Перспективы угольной отрасли России в контексте глобальной декарбонизации

Краткая информация на английском языке и резюме на русском языке — страница 2
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Основные выводы
В отчете представлены два основных подхода, которые иллюстрируют отношение России к будущему ее угольной отрасли в контексте глобальной тенденции перехода к низкоуглеродному развитию. Несмотря на сокращение спроса и низкую доходность, консервативный подход состоит в продолжении угледобычи и находит поддержку у представителей угольной отрасли и политического руководства страны. Напротив, тенденция перехода к низкоуглеродному развитию предлагает приспособляться к совокупности внешних вызовов в связи с тем, что кардинально меняется сама мировая экономика, в которой углеродный след становится одним из важнейших факторов международной конкурентоспособности. Кроме этих двух экономически и политически обусловленных подходов, в России присутствует и локальный экологический дискурс, который связан не столько с влиянием угольной отрасли на изменение климата, сколько с состоянием окружающей среды и здоровья местного населения.

Ни один из этих подходов не ориентируется на отказ от угля. Обладая возможностью перенаправить экспортные потоки угля на Восток, Россия будет придерживаться этого курса в течение ближайших десятилетий. Угольная отрасль в исключительной степени зависит от спроса в странах Азии, особенно в Китае. В ближайшее время сохранится значительное колебание цен. Следовательно, уже находящиеся под серьезным давлением угольные регионы могут столкнуться с еще более неблагоприятными внешнеэкономическими обстоятельствами, которые в состоянии спровоцировать рост социального недовольства и политическую нестабильность. Политическое руководство России стремится избежать этого сценария, оказывая угольной отрасли поддержку, в то время как внутренняя дискуссия об отказе от угля и экономическая диверсификация угольных регионов могли бы помочь избежать негативных долгосрочных социальных и экономических последствий.

About
This policy brief was published as part of the project “The Russian Coal Sector. Challenges and Transition Opportunities”. Convened by Climate Strategies, the project builds and enables knowledge exchange on the current and future status of coal in Russia. Focusing on progress towards a low-carbon economy in Russia, the project provides insights into the macroeconomic and social stability of coal regions, and delineates pathways forward given the global, ongoing low-carbon energy transition.

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Research Approach
A discourse analysis was conducted to compare different stakeholder visions and views of the future of coal, and to evaluate their potential influence on the coal pathways in Russia. Discourses were identified by news story searches including two major newspapers, Rossiskaya Gazeta and Kommersant, as well as state programmes and plans. The discourses were further shaped by interview data from twelve semi-structured interviews with Russian stakeholder including companies actively involved in the coal sector.

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1. A discourse has been defined as ‘a shared way of apprehending the world’ and is formed by ‘producing, reproducing and transforming a specific ensemble of ideas, concepts and categorizations’. Discourse analyses study written and spoken language in relation to the social context. Discourses are important for policymaking, as decisionmakers are commonly influenced by interest groups. As such, the formation and interpretation of knowledge is often informed by social interests rather than science. Discourses are built on forecasts, assumptions, and interests, thus remain hypothetical. Different narratives help clarify domestic debates and expectations for the coal sector in developing particular directions. Discourses are generalisations of the views shared by stakeholders. Therefore, individual stakeholders’ opinions may be different to these stereotypical views. For instance, social pressures may cause stakeholders to keep climate concern related views private.
The impact of the declining coal demand and impending low-carbon export requirements remains unclear, also raising the question if Russia will adjust to the external pressures.

Until now, these external developments have provoked defensiveness in Russia in the sense of a ‘securitisation’ reaction. International decarbonisation strategies are considered a foreign policy threat for Russia and its coal sector. Whilst the Energy Security doctrine of the Russian government outlines Russia’s participation in climate change mitigation, these endeavours face scepticism over trade barriers set to achieve environmental goals which affect sectors such as the coal industry.

Despite the political frictions, the private sector’s response has been more pragmatic as exporters are obliged to adjust to external pressures such as the low-carbon trend to compete internationally. This paper outlines the domestic discussion, bringing energy transition, the coal sector and environment together.2

Box 1 The Russian Coal Sector Today

- **Production**: 439 million t; 5.5% of global total in 2019
- **Domestic demand**: 15.7% of total final consumption; coal accounted for 16% of power generation and 20.7% of heat production in 2018
- **Export**: 55% of production exported; Russia is 3rd largest exporter globally with a 16.6% share in 2019; exports have doubled during 2008-18
- **Oligopolistic competition**: 80% of total coal volume in Russia is produced by the 15 largest coal companies

**Domestic demand** coal is consumed in 5 out of 8 federal districts

**Sources** IEA data; BP Statistical Review 2020; Russian Statistical Yearbook 2020
## Two visions for the future of coal in Russia

How is the future of the coal sector discussed in Russia? This section presents the two main narratives around the future of coal and the economy in Russia.

<table>
<thead>
<tr>
<th>What?</th>
<th>‘Keep Coal’ Discourse</th>
<th>‘Low-Carbon Trend’ Discourse</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predicts the long-term importance of coal in the Russian economy.</td>
<td>Forecasts the decline of coal influenced by the global decarbonisation trend.</td>
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</tbody>
</table>

| Assumptions | The Paris Agreement and related international policies are a threat to the coal sector and Russian economy. Transport capacity is a bottleneck for future coal transports to Asia and to be addressed by the government. | The global energy transition including international climate policies will trigger a decline of Russian coal production posing a threat to the Russian economy in the short term. |

| Stakeholders | Coal industry, coal consuming industry, political leadership including the President, the Ministry of Energy, Duma Energy Committee, governors from coal producing regions | The Ministry of Economic Development, the President’s climate advisor, Anatoly Chubais (politician/businessman), energy and climate experts, environmentally focused businesses, some national level NGOs |

| Expectations for Export and Demand | Redirecting exports and demand:  
  • Domestic coal demand is expected to be stable or decline, whilst coal exports are forecasted to grow by 22-86% during 2018-2035.  
  • The share of global coal consumption is expected to decline whilst the absolute consumption grows in tandem with total global consumption.  
  • Growing demand for coal in the developing countries, in particular China and India, is considered the primary driver for growth in the future. This is an opportunity for future coal exports, as demand in developed economies is expected to decline only around 2035-40. | Declining exports and demand:  
  • A 10% decline of coal in 2020 and a continuous decline until 2023 due to the low global market price and contraction of the European market.  
  • The global energy transition and carbon pricing already are having a short-term effect on the energy sector and are considered a risk to carbon-intensive exports.  
  • Predictions indicate an increasing demand for Russian coal in India. However, due to their announced low-carbon strategies, demand for Russian coal in China, Japan and South Korea is likely to decline. |

| Opportunities | Technology development and efficiency increases are considered important features of the Russian coal industry’s future. The Programme of Coal Sector Development until 2035 aims to increase coal production by efficiency and product improvements, commissioning new coal mines, reducing transport bottlenecks, improving safety and labour productivity as well as environmental safety.  
  • Efficiency: Technological opportunities for improved efficiency include coal mine methane collection to mitigate climate change.  
  • High value-added products: There is an opportunity for the coal sector to produce high value-added products instead of raw materials to manage increased prices and uncertainties of future exports.  
  • Diversification: Mining of rare earth metals for the development of renewable energy is a new business opportunity. This is supported by the government. | Competitiveness of the economy is tied to low-carbon policies. It is advocated that Russia follows suit in joining carbon taxing countries as this cannot be avoided indefinitely.  
  • Diminishing future for coal: Whilst the discourse is not focused on coal, it proposes that the low-carbon vision would result in fiscal changes unfavourable to coal.  
  • Competitiveness: A low-carbon transition is key to the future competitiveness of the Russian industry, and thus, should be considered an opportunity.  
  • Low-carbon exports: With the introduction of the CBAM, expanding low-carbon electricity production is proposed to cover the demand of companies exporting to the EU.  
  • Market signals: Renewable energy is a competitive option compared to coal and nuclear in Russia. |
A Russian environmental discourse

This section presents a third narrative discussing an example of an environmentally motivated narrative.

'Local Environmental' Discourse

What: The 'Local Environmental' discourse of the coal sector focuses on local environmental pollution and health problems. It provides an example of a genuine environmental discourse in comparison to the economy-driven 'low-carbon trend' discourse (see Figure 1). As typical for Russian environmental discourses, global problems such as climate change are not the focus.

Assumptions: Weak and inefficiently enforced environmental regulation in the coal industry is one of the root causes for a lack of sustainable mining practices and technologies. As a result, acute air and water pollution problems occur; air pollution is caused by coal dust due to the proximity of open mining to settlements and coal transportation to nearby ports. Mining related health impacts are estimated, for instance in the Kemerovo region, to increase the mortality rate by 16% compared to the Russian average.

Stakeholders: Local pressure groups and NGOs, some national level NGOs, citizens

Opportunities:

- Technology: Proposed solutions to environmental problems are typically technical. Dust related issues could be minimised by closed transport of coal and dust shields. Air pollution problems from coal-fired Combined Heat and Power (CHP) could be reduced by installing filters and improving combustion processes. Sanitary zones and banning coal mining and loading in populated areas could provide further solutions.

Impact on policy:

- The 'ecology' programme is planning to introduce a requirement for closed coal transportation.
- There have been protests against commissioning new coal mining sites due to environmental and health concerns, and even mining licenses have been withdrawn as a result. For instance, residents concerned about their livelihoods rejected the Primorsk port project including a coal terminal in the Leningrad oblast.

Figure 1. Overlapping discourses

Figure 1 shows the differences between the two main economic and political discourses and their intersections with the local environmental discourse.
'Keep coal' is dominant
So far, the 'keep coal' discourse has dominated Russian policymaking. This is demonstrated by Russia's unambitious climate policies and opposition to carbon regulation such as a domestic emissions trading scheme or carbon price. This inaction has been heavily influenced by industry and other proponents arguing that Russia will achieve its Paris Agreement target with the current measures, and thus, discussions on carbon regulation have been deemed as 'premature'. To avoid transport bottlenecks, especially with increasing coal exports to Asia, the government has recently increased its fiscal support for the coal sector. These subsidies are likely linked to fears of social unrest within coal mining regions, as well as a lack of vision for the sector.

CBAM is unwelcome on all fronts
Carbon border adjustment measures by the EU are neither welcomed by the 'keep coal' discourse, nor supported by the 'low-carbon trend' discourse. For instance, the Minister of Economic Development, who argues for the 'low-carbon trend' discourse, expressed caution against attempts to 'use the climate agenda to create new barriers' under WTO rules. Nevertheless, the 'low carbon trend' discourse recognises that the CBAM is not intended to harm Russia but to protect the European industry from carbon leakage. Both discourses disapprove of fiscal barriers to exports. However, while the 'keep coal' discourse looks towards the East for future coal exports, the 'low-carbon trend' discourse explores alternatives to remain a competitive exporter to the EU. This again shows that climate change is not a motivator for the 'low-carbon trend' discourse as its interests are purely economic.

'Coal phase-out' discourse does not exist
One of the key findings confirms there is no Russian energy transition discourse comparable to European 'coal phase-out' discourses. The Russian coal sector is viewed through an economic lens, whilst one envisions a future with coal and the other one does not. Notably, the 'low-carbon trend' discourse is not driven by environmental, but economic concerns. Thus, this paper does not draw a picture of a classic dichotomy of two discourses presenting opposing views on a policy issue, but rather two partly overlapping discourses focusing on different policy issues, one traditional and established, the other one novel but gaining support from international developments.

Whilst the local environmental discourse is concerned with environmental protection, it focuses on local pollution related to the coal sector. Climate change is not considered under the environmental discourse. The coal sector is a sensitive matter with many actors involved, however, national politics neither foresee a coal phase-out nor have developed a clear vision for an energy transition. As a result, discussions of just transitions are also missing in Russia (Figure 1).

Box 2 The Dual Approach of the Russian Coal and Metallurgy Sector

Large Russian export companies in the mining and metals sector are under decarbonisation pressure by foreign investors, rating agencies and stock exchanges. These institutions expect Russian exporters to disclose and improve their environmental, social and governance goals, including risks and opportunities related to climate change. Notably, domestic carbon regulation for Russian industry often differs vastly to organisations’ position in annual and environmental reports.

The Russian Union of Industrialists and Entrepreneurs (RSPP) is a powerful industrial lobbying organisation that brings together about 130 sectoral and regional associations of employers. In 2020, the RSPP created a special climate committee chaired by Andrei Melnichenko, shareholders and members of the Board of SUEK and Euro Chem. This committee was a key institution opposing the government’s efforts to introduce stricter carbon regulation measures in Russia. The draft law on carbon regulation will be considered by Parliament later in 2021, it is likely to be a declaration rather than concrete measurement and taxation instruments due to RSPP’s pressure. Regardless, most companies represented in the Committee declare a full commitment to UNFCCC and UN SDGs in their sustainability reports and position papers on climate targeting the western audience, for instance:

- The Board of Directors of Severstal has approved
- Its members include leading companies such as Russian Railways, TATNEFT, Severstal, RusHydro, EVRAZ, Norilsk Nickel Group, VTB Bank, Mechel, Ilim Group, Nizhnekamskneftekhim, SIBUR, Metalloinvest, Transmashholding, EUROCEMENT group and Aeroflot.
- The committee includes representatives of SUEK, EuroChem, Norilsk Nickel, Severstal, En+ Group, NLMK, Evraz Group, UGMK, MMK, Metalloinvest and others.
Key Messages from Comparing Diverging Visions

the company’s position paper on climate change. It includes a commitment to sustainable development, the national climate policy and Paris Agreement, a carbon intensity goal for steel production and a commitment to emissions accounting. Severstal has also invested in wind energy projects through a joint venture and supports the introduction of bilateral emission reduction projects under the Paris Agreement including those enhancing forest carbon sinks.

• The EVRAZ Group has declared support for the global effort to reduce GHG emissions, sustainable development and the precautionary principle, and that businesses must take an active role in finding climate solutions.

A comparison of the international approaches and domestic lobbying activities of coal producing and consuming companies highlights strong inconsistencies. Figure 2 illustrates the different external and internal environmental pressures that Russian coal companies and the government are exposed to. Notably, this does not necessarily depict an accurate snapshot of the complex reality and relations between different actors but provides one explanation for the inconsistencies in domestic and international climate policies and actions.

Figure 2. External and internal climate-related environmental pressures on coal companies
State of play
To date, the ‘keep coal’ discourse has been dominant in Russia despite the unprofitable nature of its coal production. From a Russian perspective, there remains a lack of external triggers, domestic climate consciousness and willingness to pay for climate policy. International climate policy is further encountered with scepticism as it is considered a means by which Western countries can jeopardise the Russian fossil fuel economy to stop Russia from gaining power globally. This perception forms Russia's 'securitisation' foreign policy agenda to guard national economic interests. Given the Russian view of climate policy, there are not enough political and economic incentives to transition away from coal, especially as coal demand increases in some Asian countries at least in the short term.\textsuperscript{xii} Despite active lobbyism against domestic climate regulations, Russian coal companies have a good understanding of the international decarbonisation trend as they are exposed to international climate and sustainability pressures (see Box 2 and Figure 2).

Is change in sight?
With declining demand for coal and the introduction of international climate measures such as the CBAM, external developments are likely to force Russia to change the course on coal in the long term. However, the coal industry's perception of ongoing export opportunities in Asia and Africa for the next decades seems likely to prevail.

Business planning and investment decisions are made on shorter timeframes in Russia compared to the West. Hence, high investment risk within the first decade or two may still be acceptable for Russian investors. This short-term thinking is also eased by the state that predominantly invests in Russia's transport system. In doing so, it supports sectors that would otherwise be seen as falling victim to the perceived ‘environmental protectionism’ of other governments. Yet, the influence of coal lobbyists is decreasing due to an aging structure of industry representatives and few active lobbyists whilst international low-carbon voices are becoming louder. External triggers are pressuring Russia into adjusting to the global low-carbon trend. However, the outcome of this adjustment is unlikely to be in the form of a coal phase-out. Still, the 'low-carbon trend' discourse is raising important questions on the future of Russian exports to the EU and how Russian coal producers present themselves internationally and nationally in the context of climate change.

In light of the increasing global trend toward a low carbon future, it is possible that the economic status quo which underpins coal mining in Russia is undermined. The coal sector is dependent on China's future coal demand and the global market price of coal which continues to fluctuate. Consequently, already impoverished coal communities may be further economically disadvantaged increasing the likelihood of social unrest and political instability. As such, there is a need for the Russian energy transition debate to go beyond the ‘low-carbon trend’ discourse steered by Russian scholars, academics, experts, and interest groups. This may enable the country to be prepared for expected changes in sufficient time to be able to avoid adverse social and economic consequences.
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