Perspective of Policy and Economic Context for the Coal Sector Globally
New Framework for Sustainable Development

1. UN 2030 Sustainable Development Agenda
2. Sustainable Development Goals (SDGs)
3. Paris Agreement aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty, including by: (a) Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels...
Is coal a fuel of the past?
Coal continues to grow, even as share declines

World electricity generation by source in the New Policies Scenario

Source: IEA, WEO 2014
Coal will continue to play a big role in China

- China’s electricity demand growth will be around 4.8% to 2020, then decline to around 2% through to 2040
- Electricity generation from coal will be 27% higher in 2040, despite its share of generation reducing from 75% to 49%
- Non-hydro renewables are expected to increase 1200% over the same period (25% of world generation)
Large-scale power generation will be a critical enabler of growth in India

- Electricity demand in India is expected to average 4.4% pa over the next 25 years.
- While coal generation capacity more than doubles, renewables are required to increase exponentially (non-hydro renewables over 10 times) to meet demand.
- IEA indicates that maintaining an adequate electricity supply represents a significant investment challenge requiring $2 trillion (in 2013 dollars).

![India's electricity generation by source and CO₂ intensity in the New Policies Scenario](image)
Coal is part of the future: HELE technologies continue to develop

CO₂ reduction potential of coal-fired power plants by increased efficiency
HELE is part of the Paris Agreement
Coal plant development mix of HELE and not

Source: World Coal Association analysis, 2015
China committed to HELE, others less so

Source: World Coal Association analysis, 2015
Non-OECD Asia needs to make HELE switch

Source: World Coal Association analysis, 2015
HELE in India – meeting twin objectives

Deploying cleaner coal technology promotes energy access, while managing emissions of carbon dioxide.
CCS is critical to global climate objectives

The world’s first large scale integrated CCS project capturing CO2 from a coal-fired power plant – SaskPower’s Boundary Dam – has just started full scale operation at the end of September 2014.
In summary – the WCA view

- Coal is not going away.

- We must recognise that coal is an important driver of affordable, reliable energy to support economic development and competitiveness.

- Coal plays a major role in industrialising and urbanising economies.

- In any scenario coal is still going to play a major role in the world’s energy mix – especially across Asia.

- We can significantly reduce emissions from coal with commercially available technology today – we should encourage and support deployment of HELE technologies in preference of less efficient technologies.

- More public support is needed to facilitate increased commercial demonstration of CCS to drive costs down so that we can begin a transition toward near-zero emission fossil fuels.