

EURACOAL Press Release

Coal industry across Europe – new edition launched in Brussels

Brussels (14 November 2013) – Today, the final day of the 4th European Coal Days in the European Parliament, EURACOAL launched the fifth edition of *Coal industry across Europe* at a breakfast event hosted by Czech MEP Jan BŘEZINA.

Since the first edition in 2003, underground coal mining in the EU has become more automated and more productive in order to match the competitiveness of imported coal and surface lignite mining has become a more important component of energy supply as EU enlargement has brought in countries with rich deposits of this valuable resource.

As the world's third largest coal-using region, after China and North America, the EU mines around 130 million tonnes of hard coal each year and in 2012 increased its coal imports by 7% to 210 million tonnes, making it the world's second largest coal importer behind China. Annual lignite output of 430 million tonnes means that the EU is the world's largest lignite producer. Over one quarter of EU electricity comes from coal and lignite and they are important fuels for industry – notably for steel and cement. Given that coal and lignite account for 88% of EU fossil energy reserves, they will continue to provide us will affordable and competitive energy for many decades.

In his foreword, the Director-General for Energy at the European Commission, Philip LOWE, writes that the challenges facing the energy world are getting more complex. Energy policies and political commitments on climate have had to adapt in the wake of the economic crisis. US shale gas has shifted the coal-gas balance and left Europe looking less competitive. He calls for greater flexibility, more efficiency and the widespread uptake of carbon capture and storage (CCS) at coal-fired power plants. On the latter point, the Commission would like to see a commercial-scale demonstration project running this side of 2020 and wants to work with the coal industry to find innovative solutions so that coal continues to be a useful resource in a low-emission economy.

EURACOAL President, Paweł SMOLEŃ, reiterates in his introduction to the report the industry's three-step strategy to reduce CO₂ emissions from coal use: power plant modernisation and renewal to improve efficiency with technologies that are commercially available today; R&D of more efficient technologies for tomorrow; and finally, carbon capture and storage. Unfortunately, in too many Member States there is a reluctance to take even the first of these practical steps as national energy policies shift against coal. This needs to be reversed so that the EU can demonstrate how to use coal cleanly and efficiently. China and India will not turn away from coal, so showing leadership in the field of clean coal technologies is crucial – indeed, the cleanest and most efficient coal-fired power plants are found in Denmark, the most flexible in Germany and the newest in the Netherlands. Nevertheless, an unfavourable investment climate hinders the renewal of ageing power plants in parts of Eastern and South Eastern Europe.

In his address to MEPs, EURACOAL Vice President Franz-Josef WODOPIA warned that if European banks do not lend money to these countries, then it will be Chinese banks with Chinese technology. European power plant suppliers would miss out on new projects right on their doorstep. He said that the EU needs a strong industrial policy to match its strong climate policy so that Member States and neighbouring countries become wealthier. With greater prosperity, Europe can look forward to a cleaner and brighter future and, for many countries, the foundation of prosperity comes from the exploitation of their natural resources, beginning with coal and lignite.

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EURACOAL members at the launch of *Coal industry across Europe 2013*

From left to right: Dr. Renata Eisenvortová, European Affairs Manager, Severní energetická and representing ZSDNP (Zaměstnavatelský svaz důlního a naftového průmyslu – Czech Employers' Association of Mining and Oil Industries); Prof. Dr. Franz-Josef Wodopia, Chief Executive of GVSt (Gesamtverband Steinkohle – German Coal Association); MEP Jan Březina (EPP, CZ); Mr. Nigel Yaxley, Managing Director of Coallmp (Association of UK Coal Importers); and Mr. Óscar Lapastora Turpin, Chief Executive of Hullera Vasco-Leonesa and President of CARBUNIÓN (Federación Nacional de Empresarios de Minas de Carbón – Spanish Coal Association).

Opening of *Coal in Action* exhibition

Left to right: Dr. Hartmuth Zeiss, Past President of EURACOAL and Chairman of the Managing Directors, Vattenfall Europe Mining AG & Vattenfall Europe Generation AG; Dr. Christian Ehler, MEP; and Mr. Bogdan Marcinkiewicz, MEP, European Parliament, Brussels, 12 November 2013.



Polish miners' buffet at *Coal in Action* exhibition

Dr. Christian Ehler, MEP addresses guests at the opening of EURACOAL's *Coal in Action* exhibition in the European Parliament, Brussels, 12 November 2013.

Note for editors:

- The European Association for Coal and Lignite (EURACOAL) represents the interests of coal producers, coal importers and coal users in Brussels. The Association has 34 members from 20 countries.
- *Coal industry across Europe 2013* offers a detailed review of the coal industry in EU-28 Member States and countries of the Energy Community with sections on the world coal market and the socio-economic value of coal.
- At the conclusion of the 4th European Coal Days (12-14 November 2013), hosted by MEPs Christian EHLER and Bogdan MARCINKIEWICZ, EURACOAL and the Central Europe Energy Partners issued a joint statement on coal which accompanies this press release.
- EURACOAL has also published *A Strategy for Clean Coal* (www.euracoal.org) and supports the *Warsaw Communiqué* which will be presented by the coal industry at a special international coal summit during the UNFCCC COP-19 meeting on 18 November 2013.

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