



EURACOAL Market Report 2025 no. 2

October 2025

WORLD COAL MARKET DEVELOPMENTS

In recent years, the post-Covid economic recovery and high natural gas prices drove a sharp rise in global coal demand – a trend which has now reversed. According to the IEA [Coal Mid-Year Update 2025](#), global coal demand in the first half of 2025 is estimated to have decreased slightly, by less than 1%. Coal producers met this demand with strong output in China, India and Indonesia. Forecast global coal production for the full year shows little or no growth compared with 2024, so is likely to be around 9.2 billion tonnes (Gt).

In the first half of 2025, global steam coal trade weakened by 6.6% year-on-year as demand from China and India fell due to strong domestic coal production and growing electricity supply from nuclear power plants and renewable energy sources. On the supply side, uncertainty over a floor price regulation reduced Indonesia's exports while South African coal production grew allowing a modest 0.6% increase in exports to 35.8 million tonnes (Mt) – see Table 2. Colombia experienced the greatest relative fall in export volumes: down 24.3% to 23.3 Mt in H1 2025 with both Drummond and Glencore announcing production cuts due to the political situation and an unfavourable market.

Global coking coal trade fell in H1 2025 by an estimated 5.2% to 162.3 Mt compared with H1 2024 (Table 3), reflecting a 2.3% fall in crude steel output over the same period (see Table 4 for European output). Although India increased steel production, its coking coal imports fell. Australian coking coal exports were disrupted by mine accidents and adverse weather, losing 6.1 Mt or 8.0%.

China

In China, weak electricity demand growth in H1 2025 (+0.8% to 4 537.1 TWh compared with H1 2024) and increased output from nuclear and renewables saw the predominantly coal-fired thermal power generation sector decline by 2.4%, although coal's use for fuels, chemicals and plastics production increased (see box below). According to data from the National Bureau of Statistics of China (NBS), the country's coal production in the first half of 2025 was 2 404.6 Mt, a 5.4% year-on-year increase (*n.b.* production in Shanxi province was curtailed in H1 2024). Despite efforts to reduce overproduction – the National Energy Administration announced further measures in July 2025 to curtail production – China is expected to continue to produce at high levels as indigenous steam coal production is crucial for energy security. In July 2025, China produced 381.0 Mt (–3.8% year-on-year), with three provinces accounting for nearly 72% of the country's total coal production: Shanxi (107.0 Mt), Inner Mongolia (99.9 Mt) and Shaanxi (66.4 Mt).

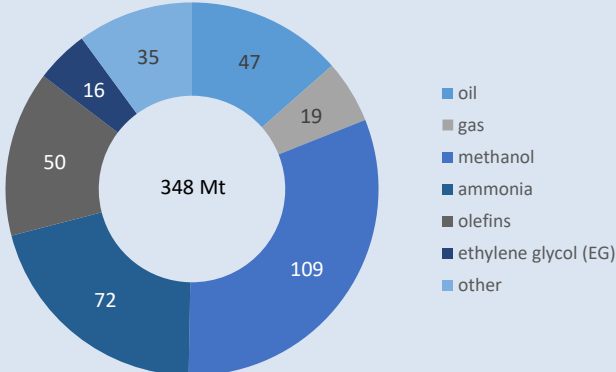
The oversupply of coal – domestic production and imports – pushed coal stocks in China to a record 600 Mt in 2024 (see Box 1 in [EURACOAL Market Report 2024 no. 2](#)) so coal imports fell back in 2025. According to the General Administration of Customs China (GACC), from January to June, China imported 221.7 Mt of coal, including 168.9 Mt of steam coal, an 11.0% year-on-year decline. Indonesia accounted for over half of steam coal imports into China. Coking coal imports fell 7.4% to 52.8 Mt in H1 2025 compared with H1 2024 as domestic production rose slightly. This hurt Mongolia which exports coal exclusively to China: its coking coal exports fell by 15.9% in H1 2025 to 24.8 Mt.

In its recommendations on the country’s 15th Five-Year Plan, adopted on 23 October 2025, the 20th Central Committee of the Communist Party of China states that it would be prudent to work toward peaking carbon emissions through energy conservation measures and to “work toward reaching peak consumption of coal and oil”. Current policy aims at peak carbon emissions before 2030 and achieving carbon neutrality by 2060.

Box 1 – Coal-to-X for fuels, chemicals and plastics in China

For energy security reasons, the Chinese government has given strong policy support to coal-to-X projects that produce a range of fuels and chemicals: oil, gas, methanol, ammonia, olefins and ethylene glycol (EG). For example, on 15 July 2025, the government announced several initiatives including ammonia co-firing at coal plants to reduce CO₂ emissions. Over half of China’s plastics production uses precursors from coal-to-X. Coal companies themselves seek such business opportunities as coal use declines for conventional thermal power generation and traditional industrial processes. At the same time, local governments are attracted by the large capital investments required for coal-to-X plants, creating employment and new tax revenues. These are especially important considerations in Inner Mongolia and Xinjiang where coal resources could otherwise become stranded.

Coal use for fuels and chemicals in China, 2024



Source: SIA Energy

Unfortunately, and taken together, the large capex requirements for coal-to-X plants, an oversupplied commodity market, and environmental concerns such as high water use, mean that coal conversion faces headwinds. If oil prices are below US\$ 70/bbl, oil from coal is uncompetitive and the same is true for synthetic natural gas (SNG) if the Japan-Korea marker price for gas is below US\$ 12/mmBtu, which it is today. Overcapacity in China’s conventional petrochemical industry means that one third of companies are loss-making, leaving little incentive for new entrants.

India

Power generation in India declined by 2.0% in H1 2025 according to data from the Central Electricity Authority, with thermal generation down 4.0% balanced by good output from nuclear and hydro plants and more renewables. On the other hand, industrial coal demand is estimated to have risen by 6%. According to data from the Indian Ministry of Coal, coal production grew by 1.4% to 568.6 Mt in H1 2025 with Coal India Ltd. performing well, as well as the captive and private mines. This total includes 35.1 Mt of coking coal and 22.5 Mt of lignite. India is the world’s second largest steam coal importer: from January to June 2025, imports were 85.2 Mt, a 3.6% year-on-year drop.

Coking coal demand was strong from the Indian steel sector, in line with the country’s crude steel production which grew 9.2% in H1 2025 and making India the only major producer to see any significant growth. However, at 30.9 Mt India imported 1.3% less coking coal in H1 2025 than in the first half of 2024. Looking ahead, even if Coal India Ltd. raises indigenous coking coal production as planned, all forecasts show a growing import demand.

United States

In the US, coal demand increased by an estimated 12% in the first half of 2025 and could reach 400 Mt for the full year. On 8 April 2025, US President Donald J. Trump issued an Executive Order [*Reinvigorating America's Beautiful Clean Coal Industry*](#) with measures to support the US coal sector (and amend Executive Order 14241). These include coal mining on Federal lands, rescinding policies or regulations that discourage coal use and coal-related investments, designating coal a critical raw material for steelmaking (as it is in the EU), promotion of coal exports, and identifying where coal plants can be used to power datacentres. Given the wide scope of this order, it is expected that many coal power plants will eventually be able to run at higher load factors. To help coal producers specifically, the One Big Beautiful Bill Act, which was signed into law on 4 July 2025 after it narrowly passed in Congress, includes a production tax credit of 2.5% for coking coal and lowers the Federal royalty rate for surface mined coal from 12.5% to 7% until 2034.

Against the backdrop of such a positive policy environment, US coal output rose by 8.1% in the first half of 2025 to 243.2 Mt compared with H1 2024, but coal exports fell 11.0% to 42.4 Mt (21.0 Mt of steam coal plus 21.4 Mt of coking coal) as high-cost US coal became less attractive on the international market.

Europe

In Europe, the largest coal producer is Germany followed by Türkiye which produced 28.7 Mt (-9.0%) of lignite in H1 2025 plus a small amount of hard coal (0.5 Mt) in Zonguldak Province. EU coal supply – production plus imports – grew by 1.5% in the first half of 2025 with strong demand driven by the electricity sector where low wind and hydro output coupled with higher fossil gas prices favoured coal. The blackout on the Iberian Peninsula on 28 April 2025, although significant, had little consequence for coal demand: there are no coal-fired power plants in Spain or Portugal, although Spain does import electricity from Morocco where over one half of generation comes from coal power plants (62% in 2023 and 55% in 2024).

EU coking coal imports declined 7.9% to 14.6 Mt in H1 2025 against weak demand and competition from Chinese steel imports. The introduction of the Carbon Border Adjustment Mechanism (CBAM) by the EU in 2026 is expected to help the competitive position of low-carbon steel production using electric-arc furnaces (EAF) and direct reduced iron (DRI) such as at ArcelorMittal's Fos-sur-Mer steelworks near Marseille in France.

Indonesia

Most major coal exporters have seen tonnages fall and prices weaken on low demand. Exports from Indonesia, the world's largest coal exporter, fell by 25 Mt to 245.0 Mt in H1 2025, 9.3% lower than in the first half of 2024. Even though local demand remains strong, notably for power generation and smelting, coal production in Indonesia fell by an estimated 8% to 357.6 Mt in H1 2025 according to the Indonesian Ministry of Energy and Mineral Resources. Since 1 March 2025, any Indonesian exporter selling at a price below the domestic benchmark price must pay the shortfall in royalties and taxes – a confusing floor price regulation that clearly tempered trade and which was abandoned in August 2025.

Australia

Incidents at two coking coal mines – Moranbah North in Queensland and Appin in New South Wales – as well as bad weather and low prices meant Australian coal exports fell in H1 2025. Steam coal exports were down by 4.2 Mt or 4.2% to 94.2 Mt while coking coal exports fell by 6.1 Mt or 8.0% to 69.8 Mt. The largest mining companies – BHP and Anglo American – laid off workers in Queensland which accounts for around 90% of Australia's coking coal exports. Nevertheless, overall coal export volumes are expected to improve in H2 2025 as vessel queues at Newcastle port are cleared.

Russia

As sanctions bit and low coal prices prevailed, at least for steam coal, Russian coal exports fell by 3.5% to an estimated 87.8 Mt in H1 2025, comprising 64.1 Mt (-7.7%) of steam coal and 23.7 Mt (+10.2%) of coking coal. Even so, Russian coal still reaches China, India, Türkiye, South Korea and Taiwan. Although the Russian government announced support for coal mines, low prices, exchange rates, rail freight costs and sanctions all place a heavy burden on the industry. In 2024, many Russian coal mining companies reported losses; the coal mining industry as a whole lost 113 billion roubles (US\$1.4 billion) in 2024 and losses continued to grow in 2025. According to a report in the Moscow Times that cites Deputy Energy Minister Dmitry Islamov, 51 of the country's 179 coal companies face bankruptcy – a situation that only worsened in 2025 when, according to the Federal State Statistics Service, companies lost 225 billion roubles (US\$2.8 billion) in the first seven months. To support the sector, the government launched a rescue scheme in May 2025 with rail freight subsidies, deferred taxes, and loan repayment holidays. Despite this bleak picture, a new Russian energy strategy to 2050 was approved in April 2025 which targets coal exports of 244-267 Mtpa by 2030 and 295-350 Mtpa by 2050, depending on the level of investment.

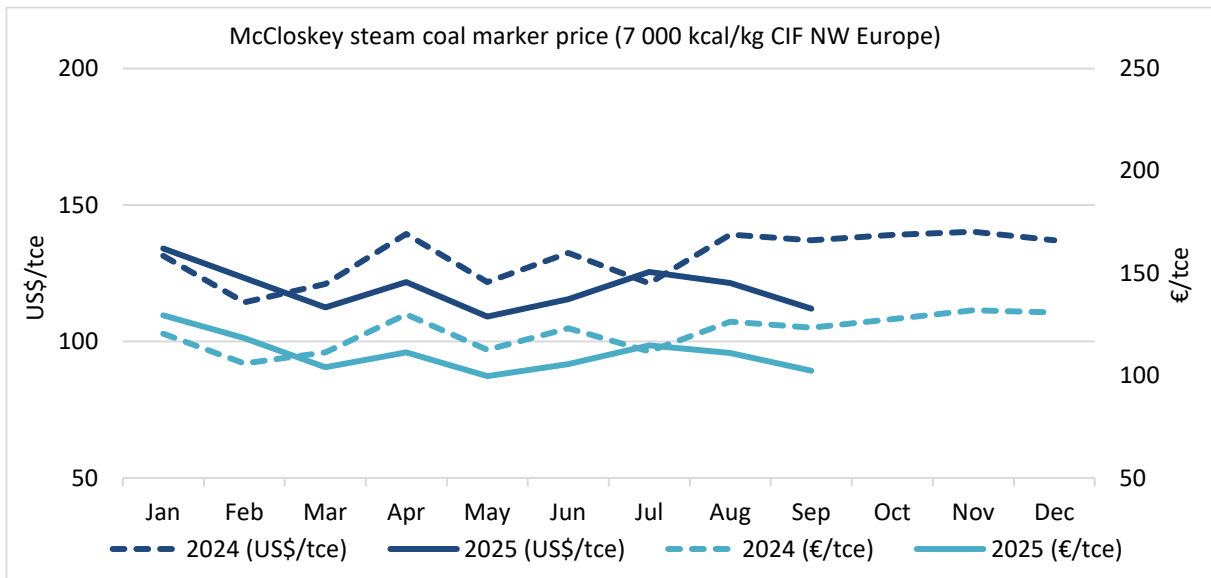
Box 2 – EU sanctions against Russia

In February 2025, as part of its 16th package of EU sanctions against Russia, the European Union imposed a ban on any transactions with several Russian ports and locks, including the seaports of Ust-Luga and Primorsk on the Baltic Sea and Novorossiysk on the Black Sea. This threatened the exports of Kazakh coal to European countries and beyond. For example, the port of Ust-Luga has historically been used as a key transit point for Kazakh coal to EU member states. To resolve this situation, the Kazakh government, working through the Mission of the Republic of Kazakhstan to the EU, requested the European Commission make relevant changes to the EU sanctions regime. Following negotiations held within the framework of the 18th package of sanctions, the EU made amendments at the end of March 2025 that provide certain exceptions to the ban on Russian ports. The EU, considering the negative impact on legitimate trade and the impact on energy security of third countries, decided to allow EU operators to transport Russian coal to third countries. Moreover, coal originating in a third country such as Kazakhstan is not subject to any restriction and can therefore be imported into the Union or transhipped to a third country. Kazakhstan produced 108.5 Mt of coal in 2024 and exported 31.2 Mt, mostly to Russia and other CIS countries as well as to China, but with significant volumes entering the EU via Russian railways.

Coal Prices

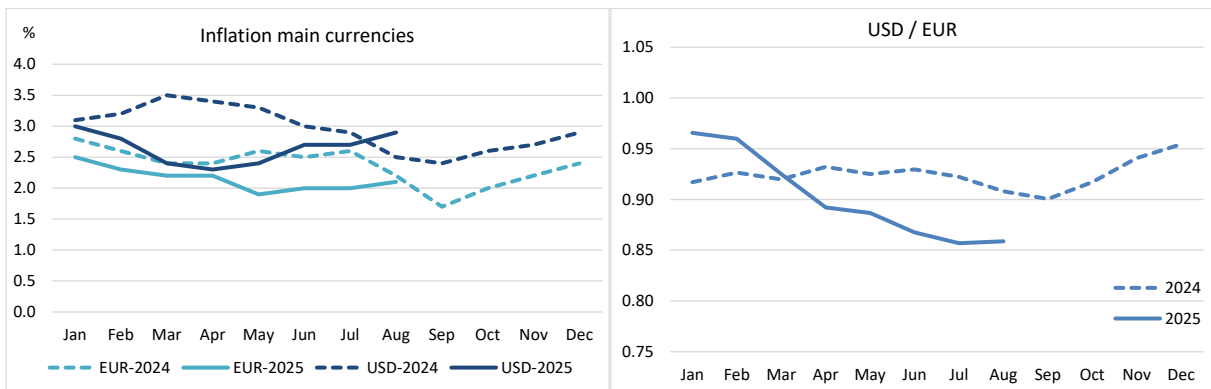
In H1 2025, coal markets were more stable than in recent years with less price volatility. Steam coal prices fell due to ongoing surpluses in China; prices across all major regions fell below US\$100/t. API 2 spot prices on a cost, insurance and freight (CIF) basis for coal deliveries to the ports of Amsterdam, Rotterdam and Antwerp (ARA) in Northwest Europe returned to pre-crisis levels: weekly ARA CIF steam coal prices fluctuated in the 93.5-114.9 US\$/t range, ticking up mid-year, with an average of 101.5 US\$/t or 6.6% lower than H1 2024. This weakening of European spot prices reflected falling natural gas prices in Europe, falling electricity prices in Germany, and negative clean-dark spreads for German coal-fired power generation. Against this backdrop of declining prices, Russian coal exporters struggled to offer the large discounts that had attracted new buyers in 2022 especially. South African spot prices for steam coal exhibited a similar downward trend given weak demand from traditional Asian buyers, notably India, the relatively high supply of coal to the Richards Bay Coal Terminal (RBCT), and the falling prices of coal from alternative sources.

As global seaborne demand for steam coal trends downwards, and supply remains relatively constant, the Australian government's *Resources and Energy Quarterly* forecasts spot steam coal prices will fall from 121 US\$/t (FOB Newcastle) in 2025 to 111 US\$/t in 2027 and to then remain broadly stable in real terms at around current levels as supply falls as fast as demand (real prices expressed in 2025 US\$).

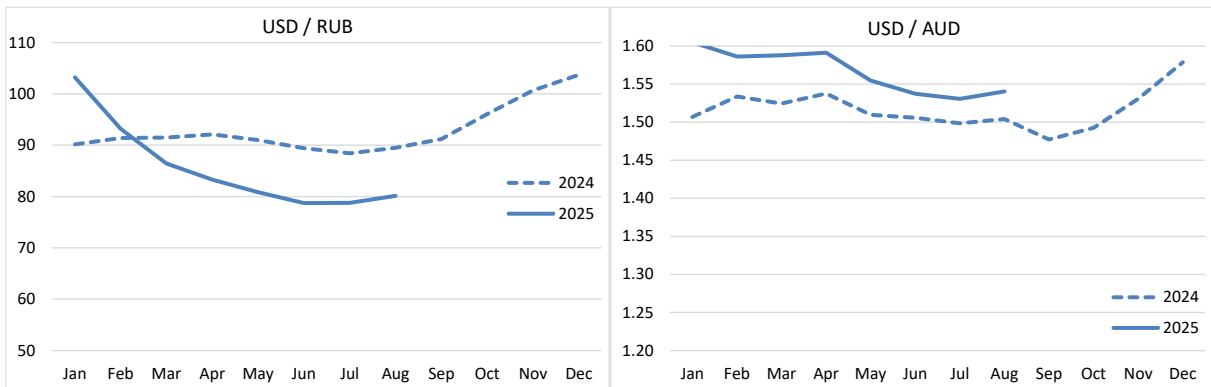


Source: ICE Futures Europe – API2 Rotterdam Coal Futures first weekly quotation of the month (basis 6 000 kcal/kg converted to 7 000 kcal/kg)

The coking coal market experienced a moderate decline in prices to below US\$200/t during H1 2025. Adverse weather and port queues in Queensland constrained Australian exports, while demand from Asian steelmakers failed to put any upward pressure on prices. At the end of H1 2025, the weekly FOB price for Australian low-volatile premium hard coking coal was US\$184/t with a pessimistic short-term outlook given the oversupplied steel market. The Australian government forecasts prices to remain around 185 US\$/t from 2025 through to 2027 in real terms, before rising towards 200 US\$/t by 2030, without ever returning to the exceptionally high prices seen in 2022 and 2023.



Sources for inflation: ECB; US Bureau of Labor Statistics



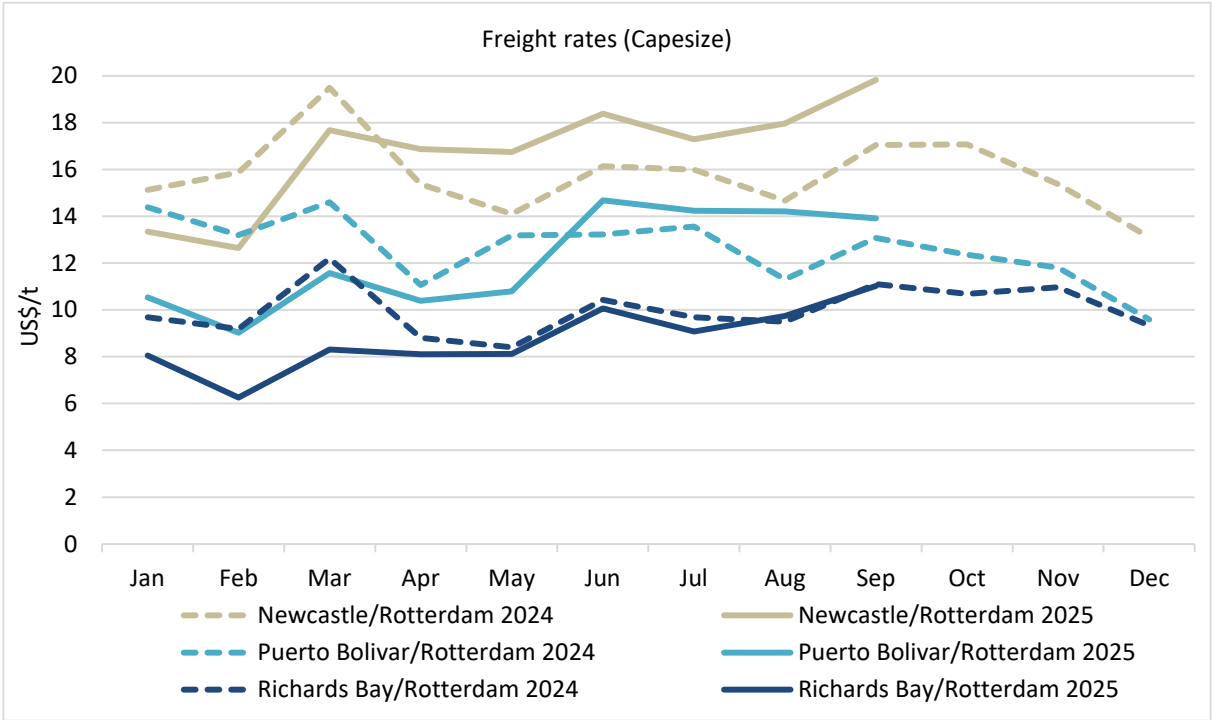
Sources for exchange rates: ECB, BoE and OECD

Price forecasts depend partly on inflation rates: the US consumer prices index (CPI) fell from 3% in H1 2025 to below 2.5% before rising back. In the EU, the annual inflation rate was 50 to 100 basis

points lower, ending the half year at around 2% (Table 1 and chart below). Coal is traded in US dollars which weakened in H1 2025 thus favouring coal importers, notably in Poland where economic growth has seen the złoty strengthen also against the euro since 2022.

Freight Rates

In H1 2025, shipping rates averaged 11.17 US\$/t and 8.14 US\$/t respectively on the Bolivar-Rotterdam and Richards Bay-Rotterdam routes of interest to European steam coal buyers. European importers of coking coal from Australia paid higher shipping costs, averaging 15.95 US\$/t over the half year. Shipping rates have stayed high due to congestion at Australian ports and ongoing attacks on ships headed to the Suez Canal – meaning longer journeys around the Cape of Good Hope.



Sources: Argus Media group and Clarksons (monthly averages from daily and weekly data)

EU COAL MARKET¹

	2025 (1-6) Mt	2024 (1-6) Mt
Hard coal imports	33.1	32.0
Hard coal production	21.0	22.2
Lignite production	94.4e	92.0

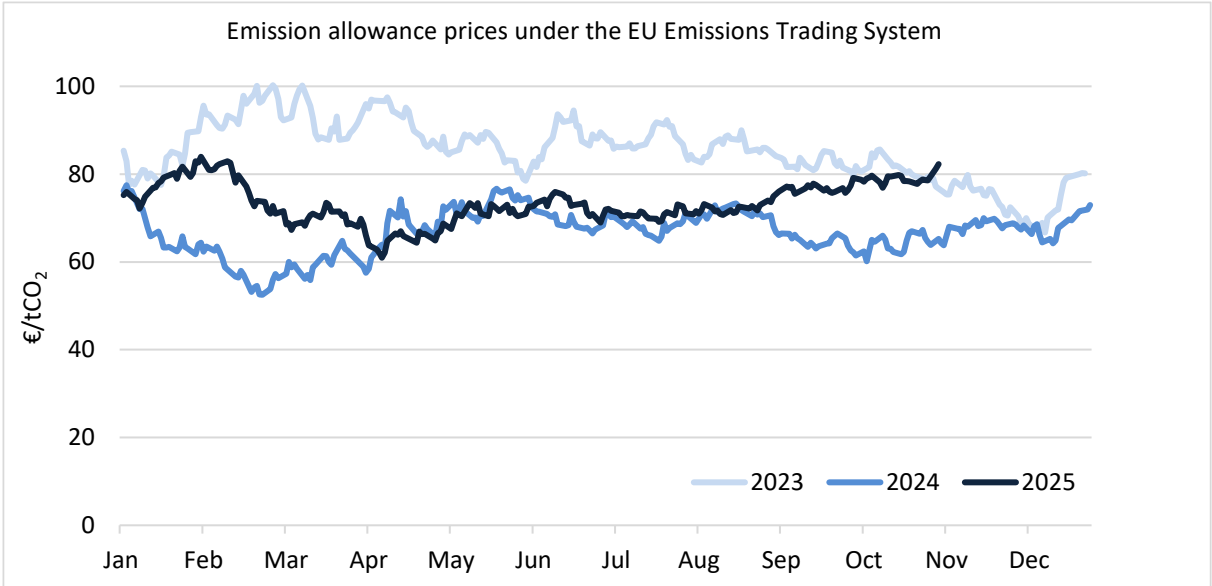
Hard coal imports into the EU, at 33.1 Mt in in H1 2025, were up by 3.2% compared with H1 2024, reversing a downward trend that had begun in H2 2023. The Netherlands saw the largest absolute increase of 1.3 Mt to 3.7 Mt, followed by Germany with 0.7 Mt to 12.6 Mt. Germany is by far the EU’s largest coal importer, but Türkiye is Europe’s largest with 19.6 Mt in H1 2025, a year-on-year increase of 9.7%.

¹ All European coal production and trade data come from EURACOAL members or government sources.

EU hard coal production fell by 5.4% in H1 2025 to 21.0 Mt compared with H1 2024 with most of this accounted for by Poland where production fell by 1.2 Mt or 5.4%. EU lignite production rose by 2.6% to an estimated 94.4 Mt with large increases in Bulgaria (+3.7 Mt) and Czechia (+1.3 Mt) countered by small declines elsewhere. Greece may end lignite production as soon as 2026.

Carbon Prices

In H1 2025, EU Emissions Trading System (ETS) allowance (EUA) prices averaged 72.55 €/tCO₂e, ranging from a high of 83.93 €/tCO₂e at the end of January to a low of 60.94 €/tCO₂e in mid-April and ending the half year at 69.97 €/tCO₂e. Allowance prices were 10% higher than in H1 2024 thus disadvantaging coal in favour of fossil gas-fired power generation. With carbon costs under the EU ETS now being more than half of operating costs, lignite-fired plants in Bulgaria and Romania have been rendered uneconomic and rely on some form of state aid to continue operating.



Source: Intercontinental Exchange

Hard Coal

Producer	2025 (1-6) Mt	2024 (1-6) Mt
Czechia	0.6	0.7
Poland	20.4	21.6
EU total	21.0	22.2

Czech Republic

In H1 2025, Czech hard coal production fell by 6.8% to 614 thousand tonnes (kt) compared with H1 2024: 415 kt of coking coal and 200 kt of steam coal. This all came from OKD’s ČSM Mine in North Moravia. Owned since 2018 by Prisko, a state-owned enterprise, OKD plans to mine the last seams in Q1 2026 after several postponements of this final end date for hard coal mining in the Czech Republic. The company will then carry out reclamation works at its own cost and continue certain fuel sales. In H1 2025, 350 kt (+37%) of hard coal were consumed for power generation.

Ireland

Ireland imported just 41 thousand tonnes of coal in H1 2025 – far below the c.3 Mtpa of the 1990s and 2000s. As recently as 2021, Ireland imported 1.6 Mt of coal. After Ireland ceased buying Russian coal, imports have come principally from the Cerrejón mine in Colombia.

In June 2025, the 915 MW Moneypoint coal-fired power plant on the West coast of Ireland ceased burning coal a few months earlier than planned. The plant's owner, Electricity Supply Board (ESB) is now progressing works to convert the power plant from coal to heavy fuel oil (HFO), having obtained planning consent in September 2024. It is interesting to note that Moneypoint was built in the 1980s so that Ireland could reduce its dependence on oil for power generation!

As an out-of-market generator of last resort under instruction from EirGrid, the oil-fired Moneypoint will not be active in the wholesale electricity market but will be available to operate as a backup plant, covering any power supply shortages. It is expected to operate in this way until 2029.

Poland

In H1 2025, Polish hard coal production fell by 5.4% to 20.4 Mt compared with the first half of 2024. This production comprised 14.6 Mt of steam coal (-9.8%) and 5.8 Mt of coking coal (+7.7%). Production in July was 3.6 Mt, so above the average for the first half year. However, coal sales were below production in every month since January 2025. This overproduction meant coal stocks reached 5.30 Mt in June (and 5.65 Mt in July). Employment numbers in the Polish coal sector have declined steadily during 2024 and 2025, reaching 72 546 at the end of H1 2025.

Coal imports into Poland totalled 3.1 Mt for the January to June period of 2025, a 9.8% fall compared with the same period of 2024. Steam coal accounted for 2.5 Mt of these imports with the remainder being coking coal (0.6 Mt). Imports came predominantly from Kazakhstan (shipped by rail via Russia), Colombia and the US, with small volumes from Czechia and Canada. Coal exports for H1 2025 totalled 2.2 Mt comprising 1.6 Mt of coking coal and 0.6 Mt of steam coal.

The Netherlands

Coal imports into the Netherlands and for use in the Netherlands totalled 3.7 Mt in the first half of 2025: 1.9 Mt of steam coal and 1.8 Mt of coking coal. Additional coal imports were transhipped via Dutch ports to other EU member states. Coking coal is used in the Tata Steel IJmuiden steelworks at Velsen-Noord which has a steel production capacity of 7 Mtpa. Plans to convert this steelworks to fossil gas (with CCS), hydrogen or biomethane would see emissions reduce from the coking ovens on the site. The huge cost of between €4 billion and €6.5 billion would require state support.

According to Statistics Netherlands (CBS), Dutch electricity production in Q1 2025 reached a record level to meet growing demand from datacentres and electric cars. In the first half of 2025, electricity production was 64 TWh, 7% more than in the previous year. Power generation from fossil fuels increased, notably from coal which grew 72% to 6.8 TWh compared with H1 2024 as renewables output fell due to lower wind.

Lignite

Producer	2025 (1-6) Mt	2024 (1-6) Mt
Bulgaria	9.1	5.4
Czechia	12.5	11.2
Germany	42.8	43.8
Greece	3.0e	2.8
Hungary	1.1	1.9
Poland	19.0	19.8
Romania	5.9	6.1
Slovakia	0.0	0.0
Slovenia	0.9	1.0
Total	94.4e	92.0

Bulgaria

Mini Maritsa Iztok EAD (MMI) operates power plants fuelled with lignite from mines having an annual output capacity of 35 Mtpa. In 2024, after a disastrous first half year when output fell 51.6%, Bulgaria's lignite output recovered to reach 15.0 Mt for the full year, 28.5% lower than in 2023. The first six months of 2025 saw production maintained at 9.1 Mt or 69.7% above the disastrous H1 2024.

High EU ETS allowance prices made lignite-fired generation generally uneconomic in Bulgaria, despite the need for reliable plants to balance a growing share of intermittent renewables. However, the 690 MW AES Maritsa Iztok 1 (a.k.a. Maritsa East 1) lignite-fired power plant at Galabovo, which was commissioned in 2011, continues to run at record output. Its 15-year power purchase agreement (PPA) with the National Electricity Company (NEK) will expire in May 2026 and owner AES Bulgaria is interested in replacing one of the plant's two boilers with a molten salt reactor to store excess renewable energy from the power grid as heat which would then be used as required to raise steam for the turbogenerator. The high volatility of electricity prices, even short periods of negative prices, creates arbitrage opportunities for such energy storage projects. The other unit at AES Maritsa Iztok 1 might be converted to burn pelletised biomass fuel. Another major energy project that is progressing in Bulgaria is the "Kozloduy" NPP units 7 & 8 using Westinghouse AP1000 technology with commissioning by 2033. Financing was announced in July 2025, and a final investment decision is expected in 2026.

Czech Republic

Lignite production in the Czech Republic increased by 11.6% to 12.5 Mt in H1 2025. As 2025 is forecast to be colder on average than the previous year, lignite production for the full year is likely to remain higher than in 2024. Reclamation projects are progressing at the former brown coal mines Lom ČSA and Medard-Libík, as do development projects supported by the Just Transition Fund. A coal phase-out timeline in the national strategy targets 2033, although debate over partial reserve capacity beyond that date continues. A decision could come from the new government following the Czech parliamentary elections held on 3/4 October 2025.

Coal imports grew by 4.1% to 1.52 Mt, comprising 0.92 Mt of coking coal and 0.60 Mt of steam coal, mostly from Poland. Coal exports fell by 13% to 0.55 Mt with Ukraine being the most important destination, followed by Slovakia and Serbia.

Overall electricity generation in the Czech Republic increased by 7% in H1 2025 to 38.8 TWh compared with H1 2024. Lignite-fired generation rose by around 9% to 13.03 TWh, and hard coal generation jumped 37% to 0.77 TWh. Coal-fired power plants continue to operate under regulated reserve conditions; the Energy Regulatory Office (ERO) may agree to such operation for grid security reasons under a ČEPS (the Czech TSO) mechanism. Beyond that, rising EU carbon prices (>€70/tCO₂) limit profitability, so operators focus on flexibility and ancillary services.

Fossil gas-fired electricity generation surged by roughly 31% to 2.14 TWh, helping to fill the gap left by weaker hydro and wind output. Oil made a negligible contribution while nuclear power remained the backbone of Czech power generation, expanding by around 6% to 15.46 TWh in H1 2025 to provide 40% of total generation. Westinghouse fuel at both Temelín NPP and Dukovany NPP means an end to the past dependence on Russian TVEL supplies. Renewables had mixed results: hydropower output fell by around 28% to 1.40 TWh amid drought conditions, and wind power declined by about 11% to 0.34 TWh due to low wind speeds. In contrast, solar generation jumped 26% to 2.32 TWh as PV capacity grew by >1 GW to around 5 GW (+30% year-on-year). The Lex OZE III came into force in May 2025 which will streamline permitting and grid connections for solar and wind projects – there is a >400 MW pipeline of onshore wind projects announced by ČEZ and EP Power Europe in the Ústí and Karlovy Vary regions.

Long-term LNG contracts have been secured at Eemshaven in the Netherlands until 2027 and at Stade in Germany from 2027 onwards. The gas-to-power transition law (“Lex Gas”) was passed in April 2025 which will enable >100 MW of gas plants to replace coal capacity from 2030.

Looking to the future, an EPC contract with Korea Hydro & Nuclear Power (KHNP) was expected to be finalised in Q4 2025 for the Dukovany 5 NPP which would allow construction to start in 2029. For the Temelín 7 & 8 blocks, feasibility studies are underway, and the government is evaluating the option of using the same KHNP design. Meanwhile, the small modular reactor (SMR) programme is advancing with Rolls Royce based on multiple 200-300 MW units: ČEZ has completed a pre-feasibility study for the Temelín and other sites, and a roll-out roadmap to 2035 has been prepared under inter-ministerial co-ordination. A new National Energy and Climate Plan (NECP) confirms the share of nuclear in total power generation will rise to around 45% by 2035 as coal plants retire. A legislative support package (“Lex Atom”) is in preparation covering streamlined licensing, contract-for-difference (CfD) financing, and reform of the nuclear waste fund.

Germany

In Germany, primary energy consumption rose by 2.3% in H1 2025 because of colder weather, a return to economic growth and high fossil fuel use for power generation. Gas consumption grew by 4.7% while coal use remained flat (+0.1%) and lignite consumption fell by 1.4%. Coal imports grew by 6.2% to 12.6 Mt, comprising 7.5 Mt of steam coal and 5.1 Mt of coking coal.

Lignite production was strong in the first four months of 2025 – thanks to colder weather and less favourable conditions for renewable power generation – but then fell below the levels seen in 2024 as solar PV grew. For January to June 2025, lignite extraction totalled 42.8 Mt, a 2.3% fall compared with the same period of 2024. Production in Central Germany grew strongly while declines were recorded in Lusatia, and in Rhineland where RWE continues to operate twenty power generation units. Overall, 38.5 Mt were delivered to power plants (–0.6%) while around 2 Mt were delivered as industrial products (briquettes, pulverised coal, fluidised-bed coal, and coke). Following federal elections on 23 February 2025, the new government – a coalition of CDU/CSU and SPD – reaffirmed its commitment to phase out lignite-fired power generation by 2038 at the latest. The timeline for plant closures depends on how quickly new gas-fired power plants can be built – an issue that will be addressed in the outstanding reports required under the Act to Reduce and End Coal-Fired Power Generation (KVBG – *Gesetz zur Reduzierung und zur Beendigung der Kohleverstromung*).

In the electricity generation mix for H1 2025, lignite (38 TWh or 15.2%) and coal (6.5%), together with fossil gas (17.7%), accounted for almost 40% of the total, with renewable sources accounting for over one half. Wholesale electricity day-ahead prices have exhibited much volatility in recent years: averaging 78.51 €/MWh in 2024 and a similar level in summer 2025 after much higher winter prices of over 100 €/MWh driven by high gas prices.

A recent report by the Federal Network Agency (BNetzA) concludes that 22.4 GW or even 35.5 GW of dispatchable capacity would be needed by 2035 to safeguard Germany’s power supply. While LNG import capacity is already sufficient, incentives will be needed to expand gas-fired generation capacity. An increase of system flexibility is critical for managing the variable supply from wind and solar sources effectively – sources which will continue to expand in order to reach Germany’s energy transition goals. To support this expansion and ensure reliability, the electricity grid will also need to be quickly expanded.

Greece

Lignite output in Greece declined by 39.7% in 2024 to 6.3 Mt and, at around 3.0 Mt, production remained at a similar level in H1 2025. Power generation from lignite fell 5.5% to 1.4 TWh to take a 6.0% share in the first half year – a fraction of a decade ago when lignite-fired power generation (8.6 TWh in H1 2015) accounted for half of total Greek electricity generation.

The current targets are to end Greek lignite production in 2026 and to reclaim all mining areas by 2030-2032. The Public Power Corporation (PPC) closed its 300 MW Megalopoli IV plant at the end of 2024 while its 330 MW Florina (Meliti) plant continued operation in H1 2025. The planned conversion to gas-firing of Greece's only other lignite-fired power plant, the 660 MW Ptolemais V commissioned in 2023, may proceed in stages: first a 350 MW open cycle gas-fired turbine, with the possibility of upgrading this to a 500 MW combined cycle unit, followed later by a 1 000 MW upgrade.

Hungary

Lignite is used mostly for power generation at the 880 MW Mátrai Erömü power plant owned by MVM Máttra Energia Zrt. In H1 2025, 1.1 Mt of lignite was mined, 42.1% less than in the first six months of 2024. However, the role of lignite has changed radically over the past decade: in H1 2015, lignite-fired generation accounted for 21.0% of Hungary's total, in H1 2025, it was just 0.64 TWh or 3.7% of the 17.1 TWh total generation, with nuclear power accounting for 45.3%.

The Mátrai Erömü power plant is expected to retire by 2029 – four years later than previously planned due to energy security concerns. A replacement 650 MW gas-fired CCGT should be operational in the late 2020s. A contract for its construction was signed in March 2025 with the Hungarian companies Status KPRIA and West Hungária Bau, alongside Egypt-based Elsewedy Electric. The Mátrai Erömü plant may continue operating with only one unit until the new, hydrogen-ready gas-fired unit is commissioned. As the operator, MVM currently co-fires RDF/biomass (c.400 ktpa) and has received permits for a new 38-45 MW RDF/biomass-fired unit. MVM also plans to construct a 200 MW solar PV park on recultivated mining areas.

Poland

Polish lignite production fell from 19.8 Mt in the first half of 2024 to 19.0 Mt in the first half of 2025, a reduction of 4.3%. Most of this production came from mines owned by PGE GiEK S.A., namely Bełchatów in central Poland and Turów on the border with Czechia and Germany. Lignite deliveries for power generation fell even more, by 5.8% to 18.7 Mt.

On the sources of electricity generation in the first six months of 2025, data reported by the Polish Energy Market Agency (Agencja Rynku Energii S.A.) show the continued strong growth of renewable generation (28.5 TWh or +5.8% compared with January to June 2024) and gas-fired generation (8.2 TWh or +45.5%) while generation from coal (28.7 TWh or -1.5%) and lignite (20.3 TWh or -3.5%) both fell. Overall gross power generation grew by 3.4% to 87.8 TWh.

Romania

In H1 2025, Romania mined 5.9 Mt of lignite, 2.5% less than in H1 2024. A further 66 thousand tonnes of coal were imported. The state-owned Complexul Energetic Oltenia (CEO) operates the country's lignite mines and power plants. It has partnered with three private companies – OMV Petrom, Tinmar Energy and the aluminium company Alro S.A. – to build solar PV parks and gas-fired power plants to replace its lignite assets. State aid for this structural change and decarbonisation plan was granted by the European Commission in January 2022, but progress with the new projects has been slower than expected. A five-year extension to the coal phase out in the National Recovery and Resilience Plan is now requested, to give time for new offshore gas projects to come online and new gas-fired power plants to be commissioned. For example, in central Romania at Minitia, Mass Group Holding is building a 1 700 MW gas-fired CCGT power plant that will replace old lignite units. Meanwhile, CEO will establish a legally separate lignite subsidiary with ownership of the lignite mines and power plants.

Slovakia

Coal mining in Slovakia ceased at the end of 2023. The shaft at Nováky mine has been backfilled and reclamation works continue. On the electricity market, 60% of power is generated from nuclear and 25% from renewables, mostly hydro with 3.5% from biomass and biogas. Reflecting long-standing public opinion, campaigns by green NGOs, and local opposition, there are only three wind turbines in Slovakia. At around 100 €/MWh for gas and 150 €/MWh for electricity, wholesale energy prices are similar to neighbouring countries. Generation growth comes from new CHP plants, typically of around 1-2 MW_e capacity (plus 3-4 MW_{th}), whereas waste-to-energy plants face much opposition from green NGOs.

District heating plants have largely been converted to fossil gas and woodchips – only one large coal plant remains at Žilina using brown coal from Czechia or Poland. In addition, around 1-2 Mtpa of imported hard coal from Poland and Colombia are used at the Košice steelworks and at Slovakia's cement works: Cemmac at Horné Srnie, Považská Cementáreň in Ladce, and a plant in Rohožník.

The Slovakian government considers the construction of two new >500 MW nuclear blocks at Jaslovské Bohunice – the site of Slovakia's oldest nuclear power station – with Westinghouse the likely EPC prime contractor. Meanwhile, the new 440 MW Mochovce 4 block will soon begin supplying the grid. A fuel supply agreement with the Canadian company Cameco was signed in September 2025 to reduce dependence on a single source.

Slovenia

Lignite production in Slovenia declined only slightly, by 1.9%, in H1 2025 to 0.9 Mt despite the tragic accident on 20 January when three lives were lost at Premogovnik Velenje's underground coal mine. The planned production for 2025 is 1.8 Mt, falling to 1.6 Mt in 2026 and 1.2 Mt in 2027, allowing workers to retire as normal. Employment at the end of 2024 was 1 930, with plans to reduce this to 1 600 in 2026.

In H1 2025, lignite-fired generation of 1.1 TWh at the Šoštanj thermal power plant (TEŠ) accounted for 15.1% of the country's total power generation in a mix dominated by nuclear power (43.5%) and hydro (30.6%). Slovenia imported 79 thousand tonnes of brown coal, some of which was blended with domestic lignite for the Šoštanj power plant.

A national referendum scheduled for 24 November 2024 on the proposed JEK2 nuclear power plant was cancelled and may now be held sometime before 2028 after concerns in parliament over cost transparency. The wording of the referendum question would have been: "Do you support the implementation of the JEK2 project, which together with other low-carbon sources will ensure a stable supply of electricity?" Nevertheless, the project proceeds with a planning consultation and selection of a prime contractor. The JEK2 project comprises a one- or two-unit nuclear power plant of up to 2 400 MW next to the existing 700 MW PWR at Krško which is co-owned with Croatia.

Evolution of world market prices for coal, freight and crude oil
McCloskey steam coal marker price (7 000 kcal/kg)

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
steam coal	2024	131.39	114.33	121.10	139.38	121.77	132.38	121.29	139.18	137.06	139.04	140.20	137.07
(US\$/tce CIF NW Europe)	2025	134.02	123.21	112.49	121.72	109.10	115.48	125.46	121.43	112.02			
steam coal	2024	120.48	105.92	111.39	129.92	112.62	123.05	111.85	126.39	123.41	127.52	131.88	130.81
(€/tce CIF NW Europe)	2025	129.39	118.25	104.04	111.30	99.76	105.59	114.72	111.03	102.43			

Source: ICE Futures Europe - API2 Rotterdam Coal Futures first weekly quotation of the month (basis 6 000 kcal/kg converted to 7 000 kcal/kg)

Freight rates (US\$/t)

Richards Bay/Rotterdam	2024	9.69	9.19	12.20	8.81	8.40	10.43	9.69	9.50	11.10	10.69	10.97	9.34
(Capesize)	2025	8.05	6.26	8.31	8.11	8.12	10.07	9.08	9.74	11.03			
Queensland/Rotterdam	2024	15.13	15.88	19.50	15.38	14.11	16.15	16.00	14.67	17.05	17.08	15.38	13.10
(Capesize)	2025	13.35	12.65	17.69	16.88	16.75	18.39	17.30	17.97	19.83			
Puerto Bolivar/Rotterdam	2024	14.39	13.20	14.60	11.06	13.19	13.23	13.56	11.31	13.08	12.37	11.81	9.59
(Capesize)	2025	10.55	9.02	11.59	10.39	10.80	14.69	14.23	14.22	13.92			

Source: Argus Media group and Clarksons (monthly averages from daily and weekly data)

Currency rates

USD / EUR	2024	0.917	0.926	0.920	0.932	0.925	0.930	0.922	0.908	0.900	0.917	0.941	0.954
	2025	0.966	0.960	0.925	0.892	0.887	0.868	0.856	0.860	0.852			
USD / RUB	2024	90.2	91.4	91.5	92.1	91.0	89.4	88.4	89.5	91.2	96.1	100.7	103.7
	2025	103.2	93.2	86.4	83.3	80.8	78.7	78.8	80.1	82.9			
USD / AUD	2024	1.51	1.53	1.52	1.54	1.51	1.51	1.50	1.50	1.48	1.49	1.53	1.58
	2025	1.60	1.59	1.59	1.59	1.55	1.54	1.53	1.54	1.52			

Sources: ECB Euro foreign exchange reference rates; Bank of England database; OECD.Stat Monthly Monetary and Financial Statistics (MEI) dataset

Crude oil (US\$/barrel)

crude oil	2024	80.04	81.23	84.22	89.81	83.59	83.22	84.43	78.41	73.59	74.45	72.98	73.07
	2025	79.38	76.81	74.00	68.98	63.62	69.73	70.97	69.73	70.39			

Source: OPEC Reference Basket (ORB) price

International coal trade
TABLE 2

Steam coal				
exporting country	2025 (1-6)	YoY change c.f. 2024		2024 (1-6)
	Mt	Mt	%	Mt
Australia	94.2	-4.2	-4.2%	98.3
Canada	2.4	-0.1	-2.5%	2.5
China	3.3	1.0	42.9%	2.3
Colombia	23.2	-7.4	-24.3%	30.7
Indonesia*	245.0	-25.0	-9.3%	270.0
Kazakhstan	13.7 e	1.7	14.0%	12.0
Mongolia	13.1	2.0	17.6%	11.1
Russia	64.1 e	-5.4	-7.7%	69.5 e
South Africa	35.8	0.6	1.7%	35.2
USA	21.0	-1.2	-5.4%	22.2
others	10.0 e			9.0
total	525.9	-37.0	-6.6%	562.8

n.b. steam coal data includes anthracite

revised 2024 figures shown in **bold**

* including lignite

Sources: see Table 3

TABLE 3

Coking coal				
exporting country	2025 (1-6)	YoY change c.f. 2024		2024 (1-6)
	Mt	Mt	%	Mt
Australia	69.8	-6.1	-8.0%	75.8
Canada	15.9	0.9	6.0%	15.0
China	0.7	0.3	63.2%	0.4
Mongolia	24.8	-4.7	-15.9%	29.5
Mozambique	4.1	2.8	220.0%	1.3
Russia	23.7	2.2	10.2%	21.5
USA	21.4	-4.1	-16.0%	25.5
others	2.0 e			2.3
total	162.3	-9.0	-5.2%	171.3

revised 2024 figures shown in **bold**

Sources: DISR, Australia; Statistics Canada; General Administration of Customs, China; National Administrative Department of Statistics, Colombia; Statistics Indonesia; Mongolian Customs General Administration; Metals & Mining Intelligence (Russia); South African Revenue Service; US EIA; Argus Media group, BigMint, Sxcoal and own calculations.

European crude steel production

COUNTRY	2025 (1-6) Mt	YoY change c.f. 2024	2024 (1-6) Mt
Austria	3.6	-5.9%	3.8
Belgium	3.5	4.4%	3.4
Bulgaria	0.3	16.9%	0.2
Croatia	n.a.	:	0.1
Czechia	1.3	4.1%	1.3
Finland	1.9	9.0%	1.8
France	5.3	6.1%	5.0
Germany	17.2	-11.5%	19.4
Greece	0.7	-9.7%	0.8
Hungary	n.a.	:	0.2
Italy	11.0	2.4%	10.8
Luxembourg	1.1	7.9%	1.0
Netherlands	3.2	33.6%	2.4
Poland	3.8	7.4%	3.6
Portugal	n.a.	:	n.a.
Romania	0.5	-44.7%	0.8
Slovakia	2.0	-5.8%	2.2
Slovenia	0.3	-4.1%	0.4
Spain	6.6	12.8%	5.8
Sweden	2.2	-0.9%	2.2
unspecified	1.1	:	2.2
EU-27	65.6	-2.3%	67.2
Belarus		:	
Bosnia & Herzegovina		:	
Moldova		:	
North Macedonia		:	
Norway		:	
Serbia		:	
Switzerland		:	
Türkiye	18.3	-1.7%	18.6
Ukraine		:	
UK	n.a.	:	n.a.

Sources: World Steel Association, Eurofer and own estimates

 revised 2024 figures shown in **bold**

Hard coal and lignite production and consumption

	Hard coal production			Hard coal deliveries for power generation	
COUNTRY	2025 (1-6) Mt	YoY change c.f. 2024	2024 (1-6) Mt	2025 (1-5) Mt	2024 (1-6) Mt
Czechia	0.6	-6.8%	0.7	0.4	0.3
Germany	0.0	:	0.0	5.2	3.5
Poland	20.4	-5.4%	21.6	11.5	11.8
other EU	0.0	:	0.0	3.6 e	3.4 e
EU-27	21.0	-5.4%	22.2	20.7 e	19.0
Norway	0.1	67.3%	0.1	0.0	0.0
Türkiye	0.5	0.3%	0.5	11.7	11.3
Ukraine	n.a.	:	n.a.	n.a.	n.a.
UK	0.1	55.9%	0.0	0.0	0.6

	Lignite production			Lignite deliveries for power generation	
COUNTRY	2025 (1-6) Mt	YoY change c.f. 2024	2024 (1-6) Mt	2025 (1-6) Mt	2024 (1-6) Mt
Bulgaria	9.1	69.7%	5.4	9.1	5.3
Czechia	12.5	11.6%	11.2	8.5	8.4
Germany	42.8	-2.3%	43.8	38.5	38.7
Greece	3.0 e	7.5%	2.8	3.1 e	3.3
Hungary	1.1	-42.1%	1.9	1.1	1.9
Poland	19.0	-4.3%	19.8	18.7	19.8
Romania	5.9	-2.5%	6.1	6.1	5.9
Slovakia	0.0	:	0.0	0.1	0.1
Slovenia	0.9	-1.9%	1.0	0.9	1.2
EU-27	94.4 e	2.6%	92.0	86.1 e	84.7
Bosnia and Herzegovina	5.7	1.9%	5.6	4.9	4.8
Georgia	0.1	-1.1%	0.1	0.0	0.0
Kosovo	3.7	-9.2%	4.1	3.4	4.4
Montenegro	0.5	-16.5%	0.6	0.4	0.5
North Macedonia	1.7	-7.3%	1.9	2.4	2.6
Serbia	15.7	6.4%	14.7	16.1	15.3
Türkiye*	28.7	-9.0%	31.5	22.9	26.2

* Asphaltite is included within lignite.

revised 2024 figures shown in **bold**

Sources: EURACOAL members, Eurostat and TurkStat

Hard coal imports

	Coking coal imports		Steam coal imports		Total hard coal imports		
COUNTRY	2025 (1-6) Mt	2024 (1-6) Mt	2025 (1-6) Mt	2024 (1-6) Mt	2025 (1-6) Mt	YoY change c.f. 2024	2024 (1-6) Mt
Austria	0.7	0.6	0.5	0.6	1.2	-4.1%	1.2
Belgium	1.0	0.8	0.7	0.7	1.7 e	7.9%	1.6
Bulgaria	0.0	0.0	0.1	0.1	0.1	18.2%	0.1
Croatia	-	-	0.0	0.1	0.0	-60.5%	0.1
Czechia	0.9	1.1	0.6	0.4	1.5	4.1%	1.5
Denmark	0.0	0.0	0.1	0.2	0.1	-38.7%	0.2
Finland	0.0	0.0	0.5	0.5	0.5	-27.4%	0.7
France	1.0	1.4	1.6	1.5	2.6	-13.7%	3.0
Germany	5.1	6.1	7.5	5.8	12.6	6.2%	11.9
Greece	0.0	0.0	0.0	0.0	0.0	-	0.0
Hungary	-	0.1	0.0	0.0	0.0	-85.9%	0.1
Ireland	0.0	0.0	0.0	0.1	0.0	-18.3%	0.1
Italy	1.2	1.0	0.5	0.6	1.7	5.5%	1.6
Netherlands	1.8	1.4	1.9	1.0	3.7	54.4%	2.4
Poland	0.6	0.9	2.5	2.6	3.1	-9.8%	3.5
Portugal	-	-	0.0	0.0	0.0	9.9%	0.0
Romania	-	-	0.1	0.2	0.1	-59.3%	0.2
Slovakia	1.0	1.2	0.2	0.1	1.2	-9.0%	1.4
Slovenia	-	-	0.1	0.0	0.1	824.4%	0.0
Spain	0.8	0.6	1.0	1.2	1.8	-0.8%	1.8
Sweden	0.5	0.5	0.4	0.3	0.9	12.7%	0.8
EU-27	14.6	15.8	18.5	16.2	33.1	3.2%	32.0
Bosnia and Herzegovina	0.3	0.4	-	-	0.3	-36.1%	0.4
Serbia	-	-	0.0	0.0	0.0	-76.8%	0.0
Türkiye	2.3	3.1	17.3	14.7	19.6	9.7%	17.9
Ukraine	n.a.	0.5	n.a.	0.5	n.a.	:	1.1
UK	0.1	0.1	0.7	0.7	0.9	7.1%	0.8

revised 2024 figures shown in **bold**

Sources: EURACOAL members, national government statistics, Eurostat, IEA