Focus & Activities of the World Coal Institute

UNECE Ad-hoc Group of Experts on Coal in SD
Geneva February 2-3, 2006

What is the World Coal Institute (WCI)?

> International association of coal enterprises & stakeholders
  
  A ‘trade association’ for the global coal industry

> Non-profit, non-governmental organisation, UN-accredited

> Secretariat based in London

> A growing membership base (membership streams)
  
  • Full members (voting rights)
  
  • Reduced rate members (smaller coal producers)
  
  • Associate members (including national coal associations)
WCI Full Members

adaro  ANGLO COAL  billiton  BMA

Cerrejon  CONSOL ENERGY  RAG COAL INTERNATIONAL

JOY MINING MACHINERY
A Joy Global Inc. Company

Mitsubishi Development Pty., Ltd.

RIO TINTO  SOLID ENERGY  Total

xstrata coal

Plus...

Australian COAL Association

Coal Association of New Zealand

the Coal Association of Canada

Svenska Kolinstitutet

SNIEC - Brazil

Shaanxi CGB - China
Objectives

> Provide a *voice for coal* in international policy debates on energy and the environment

> Promote public awareness
  - Role of coal in sustainable development
  - Coal as a *strategic resource*
  - The coal industry as a *responsible global citizen*

> Encourage development and use of Clean Coal Technologies

> Support other sectors of the worldwide coal industry

> Promote the *merits of coal* and improve the image of coal

The merits of coal - safe, affordable, reliable, plentiful, *increasingly clean* fuel

- **39%** of the world’s electricity is produced using coal. Main fuel for electricity generation in USA, Germany, China, India, South Africa, Australia, much of central Europe
- **70%** of the world’s steel is produced using coal
- **23%** of world primary energy
A fuel that is needed - today and tomorrow

Coal is a safe, reliable, inexpensive fuel for electricity and is needed to maintain living standards in the West and to combat energy poverty in the developing world

TODAY - 6 billion people
1.6 billion live without electricity
  - 2.4 billion rely on biomass for cooking and heating

BY 2030 - 7.5 billion people
1.4 billion will live without electricity
  - 2.6 billion rely on biomass

The impact of coal - access to electricity

> CHINA
  • 700 million people over past 20 years
  • Electrification rate of 99%
  • Serviced by a generation industry 77% dependent on coal

> SOUTH AFRICA
  • Electrification rate doubled in a decade (35% to 66%)
  • Serviced by a generation industry 90% dependent on coal

REST OF SUB-SAHARAN AFRICA
  - Electrification rate of only 10%
  - 575 million people rely on biomass for energy
Members Commitment

1. *Cooperate* in supporting sustainable development, including economic growth, social development and improved environmental outcomes
2. *Promote* cleaner coal technologies and the responsible use of coal
3. *Encourage* improving mine health and safety
4. *Practice* corporate social responsibility
5. *Exchange* information with WCI members and relevant stakeholders
6. *Support* the WCI and the global coal industry

Policy Advocacy

> Priorities

- Sustainable development
  - energy poverty
- Climate change & the environment
  - An increasingly cleaner fuel that is needed as part of a responsible energy mix
- Clean coal technologies
  - carbon capture & storage
- Energy security
  - Comparisons with other fuel sources
Sustainable development goals for 2012 (1)

1. Developing strong leadership and co-operation
   > developing closer working relationships among coal producers, coal users, government and civil society
   > empowering a coal industry body to encourage implementation of SD principles

2. Cleaner Coal Technologies
   > improving (demonstrating) economic viability of CCS
   > shifting new investment in coal-fired plant capacity to cleaner coal technologies
   > continuing development of cleaner coal technologies

3. Improved collection, collation and distribution of information
   > standardising industry-wide HSE reporting
   > producing a triennial global report
     • identifying key areas for improvement and further development

Sustainable development goals for 2012 (2)

4. Improving health, safety and environmental performance in developing countries
   > working with governments to eliminate low efficiency use of coal in households
   > bringing illegal small scale coal mining into the formal mining sector
   > lifting environmental, health and safety management standards worldwide closer to ‘best practice’

5. Improving the credibility of voluntary agreements
   > increasing engagement among stakeholders within and outside the coal industry
   > replacing regional voluntary codes with a global code that is constantly evaluated

6. Improve the awareness and understanding of sustainable development
   > including an education programme on SD principles in all staff and community education programmes
   > making coal miners aware of the principles of SD
Cooperation & collaboration

WCI is a member of:

- WEC - Committee on Cleaner Fossil Fuels Systems
- Business Action for Energy
- Business & Industry Advisory Committee to the OECD
- International Chamber of Commerce
  - Commission on Environment. & Energy
  - Task Force on Climate Change
- International Council on Mining & Metals
- International Association for Energy Economics
- UNECE Ad-hoc Group of Experts on Coal & Sustainable Development
- UK Parliamentary Renewable & Sustainable Energy Group

- EC Technology Platform for Zero Emission Fossil Fuel Power Plants

Cooperation & collaboration

WCI participates in or works with:

- International Energy Agency (IEA)
  - Coal Industry Advisory Board (CIAB)
  - Clean Coal Centre
  - Greenhouse Gas Programme
  - Working Party on Fossil Fuels
- Carbon Sequestration Leadership Forum (CSLF)
  - Seeking more meaningful industry and NGO involvement
- UN meetings and processes
  - Commission on Sustainable Development
  - Framework Convention on Climate Change
  - Kyoto Protocol on Climate Change
- Asia-Pacific Partnership on Clean Development & Climate Change
Publications

- Coal: Secure Energy (2005)
- The Coal Resource (2005)
- Clean Coal - Building a Future through Technology (2004)
- The Role of Coal as an Energy Source (2003)

- Ecoal (quarterly newsletter)
- Coal Fact Cards

- Good News from Coal
- Policy positions
- Media releases
  - including CCT note
  - G8 Statements - technology, economic & social development

Publications - new for 2006

- Coal & Steel
- Coal to Liquids
- Sustainable Development Review

- Updates: The Coal Resource
- Updates: Clean Coal: Building a future through technology
International Meetings

- UNEP Sustainable Development Review
- UN CSD 14 & 15
- UN regional meetings (e.g. CSD China)
- Annual Board meeting with European Commission
- COP10 (and 11) & MOP1 Kyoto Protocol
- Global Roundtable on Climate Change, Earth Institute of Columbia University
- Asia-Pacific Partnership on Clean Development & Climate Change
Challenges ahead …

- **WCI Membership (diversity of the industry)**
  - developed and developing nations, multinational and national, private and state-owned, exporting and domestic, steaming and metallurgical, etc
- **G8 Agenda - climate change and development**
  - Edinburgh (Gleneagles Plan of Action), Moscow, Tokyo
  - Technology focus
  - IEA, IEA Clean Coal Centre, CSLF
- **International architecture on climate change**
  - Kyoto Protocol? CDM? Asia-Pacific Partnership?
  - Developing countries/ major emitters/ sustainable outcomes
- **Importance of technology and economics**
  - Early spread of CCT & CCS
- **1st WORLD COAL CONGRESS?**
  - *How can the global industry contribute to clean development and climate change?*

... will require a unified industry

*focused on cooperation, collaboration and sustainable outcomes.*
Thankyou

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