



WB - Project Identification Form (PIF) entry – Full Sized Project – GEF - 7

Environmentally Sustainable Development of the Iron and Steel Industry

Part I: Project Information

GEF ID

10564

Project Type

FSP

Type of Trust Fund

GET

CBIT/NGI

☐ CBIT

☐ NGI

Project Title

Environmentally Sustainable Development of the Iron and Steel Industry

Countries

China

Agency(ies)

World Bank

Other Executing Partner(s)

Foreign Environmental Cooperation Center, Ministry of Ecology and Environment

Executing Partner Type

Government

GEF Focal Area

Chemicals and Waste

Taxonomy

Chemicals and Waste, Focal Areas, Sound Management of chemicals and waste, Emissions, Best Available Technology / Best Environmental Practices, Waste Management, Hazardous Waste Management, Industrial Waste, Industrial Emissions, Persistent Organic Pollutants, Unintentional Persistent Organic Pollutants, Influencing models, Transform policy and regulatory environments, Strengthen institutional capacity and decision-making, Demonstrate innovative approaches, Stakeholders, Type of Engagement, Consultation, Information Dissemination, Participation, Local Communities, Communications, Awareness Raising, Education, Public Campaigns, Private Sector, Large corporations, Beneficiaries, Civil Society, Community Based Organization, Academia, Gender Equality, Gender results areas, Participation and leadership, Capacity Development, Capacity, Knowledge and Research, Knowledge Generation, Knowledge Exchange, Innovation, Learning, Indicators to measure change

Rio Markers**Climate Change Mitigation**

Climate Change Mitigation 0

Climate Change Adaptation

Climate Change Adaptation 0

Duration

72 In Months

Agency Fee(\$)

2,250,000

Submission Date

3/23/2020

A. Indicative Focal/Non-Focal Area Elements

Programming Directions	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
CW-1-1	GET	25,000,000	175,000,000
Total Project Cost (\$)		25,000,000	175,000,000

B. Indicative Project description summary**Project Objective**

The project objective is to demonstrate and promote best available techniques and best environmental practices that will reduce and avoid unintentionally produced persistent organic pollutants in the Chinese iron and steel industry in a sustainable way.

Project Outcomes

Outcome 1

Reduction of PCDD/Fs through promotion of BAT/BEP in iron and steel sector

Outcome 2

Strengthened framework for sustainable UPOPs reduction in the iron and steel industry

Outcome 3

Project regularly monitored and results independently evaluated

Project Component	Financing Type	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
1. BAT/BEP Demonstration	Investment	GET	16,060,000	166,000,000
2. Strengthening of Institutions, Policies and Regulations	Technical Assistance	GET	6,500,000	6,500,000
3. Monitoring and Evaluation	Technical Assistance	GET	1,250,000	1,250,000
		Sub Total (\$)	23,810,000	173,750,000
Project Management Cost (PMC)				
		GET	1,190,000	1,250,000
		Sub Total(\$)	1,190,000	1,250,000
Total Project Cost(\$)			25,000,000	175,000,000

C. Indicative sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Government	National Government	In-kind	Recurrent expenditures	1,000,000
Government	Local Government	In-kind	Recurrent expenditures	6,500,000
Private Sector	Participating enterprises	Unknown at this stage	Investment mobilized	167,500,000
Total Project Cost(\$)				175,000,000

Describe how any "Investment Mobilized" was identified

Investment Mobilized" represents the financing expected from the participating enterprises under components 1.2 and 1.3 to meet ultra-low emission standards, before consideration of dioxins reduction.

D. Indicative Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
World Bank	GET	China	Chemicals and Waste	POPs	25,000,000	2,250,000	27,250,000
Total GEF Resources(\$)					25,000,000	2,250,000	27,250,000

E. Project Preparation Grant (PPG)

PPG Required



PPG Amount (\$)

300,000

PPG Agency Fee (\$)

27,000

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
World Bank	GET	China	Chemicals and Waste	POPs	300,000	27,000	327,000
Total Project Costs(\$)					300,000	27,000	327,000

Core Indicators

Indicator 10 Reduction, avoidance of emissions of POP to air from point and non-point sources (grams of toxic equivalent gTEQ)

Grams of toxic equivalent gTEQ
(Expected at PIF)

Grams of toxic equivalent gTEQ (Expected
at CEO Endorsement)

Grams of toxic equivalent gTEQ
(Achieved at MTR)

Grams of toxic equivalent gTEQ
(Achieved at TE)

318.00

Indicator 10.1 Number of countries with legislation and policy implemented to control emissions of POPs to air (Use this sub-indicator in addition to Core Indicator 10 if applicable)

Number (Expected at PIF)

Number (Expected at CEO Endorsement)

Number (Achieved at MTR)

Number (Achieved at TE)

1

Indicator 10.2 Number of emission control technologies/practices implemented (Use this sub-indicator in addition to Core Indicator 10 if applicable)

Number (Expected at PIF)

Number (Expected at CEO Endorsement)

Number (Achieved at MTR)

Number (Achieved at TE)

3

Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	6,900			
Male	39,100			
Total	46000	0	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

This project aims to achieve the PCDD/Fs emission reduction of 318 grams TEQ/year. This goal will be realized by conducting BAT/BEP demonstration in two sintering lines and one EAF line to lower emission factors from 1.8µg TEQ/t to 0.3µg TEQ/t and from 1 µg TEQ/t to 0.1 µg TEQ/t respectively. And as the project plans to influence 20% of the national iron and steel sector, the total avoidance of PCDD/FSS is expected to be 253 gram (TEQ)/year from sintering sector and 65 gram (TEQ)/year from EAF sector at the end of the project.

Part II. Project Justification

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.

Please see map of China in Annex A

2. Stakeholders

Select the stakeholders that have participated in consultations during the project identification phase:

Indigenous Peoples and Local Communities

Civil Society Organizations

Private Sector Entities Yes

If none of the above, please explain why:

In addition, provide indicative information on how stakeholders, including civil society and indigenous peoples, will be engaged in the project preparation, and their respective roles and means of engagement.

A stakeholder engagement plan will be developed during project preparation targeting the following stakeholders:

1. Central government: A number of government departments are involved in iron and steel-related regulations at the national level, including: the Ministry of Ecology and Environment (MEE), the National Development and Reform Commission (NDRC), the Ministry of Finance (MOF), the Ministry of Commerce, the Ministry of Science and Technology (MOST), the Ministry of Industry and Information Technology (MIIT), etc. These line ministries will be consulted and involved through the Stockholm Convention Implementation National Steering Group that meets yearly under the chairmanship of MEE. Key mandates as relevant to the project are as follows:

- MEE: a) Ongoing management of implementation of the NIP; b) issue national policy and standards to regulate environmental performance of China's iron and steel production sector; c) supervise enforcement of environmental policies. The Foreign Environmental Cooperation Center (FECO) under MEE will be the main executing agency of the project.
- MOF: a) Overall responsibility for national GEF program; b) Review, endorse and supervise preparation and implementation of this proposal as the Country GEF Focal Point.
- NDRC: Plan for industrial reconstruction in iron and steel sector; maintain Catalogue of Industrial Reform.
- MOST: Promote research and development and novel technologies.
- MIIT: Shared responsibility for the iron and steel sector with NDRC.

2. Local governments: Local governments are mandated to enforce regulations and compulsory standards under the technical guidance issued by the line ministries. Local/provincial governments will be involved to identify gaps and needs for capacity building for increased oversight and enforcement.

3. Industries and industrial associations: The China Iron and Steel Association has been closely involved during project identification and will continue to be involved during preparation and implementation as the main conduit for dialogue with the industry. Among other things, Industry will also be consulted for

assessing technical and economic feasibility of compliance for complying with amended regulations and standards. The project will also involve contractors relevant to wastes containing PCDD/Fs.

4. Convention Implementation Office (CIO). The CIO is an inter-departmental coordination unit of MEE and acts as the secretariat of the National Steering Group. It is responsible for day-to-day compliance with the Stockholm Convention. Responsibilities include: (i) provision of technical support for international negotiations and policy studies on the Stockholm Convention, (ii) provision of support to the development and implementation of corresponding policy and regulations, as well as coordination of key governmental stakeholders, (iii) mobilize co-financing for the project from bilateral and domestic governmental and private sources, (iv) collecting data and information, compiling reports, organizing trainings, and publishing information. In this project, CIO will represent MEE to provide policy guidance to implementation and coordinate with various stakeholders.

5. Civil society and the public: While individual members of the public can be exposed to UPOPs in everyday life, there is a very low level of awareness regarding UPOPs in the public. This will be improved through awareness-raising campaigns.

3. Gender Equality and Women's Empowerment

Briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis).

A gender assessment will be carried out during project preparation as part of the Environmental and Social Assessment in typical candidate enterprises in order to have a better understanding of the position of women workers in China's iron and steel industry, including their job status and occupational health aspects. Project activities will be designed accordingly to meet the following objectives:

- (1) Raising women workers awareness on gender equality and environmental protection and recognizing women's role as key agents of environmental actions;
- (2) Ensuring women workers physical and psychological health;
- (3) Advancing women workers' engagement, leadership and decision-making.

Training targeting women workers will be conducted addressing gender consciousness, environmental technologies, leadership, and occupational health, to promote the comprehensive development of women workers in China's iron and steel industry, especially addressing the risk of exposure of women workers and their families to UPOPs released from the industry. At the same time, this offers the opportunity to engage the industry to close gender gaps. Among civil society organizations, inclusion of women's groups will help to mainstream gender aspects throughout project design and implementation.

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? Yes

closing gender gaps in access to and control over natural resources;

improving women's participation and decision-making; and/or Yes

generating socio-economic benefits or services for women.

Will the project's results framework or logical framework include gender-sensitive indicators?

TBD

4. Private sector engagement

Will there be private sector engagement in the project?

Yes

Please briefly explain the rationale behind your answer.

The project is centered on the engagement of the iron and steel industry for dioxins emissions reduction.

The demonstration enterprises will be selected through open and transparent calls for proposal, with one enterprise at least selected before CEO endorsement based on criteria to be developed during project preparation. The participating enterprises will have to demonstrate good environmental and social management practices. The additional level of pollution control supported by the project is not expected to lead to increased product market price, but may rather increase operating costs; the project therefore is not expected to confer a direct competitive advantage to the participating enterprises.

Part III: Approval/Endorsement By GEF Operational Focal Point(S) And Gef Agency(ies)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the Operational Focal Point endorsement letter with this template).

Name	Position	Ministry	Date
Peng Xiang	GEF Operational Focal Point for China	Ministry of Finance	10/15/2019

ANNEX A: Project Map and Geographic Coordinates

Please provide geo-referenced information and map where the project intervention takes place

Project scope is country-wide; sites of specific interventions will be selected during preparation, and the map updated accordingly at CEO endorsement