Implementation Status & Results

China
China HFC-23 Emissions Reduction and Sustainable Development Benefits Project (P094388)

Operation Name: China HFC-23 Emissions Reduction and Sustainable Development Benefits Project (P094388)
Project Stage: Implementation
Seq.No: 1
Status: ARCHIVED
Archive Date: 31-Jan-2012

Country: China
Approval FY: 2006
Product Line: Carbon Offset
Region: EAST ASIA AND PACIFIC
Lending Instrument: Specific Investment Loan
Implementing Agency(ies): Ministry of Finance

Key Dates
Board Approval Date: 19-Dec-2005
Original Closing Date: 30-Jun-2014
Last Archived ISR Date:
Effectiveness Date: 03-Jan-2006
Revised Closing Date: 30-Jun-2014

Overall Ratings

<table>
<thead>
<tr>
<th></th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress towards achievement of PDO</td>
<td></td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Implementation Progress (IP)</td>
<td></td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Risk Rating</td>
<td></td>
<td>Low</td>
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</table>

Implementation Status Overview
The project includes two components: (a) the Jiangsu Meilan Chemical Co. Ltd (Meilan), and (b) Changshu 3F Zhonghaoi New Chemical Materials Co. (3F). Meilan and 3F were registered by the UNFCCC as CDM projects on 06/04/2006 and 08/08/2006 respectively. The operation of the Meilan and 3F investments started on 12/01/2006 and 12/22/2006 respectively. These dates correspond with the starting date of the emission reductions (ERs) crediting period.

Both projects have performed well and actual annual ERs delivery is slightly higher than the estimated amount. For example, Meilan has generated ERs around 8.5-8.6 million tons of CO2 equivalent (MTCO2e) per year compared with estimated amount of 8.4 MTCO2e. Changshu has generated over 10 MTCO2e per year. Through Jan 12, 2012, the total number of ERs financed is 80.8 MTCO2e. Total disbursements total 485 million euros, or 60.5% of total contracted ERs.

These disbursements do not take into account the 6-12 month lag between the companies realizing their actual emissions reductions and the UNFCCC process completing the verification and issuance process. This lag, which is completely typical of CDM projects, is estimated to be about 10% of total estimated ERs. It is projected that the project will fully disburse upon completion of the eligibility period, which is the end of 2013.

In early 2011, ER issuance requests for both projects (covering credit period until March 2011) were held back due to the UNFCCC Executive Board (EB) request for review. This review was being conducted for all HFC 23 projects world-wide, due to EU technical questions being raised. The WB facilitated the response to all technical questions, and China's HFC projects were found to be fully compliant. After some delay, ER approvals and disbursements continued, but with some lag.

Locations

<table>
<thead>
<tr>
<th>Country</th>
<th>First Administrative Division</th>
<th>Location</th>
<th>Planned</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>Jiangsu Sheng</td>
<td>Taizhou</td>
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</table>
### Key Decisions Regarding Implementation

The projects can be tracked on the official UNFCCC website through the links of: [http://cdm.unfccc.int/Projects/DB/JQA1144312006.34](http://cdm.unfccc.int/Projects/DB/JQA1144312006.34) and [http://cdm.unfccc.int/Projects/DB/JQA1144312898.95](http://cdm.unfccc.int/Projects/DB/JQA1144312898.95). These sites also have documents prepared for initial CDM registration as well as every monitoring plan for every crediting period.

### Related Projects

There are no related projects.