) power generation facility.

Component D: Project Implementation Support and Capacity Building.



### Investment Description

- Asian Infrastructure Investment Bank (AIIB)

As stated by the AIIB, the Project cost is estimated about USD314.3 million, of which AIIB will provide sovereign-backed loan of USD200 million, and counterpart financing will be USD114.3 million.



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### Private Actors Description

As stated by Bloomberg, Inner Mongolia Western Natural Gas Co., Ltd. markets natural gas. The Company also provides natural gas pipeline transportation services.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Inner Mongolia Western Natural Gas Co., Ltd.	Contractor	Energy



### Contact Information

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#### Implementing Agency - People's Government of Inner Mongolia Autonomous Region; Inner Mongolia Western Natural Gas Company:

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### ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.aiib.org/en/contact/information-request/index.html>

### ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes. Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html>



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### Bank Documents

- [Project Summary \(August 8, 2024\)](#) [\[Original Source\]](#)