



Shandong Energy Efficiency Project (P114069)

EAST ASIA AND PACIFIC | China | Energy & Extractives Global Practice |
IBRD/IDA | Investment Project Financing | FY 2011 | Seq No: 13 | ARCHIVED on 18-Jun-2018 | ISR32855 |

Implementing Agencies: People's Republic of China, Shandong Financial Bureau

Key Dates

Key Project Dates

Bank Approval Date:09-Jun-2011

Effectiveness Date:25-Nov-2011

Planned Mid Term Review Date:15-Sep-2014

Actual Mid-Term Review Date:03-Nov-2014

Original Closing Date:30-Sep-2016

Revised Closing Date:31-Dec-2018

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objective of the Project is to improve energy efficiency in selected enterprises in the Borrower's Shandong Province, particularly through financial leasing arrangements, and increase use of biomass for power and heat generation.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

Yes

Board Approved Revised Project Development Objective (If project is formally restructured)

The objective of the Project is to improve energy efficiency in selected enterprises in the Borrower's Shandong Province, particularly through financial leasing arrangements.

Components

Name

Energy Efficiency Service Industry:(Cost \$267.00 M)

Project Management, Monitoring and Evaluation:(Cost \$0.40 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Unsatisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Moderately Unsatisfactory	● Moderately Satisfactory
Overall Risk Rating	● Substantial	● Substantial



Implementation Status and Key Decisions

This project utilizing the business model of leasing agreement has demonstrated great impact for industrial energy efficiency industries with significant annual energy savings achieved. The overall project implementation is progressing smoothly. Bank team will work with PMO closely to fully disburse the loan proceeds before the project closes at the end of 2018 and ensure that the project's development objectives are met.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Low	● Low
Macroeconomic	--	● Moderate	● Moderate
Sector Strategies and Policies	--	● Low	● Low
Technical Design of Project or Program	--	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	--	● Substantial	● Substantial
Fiduciary	--	● Moderate	● Substantial
Environment and Social	--	● Moderate	● Moderate
Stakeholders	--	● Low	● Low
Other	--	--	--
Overall	--	● Substantial	● Substantial

Results

Project Development Objective Indicators

► Associated annual energy savings capacity ('000 tce) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	188.00	188.00	318.00
Date	31-May-2011	11-Sep-2017	14-May-2018	31-Dec-2018

Comments

Although only 59% of end target has been reached, achievement and even exceedance of end target is anticipated owing to large energy savings (equivalent to nearly 90% of overall end target) associated with final two subprojects that were being contracted at the time of the mission.



► Associated cumulative amount of funds leveraged by WB loan for energy efficiency projects (US\$M) (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	123.00	119.00	134.00
Date	31-May-2011	11-Sep-2017	14-May-2018	31-Dec-2018

Comments

89% of end target achieved. Figure revised downward from US\$123 million to account for closure of hosts of several small subprojects. Nevertheless, achievement of end target is anticipated owing to large energy savings associated with final two subprojects that were being contracted at the time of the mission.

Overall Comments

Intermediate Results Indicators

► Number of satisfactory progress reports (per reporting period) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	2.00	2.00
Date	31-May-2011	11-Sep-2017	14-May-2018	31-Dec-2018



▶ Cumulative energy conservation project investment flows (US\$M) (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	212.88	218.80	268.00
Date	31-May-2011	11-Sep-2017	14-May-2018	31-Dec-2018

▲ Cumulative energy conservation project investment flows: Rongshihua (Amount(USD), Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	135.34	135.34	128.00

▶ Cumulative energy conservation project investment flows: Guotai (Amount(USD), Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	62.82	68.80	100.00

▶ Cumulative energy savings capacity achieved directly through project investments: Rongshihua (000 tce) (Tones/year, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	90.93	79.26	150.40
Date	30-Jun-2011	11-Sep-2017	14-May-2018	31-Dec-2018

Comments

53% of end target achieved. Revised downwards owing to closure of hosts of small subprojects



► Cumulative energy savings capacity achieved directly through project investments: Guotai (000 tce) (Tones/year, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	73.66	63.90	117.60
Date	30-Jun-2011	11-Sep-2017	14-May-2018	31-Dec-2018

Comments

54% of end target achieved. Revised downwards owing to closure of hosts of small subprojects

► Cumulative energy savings capacity achieved directly through project investments: Luxin Energy (000 tce) (Tones/year, Custom)


	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	23.75	26.01	49.60
Date	30-Jun-2011	11-Sep-2017	14-May-2018	31-Dec-2018

Overall Comments

Although the end targets for energy saving for Rongshihua and Luxin are unlikely to be achieved, Guotai is anticipated to substantially exceed its end target, such that the overall project end target will also be exceeded.

Data on Financial Performance

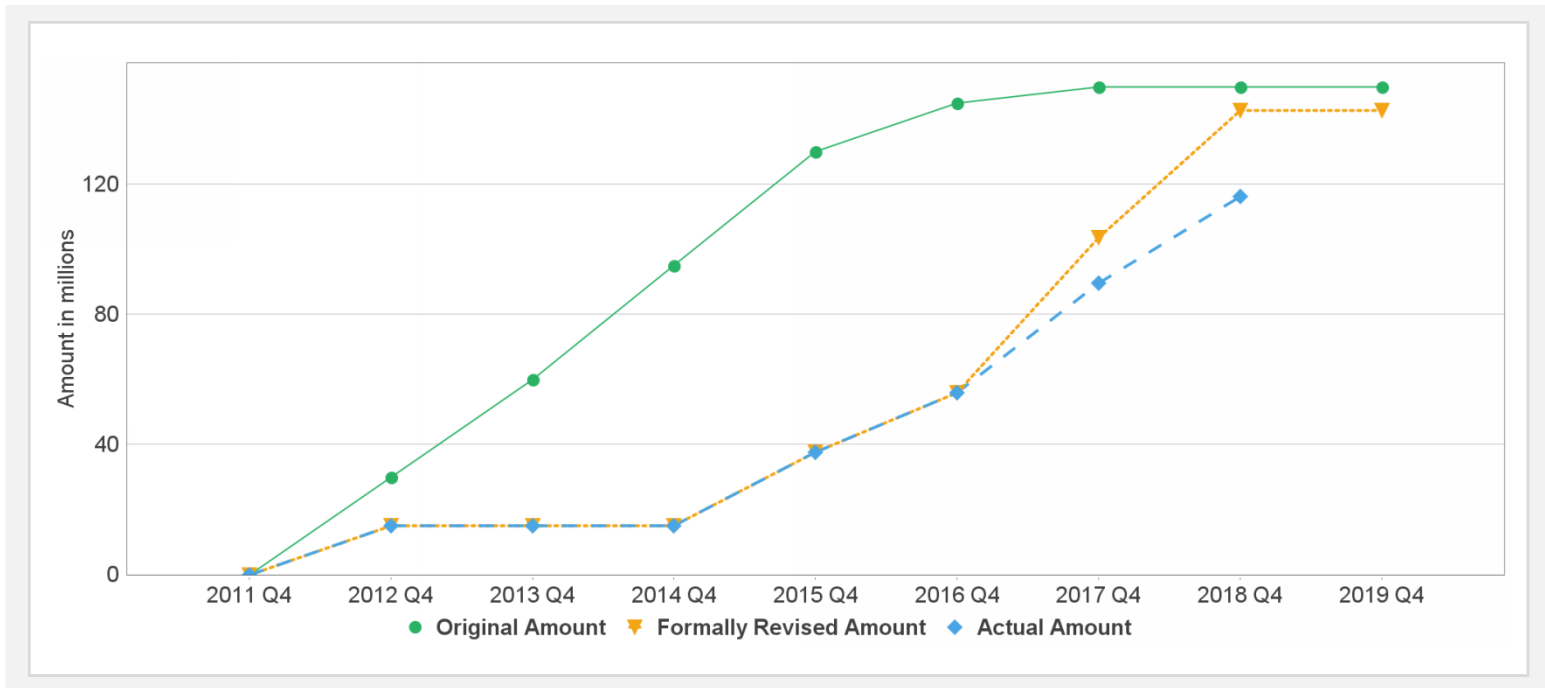
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P114069	IBRD-80590	Effective	USD	150.00	144.72	5.28	116.64	28.08	 81%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P114069	IBRD-80590	Effective	09-Jun-2011	02-Sep-2011	25-Nov-2011	30-Sep-2016	31-Dec-2018

Cumulative Disbursements



Restructuring History

Level Approved on 07-Aug-2013 ,Level 1 Approved on 30-Sep-2016 ,Level 2 Approved on 29-Mar-2018

Related Project(s)

There are no related projects.