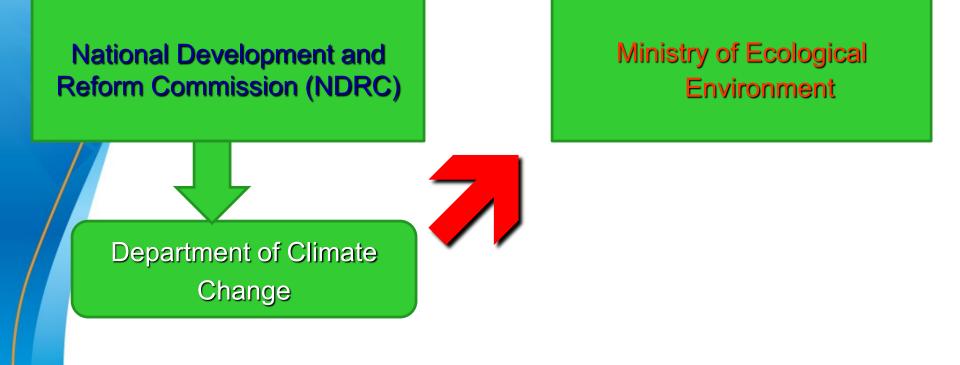
China Coal Sector Update to the 27th Session of the Global Methane Initiative (GMI) Coal Subcommittee

24 September, 2018 Huang Shengchu, Ph. D China Coal Strategic Research Center



Institutional Reform of the Government



State Administration of Work Safety (SAWS) & State Administration of Coal Mine Safety

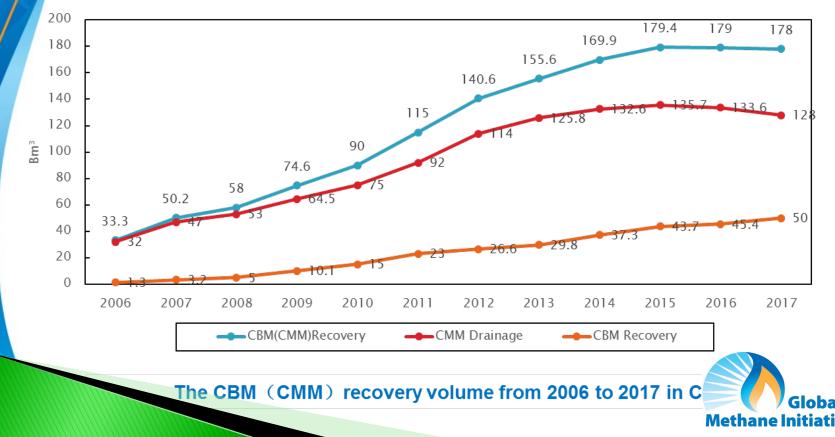


Methane Initiative



CBM/CMM recovered

CBM/CMM recovery was 17.8 Bm³ in 2017, increased by 26% compared with that in 2012, CMM recovery dropped lightly along with decreasing coal output in recent 2 years.





Incentives

- 3 billion RMB National Debt Fund for coal mine safety, in particular for projects of CMM recovery.
- Refund VAT on CBM/CMM sale to operators .
- Subsidies: 0.3 RMB/m³ from Central Government for CBM/CMM recovery, and additional subsidies from local governments in some provinces.
- **Major invent:** 15th Meeting of the Inter-ministerial Coordination Leading Group of Coal Mine Gas Control, chaired by NDRC in Feb. 2018
 - Improving gas recovery and achieving the goal of zero gas accident/at coal mines by 2035.
 - Increasing CBM/CMM utilization to 20 Bm³ by 2022. (4.9 Bm³ of CMM and 4.4 Bm³ of CBM in 2017)

Specific CMM project

CMM power plant at Jinjiazhuang Coal Mine, Liulin County, Shanxi Installed capacity of 50 MW with14 sets of gas engines Jenbach in 620 (

Potential for AMM Utilization

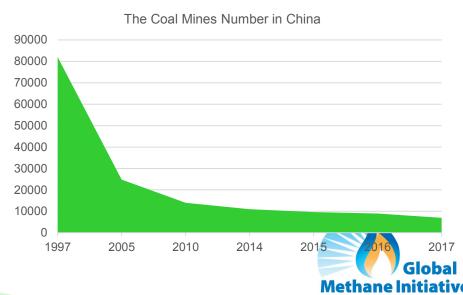


A large number of coal mines have been closed over last 12 years.
Planed to close down 4000 small coal mines and 300 large mines with cal reserve exhausted in coming 3
o 5 years, eliminating total annual output capacity of 500 million tones

of coal

Offer more opportunities for AMM recovery and utilization

- 24,800 coal mines in 2005
- 14,000 coal mines in 2010
- 9,624 coal mines in 2015
- 9,000 coal mines in 2016
- 7,000 Coal mines in 2018





Thank you for your kind attention

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