

Coal Sector Updates in China

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the 20th Session of the Global Methane Initiative (GMI) Coal
Subcommittee

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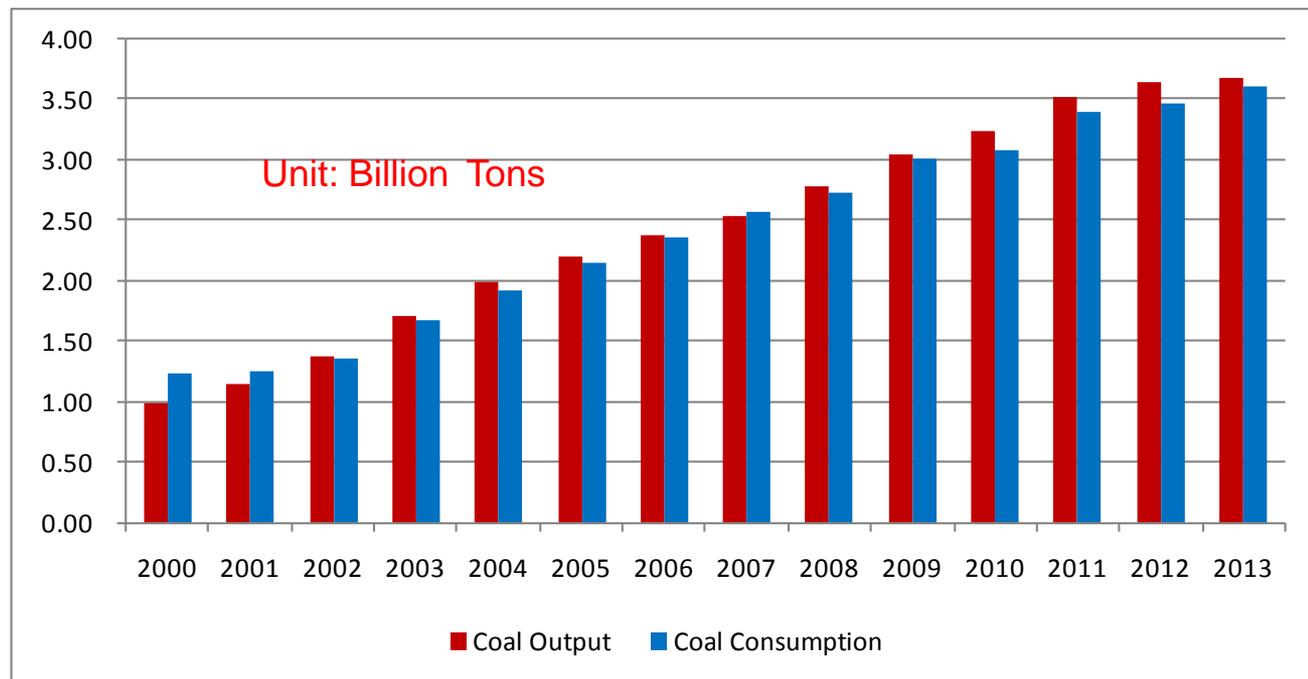
Geneva, Switzerland



China Coal Sector Update

■ New trends in the coal sector

- Coal Production: 3.68 billion tons in 2013, increased 0.8% on the year-on-year basis; and 1.82 billion tons in the first half of 2014, decreased 1.8% on the year-on-year basis.
- Consumption of coal is 3.61 billion tons in 2013.

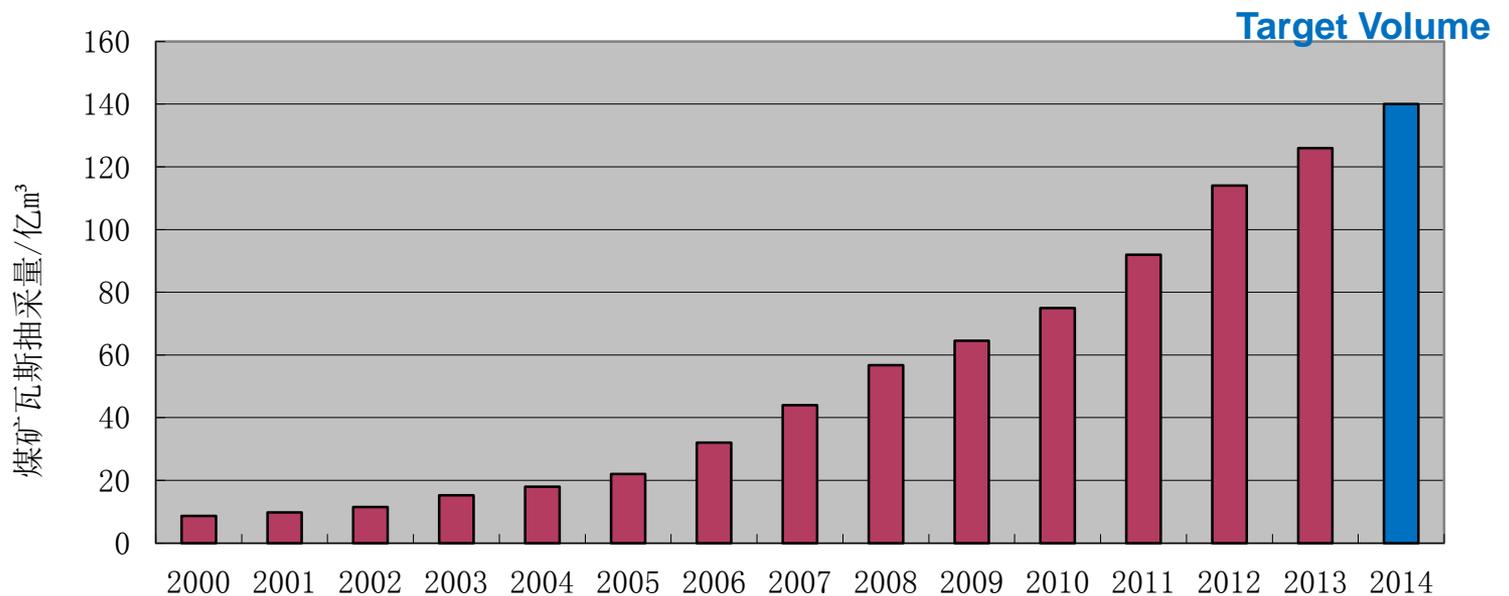


Output and Consumption of Coal from 2000 to 2013 in China

China Coal Sector Update

■ CMM drainage

- CMM drainage volume increased from 2.2 Bm³ in 2005 to 12.6 Bm³ in 2013, increased by 10.5% compared with that in 2012.
- CMM drainage volume reached about 6.56 Bm³ in the first half of the year 2014, increased by 7.7%.

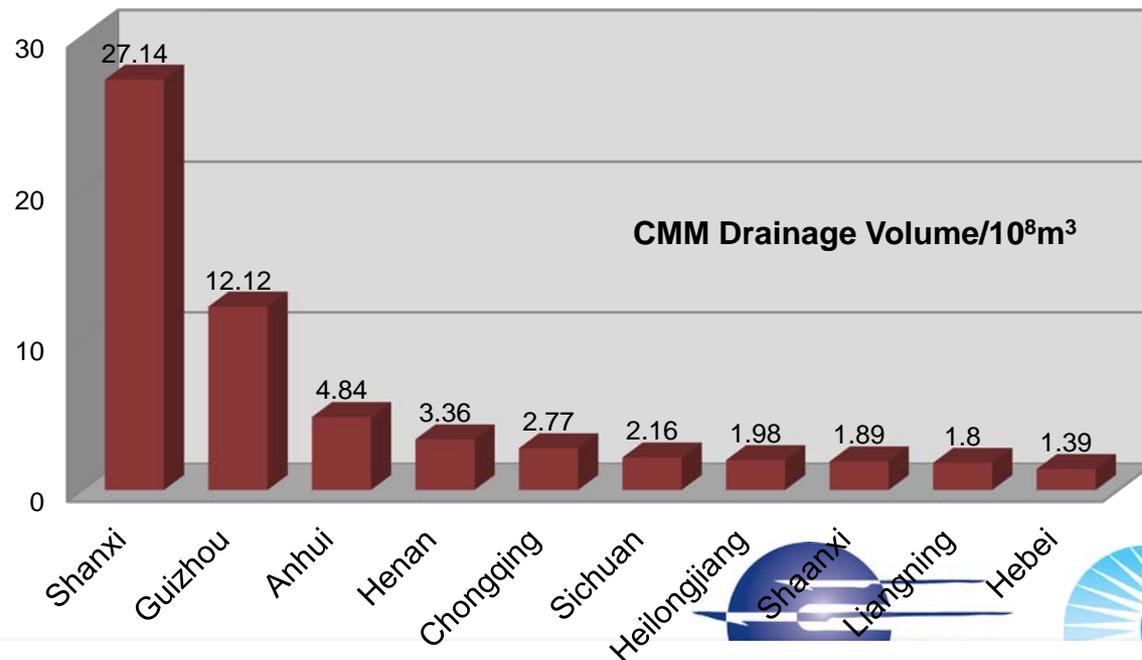


CMM Drainage Volume from 2005-2013 and Target Volume in 2014 in China

China Coal Sector Update

■ Key Areas of CMM drainage

- The top 10 provinces with CMM drainage are Shanxi, Guizhou, Anhui, Henan and others in first half year of 2014, see following figure
- Drainage volume of CMM in Shanxi Province is 27.1 Bm³ in the first half year of 2014, and accounts for 41.3% of total drainage volume in China.

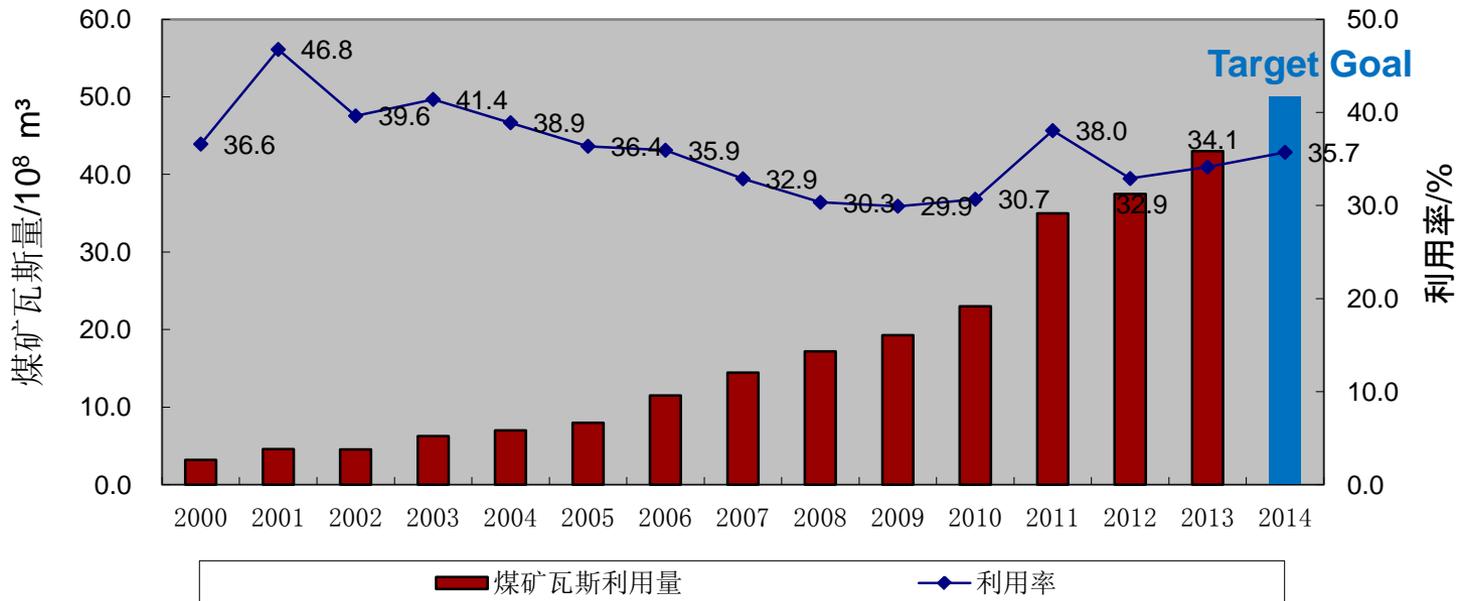


Top 10 Provinces with drainage volume of CMM in first half year of 2014

China Coal Sector Update

■ CMM utilization

- The volume of CMM utilization are 4.25 Bm³ in 2013 with the utilization rate of 34.1%.
- The volume of CMM utilization in the first half year of 2014 reached 2.18 Bm³ with the utilization rate of 33.2%.

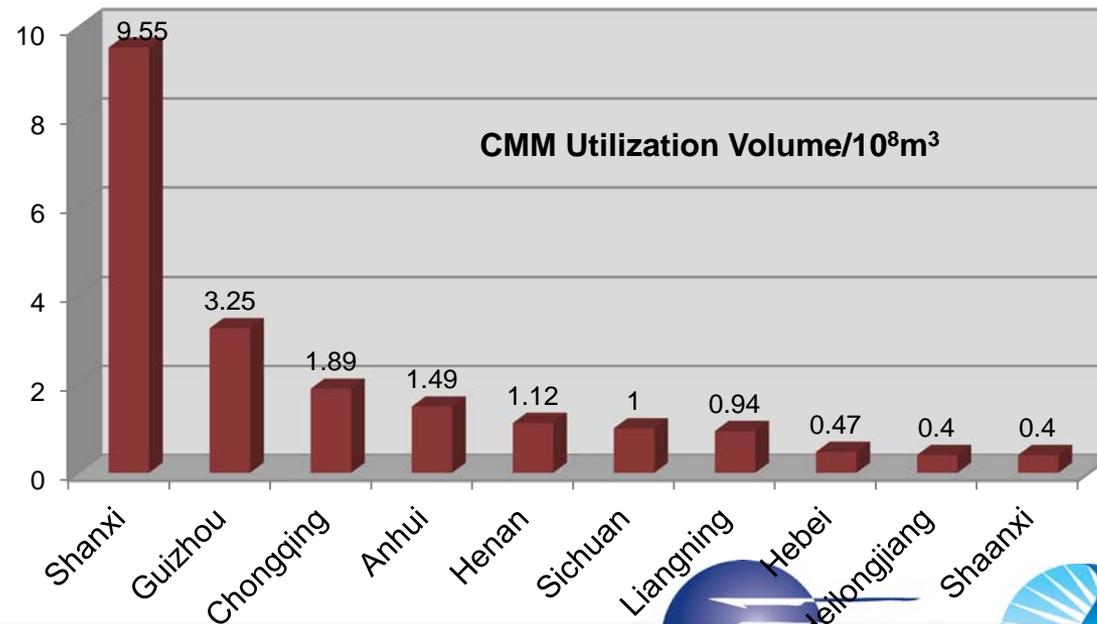


CMM utilization from 2000 to 2013 (10⁸ m³)

China Coal Sector Update

■ Key Areas of CMM Utilization

- Utilization volume of CMM is 0.96 Bm³ in Shanxi Province in the first half year of 2014, and accounts for 43.5% of total utilization volume in China.
- The recovered CMM was mainly used as fuels of power plants, households, industries, etc.



Top 10 Provinces with utilization volume of CMM in the first half year of 2014

China Coal Sector Update

- Regulatory Update
 - Guideline on Further Accelerating the CBM/CMM Exploitation and Utilization issued by the State Council of P.R. China in Sep. 22, 2013.
 - Increase Government Funds Support
 - Increase Indirect Financial Incentives
 - Encourage Private Investment in CBM/CMM
 - Market Pricing Mechanism
 - Encourage Power plants to use CBM/CMM as fuel



China Coal Sector Update

- Implementation of national plans/directives
 - The planned volume of CMM drainage and utilization is 14 Bm³ and 5 Bm³ separately in 2014.



CMM Project Outlook

- Emission reduction projects in China:
 - 92 CDM projects have been approved, therein, 58 projects were registered and 30 projects with CERs issuance in use of CMM up to September 15, 2014, .
 - GMI has the total grants of USD\$ 2.17 million for 11 CMM projects in China from 2006 to 2013



CMM Project Outlook

- Approaches to overcoming challenges
 - NDRC issues the *Temporary rules for Voluntary Greenhouse Gas Emissions Reduction Trading Management* in June, 2012.
 - 9 projects of CMM utilization p are in validation as voluntary emission reduction projects in NDRC up to the end of August 11, 2014, nine up to the end of September 28, 2014.



CMM Project Outlook

- Anticipated or planned projects
 - Low Quality CMM Utilization (Concentration <30%) :Enrichment and purification with PSA for civil use or power
 - Comprehensive Utilization Project of Low Quality CMM and VAM
 - CCII submitted application for the R&D project – *Synthesis and its reaction kinetic model research of novel Pd-based monolithic catalysts for ventilation air methane to be funded by the National Science Foundation in 2013.*

国家自然科学基金委员会 项目批准通知

国科金计项〔2013〕57号

关于批准资助2013年度第二批项目的通知

国家安全生...
国家安全生产监督管理总局信息研究院(单号: 2013-57-0292)

根据《国家自然科学基金条例》有关规定和专家评审意见,国家自然科学基金委员会(以下简称自然科学基金委)决定批准资助你单位2013年度(第二批)国家自然科学基金项目1项,金额75.0万元。其中,面上项目1项,上述资助项目清单详见附件。

自评审结果通告发布之日起25日内,项目负责人须按要求填写与提交《国家自然科学基金资助项目研究计划书》(以下简称计划书)电子版。2013年9月11日16点前,依托单位将审核后的计划书电子版通过自然科学基金网络信息系统(<https://isis.nsf.gov.cn>)提交至自然科学基金委。自然科学基金委同期对计划书电子版进行审核。审核通过的,项目负责人可打印计划书纸质版(建议双面打印);审核未通过的,退回至项目负责人修改,依托单位须在2013年9月18日16点前,将修改后的计划书电子版及时审核并再次提交至自然科学基金委。2013年9月27日16点前,依托单位须将自然科学基金委审核通过后的计划书纸质版(一式两份,应保证与电子版一致)加盖单位公章,报送至自然科学基



CMM Project Outlook

- Anticipated or planned projects
 - Recovery and Utilization of Abandoned Coal Mines
 - CII submitted application for the Project - Policy recommendations to improve China's Abandoned Mine Methane Recovery and Utilization to be funded by Prosperity Fund of UK.



SPF F2.15.

PROJECT PROPOSAL FORM.
(For projects worth **between £10k and £30k**.)

Project Title.	Policy recommendations to improve China's Abandoned Mine Methane Recovery and Utilization.		
Which Programme is the funding being sought from *. <small>Policy Programme title or Bilateral Programme Budget.</small>	Prosperity Fund.		
Project Code *. <small>To be added once the Project has been approved and the code is provided by the Programme Team.</small>	Embassy to Complete.		
Is the Project ODA eligible *. Yes/No.	Embassy to Complete.		
ODA Codes *. <small>To be added by Post using guidance in Annex 2 and 3 of "ODA Project Reporting Template – Technical Instructions" here: http://ubs.sharepoint.co.uk/sites/finance/strategy/finance/oda/Guidance%20on%20completing%20ODA%20template/Foms/AllItems.aspx.</small>	Input Sector Code.	Embassy to Complete.	
	Channel of Delivery Code.	Embassy to Complete.	
Cost. <small>-What is the TOTAL cost of the Project. -Please detail the cost to the FCO and, if relevant the cost to co-funders. -If relevant, please provide costs for future Financial years. Please note, the cannot guarantee funding for future years. -Project funds are paid quarterly in arrears.</small>	FY14/15.	£59,260.	
	Cost to FCO.	£ 40,000 GBP.	Cost to Co-funders. £19,260.
	FY 15/16.	£.	
	Cost to FCO.	£.	Cost to Co-funders.

CMM Project Outlook

- Infrastructure development
 - CBM/CMM Transportation by Pipeline
 - 5 CBM/CMM pipelines have been built, and transportation capacity is 10.2 B m³.
 - 3 CBM/CMM pipelines are under construction, and transportation capacity is 3.4 B m³.



Welcome you to join us at

**2014 14th International Symposium on CBM/CMM and
Shale Gas in China**

Landmark Hotel, Beijing, P.R. China

December 16-17, 2014

Supporters: EPA, USA

State Administration of Coal Mine Safety, China



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