

European Coal Days – welcome address

Mr. Petr Pudil, President, EURACOAL

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Commissioner Oettinger, Members of the European Parliament, Ladies and gentlemen. It is my privilege and honour to welcome you to this, the first ever European Coal Days.

I would like to thank our host, Dr. Ehler for his energy and enthusiasm over many months in support of this week-long event. For the coal industry, it is a remarkable opportunity to be able to present itself here in the European Parliament. Dr. Ehler's staff – alongside staff from the European Association for Coal and Lignite or "EURACOAL" – have worked hard. Their efforts mean that we can all be better informed on coal matters, and debate important issues that affect the future of coal. I will, of course, use this opportunity to say a few words about coal and lignite.

It may surprise many of you to know that coal use has been growing much faster than any other source of energy over the last decade: growing roughly twice as fast as other sources. That global picture is dominated by China – a country that now uses 5 times as much coal as the EU-27.

Coal remains the most important fuel for power generation in most regions, including here in the EU. Over 40% of the world's electricity comes from coal; and just over 30% in the EU, slightly ahead of nuclear power.

280,000 people across the EU are directly employed in the coal industry and are proud to play an important role in securing Europe's energy supply. The coal industry doesn't make the headlines because of any worries over supply security. Locally produced lignite and hard coal, alongside imported coal, ensure reliable supplies for power generation. We all value that in our homes

and in our workplaces. The vast majority of coal mined in the EU is very competitive –the lowest cost electricity comes from coal.

It is right to support renewable sources, but we should be aware that renewables come at a high cost. The cost of the wind and solar energy that we enjoy today is being borrowed from future electricity consumers who will pay higher tariffs over the next 15 to 25 years or more.

Historically, strong economies have been fuelled by cheap energy. Today, we need to keep in balance the three pillars of good energy policy: security of supply, competitiveness and sustainability. Coal is good for security and competitiveness, while renewables are more sustainable in the long term. Establishing an affordable balance means that coal will be needed in Europe's energy mix for some decades to come. And over that time, coal will become cleaner:

- Mining practices have improved massively over the last hundred years, and they will continue to improve.
- Pollution control has become much more sophisticated, especially with the European legislation that demands some of the highest standards found anywhere in the world.
- The efficiency of coal-fired power generation is rising, with more efficient plants in Japan, Europe and China, all emitting less CO₂ per unit of electricity than the older plants they replace.

Coal is facing up to the CO₂ challenge, but more must be done. That is why the EU is taking a leading position on CO₂ capture and storage. Public acceptance and financing are the two remaining hurdles for CCS project developers. We know that the capture technology works. We know that, with EU co-ordination,

an efficient CO₂ transport infrastructure can be built. And we know that Europe has a huge storage potential for CO₂. What we also need is:

- a European energy policy that recognises the role of coal;
- incentives to those who wish to invest in low-emission power plants; and
- politicians who can lead public opinion on the need to balance those three crucial elements: energy security, price competitive and environmental sustainability.

These European Coal Days will focus attention on coal. There will be both positive and negative reactions – not everyone is a supporter of the coal industry! I believe that by communicating with all stakeholders, we can earn greater respect for what we do. A quarter of a million people mine coal in the EU because you and I value the end product – an electrified economy at an affordable price.

Commissioner, MEPs, ladies and gentlemen: welcome to the European Coal Days.

Thank you.