

THE EUROPEAN COAL AND LIGNITE INDUSTRY AND RELATED EU POLICY IN A GLOBAL CONTEXT

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Summary

European coal use now accounts for a small fraction of global coal demand which continues to grow, dominated by China which uses over one half of all the coal mined in the world. International coal trade is buoyant, facilitated by efficient transport. As countries strive to reduce their greenhouse gas emissions, many have announced plans to limit coal use – nowhere more so than in the European Union. Since 1990, EU coal production and demand have trended downwards and, today, all EU member states have plans to phase out coal. The economic bounce back after the Covid-19 pandemic and energy crisis linked to Russia's war of aggression against Ukraine only briefly interrupted the trend of decline. Looking to the future, the EU aims for net-zero greenhouse gas emissions by 2050. To achieve this target, the European Commission anticipates the continued growth of renewable energy sources.

From an historical perspective, the exploitation of coal in Europe has followed a pattern that is typical of the exploitation of many natural resources. In the EU, other factors also weigh on coal demand with legislation to limit CO₂ emission and, most recently, to limit methane emissions from the energy sector. In response to the EU's high energy prices and weakening industrial competitiveness, the European Commission proposed a Clean Industrial Deal that will favour cleantech. For the coal regions, the Just Transition Fund provides support for diversification so that no one is left behind as new energy sources come online. During the energy transition, the affordability, availability and reliability of coal mean that it will still have an important role to play.

Keywords: hard coal, lignite, global coal market

Streszczenie

Europejskie zużycie węgla stanowi obecnie jedynie niewielką część globalnego popytu na ten surowiec, który nadal rośnie, przy czym dominują w nim Chiny, zużywając ponad połowę całego węgla wydobywanego na świecie. Międzynarodowy handel węglem pozostaje dynamiczny, czemu sprzyja efektywny transport. W miarę ograniczenia emisji gazów cieplarnianych, do którego dążą kolejne kraje, wiele z nich ogłosiło plany zmniejszenia wykorzystania węgla – w szczególności dotyczy to Unii Europejskiej. Od 1990 r. produkcja węgla i popyt na niego w UE wykazują tendencję spadkową. Obecnie wszystkie państwa członkowskie UE planują stopniowe wycofywanie węgla. Ożywienie gospodarcze po pandemii COVID-19 oraz kryzys energetyczny związany z agresją Rosji na Ukrainę jedynie na krótko przerwały ten trend spadkowy. Patrząc w przyszłość, UE dąży do osiągnięcia neutralności klimatycznej do 2050 roku. Aby zrealizować ten cel, Komisja Europejska przewiduje dalszy rozwój odnawialnych źródeł energii.

Z perspektywy historycznej, eksploatacja węgla w Europie przebiegała według schematu typowego dla wykorzystania wielu zasobów naturalnych. W UE na popyt na węgiel wpływają również inne czynniki, w tym przepisy ograniczające emisje CO₂, a ostatnio także regulacje dotyczące redukcji emisji metanu z sektora energetycznego. W odpowiedzi na wysokie ceny energii oraz spadającą konkurencyjność przemysłu, Komisja Europejska zaproponowała inicjatywę Clean Industrial Deal, która ma sprzyjać rozwojowi czystych technologii. Dla regionów węglowych Fundusz Sprawiedliwej Transformacji zapewnia wsparcie na rzecz dywersyfikacji gospodarczej, tak aby nikt nie został pozostawiony w tyle w procesie wdrażania nowych źródeł energii. W okresie transformacji energetycznej przystępność cenowa, dostępność i niezawodność węgla sprawiają jednak, że surowiec ten nadal będzie odgrywał istotną rolę.

Słowa kluczowe: węgiel kamienny, węgiel brunatny, światowy rynek węgla

Introduction

The European Association for Coal and Lignite has members from a dozen member states of the European Union (EU) and other countries on paths towards EU membership. The association can trace its roots back to 1952 when the Comité d'étude des producteurs de charbon d'Europe occidentale (CEPCEO) was established. In 2002, EURACOAL succeeded the Comité Européen des Combustibles Solides (CECSO) after the expiry of the Treaty establishing the European Coal and Steel Community (EURACOAL, 2010).

Here, the association gives an overview of the industry it represents within the global context of rising coal consumption, followed by a summary of EU legislation and policies of importance to the future of coal and lignite mining and use in Europe. With climate policy everywhere pushing towards coal phase outs, this paper concludes with a look at how the EU is supporting the coal regions during what is a major transformation of not only the energy sector, but of many industries.

(VLBC) and Capesize down to the smaller Handysize.¹ Over three quarters of the international coal trade was in steam coal for power generation with the remainder being coking coal for steelmaking and coal for other industrial use such as cement production.

According to the International Energy Agency (IEA), global coal consumption in 2024 exhibited a similar trend to coal production, growing by 1.0% to an estimated 8.8 Gt as its use for power generation grew in India and China. China alone accounted for 58% of global coal consumption in 2024. To meet this demand, China produced 4 759 million tonnes (Mt) and imported a further 475 Mt – an all-time historic high. China's coal output is twenty times more than the EU's. At 725 Mt in 2024, Indonesia was the world's largest coal exporter by volume, followed by Australia which exported 202 Mt of steam coal and 151 Mt of coking coal in the same year. By US dollar value, Australia is the world's largest coal exporter because its coal is of the highest quality, whereas Indonesian coal generally has a low heating value (calorific value).

Against this global background, we review EU coal production and imports in 2024, the sources of those

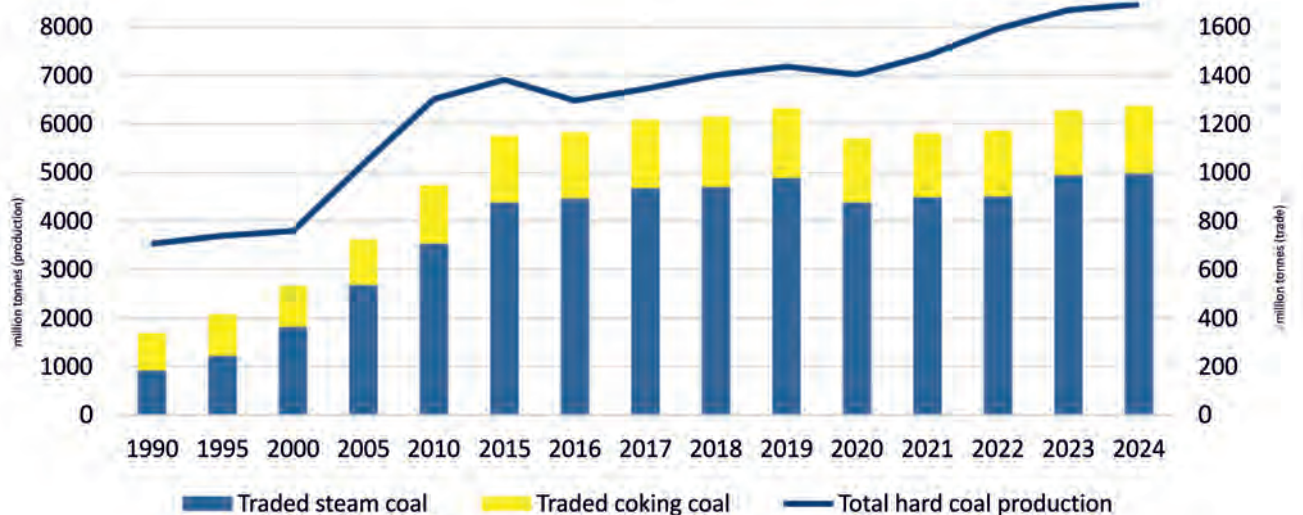


Fig. 1. Global hard coal production and seaborne hard coal trade

Rys. 1. Globalna produkcja węgla kamiennego i handel węglem kamiennym drogą morską

Sources: VDKi; McCloskey by OPIS, a Dow Jones Company as reproduced by EURACOAL (2025a)

The global coal market

After growing 3.9% to a record 8.3 billion tonnes (Gt) in 2023, global hard coal production grew again in 2024, albeit at the slower rate of 1.4%, to an estimated 8.5 Gt (Figure 1). Add in lignite production, and total coal production in 2024 was a record 9.2 billion tonnes – a figure that is likely to be matched in 2025. For a decade or more, Western governments and agencies have wrongly predicted “peak” coal, and many still do as new energy sources become more and more attractive.

Total coal trade, including cross-border trade by land, also grew by 1.4% to around 1.4 billion tonnes in 2024, of which an estimated 1.3 Gt were seaborne. Seabourn coal is shipped on vessels ranging in size from very large bulk carriers

imports, and the EU's evolving policies towards coal which must balance security of supply concerns with the climate imperative.

The European coal market

In the European Union, total coal supply (comprising production plus imports) fell by 58.1 Mt or 15.8% to 310.5 Mt in 2024. Hard coal deliveries for utility-scale heat and power generation fell by 19.7 Mt or 32.5% compared with 2023 to 41.0 Mt while lignite deliveries were down 28.1 Mt or 10.7% to 171.6 Mt. Weak economic growth and sluggish industrial activity, coupled with the rise of renewables and the improved availability of French nuclear

¹ Capesize vessels are of 80 000-200 000 deadweight tonnes (dwt), Panamax (50 000-80 000 dwt), Handymax (35 000-50 000 dwt), and Handysize (24 000-35 000 dwt).

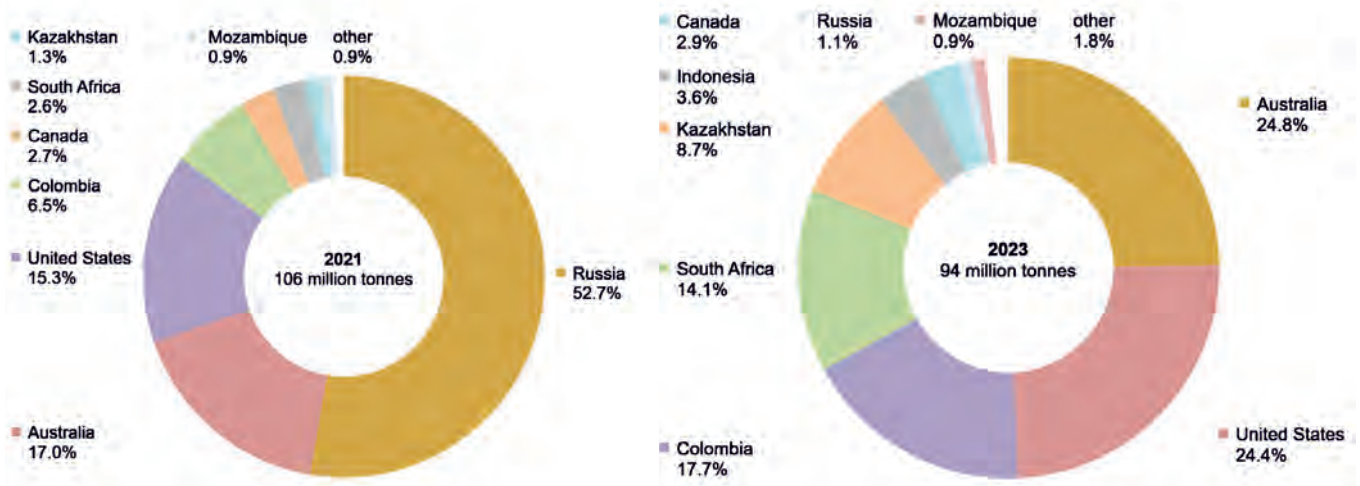


Fig. 2. EU coal imports in 2021 and 2023 – the EU stopped importing Russian coal in August 2022

Rys. 2. Import węgla do UE w latach 2021 i 2023 – UE zaprzęstała importu węgla rosyjskiego w sierpniu 2022 r.

Source: Eurostat databases “Imports of solid fossil fuels by partner country” (nrg_ti_sff, last updated: 25/06/2025) and “Exports of solid fossil fuels by partner country” (nrg_te_sff, last updated: 25/06/2025)

power plants, mean that EU coal demand is unlikely to bounce back. Indeed, in the first half of 2025, EU hard coal production fell by around 5%, although coal imports and lignite production both increased by around 3%. The UK left the EU in 2020 and continues to follow a strict climate policy. The country’s last coal-fired power plant – Ratcliffe power station near Nottingham – was closed in September 2024, bringing to an end the era of coal-fired power generation in the United Kingdom which began in 1882 at Holborn Viaduct in London.

In Ukraine – where EURACOAL has two members: DTEK and Donetsksteel – employees at coal mines and power plants have worked under the most difficult and dangerous

of conditions to secure the country’s electricity supply during a time of war. In response to Russia’s unwarranted aggression, the EU has agreed a series of sanctions packages. The 19th package was announced in October 2025 and includes a complete ban on Russian liquified natural gas (LNG) from 1 January 2027 (European Council, 2025). Under the 5th package of EU sanctions announced in early April 2022, Russian coal imports into the EU were banned from 11 August 2022. Since then, only coal transhipped from Kazakhstan has been allowed to enter the EU via Russia, an arrangement that was formalised in the 18th package of sanctions. With the war still in progress, the EU must live without Russian fossil fuels – coal and oil, but especially without Russian fossil gas.

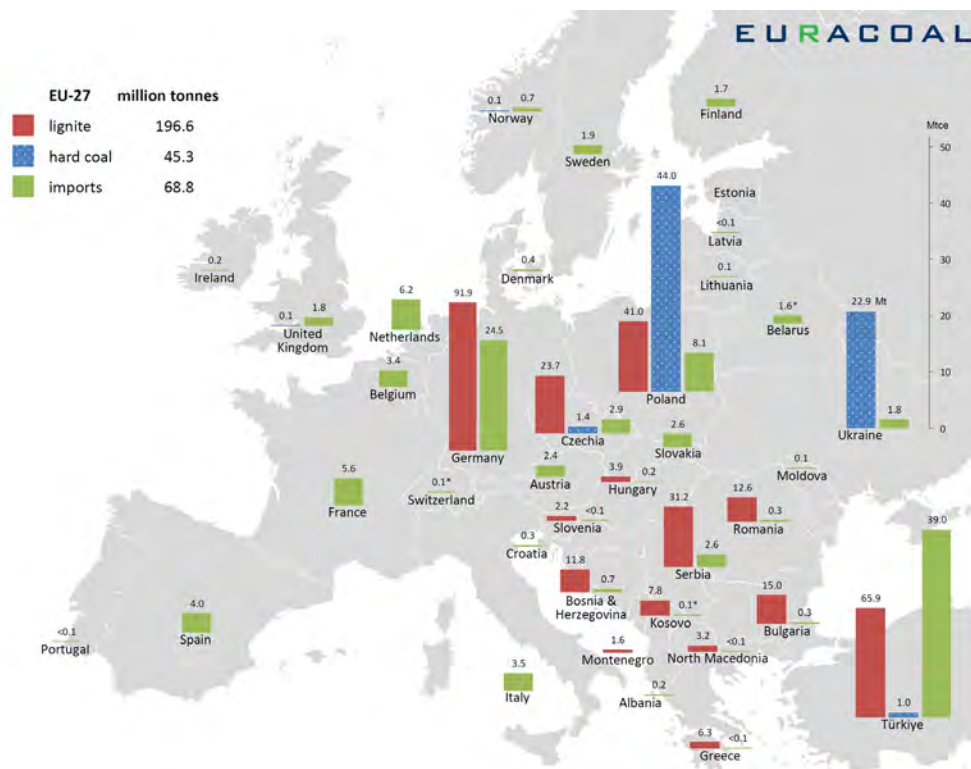


Fig. 3. European lignite production, hard coal production and coal imports, 2024

Rys. 3. Produkcja węgla brunatnego w Europie, produkcja węgla kamiennego i import węgla w 2024 r.

Source: EURACOAL (2025b)

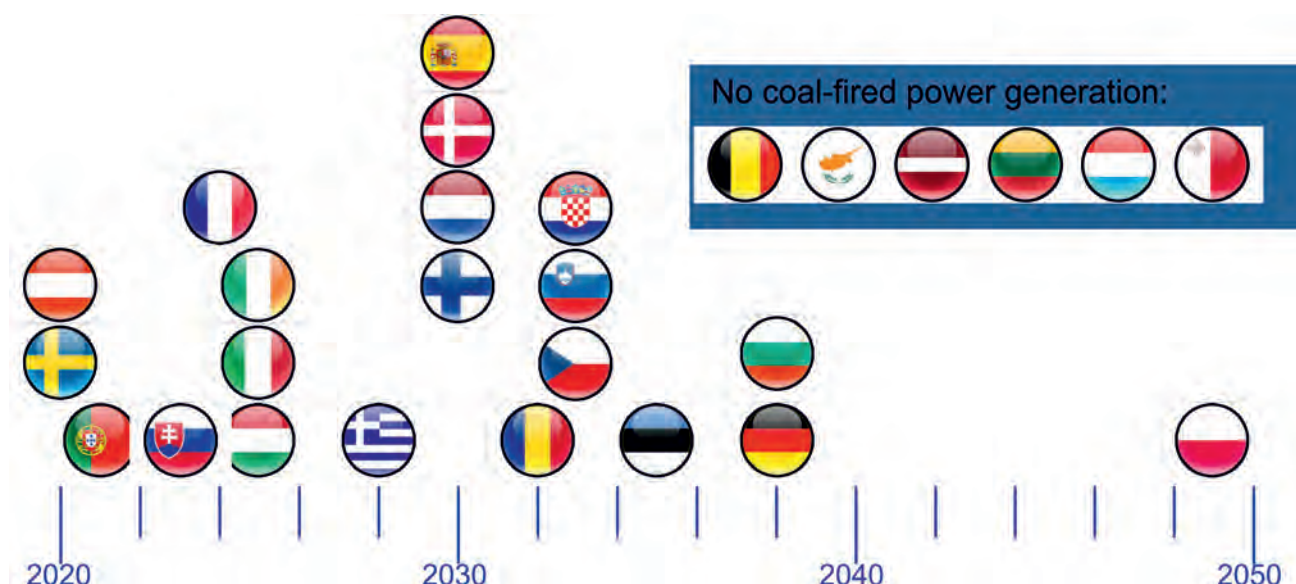


Fig. 4. Phase-out plans for coal, peat and oil shale for electricity generation in EU member states

Rys. 4. Plany wycofywania węgla, torfu i łupków bitumicznych z produkcji energii elektrycznej w państwach członkowskich UE

Source: EURACOAL members

Figure 2 shows where the EU imported coal from in 2021. The international coal market is very diverse with many suppliers – there is no OPEC-style cartel, so no price fixing. However, since 2011, Russia grew to dominate the supply of coal into the EU. Following the 5th sanctions' package of 2022, the EU has successfully replaced the 50 million tonnes of coal imported from Russia in 2021. That switch happened thanks to more coal coming from traditional suppliers – Indonesia, Australia, the US, Colombia and South Africa – as well as from Kazakhstan.

EU hard coal production fell by 8.8% in 2024 to 45.2 Mt compared with 2023 with production coming mainly from Poland plus small volumes from the Czech Republic. Figure 3 shows that Ukraine is the only other significant hard coal

producer in Europe (blue bars).

Lignite is widely produced across the EU. Production fell by 12.4% to 196.6 Mt in 2024 as lignite demand for power generation slumped across the whole of the EU except in Slovenia where deliveries grew by 24.4% after geological problems were overcome at the Velenje coal mine. Germany was the largest lignite producer followed by Poland, the Czech Republic, Bulgaria, Romania, and Greece. In absolute terms, Germany saw the biggest production decline in 2024 as its lignite mines produced 91.9 Mt or 10.3 Mt less than in 2023, a 10.1% drop. However, Greece experienced the biggest relative fall in lignite production, of 39.7%, followed by Bulgaria, Czechia and Romania. Lignite production in Slovakia ended in December 2023 with the closure of Nováky

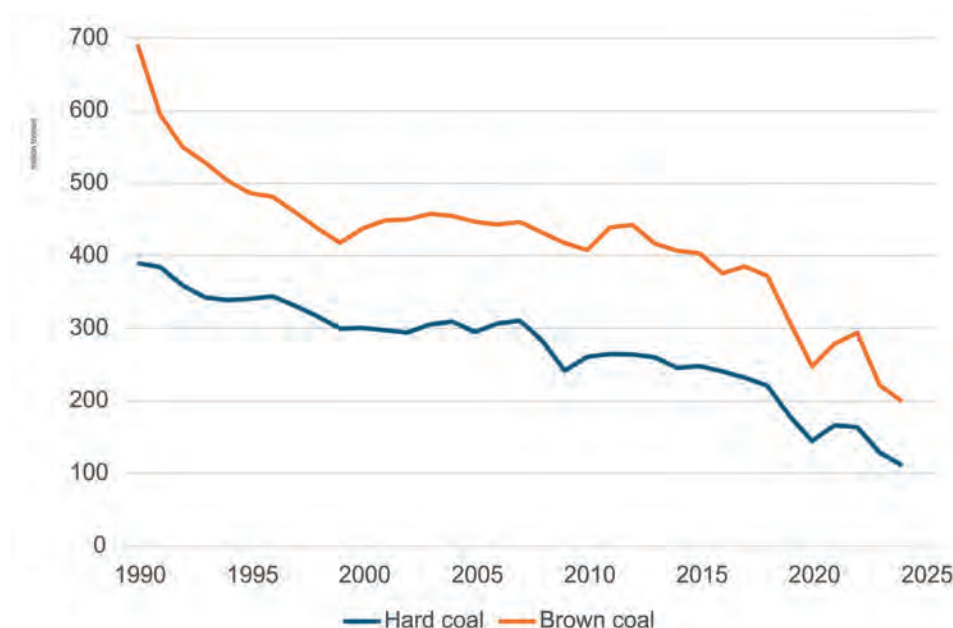


Fig. 5. Consumption of hard coal and lignite in the EU, 1990 to 2024

Rys. 5. Zużycie węgla kamiennego i brunatnego w UE w latach 1990–2024

Source: Eurostat database “Supply, transformation and consumption of solid fossil fuels” (nrg_cb_sff, last updated: 25/06/2025)

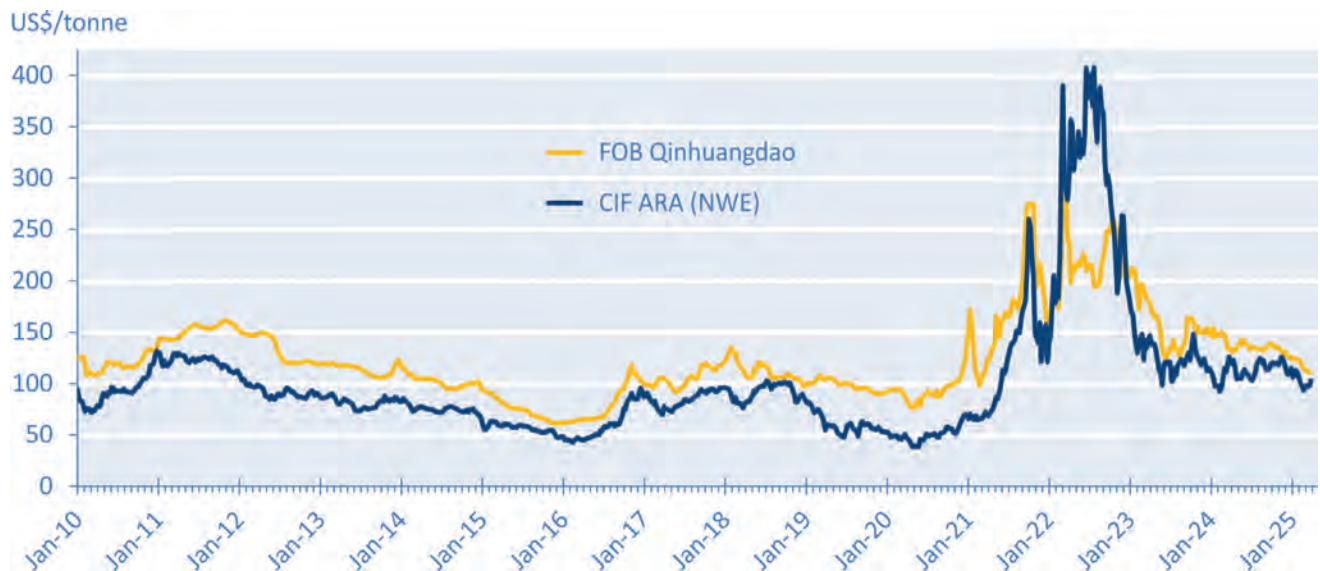


Fig. 6. Coal prices in Northwest Europe (CIF ARA) and China (Qinhuangdao), 2010-2025

Rys. 6. Ceny węgla w Europie Północno-Zachodniej (CIF ARA) i Chinach (Qinhuangdao), 2010–2025

Sources: McCloskey by OPIS, a Dow Jones Company as reproduced by EURACOAL (2025b)

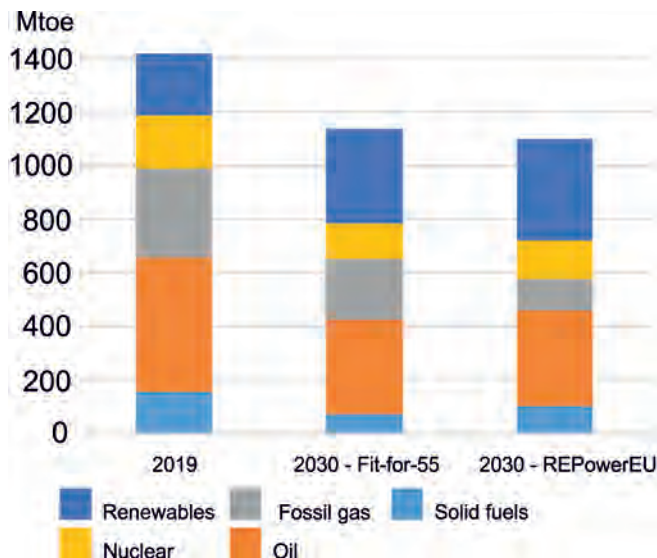


Fig. 7. Solid fuels (coal, lignite, peat and oil shale) in the REPowerEU Plan of 18 May 2022

Rys. 7. Paliwa stałe (węgiel kamienny, węgiel brunatny, torf i łupki bitumiczne) w planie REPowerEU z dnia 18 maja 2022 r.

Source: European Commission SWD(2022) 230 final

coal mine, ending over one hundred years of mining history in the country.

Hard coal imports into the EU, at 68.6 Mt in 2024, were down by a massive 27.4% compared with the previous year, continuing a trend of decline that began in the first half of 2023. Poland saw the largest absolute decline at 8.8 Mt, followed by Germany at 5.6 Mt. The Polish government's mandate in 2022 to stock sufficient coal to ensure electricity and heat supply security during a difficult period left high coal stocks at the end of 2023 following a warm winter and this hit import demand which fell 52.1% to 8.1 Mt in 2024. Italy and Spain also saw big falls, respectively importing 3.5 Mt (–51.2%) and 4.0 Mt (–41.8%) in 2024.

Coal phase out in the EU

Across the EU, member states have decided to phase out coal for power generation as shown by the timeline in Figure 4. Lignite production has been on a downward trend since 1990 in Germany, Poland, and the seven other member states who use lignite, including Hungary, Slovakia and Slovenia. Hard coal production has also declined since 1990 and is now dominated by Poland after German hard coal production ceased at the end of 2018. Figure 5 shows the EU's annual consumption of hard coal (including imports) and lignite since 1990.

EU coal policy during the energy crisis

Following Russia's invasion of Ukraine, the price of fossil gas reached record levels of more than €300/MWh in March 2022 and again in August 2022: fifteen times higher than normal. High fossil gas prices pushed up coal prices (Figure 6); at times, they were above \$400/tonne for steam coal delivered to the ARA ports of northwest Europe (Amsterdam, Rotterdam and Antwerp). Prices have since moderated back to more normal levels, but Europe remains in the grip of an energy crisis with gas and power prices significantly above those of our competitors.

The response of the European Commission to the energy crisis was first outlined in a communication in March 2022. Then, on 18 May 2022, the Commission published its REPowerEU plan.

The Commission envisaged more coal to be used for power generation to displace 105 TWh of gas-fired generation and save up to 24 bcm of gas each year (Figure 7). This would require an investment of €2 billion to keep coal plants running while meeting the latest EU pollution standards. The displaced volume of gas represents 15% of imports to the EU from Russian in 2019 – the last “normal” year when

² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law')

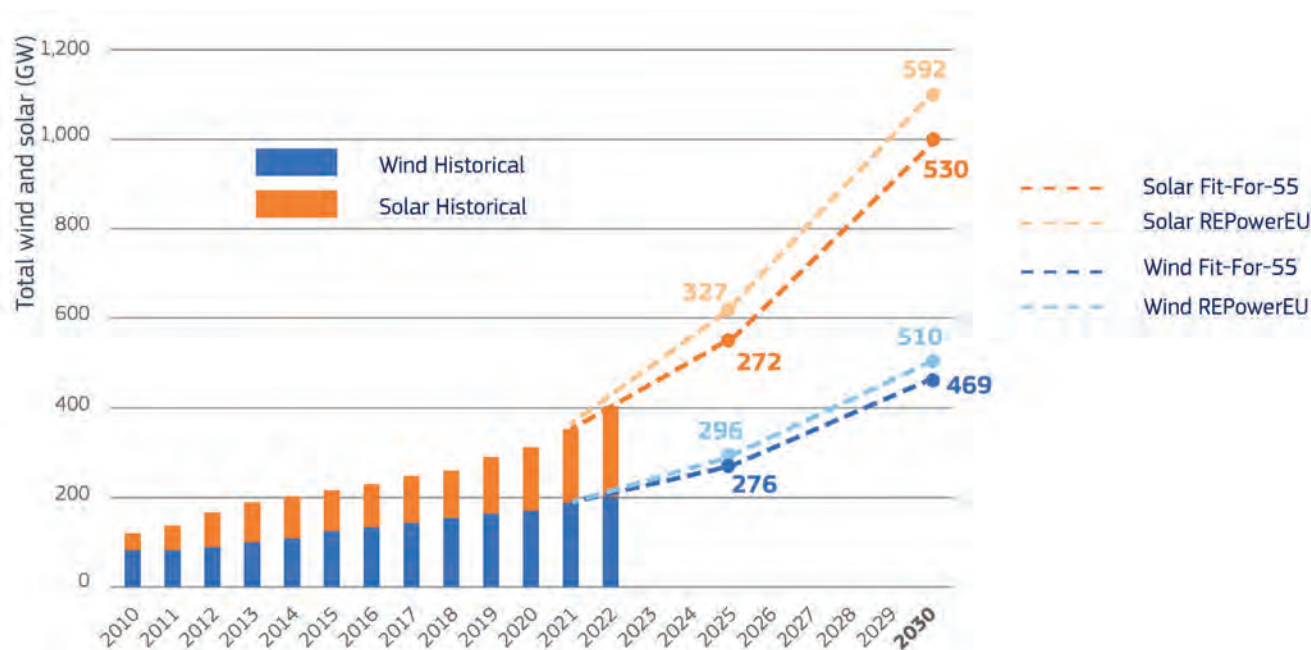


Fig. 8. Wind and solar PV in the REPowerEU Plan of 18 May 2022

Rys. 8. Energia wiatrowa i słoneczna PV w planie REPowerEU z dnia 18 maja 2022 r.

Source: European Commission SWD(2023) 58 final

N.b. in 2020, the total installed capacity of all generation types in the EU was c.1 000 GW

gas imports from Russia accounted for 41% of the 409 bcm consumed in the EU. This volume is similar to what the International Energy Agency proposed in its 10-point plan to wean the EU off Russian gas. Together with a 15% reduction in fossil gas demand, more non-Russian pipeline gas imports, more LNG imports, and fuel switching in the power sector, the REPowerEU plan aims to replace all Russian gas – a feat that is expected to be completed by 2027.

Fossil gas is used for many purposes and is sometimes difficult to replace; for households, heating plants, and the commercial and public sectors, it is not so easy to switch away from gas. However, for electricity generation, gas-to-coal switching is an option. Industry has also responded by fuel switching and curtailing production. For example, chemical,

fertiliser and aluminium companies in the EU have shuttered production, because importing many secondary commodities is now cheaper than processing raw materials in the EU.

In the European Commission's analysis for REPowerEU, it assumes a coal price of around \$90/tonne. In October 2021, coal prices rose to over \$200/tonne, then to over \$400/tonne in summer 2022. Today coal prices are back below \$100/tonne. Unfortunately, gas and electricity prices remain stubbornly high in the EU.

Coal and EU climate policy

At the political level, the European Commission remains committed to the European Green Deal (COM(2019) 640) and

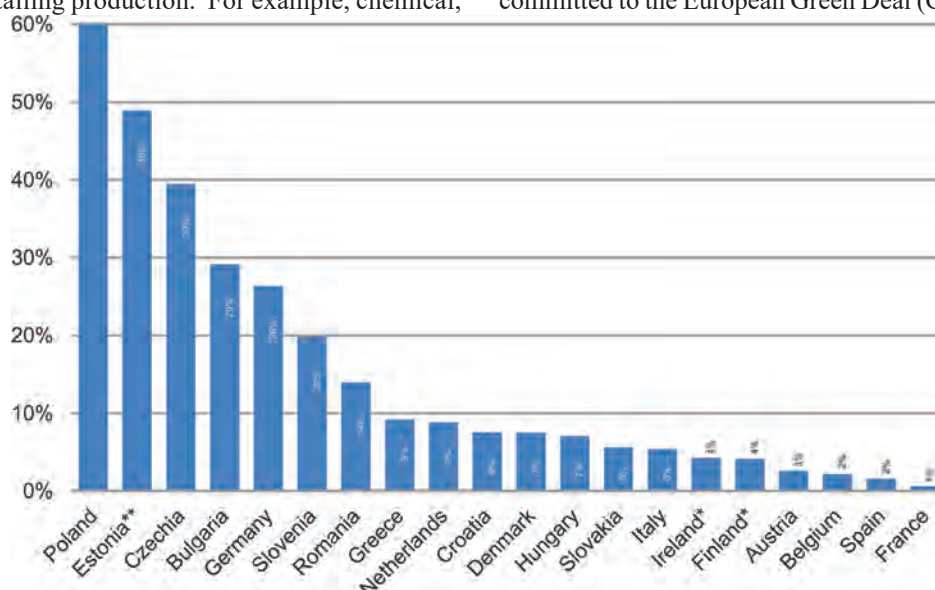


Fig. 9. Coal and lignite in EU electricity generation, 2023

Rys. 9. Węgiel kamienny i brunatny w produkcji energii elektrycznej w UE, 2023 r.

Source: Eurostat database "Production of electricity and derived heat by type of fuel" (nrg_bal_peh, last update 02.05.2025)

N.b. Coal includes peat* and oil shale**.

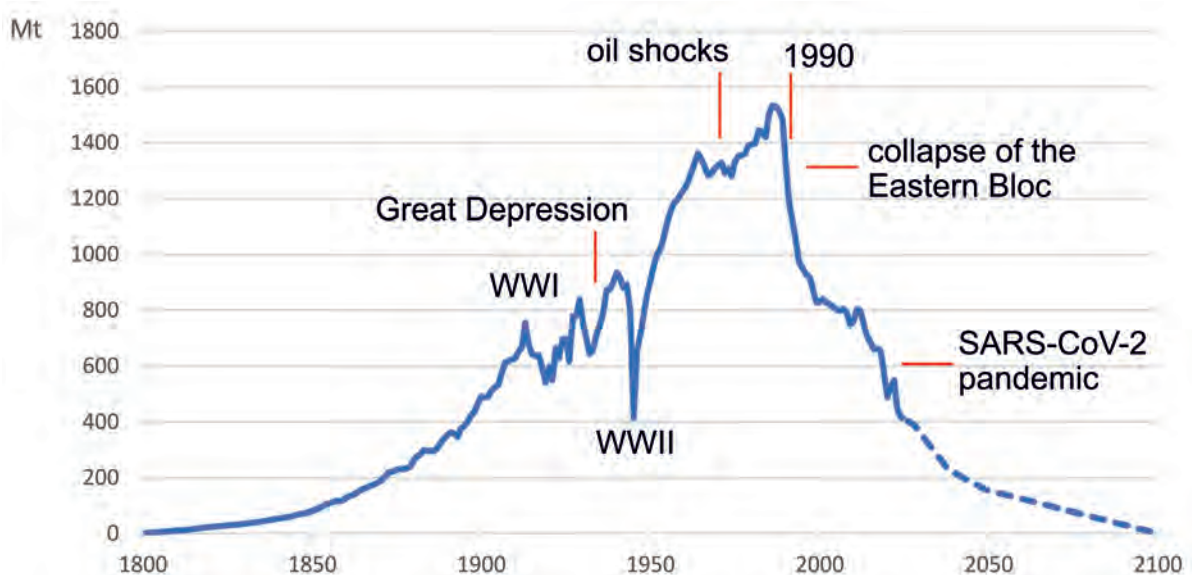


Fig. 10. European coal and lignite production 1800 to 2021 and forecast

Rys. 10. Produkcja węgla kamiennego i brunatnego w Europie w latach 1800–2021 i prognoza

Source: Rutledge (2011), Energy Institute (2025) and own calculations

N.b. includes production in the EU, Turkey, Ukraine and Western Balkans

a 55% greenhouse (GHG) emission reduction target for 2030, as laid down in the amended European Climate Law which came into force in July 2021.² Much of the so-called Fitfor55 package (COM(2021) 550) has been adopted, and already threatens coal with revised rules for the EU Emissions Trading System. So, the coal industry will continue along its path of long-term structural change; a path that now requires transformation on a scale that EU funds can only partially address.

Burning coal and lignite for a little longer than planned – as the REPowerEU plan assumes – would not dramatically change the EU's leading position on climate: the share of coal and lignite in power generation was 14% in 2020, well below the global average of 37%, and fell to 12.6% in 2023 and to an estimated 10.5% in 2024. There are of course EU countries – like Poland – who are more heavily dependent on coal and other solid fuels – oil shale in the case of Estonia (Figure 9).

The historic trend of declining coal production in Europe will not change. Figure 10 shows the evolution of coal production as it powered the Industrial Revolution in Europe, with some global events that changed the course of an otherwise perfect, bell-shaped “Hubbert curve” for the production of any finite resource exploited in a free-market economy. After the easiest-to-exploit reserves are exhausted, costs rise and eventually demand reduces in favour of cheaper alternatives. Today, we are concerned only with the tail end of this curve. A lack of access to gas may mean that coal phase-out plans are delayed a little, as in Romania, but the trend towards an end of coal use by 2040, or 2049 in the case of Poland, will continue.

Future EU legislation related to coal

A revision of the Industrial Emissions Directive came into force on 4 August 2024.³ Known as IED 2.0, it may

have an impact on coal use for power generation and other uses. The directive will apply to the mining sector for the first time, but not to the mining of coal or lignite as energetic raw materials are excluded given that these fuels are being phased out anyway.

A new Methane Regulation also came into force on 4 August 2024 and will place enormous burdens on the coal industry.⁴ It could even force underground coal mines in Poland and an underground lignite mine in Slovenia to close prematurely.

The tragedies at coal mines in Poland (Pniówek and Borynia-Zofiówka) and Türkiye (Amasra) in 2022 remind us that the effective management of methane is critical. These were horrendous accidents and too many mineworkers perished or suffered injuries.

Thanks to the efforts of Members of the European Parliament (MEPs), health and safety clauses were added to the European Commission's proposal which balance the regulation's otherwise singular focus on regulating the emissions of a greenhouse gas by banning the venting and the inefficient flaring of methane from operating mines after 1 January 2025 and imposing hard limits on emissions from ventilation shafts after 1 January 2027. For the coal industry, this presents a real challenge as underground coal mines in Poland and Slovenia require forced ventilation to keep mineworkers safe from the risk of gas explosion. At surface lignite mines, the regulation imposes costly measurement requirements that must be repeated quarterly, even at mines where no methane has been detected.

Given the challenge, EURACOAL supports the development and demonstration of new technologies to reduce coal mine methane emissions. It is not easy to capture the methane from ventilation air – from the huge volumes of air with a low concentration of methane. An EU-funded Research Fund for Coal and Steel project led by the Central Mining

³ Directive (EU) 2024/1785 of the European Parliament and of the Council of 24 April 2024 amending Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions (integrated pollution prevention and control) and Council Directive 1999/31/EC on the landfill of waste

⁴ Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942

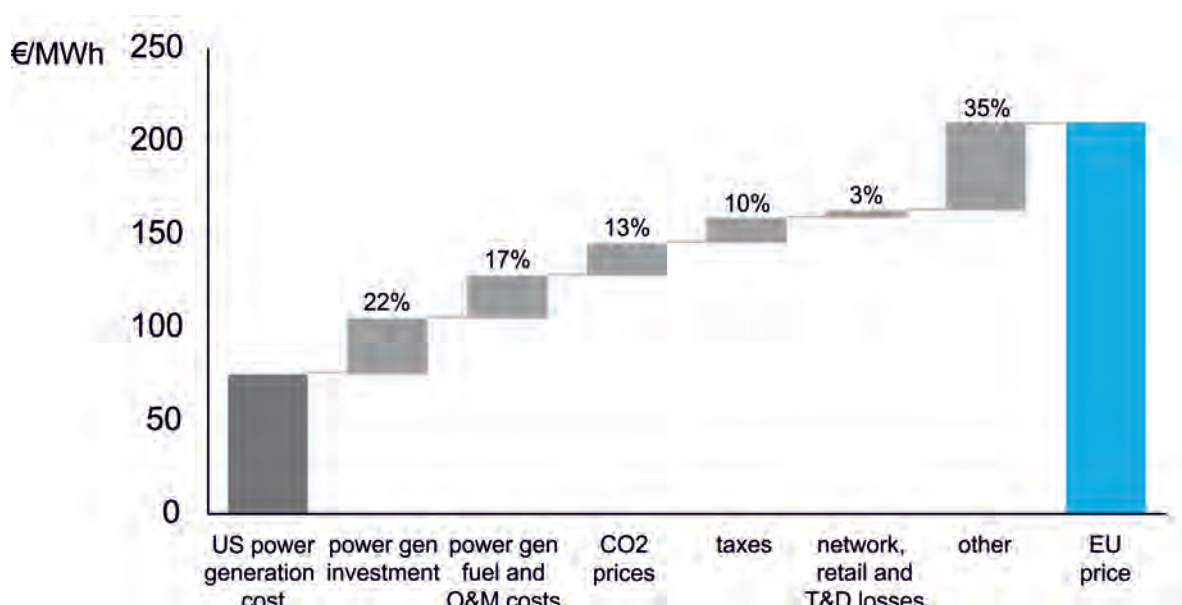


Fig. 11. Breakdown of the industrial electricity price gap between the EU and the United States (% of the price gap, 2023)

Rys. 11. Podział luki cenowej między UE a Stanami Zjednoczonymi w zakresie cen energii elektrycznej dla przemysłu (% luki cenowej, 2023 r.)

Source: IEA, 2024 (p.61) as reproduced and analysed in the Draghi report (European Commission, 2024)

N.b. In 2023, the commodity component was higher than usual historical values. The “other” category mainly captures effects of grid congestion and additional rent in wholesale markets, as well as other contractual arrangements that cannot be clearly disentangled.

Institute (GIG) in Poland with Jastrzębska Spółka

Węglowa S.A. (JSW) – a major producer of coking coal – is the first of many projects to address this challenge.

The Clean Industrial Deal on competitiveness and climate

Following the European Parliament elections, held between 6 and 9 June 2024, a new European Commission was appointed in November 2024 under the leadership of President von der Leyen who is now serving her second, five-year term. With a swing to the right in the tenth parliament and in response to geopolitical developments, the president’s focus switched from the European Green Deal to competitiveness. Specifically, she proposed a Clean Industrial Deal to address many of the issues facing Europe. These issues were outlined by the former Italian prime minister, Mario Draghi, in his landmark report of September 2024 titled *A competitiveness strategy for Europe* (European Commission, 2024).

According to Draghi, to benefit from the energy transition, the EU must align all its policies with climate goals and have a joint plan for decarbonisation and competitiveness that spans energy producers, the clean-tech and automotive sectors, and energy-intensive industries. This would cost trillions of euros. To decarbonise, the four largest, emission-intensive sectors would require €500 billion per year over the next fifteen years. The “hardest-to-abate” parts of the transport sector (maritime and aviation) need another €100 billion per year to 2050.⁵ The Draghi report makes no mention of coal.

Draghi argues that deindustrialisation would undermine the political credibility of the European Green Deal and its promise of green jobs. Hence, the report focuses on measures to avoid any further deindustrialisation. The

section on decarbonisation and competitiveness begins with the admission that, “[h]igh energy costs in Europe are an obstacle to growth”. He quotes a European Investment Bank (EIB) study from 2023 that states, “around half of European companies see energy costs as a major impediment to investment – 30 percentage points higher than US companies” (Figure 11).

Following the Draghi report, the European Commission launched its Clean Industrial Deal in February 2025 (COM(2025) 85), alongside an Action Plan for Affordable Energy (COM(2025) 79) and several “omnibus packages” to simplify EU regulation. The deal aims to ensure Europe remains a continent of industrial production through:

- innovation with private and public financing (a new Industrial Decarbonisation Bank was announced) and a new State-aid framework;
- regulatory simplification, beginning with the carbon border adjustment mechanism (CBAM) and corporate sustainability, due diligence and reporting directives (CSDDD and CSRD);
- lower energy prices by reducing dependence on fossil fuels and completing the Energy Union; and,
- striking new trade deals.

While the Clean Industrial Deal does not directly address the high energy and carbon prices that place a heavy burden on energy-intensive industries in Europe, such as the steel and chemicals sectors, it will introduce many new initiatives to boost competitiveness through investment in clean-tech. For example, the Steel and Metals Action Plan (COM(2025) 125) launched in March 2025 envisages a transition to decarbonised steelmaking, but recognises that green steel production requires significant investments in renewable energy, low-carbon process technologies, and scrap collection and processing infrastructure. For

⁵ Estimates are taken from the EU 2040 Climate Target Plan COM(2024) 63.

⁶ <https://cohesiondata.ec.europa.eu/funds/jtf/21-27#> (as at 24.11.2025)

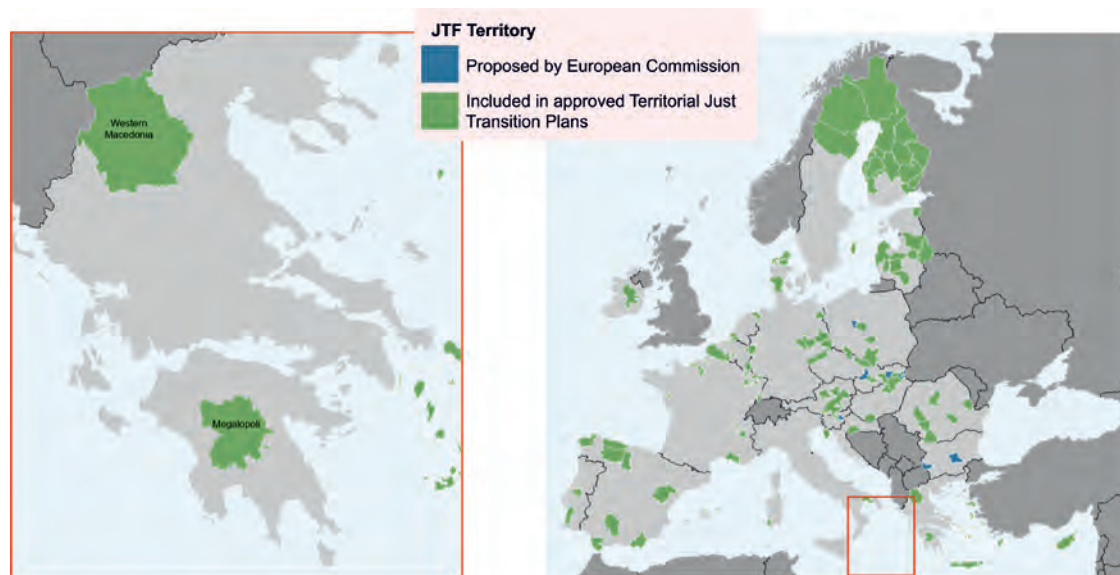


Fig. 12. Coal regions with Territorial Just Transition Plans approved by the European Commission
Rys. 12. Regiony górnicze z terytorialnymi planami sprawiedliwej transformacji zatwierdzonymi przez Komisję Europejską

Source: European Commission Directorate-General for Regional and Urban Policy (DG REGIO)⁷

the traditional steel industry, which uses coking coal and coke to process iron ore, time is running out, and it is unclear how such a transformation can be funded (capex), sustained (opex) and effected quickly enough. Europe's high electricity costs are a big hurdle. From the European Commission's side, it proposes creating "lead markets" for green steel by using public procurement rules to stimulate demand or by offering incentives.

A just transition

Under the European Green Deal, the European Commission offers a "just transition" for coal mineworkers. When mines close, miners should be compensated or offered other employment in new economic sectors. For example, in 2022, the Commission approved €1.64 billion in grants from the Just Transition Fund to support the Czech coal regions of Karlovarsky, Ústecky and Moravskoslezsky: money for re-skilling and up-skilling of workers, investment in R&D, including innovation platforms and clusters, support for the circular economy and energy storage, as well as money to decontaminate industrial sites. In total, €26.5 billion is being made available under EU cohesion policy to soften the impacts of the energy transition on the coal regions.⁶ Much money has already been allocated, especially to local authorities, although EU payments to November 2025 only total 35% of the available funds.⁷

The Just Transition Fund is a welcome and useful first step, but it needs to continue in the EU's next seven-year budget period (2028-2034). EURACOAL recommends the support initiative should continue with more focus on job creation. For example, the Polska Grupa Górnicza S.A. (PGG or the Polish Mining Group), which is Europe's largest coal mining company, would need c.€40 billion to transform its business and capitalise on the value chains in the coal regions.

Conclusion

Where does EU climate and energy policy lead? The chart above (Figure 8) from a recent EU policy document shows how wind and solar PV are expected to grow. By 2030, the installed capacity of these two energy sources should be well over 1 000 GW which is roughly the total installed capacity of all types of generation in the EU today. A complete, new energy infrastructure must be built. For those with land and capital, the future looks good. How many jobs this brings to Europe is an open question – installation jobs, certainly, but not so many in manufacturing as much of the equipment is currently imported from China.

These are uncertain times; with the system of global free trade under threat, higher energy prices weigh on EU competitiveness while an horrific war takes place on European soil. In response, political decisions are being taken in Brussels at great speed with many new or amended directives and regulations concerning the energy sector. The coal industry itself has a part to play over the coming years by offering a secure and reliable source of energy for industry and power generation during what is an accelerating energy and industrial transformation away from the traditional energy sources and processes that have underpinned Western economic prosperity for well over two centuries.

⁷ https://ec.europa.eu/regional_policy/funding/just-transition-fund/just-transition-platform_en

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