



China's Experiences in CDM Promotion

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Presentation Contents

- Establishment of Management System
- Improvement of Measures and Regulations
- Necessary Requirements for application
- Priority Areas for Promotion
- Streamlined National Approval Process
- Current Progress on CDM projects
- International Cooperation on CDM
- Perspective of Future Step on Promotion
- Contact Information



Establishment of Management System

High policy level: National Climate Change Committee

Composed of 17 significant ministries

Responsible for Decision on significant CDM policies

Management level: National Development and Reform Commission

(DNA)

Executing Agency: Office of National Climate Change Coordination Committee

Responsible for management and national approval of CDM projects

Review level: National CDM Board

Composed of 7 related ministries

Responsible for review and inquiry of CDM projects application



Establishment of Management System

Main responsibilities of my organization as a DNA:

- to accept CDM project application
- to approve CDM project activities jointly with MOST and MFA, on the basis of the conclusion made by the CDM Board
- to issue written approval letter on behalf of the Government of China
- to supervise the implementation of CDM project activities
- to take on international cooperation for promotion of CDM projects
- to organize related studies in CDM field
- to deal with other relevant issues



Improvement of Related Regulations

Milestone: Measures for Operation & Management of CDM Projects in China

- Only regulation on CDM projects activities
- To set up a legal guidance for application, implementation and management of CDM projects in China.
- An interim measure was issued in 2004 as a pilot activity
- Formal measure was in effective in October 12, 2005 after modification according to practice in CDM market
- You can download in our website: <http://cdm.ccchina.gov.cn>

A new step: measure on management of CDM fund

MOF and NDRC are working hard on it



Necessary Requirements

Participation eligibility:

- 100% Chinese enterprises
- joint-venture enterprises: Chinese partner (s) holding at least 51% of shares, and the largest shareholder is a Chinese enterprise

Content of PDD: meet the requirements of EB

Price of CERs: no deviation too much from the market price

Funding: additional to ODA

Technology transfer: advanced technology

Environmental impact: approval of EIA

Project feasibility: approval of Engineering Feasibility Study

Sustainable development factors:

- increase of local income and employment
- alleviation of local poverty
- reduction of local environmental pollutants
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Priority Areas

Priority Areas

- energy efficiency improvement
- development and utilization of new and renewable energy
- methane recovery and utilization

Percent of Revenue Delivery By the Project Type

- HFC and PFC decomposition projects: 65%
- N₂O decomposition projects: 30%
- projects in priority areas: 2%

Other methods to promote CDM projects in priority areas

- to organize development of methodologies of energy efficiency Improvement
- to organize study on calculation of emission factors according to ACM0002

Streamlined Process





Current Progress (up to the end of August , 2006)

Continued increase of project number

- The number of approved projects : 85
- The number of projects that are applying for approval : about 20
- The number of projects registered in EB : 13

A big contribution to GHG emission reduction

The amount of emission reduction produced by Chinese government approved projects is about 0.45 billion tons CO₂e

Current Progress (up to the end of July , 2006)

Most of projects focused on those fields including renewable energy,

HFC-23 decomposition, and LFG utilization.

Project type	Project number		Emission reduction	
	number	percentage	(tCO ₂ e)	percentage
Wind power	30	44.1%	18,919,814	4.7%
Hydropower	20	29.4%	22,426,614	5.5%
HFC-23 decomposition	7	10.3%	305,782,474	75.6%
LFG utilization	5	7.4%	7,271,073	1.8%
Energy saving	4	5.9%	21,472,487	5.3%
N ₂ O decomposition	1	1.5%	28,000,000	6.9%
Afforestation	1	1.5%	500,000	0.1%
total	68		404,372,462	

Current Progress (up to the end of July , 2006)

Most of projects locate in east economic-developed regions, and western regions with abundant wind and water power resources.

Province	Project number		Emission reduction	
	number	%	(tCO ₂ e)	%
Gansu	10	14.7%	8,321,190	2.1%
Jiangsu	8	11.8%	143,805,076	35.6%
Jilin	7	10.3%	4,672,641	1.2%
Sichun	7	10.3%	26,824,181	6.6%
Inner Mongolia	5	7.4%	3,240,767	0.8%
Shandong	5	7.4%	76,301,992	18.9%
Ningxia	3	4.4%	2,600,000	0.6%
Zhejiang	3	4.4%	98,437,141	24.3%
Guangdong	3	4.4%	4,967,982	1.2%
Heilongjiang	3	4.4%	893,478	0.2%
Liaoning	2	2.9%	791,748	0.2%

Hebei	2	2.9%	1,133,801	0.3%
Hunan	2	2.9%	366,580	0.1%
Xinjiang	1	1.5%	670,327	0.2%
Guizhou	1	1.5%	864,750	0.2%
Fujian	1	1.5%	358,666	0.1%
Guangxi	1	1.5%	500,000	0.1%
Yunnan	1	1.5%	510,863	0.1%
Beijing	1	1.5%	720,000	0.2%
Henan	1	1.5%	28,000,000	6.9%
Anhui	1	1.5%	391,279	0.1%
total	68		404,372,462	

Current Progress (up to the end of July , 2006)

Most of buyers in China come from Europe, Japan and World Bank.

Countries or organizations	Project number		Emission reduction	
	number	%	(tCO ₂ e)	%
UK	23	32.9%	51,218,822	12.6%
Spain	10	14.3%	15,746,527	3.9%
Austria	7	10.0%	5,136,289	1.3%
Japan	6	8.6%	82,463,980	20.3%
World Bank	5	7.1%	142,174,383	34.9%
The Netherlands	3	4.3%	2,334,296	0.6%
Italy	3	4.3%	73,548,091	18.1%
Sweden	2	2.9%	791,748	0.2%
France	1	1.4%	538,440	0.1%
Canada	1	1.4%	28,000,000	6.9%
Unilateral	9	12.9%	5,078,861	1.2%
total	70	100%	404,372,462	100%

Current Progress

Please log in our website to track in the latest project progress.



Clean Development Mechanism in China
Website of National Commission on Climate Change

Current Location: Project Information

Approval status of CDM projects in China (up to February 15, 2006)

Projects Approved by NCA of China

Project Name	Project Type	Project Owner	CDM Host	Estimated Annual GHG Reduction (tCO ₂ e/yr)
Jilin Taohai Huaming 40.1 MW Wind Power Project	Renewable Energy	Heilong New Energy Industrial Co. Ltd.	Endress, S.A.	83,652
Jilin Tangzi Huaming 100.0 MW Wind Power Project	Renewable Energy	Heilong New Energy Industrial Co. Ltd.	Endress, S.A.	355,158
Guangdong NAN 40 Huaming 45.05 MW Wind Power Project	Renewable Energy	Heilong New Energy Industrial Co. Ltd.	Endress, S.A.	87,500
Ningxia Helanshan Wind Farm Project	Renewable Energy	Ningxia Electric Power Group Co. Ltd.	Trading Gosselin Limited	316,408
Taiwan Cement Works Waste Heat Recovery and Utilization Power Generation Project	Energy saving	Jensen Ming Group Company Limited	Woburn Europe Limited	107,118
MFCO Decomposition CDM Project at Changshu 3F Zhonghai	Chemical pollutants reduction	Changshu 3F Zhonghai New Chemical Minerals Co. Ltd.	Wood Bone	10,671,836



International Cooperation

UNDP capacity building project on CDM

Training in central and local level, Especially for consultants, enterprise managers, etc.

Information platform construction

Professional workshops on CDM

IGS-CDM China project between China and Japan

China CDM guidance book

Information platform improvement, PDD development and local governmental capacity building

Cooperation with World Bank

Establishment of management organization of CDM



Perspective of Future Step

- Active on establishing CDM management organization
- Take efforts to make the approval process clearer, simpler, and more efficient
- Take efforts to promote the improvement of the quality of PDD
- Support for development of methodologies in the field of EE improvement
- Make use of CDM fund to support for activities responding to climate change
- Active on multilateral and bilateral cooperation on CDM capacity building and project development
- Study on the risk and perspective of CDM beyond 2012



Contact Information

Please feel free to contact me or my boss and colleagues if you have any problem!

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