



Emergence of the coal alliance

Vijay Jayaraj writes about the concerns of the
developing world about the carbon imperialism
imposed on them by the Paris Agreement

A year ago, no one could have predicted the emergence of a coal alliance. Not when the leader of the most powerful country—President Obama—was crusading against coal. One year later, the coal alliance has arrived!

During his presidential run, Donald Trump pledged that the US would pull out of the Paris Agreement—the poster child agreement of the climate alarmists who advocate for the shutdown of coal plants. Trump also indicated that he would bring major reforms in national policies concerning controversial environmental issues such as pollution and climate change.

In 2017, he fulfilled both his promises, declaring the US pullout from the Paris Agreement and bringing major changes in the US Environmental Protection Agency—the country’s authority on environmental policy. This signaled the end of the anti-coal regime in the US.

At the recent climate talks in Bonn, the US government explained how advanced and pollution-free coal-burning technologies available today make coal a clean and reliable source of energy.

Developing countries, most of which face the uphill task of meeting their domestic energy demands, capitalized on this move and began to be vocal about their reservations concerning the Paris Agreement. Their revolt was explicit, and they began calling out the hypocrisy of developed countries during the international climate conferences.

Philippines was the first country to pull the trigger when it withdrew from the Paris Agreement in 2016, setting a precedent for other developing nations who face the increasing pressure from the anti-coal establishment.

India has termed the coercive policies of Paris as ‘Carbon Imperialism’. With a population of 1.3 billion people, India cannot afford to reduce the consumption of coal—the country’s most affordable, abundant, and reliable source of energy.

In a public gathering, Arvind Subramanian, the country's chief economic adviser, said, *"India needs coal in the short to medium term... India cannot allow the narrative of carbon imperialism to come in the way of realistic, rational planning for the country's energy future."*

He added that formation of an international coal alliance would negate the carbon imperialism imposed on developing countries. *"Coal will remain and should remain. The time is ripe for creating a green and clean coal coalition mirroring the (international) solar alliance. That, rather than unconscionable calls to phase out India's cheapest source of energy."*

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India created surplus energy in the year 2016—producing more electricity than the demand. This was mainly due to the country's booming coal industry and the pro-fossil policies of the government. Coal India Limited, the state-owned coal producer, generated a record 536 million tonnes of coal in the year 2015-2016—an increase in coal production by 8.5 percent from the previous year.

India aims to more than double its coal production from about 600 million tonnes a year towards 1.5 billion tonnes by 2020. Indian projected coal consumption of 1,300 million tonnes of coal equivalent (Mtce) in 2040 will be 50 percent more than the combined demand of all 34 countries that form the Organization for Economic Cooperation and Development, including the United States and Canada.

India's Asian neighbour and the world's largest emitter of carbon dioxide—China—is projected to increase its coal consumption in the next three decades. Currently, coal contributes to 60 percent of the domestic energy consumption.

China has significantly contributed to the growth in coal emissions, due to an increased domestic demand for coal-powered energy. During the first three quarters of 2017, China imported 6 percent more coal than the previous year.

Both India and China have refused to make any drastic changes to their domestic policies that are coal-friendly. Their contribution to the Paris agreement, in terms of emission reduction, is negligible, and they are determined to expand their coal production and consumption.

While countries in Asia have openly embraced coal, others in Europe like Germany continue to consume more coal despite being misunderstood as ['climate leaders.'](#)

Germany's coal consumption increased in 2016, and its carbon dioxide [emissions continue to increase](#) for the third year in a row. Forecasts indicate that the country will also miss the emission reduction targets that it had proposed in the Paris Agreement for 2020 and 2030.

Together, the US, Germany, India, and China constitute the biggest emitters of carbon dioxide in the world. Their move to embrace coal has signaled the continuation of a coal era that was largely responsible for the development of modern society during the Industrial Revolution.

Other European countries have joined Germany in resisting the phase-out of coal. The Spanish government recently refused to shut down two coal-fired plants that were originally intended for closure.

Poland—Europe's biggest coal burning nation, began its coal imports from US this year. The country's Energy Minister Krzysztof Tchorzewski squashed rumours of coal-shortage in the country saying, *"I can say that this winter no one will be cold in their homes because of a lack of coal."*

President Trump, during his trip to Poland earlier this year said, *"America stands ready to help Poland and other European nations diversify their energy supplies, so that you can never be held hostage to a single supplier."* This guaranteed a reliable coal supplier for Poland and their dependency on coal is set to continue.

At Bonn, a few countries like France and Canada pledged to phase out coal completely. While it may appear to cause a disruption to the coal industry, it does not affect the global coal consumption in anyway.

France and Canada do not depend on coal for the majority of primary energy production. Coal accounts for just 12 percent all electricity produced in Canada, whereas in France it accounts for just 3 percent of electricity produced

(2014). In contrast, coal accounts for 72 percent of electricity generated in India and China (2014), and they are not phasing out coal.

The International Energy Agency forecasts indicate that South East Asia's coal-fired power generation capacity will increase by 100 GW in the next twenty years, growing by 50 percent over today's levels. Coal prices in Asia are likely to **remain high** in the coming days because of the increased demand in China and India.

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ABOUT THE AUTHOR

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