

EURACOAL

European Association
for Coal and Lignite



European Parliament ITRE Committee Hearing

The Mining Industry

Brussels – 3th October 2007

Dr. Thorsten Diercks
Secretary-General

Coal's Role in the regions

- The use of domestic coal deposits reduces import dependence, thereby increasing security of energy supply.
- Regional prosperity and employment are created; a 500 MW power station operating 7000 h/p.a. and selling electricity for 40 €/MWh anchors 3 bn. € in the region within 20 years. With indigenous coal, the added value remains in the region.
- The additional economic prosperity enables the regions to develop their economic structure without any disruptions, but with a long term vision.

Polish Coal Basins and Reserves

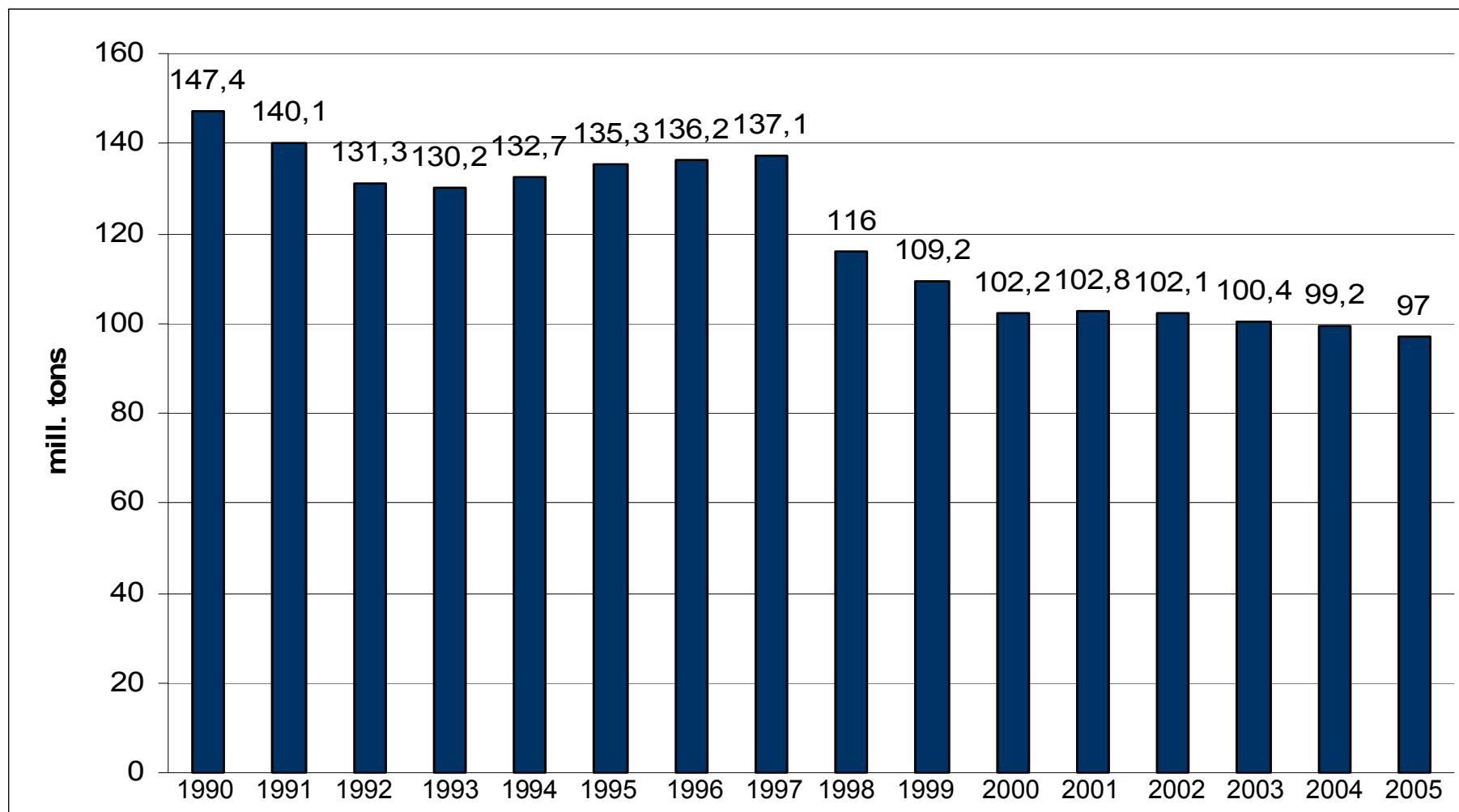


***DZW Lower
Silesia Coal Basin***

***GZW Upper
Silesia Coal Basin***

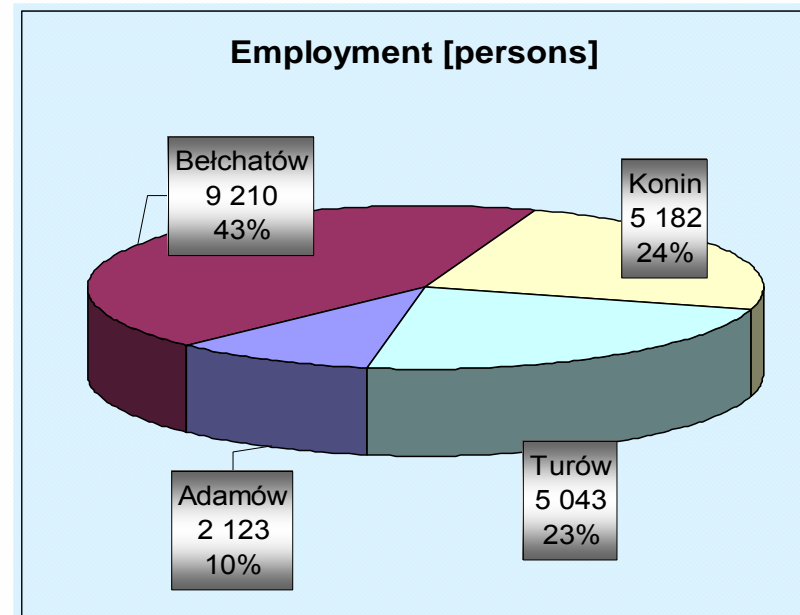
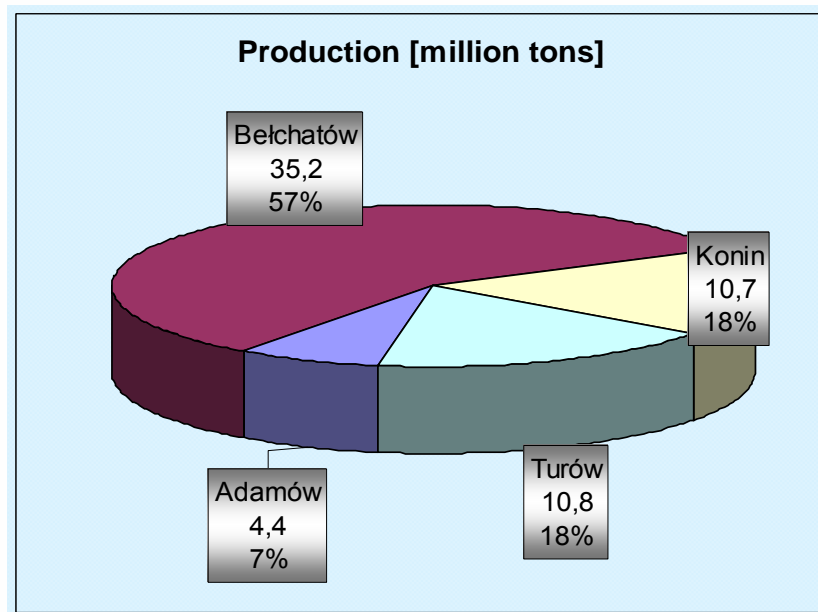
***LZW Lubelskie
Coal Basin***

Poland - Hard Coal Production

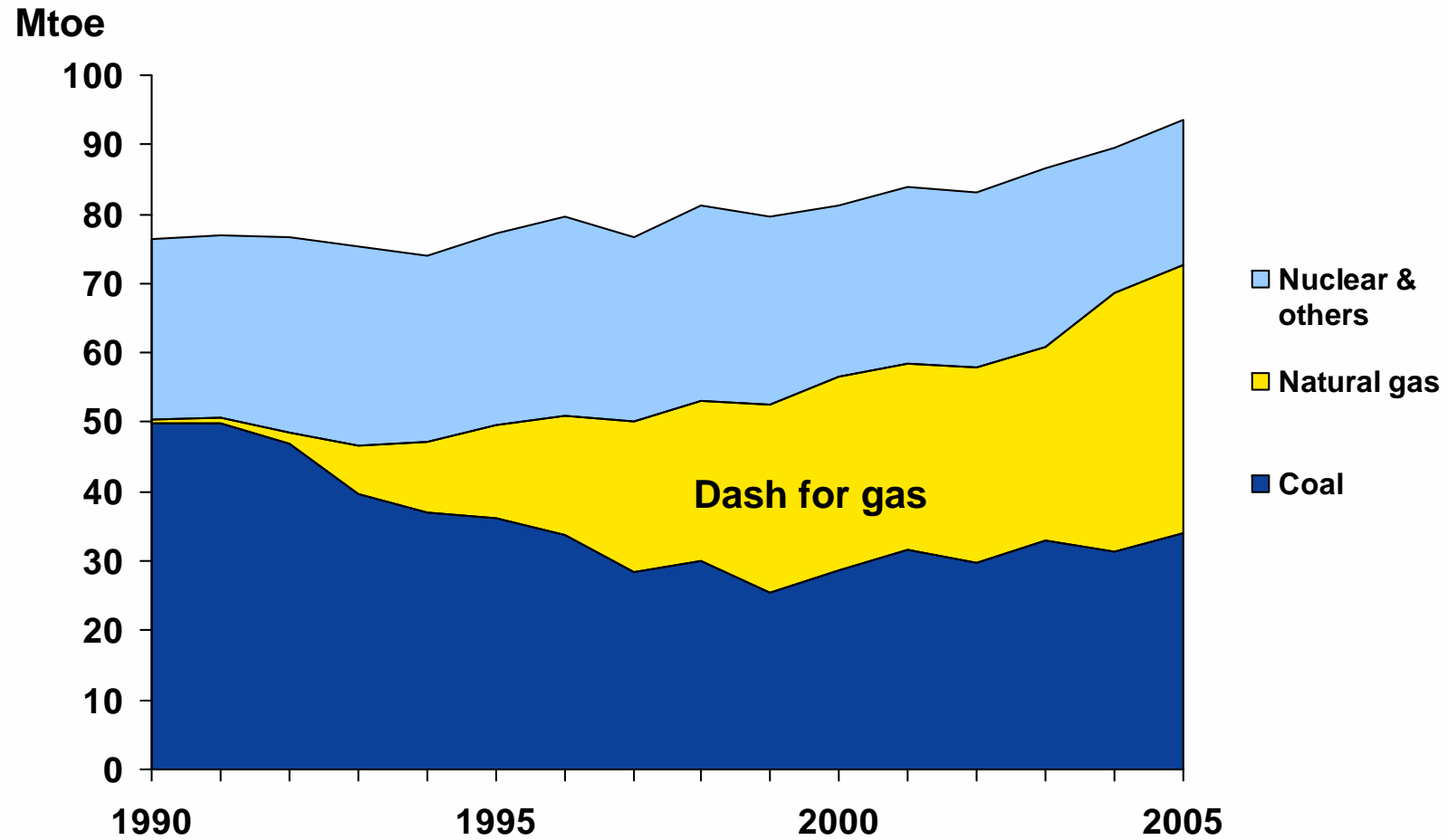


Brown Coal Industry in Poland in 2005

- The 2005 production of brown coal was 61,6 million tons.
- At the end of 2005 the employment in brown coal industry amounted to 20 148 persons.



Fuel Input for Power Generation in UK

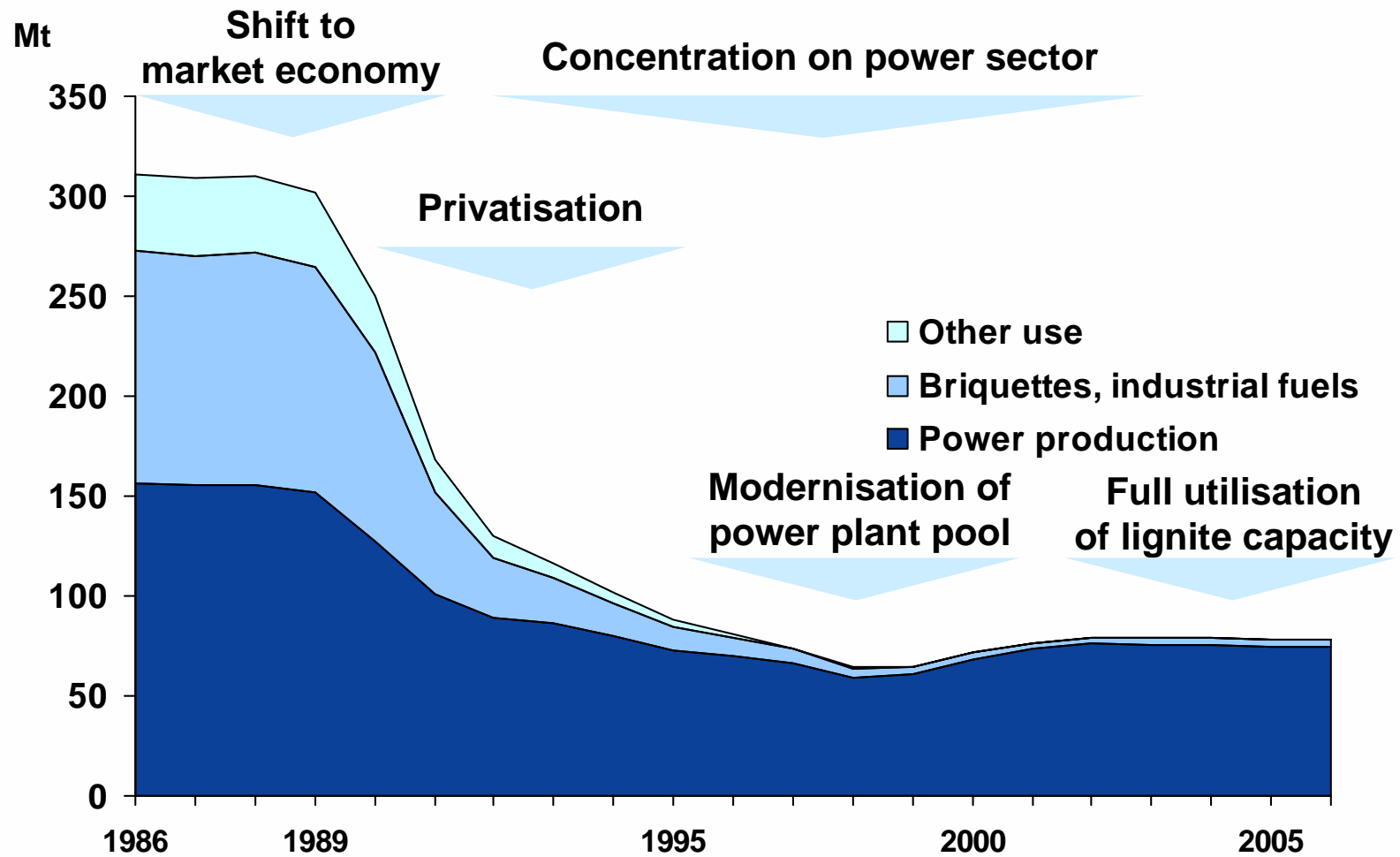


Source: EUROSTAT

Brussels, 3th October 2007, Figure 7

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Lignite in Eastern Germany



Current challenges with regard to coal

- Access to Resources
 - No close down of mines based on short term considerations
 - The legal system must – also in practice – further allow reasonable planning permission delays for coal and lignite production
- Industry to continuously modernize coal-fired power plants, increase efficiency and to develop/deploy CCS; policy makers to help by delivering investment security
- The EU ETS as from 2013 – Fuel specific benchmarks with load factors correspond to the objective of transferring the EU ETS to other industrialized and threshold countries