

EURACOAL Press Release

Fuelling competitiveness, growth and jobs in the 21st century

Brussels (4 December 2014) – At a St. Barbara’s Day lunch, EURACOAL Vice President, Mr. Nigel Yaxley launched EURACOAL’s latest publication, “*Coal: Fuel for the 21st century*” which presents a set of nine arguments for why coal will remain an important fuel in Europe.

Exploiting natural resources creates jobs and adds to economic wealth. It always has and always will. In the EU, the most abundant energy resource is coal. In these times of austerity and high unemployment, the EU can look forward to a future fuelled by coal, not dirty old coal of the past, but with modern clean coal technologies fit for the 21st century and in use today in Europe.

At the launch, Mr. Yaxley called for some respect to be shown to the contribution that coal makes to society. Those who campaign against coal seem happy to take the benefits of coal, he said: steel for our cars, electricity for our modern lifestyle and warmth for our homes.

Turning to the longer-term challenges for coal and other fossil fuels, Mr. Yaxley agreed that an international agreement was needed to address the rise in carbon emissions. He believed that the EU could be a leader, but warned that to be a leader, one needs followers. And to have followers, the worldwide role and importance of coal had to be recognised. If the EU alone were to implement tough climate targets, then little would be achieved, he said.

EURACOAL’s three-step clean coal strategy offers the EU a no-regrets route to a cleaner future with more efficient power plants, some with CCS. Whilst the EU could contemplate replacing coal with more expensive natural gas or renewables, such a move would make the region uncompetitive and contribute little or nothing to solving the climate challenge. The new publication shows that the massive investment in renewables is not replacing coal, but is in fact creating a second system that relies on coal plants on still windless nights and at many other times. Coal deserves more respect for the role that it plays today and will have to play in the future.

At the lunch to celebrate St. Barbara, the patron saint of miners, EURACOAL held a vernissage of cartoons by renowned Belgian artist, Kim Duchâteau. These will be published in a 2015 calendar to explain EURACOAL’s position to a wider audience.

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The brochure, “*Coal: Fuel for the 21st century*”, dated December 2014, can be downloaded from www.euracoal.org.

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Notes for editors:

- Coal meets over one quarter of world energy demand (29%), second only to oil (31%).
- The EU consumes around 740 million tonnes of coal each year, 9% of the global total of 7 900 million tonnes. China is the largest consumer (3 670 million tonnes), followed by the USA (820 million tonnes).
- 28% of the EU electricity demand is met by coal, compared with 40% globally.
- Indigenous coal production of 520 million tonnes brings security of supply benefits and added value to the EU economy. The vast majority of EU coal production is fully competitive. State aid covers above-market costs at some uncompetitive mines that produced around 14 million tonnes of coal in 2013. Coal industry state aid will end in 2018.
- 240 000 people are directly employed in the EU coal industry.
- EU legislation ensures that some of the world's cleanest and most efficient coal-fired power plants are found in European countries: the Nordjyllandsværket power plant, for example, in Denmark where half of the country's electricity comes from coal.
- Investing in new more efficient coal-fired power plants reduces CO₂ emissions by one quarter or more at a much lower cost and with greater certainty than any alternative.
- Planning for a low-emission future means that new coal- and gas-fired power plants must be built with enough space for CO₂ capture to be retrofitted and a potential route to CO₂ storage identified.
- In March 2011, DG Climate Action launched its Roadmap for *Moving to a Competitive Low-Carbon Economy in 2050*. This includes very ambitious CO₂ reduction targets for 2030 and 2050. To achieve an overall 80% CO₂ reduction in 2050 would require the complete de-carbonisation of the electricity sector.
- In January 2014, the European Commission published its proposals for a 40% GHG reduction target for 2030, *c.f.* 1990. This would mean a 43% reduction for the ETS sector and a 30% reduction (*c.f.* 2005 in both cases) for the non-ETS sectors, including transport for which no new measures are proposed. The Commission wants this target agreed by Parliament and Council by the end of 2014 so that it can be pledged during international negotiations during 2015 in the lead up to the UNFCCC COP-21 in Paris. It is proposed to meet the target without the use of international credits.
- The European Association for Coal and Lignite (EURACOAL) represents the interests of coal producers, coal importers and coal users in Brussels. *Coal industry across Europe 2013* offers a detailed review of the European coal industry with sections on the world coal market and the socio-economic value of coal (www.euracoal.org).