



**ADB** 

# ADB's Flagship Program - Air Quality Improvement Program in the Greater Beijing-Tianjin-Hebei Region

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#### Content



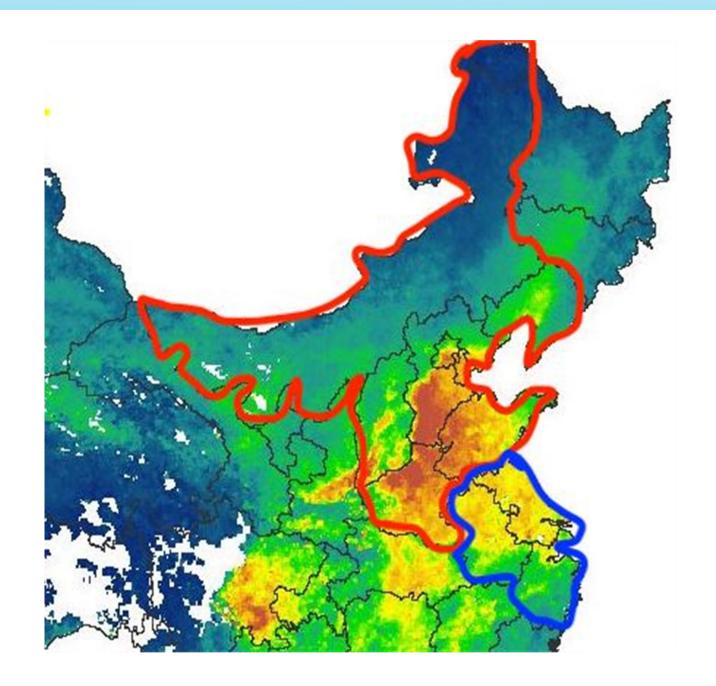
- WHY- background
- WHAT needs to be done
- HOW ADB has responded
- KEY lessons and experiences
- Video play





#### WHY-background of the program

- About one million premature deaths annually, with cost of 7.5% of the GDP
- Greater Beijing-Tianjin Hebei region produces 40% CO2 emissions and the highest average annual PM<sub>2.5</sub> concentrations in PRC (average PM<sub>2.5</sub> concentration is 73 microgram/m3 in 2015)
- Comprehensive Action Plan for Air Pollution Prevention and Control (CAAP), 2013–2017, in Beijing-Tianjin- Hebei (BTH) region
- Three-Year Action Plan to Combat Blue Sky War, 2018-2020, to accelerate air pollution reduction in the greater BTH and Yangtze River Delta (YRD)
- Greater BTH and YRD regions account for more than 50% of GDP in the PRC and 630 million population, major air pollutants and GHG emissions hotspots in the PRC
- Goals of 2030 and 2060











#### **HOW ADB has responded**

- Cross-sectoral coverage; <u>programmatic approach</u>
- Target policy, financing and technology gaps; address market failures
- Aim air pollution reduction + CO<sub>2</sub> mitigation
- Essential value add features—innovation, leverage, synergy, and better results

#### **Programmatic approach:**

- First stage (2015–2017): building institutional foundation for sustainable emission reduction by (i) strengthening policy and regulatory framework strengthen and (ii) developing green financing platform development.
- Second stage (2018–2020): Targeting highly polluted provinces, covering new air pollutants (ground level ozone) and GHG (HFC) in the larger region (greater BTH, and YRD) to support technology leap-frogging and inclusive clean energy service delivery.



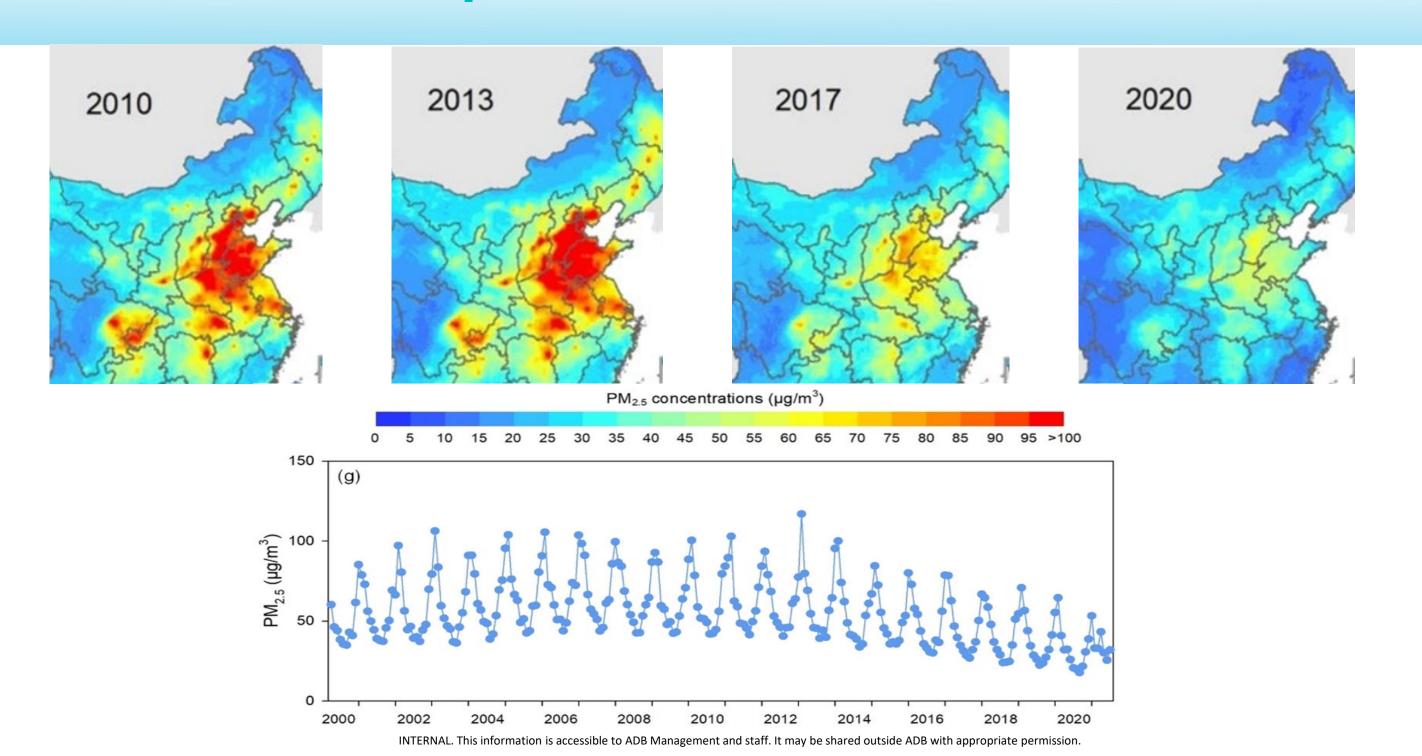
## **HOW ADB has responded**



S.N	Year	Project name	ADB loan (\$mil)	Loan modality
1	2015	L3356- Beijing-Tianjin-Hebei Air Quality Improvement-Hebei Policy Reforms	300	PBL
2	2016	L3504- Air Quality Improvement in the Greater BTH Region—China National Investment and Guaranty Corporation's Green Financing Platform Project	500	FIL
3	2017	L3629-Air Quality Improvement in the Greater BTH Region— Regional Emission-Reduction and Pollution-Control Facility	500	FIL
4	2018	L3765-Air Quality Improvement in the Greater BTH Region— Shandong Clean Heating and Cooling	400	Project Loan
5	2019	L3824- Shandong Green Fund Development Project	200	FIL
6	2019	L3879-Air Quality Improvement in the Greater BTH Region—Henan Cleaner Fuel Switch Investment Program	300	RBL
7	2020	L3999- Bank of Xingtai Green Finance Development Project	200	FIL
8	2020	L4023-Air Quality Improvement in the Greater BTH Region— Green Financing Scale up Project	150	FIL



#### **HOW ADB has responded**



## ADB

#### Key experiences and lessons

- To address the cross-sectoral air pollution and GHG emission issues, a
  programmatic and integrated approach providing long-term policy, financing
  and technology supports is needed
  - Strong government commitments and EA and IA's ownership are vital
  - Flexible design to adapt to the government evolving policies and priorities is necessary
  - Inclusive financing targeting various stakeholders leveraging from local Fls and private sector is essential
  - Innovative business models and advanced technologies are important



# Thank you!

