Mr Hoyer,

**EIB approach to supporting climate action – Call for public views**

**Background**

The World Coal Association (WCA) welcomes the opportunity to make this submission on the European Investment Bank’s initiative to appraise its strategic orientation prior to the UNFCCC COP 21. The WCA was founded in 1985 and has been working on behalf of the global coal industry for the past 30 years. The WCA works to demonstrate and gain acceptance for the fundamental role coal plays in achieving a sustainable and lower emission energy future. Membership is open to companies and not-for-profit organisations with a stake in the future of coal from anywhere in the world, with member companies represented at Chief Executive or Chairman level.

Coal plays a vital role in society by providing over 40% of global electricity and is an indispensable ingredient in modern infrastructure. The International Energy Agency’s forecasts show that coal use is set to grow by around 17% in the next twenty years. With 1.3 billion people globally without access to electricity, it is clear all sources of energy will be needed to meet this demand, including coal. Greater investment is needed in cleaner coal technologies to meet global energy demand, alleviate energy poverty and minimise CO2 emissions.

**Platform for Accelerating Coal Efficiency – PACE**

In December 2014, the WCA published a concept paper on establishing a Platform for Accelerating Coal Efficiency (PACE).

The vision of PACE would be that for countries choosing to use coal, the most efficient power plant technology possible is deployed. The overriding objective would be to raise the global average efficiency of coal-fired power plants and so minimise CO2 emissions which will otherwise be emitted while maintaining legitimate economic development and poverty alleviation efforts.
Technologies such as high efficiency, low emissions (HELE) coal plants and carbon capture, use and storage (CCUS), can make a significant contribution to reducing global CO2 emissions as part of the energy mix. Moreover, deploying HELE technology is a key first step along a pathway to near-zero emissions from coal with carbon capture, use and storage (CCUS).

Moving the current average global efficiency rate of coal-fired power plants from 33% to 40% by deploying more advanced off-the-shelf technology could cut 2 gigatonnes of CO2 emissions now, while allowing affordable energy for economic development and poverty reduction.

It is the WCA’s position that there should be coordinated global action to support developing and emerging economies already choosing to use coal to do so with the lowest possible emissions profile.

Please find attached the concept paper detailing the benefits of efficiency and articulating our proposed approach for taking PACE forward. The WCA looks forward to further opportunities to contribute to the development of the EIB’s approach to supporting climate action.

Yours sincerely

Benjamin Sporton
Acting Chief Executive