

Coal: A Global Perspective

Clean Coal Event
Wednesday 14 June 2006
1 Parliament Street, Westminster

www.nigelyaxley.com

Nigel Yaxley
Independent Consultant

Coal: A Global Perspective

- Coal headlines
- World production and trade
- World reserves
- Other perspectives

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Perceptions of coal are changing...



The Economist - July 2002

Coal-fired electricity
The future is clean

Coal is costly, but coming back into favour—and cleaner

The Economist - September 2004

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...as they are for gas!

"For us, our contracts
are like a Holy Bible"
(Alexander Medvedev, Gazprom
Deputy CEO)

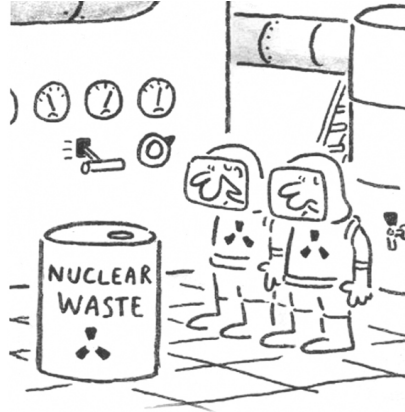


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"Global Leadership" - what does it mean?



*'Well, Mr Blair was looking
for a lasting legacy...'*

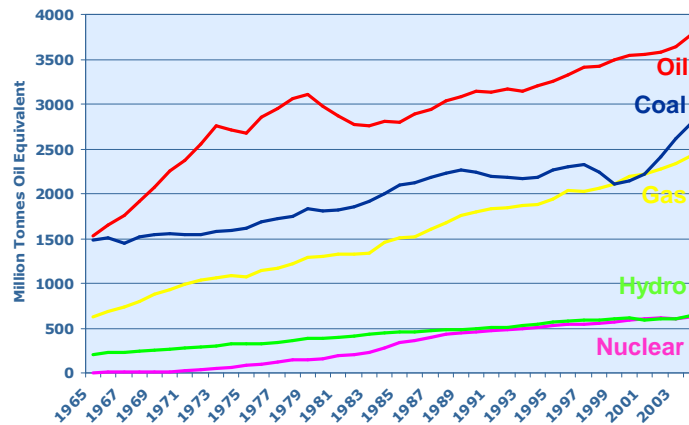
Matt, Daily Telegraph

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World consumption of energy continues to rise



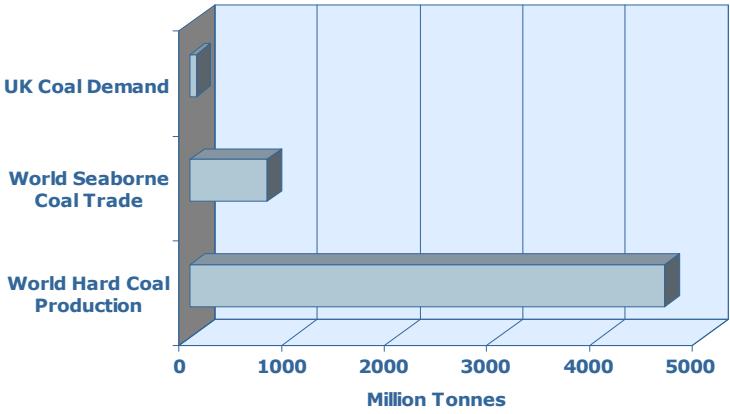
Source: BP Statistical Review

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UK coal consumption is small in a world context

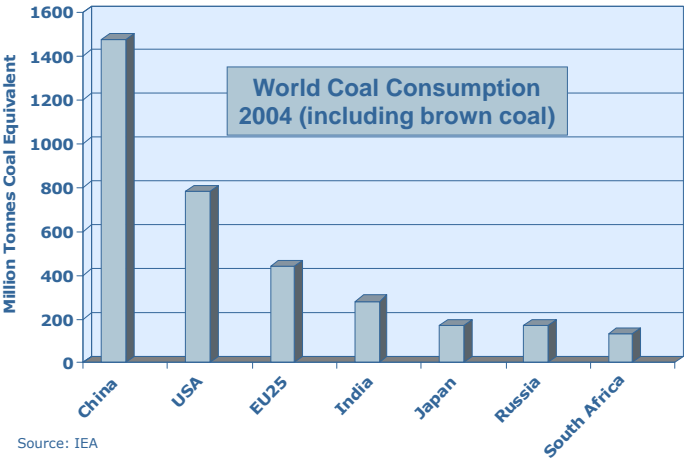


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China already dominates world demand...



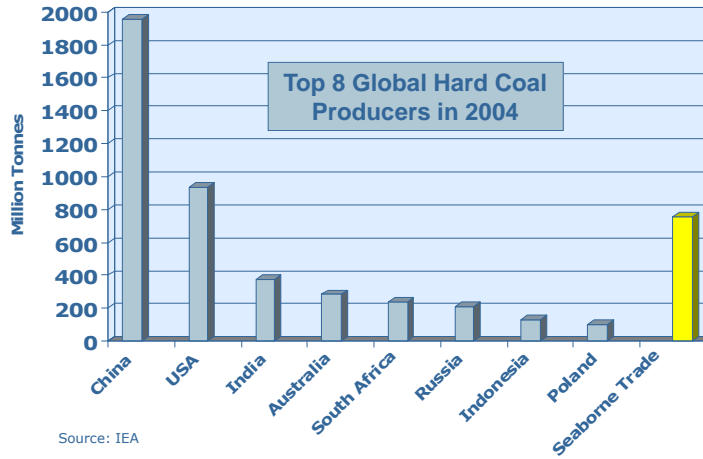
Source: IEA

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...and most of the world's coal is produced 'at home'



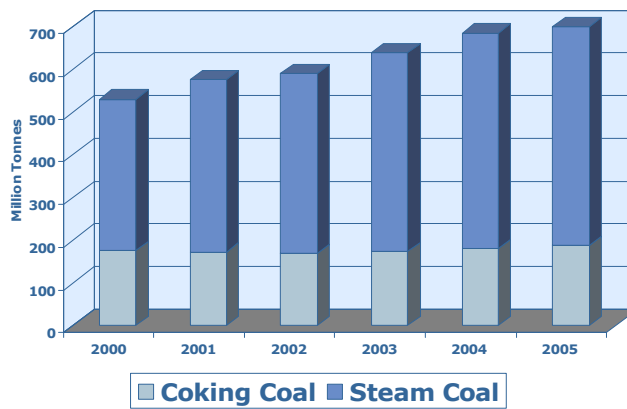
Source: IEA

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Seaborne coal trade grows to match demand with supply...



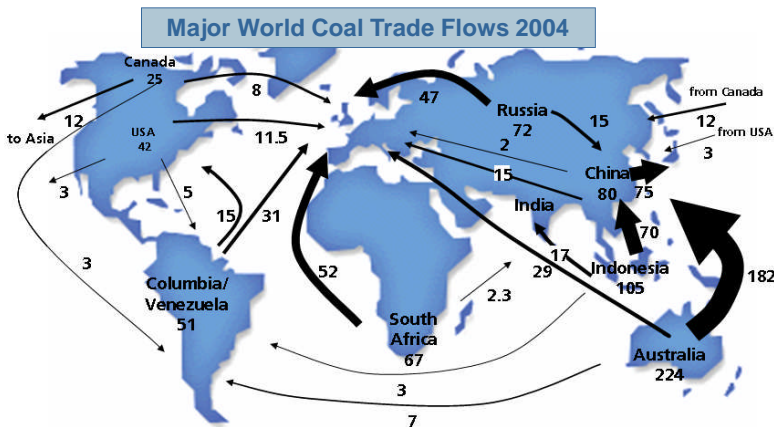
Source: Verein der Kohlenimporteure

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...with Australia, Indonesia, South Africa, Russia the major exporters



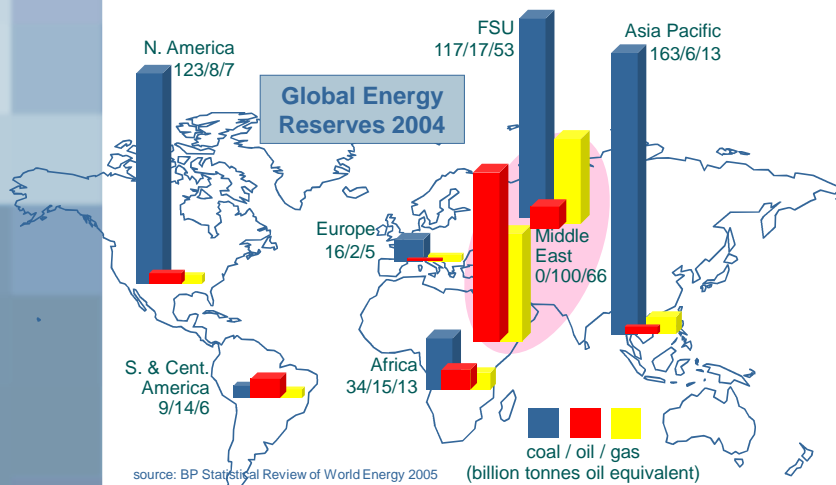
Source: Verein der Kohlenimporteure

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Reserves of coal are evenly distributed around the globe

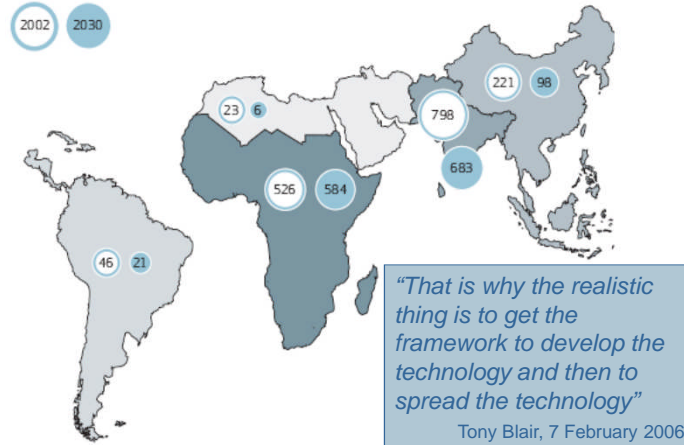


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Worldwide 1.6 billion people have no access to electricity – predicting 1.4 bn in 2030



Source: World Coal Institute

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"Global Leadership" – what does it mean?

- China already dominates world demand
 - Building 1GW fossil fuel capacity a week
 - Equivalent of whole UK fleet in 6 months
- Reserves of coal are evenly distributed around the globe
 - Only around 15% is traded
- Coal is essential for electrification in developing countries
 - Clean Coal brings together Gleneagles priorities on poverty and climate change
- This is both a responsibility and an opportunity for the UK

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Thank You

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