

# Overview: National coal phase-out announcements in Europe

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Many national governments have announced their intention to phase out coal. A total of 35.4 gigawatts (GW) of coal power capacity is located in countries which have announced they will phase out coal by 2030 or earlier, putting the coal plants in these countries on a pathway to closure.<sup>1</sup> This corresponds to 21% of Europe’s currently operational coal fleet (25% in the EU). Germany’s announcement to phase out coal by 2038 (or possibly 2035) means a further 17 GW (net) are set to close after 2030. This document gives an overview of phase-out announcements and decisions in Europe. Following an announcement, governments need to implement it, which needs to lead to confirmed closure dates on plant level and plans for a managed, just transition away from coal. These actions need to be in line with climate, environmental and health responsibilities, and address the needs of the affected workers, communities, and regions. To be in line with the UN Climate Agreement struck in Paris, Europe and OECD countries need to be coal-power-free by 2030 (or earlier, depending on the country);<sup>2</sup> a fact now also acknowledged by the governments that have signed on to the [Powering Past Coal Alliance](#).<sup>3</sup>

## Overview

Country		Coal phase-out status
Austria	Coal-free since 2020	Austria is the second formerly coal-burning country that has become coal-power-free. The companies operating the last two coal plants in Austria closed them in 2019 and 2020, respectively. The Austrian coal phase-out was not government-driven. In January 2018, Austrian environment minister Elisabeth Köstinger <u>announced</u> the country would

<sup>1</sup> For some of those coal power plants a definite retirement date has been announced, for most of them such a retirement decision at plant level has yet to be taken. This number includes the capacity in Germany that is set to close by 2030 or earlier; the remaining 17 GW (net) are set to close by 2038 or earlier.

<sup>2</sup> Climate Analytics (2019): [“Global and regional coal phase-out requirements of the Paris Agreement: Insights from the IPCC Special Report on 1.5°C”](#)

<sup>3</sup> In November 2017, the UK and Canada initiated the [Powering Past Coal Alliance \(PPCA\)](#). The undersigned governments of the ‘declaration’ group within PPCA commit to phasing out existing traditional coal power in line with the Paris Climate Agreement, which is – according to the declaration – no later than by 2030 in OECD and EU member states, and no later than by 2050 in the rest of the world. Sixteen European countries have signed on to the Alliance: Austria, Belgium, Denmark, Finland, France, Great Britain, Ireland, Italy, Latvia, Liechtenstein, Luxembourg, Netherlands, Portugal, Slovakia, Sweden, and Switzerland. As a 17<sup>th</sup> country, Germany also joined PPCA, but not as a ‘Declaration’ member, because its 2038 and ‘we will try and do it before’ coal exit date is not yet Paris compatible.

		phase out coal by 2020, but this goal was <u>missing</u> in the energy strategy published shortly thereafter and no measures were taken to ensure it.
Belgium	<b>Coal free since 2016</b>	Belgium was the first formerly coal-burning EU member to have become coal-power-free. The <u>last coal plant closed in March 2016</u> . It was not an announced government policy objective, but resulted from the progressive closure of ageing power plants covered by EU pollution control regulations.
Bosnia-Herzegovina	<b>No phase-out discussion</b>	Bosnia-Herzegovina is still planning new coal power plants. It is a hot spot for Chinese export of coal technologies with several coal-fired power plants projects under loan consideration by China's policy banks. The existing plants are expected to be compliant with EU pollution laws only by 2028, while the current fleet is old and <u>in breach of existing pollution limits</u> .
Bulgaria	<b>No phase-out discussion</b>	Bulgaria still does not have a long-term energy strategy and a coal phase-out is currently not being discussed. Old and polluting coal power plants are still in operation. The government relies on derogations from EU laws to keep the power plants active and avoids taking responsibility for just transition actions.
Croatia	<b>No phase-out discussion</b>	Croatia has two relatively small hard coal units, one of which was scheduled for closure in the end of 2017 to comply with the conditions under which Croatia became an EU member state. The operator is now considering whether to retrofit the unit.
Czech Republic	<b>Phase-out under discussion</b>	In August 2019, a multi-stakeholder 'coal commission' was established to assess the possibility of accelerated coal phase-out in Czechia. The Commission is supposed to meet monthly and should conclude in September 2020 with recommendations for the government.
Denmark	<b>Phase-out announced</b>	<b>Coal phase-out by 2030.</b>  Ørsted (formerly DONG) has <u>announced in 2017 it will cease coal use by 2023</u> . CEO Henrik Poulsen said at the 2019 UN Climate Action Summit, the company <u>will already stop using coal from 2022 onwards</u> . This leaves a number of combined heat and power (CHP) plants which are considering closure prior to 2030. In November 2017, Denmark was among the first signatories to the <u>Powering Past Coal Alliance</u> , declaring it would work to phase out coal by 2030. However, the Danish green NGOs ask the government to set a date of 2025 for a national coal phase-out, as 2030 is too unambitious.

Finland	Phase-out decided	<p><b>Coal phase-out by mid-2029.</b></p> <p>Following year-long pressure from civil society groups to end coal, in October 2018 the Finnish Government <u>introduced a legislative proposal for a ban on the use of coal in power generation after May 1, 2029</u>, which the parliament adopted on 27 February 2019. While the phase-out fell short of the needed date – Finnish NGOs are arguing for a 2025 phase-out date in light of the IPCC 1.5Deg report – the law includes to set up a €90 million fund for energy companies that opt to end burning coal by 2025. Unfortunately, this €90 million will be diverted from support for wind power and half of it be made available for biomass as a substitute for coal in combined heat and power plants. However, the other half will go to new solutions to provide better options than biomass and gas to replace coal-based heat.</p>
France	Phase-out decided	<p><b>Coal phase-out by 2022.</b></p> <p>At COP 22 in November 2016, France <u>had committed to a coal phase-out by 2023</u> under the previous administration. <u>President Macron has reconfirmed this commitment</u>, bringing it forward to 2022. In June 2019, the coal phase-out was legislated through the <u>energy and climate law</u>. The law contains an emission cap (0,7 kt eqCO<sub>2</sub>/MW on an annual basis for power plants emitting more than 0,55 t eqCO<sub>2</sub>/MWh), which will become effective on 1 January 2022, supposed to make the coal power plants unprofitable. Unfortunately, this keeps a door open for low running hours of coal plants beyond that date or the unsustainable conversion to a mix of coal and biomass. Only one of four coal power plants has announced a closure date.</p>
Germany	Phase-out decided but not ambitious enough	<p><b>Coal phase-out by 2038 with option 2035.</b></p> <p>On 3 July 2020 the German coal power exit law as well as a law that provides support to coal regions for the transition were adopted. The law stipulates a coal exit by 2038 with an option to forward it to 2035 and implements retirements for an assumed 41 coal plants with a capacity of 23 GW until 2030 - in addition to retirements that were announced already. We assume that about 15 coal plants with a (gross) capacity of nearly 19 GW are meant to operate after 2030, making the law <u>not compatible with the UN Paris climate agreement 1.5oC requirements</u>.</p> <p>What is still outstanding is the signing of a public private contract between the German government and the lignite industry. This contract is supposed to grant 4.35 bln EUR in compensation to operators for</p>

		<p>closing down their lignite business. Furthermore, the compensations are still subject to approval by the state aid department of the EU Commission.</p> <p>According to German civil society organisations &amp; former coal commission members the law is substantially weaker than what was proposed by the multi-stakeholder government coal commission, which had <u>presented its final report</u> in February 2019. The criticism centres on the slowness of the exit, that it does not foresee the rescue of the villages threatened by lignite mining, the non-linear phase-out plan of lignite plants, allowing the new coal plant Datteln IV to come online, the massive overcompensation for the coal industry for uneconomic and late plant closures as well as subsidies for coal-to-gas/biomass switching.</p> <p>Many factors are in play that will force Germany to exit coal in the power sector <u>faster</u>.</p>
Greece	<b>Phase-out announced</b>	<p><b>Coal phase-out by 2028.</b></p> <p>At the United Nations Climate Action Summit in New York in September 2019, Greek prime minister Kyriakos Mitsotakis <u>announced that Greece will shut all its lignite power plants by 2028</u>. The following December, the operator of the plants, PPC, decided to cease operating all its existing lignite-fired power plants by 2023. The only plant remaining until 2028 is Ptolemaida V, which is currently being constructed and whose fate is unclear. The conversion to fossil gas is being considered. With its huge potential for renewable energy Greece must ensure that the transition away from coal is one towards 100% renewables. A region in Greece (Western Macedonia) is a priority under the European Union’s new Coal Regions in Transition Platform.</p>
Hungary	<b>Phase-out announced</b>	<p><b>Coal phase-out by 2030.</b></p> <p>Hungary has one lignite power plant left (Matra, 884 MW), which is the number one CO<sub>2</sub> emitter of the country. At the United Nations Climate Action Summit in New York in September 2019, the president of Hungary, János Áder, <u>said that the country will stop using coal for electricity by 2030</u>. Environmental groups in Hungary advocate that Matra is closed by 2025 and that no nuclear plant is being built in its stead.</p>
Ireland	<b>Phase-out announced</b>	<p><b>Coal phase-out by 2025.</b></p> <p>In March 2018, the Irish minister for climate action announced that Ireland joined the <u>Powering Past Coal Alliance</u> and will <u>end coal power</u></p>

		<p><u>use by 2025</u>. At the 2019 UN Climate Action Summit, Ireland’s prime minister Varadkar <u>confirmed this date</u>.</p> <p>In addition, a ban on smoky coal (for domestic heating) started in autumn 2018 and will come into full effect by the end of 2019. In July 2018, the Irish parliament <u>passed a bill</u> to sell the country’s shares in coal, peat, oil and gas, making Ireland the world’s first country to divest from all fossil fuels.</p>
Italy	<b>Phase-out announced</b>	<p><b>Coal phase-out by 2025.</b></p> <p>In October 2017, the Italian government announced a coal phase-out by 2025 as part of the National Energy Strategy. The Strategy was signed the month after. However, it is non-binding. <u>Italy has to implement the phase-out through executive measures</u>. At the 2019 UN Climate Action Summit, Italy’s prime minister Conte <u>confirmed this date</u>.</p>
Kosovo	<b>No phase-out discussion</b>	<p>With the <u>cancellation of the New Kosovo coal project</u>, the country has now no new coal plants planned anymore. The existing plants are expected to be compliant with EU pollution laws only by 2028, while the current fleet is old and <u>in breach of existing pollution limits</u>.</p>
Montenegro	<b>No phase-out discussion</b>	<p>With the <u>cancellation of the Pljevlja II new coal project</u>, Montenegro has now no new coal plants planned anymore. In February 2020, it introduced a <u>cap and trade system for its major CO<sub>2</sub> emitters</u>, thereby continuing to lead the way for the Western Balkan countries. However, a coal phase-out date has yet to be determined.</p>
Netherlands	<b>Phase-out decided</b>	<p><b>Coal phase-out by end-2029.</b></p> <p>In October 2017, the incoming Dutch government announced in its <u>coalition pact that all coal-fired power plants will shut by the end of 2029</u>. Three of the five remaining plants in the country have only recently entered operation in 2015 and 2016 respectively, meaning that they will operate for less than half of their expected lifetime. In May 2018, the Dutch government <u>announced a legal ban of electricity production with coal</u> to go into effect on 1 January 2030, which was passed in December 2019.</p> <p>In December 2019, the Dutch Supreme Court <u>confirmed</u> the Urgenda verdict, obliging the Dutch government to reach a 25% reduction in greenhouse gas (GHG) emissions by 2020 (relative to 1990). <u>With GHG emission still at -21% in 2019</u>, it means that short-term measures are needed. In early 2020, the cabinet <u>proposed</u> a 54 potential extra measures catalogue which should have been decided over by 1 April</p>

		2020. While the schedule has been postponed due to the Covid-19 pandemic, decision makers acknowledge that the closure of new coal plants ahead of the 2029 phase-out date is among the most effective measures.
North Macedonia	<b>Phase-out under discussion</b>	In February 2020, North Macedonia <u>adopted a ground-breaking new energy strategy</u> , making it the first country in the Western Balkans to name concrete date options for a coal phase-out. Two of the strategy's scenarios entail a coal exit by 2025, with the third delaying closure of the Bitola lignite power plant until 2040. A final decision on which pathway to take will be made later in the year.
Poland	<b>No phase-out discussion</b>	Ageing coal power plants are facing a big challenge to meet air pollution requirements. Five new units are under construction. The Polish mining sector is facing significant economic pressures. The government is backing coal but market forces are shifting. Some of the Polish opposition parties are calling for a 2035 to 2040 coal exit. The EU 2030 climate goals and energy market framework may help accelerate transition.
Portugal	<b>Phase-out announced</b>	<b>Coal phase-out by 2021.</b>  Two years after the first formal <u>Portuguese announcement to phase out coal before 2030</u> , the re-elected Portuguese Prime Minister António Costa used his October 2019 inauguration speech to announce that the country's last coal plant <u>will close by 2023</u> , bringing the phase-out forward by seven years. In July 2020, EDP announced it <u>will close its Sines coal plant in 2021</u> , bringing the Portuguese coal phase-out forward for the second time, this time by two years. The news comes on the back of efforts by environmental groups to <u>highlight that the early closure of all coal plants in Portugal is possible</u> . The Portuguese plant Sines is one of the most climate harming coal plants in the EU.
Romania	<b>No phase-out discussion</b>	Ageing coal power plants are facing the big challenge of meeting air pollution requirements. Romania's <u>National Energy Strategy</u> proposes a yearly power generation from coal of 15 TWh from 2030 until 2050, which is only 1 TWh less than in 2018. A new unit at Rovinari coal plant has been planned since 2013, to be constructed in partnership with a Chinese investor, and recently been stressed as a priority in the National Energy Strategy. The Romanian mining sector is facing significant economic pressures.
Serbia	<b>No phase-out discussion</b>	Serbia is still planning new coal power plants and has recently started constructing a <u>new unit at Kostolac power plant</u> . The existing plants are

		<p>expected to be compliant with EU pollution laws only by 2028, while the current fleet is old and <u>in breach of existing pollution limits</u>.</p>
Slovakia	<b>Phase-out announced</b>	<p><b>Coal phase-out by 2030.</b></p> <p>The environmental policy <u>strategy of the Slovak Republic</u> published in February 2019 states a coal phase-out by 2030. In a joint statement in June 2019 newly inaugurated president Caputova and then prime minister Pellegrini <u>announced</u> that the country will stop burning coal to produce electricity by the end of 2023. Later that year, Slovakia also <u>joined the Powering Past Coal Alliance</u>.</p> <p>Interestingly, the country only has combined heat and power (CHP) coal plants which also produce heat and <u>the Low-Carbon Development Strategy</u> contradictorily states that “the decommissioning of Vojany and Nováky [the two largest coal CHP plants] is expected in 2025 and 2023, respectively.” Moreover, there is another coal CHP plant, Teko 1, which does not have a retirement date. Slovakia needs to clarify its phase-out date for coal heat and power, which needs to be 2025 the latest.</p>
Slovenia	<b>No phase-out discussion</b>	<p>Slovenia added in 2016 the Sostanj 6 coal power plant to the grid, which the operator wants to run until 2054. The building of this coal power plant has been <u>hugely expensive and wrought with a host of difficulties</u>.</p>
Spain	<b>Phase-out under discussion</b>	<p>Spain has seen a rapid decline of coal power generation in 2019 and 2020. A set of seven coal plants stopped operating on 30 June 2020 and one announced to retire (5.1 GW out of 9.9 GW), the seven being unable to comply with stricter EU air pollution standards, which applied as of Q3/2020. In March 2020, Spain submitted its <u>final energy and climate plan (NECP)</u> to the European Commission, which implies a phase-out of coal by 2030. However, closure announcements and generation trends indicate that Spain will be coal power free by the mid-2020s or even earlier.</p> <p>In February 2019, the Parliament of the Balearic Islands has <u>approved</u> a Law on Climate Change and Energy Transition that sets an end date for coal in the Balearic Islands. The islands’ last coal power plant, Alcúdia, will have to close by 2025.</p> <p>With the end of hard coal mining subsidies in the EU in 2018, 25 of the 26 coal mining units scheduled to close <u>ceased</u> operation by 31 December 2018. In the end this was made possible through a just transition deal the Spanish government has <u>struck</u> with the regions.</p>



Sweden	<b>Coal free since 2020</b>	<p><b>Last plant closed in 2020.</b></p> <p>Sweden intends to be among the <u>first fossil fuel free industrialized countries in the world</u>. The last coal plant in Sweden was long planned to be <u>closed by 2022</u>. In December 2019, the operator <u>announced</u> to close the plant two years early, by the end of the 2020 heating season. The plant closed on 16 April 2020.</p>
Turkey	<b>No phase-out discussion</b>	<p>Turkey <u>officially announced</u> an intention to <i>increase</i> its coal-fired capacity to 30 GW by 2023. Currently, around 33 GW of new coal capacity are in the development pipeline, and in 2019 Turkey had <u>the fourth largest new coal risk globally</u>. Around a third of the pipeline belongs to state utilities EÜAŞ and Turkish Coal Enterprise. <u>EÜAŞ</u> has been trying to make these lignite assets attractive for investors through generous state subsidies, exemptions, land allocations, and price &amp; purchase guarantees. Retrofitting is a widespread practice, expanding the capacity and lifetime of <u>the country's oldest and dirtiest plants</u>.</p>
UK	<b>Phase-out announced</b>	<p><b>Coal phase-out by 2024.</b></p> <p>Announced just prior to the 2015 Paris climate meeting, the UK was the first country in the world to announce a coal phase-out policy. The UK government confirmed its intended regulatory approach in January 2018, but is still working on putting it into legislation. It is considering an <u>emission limit on coal power stations from October 2025 onwards</u>. Initially announced for 2025, prime minister Johnson <u>brought it forward to 2024</u> in the run-up to the 2020 Glasgow climate meeting. Since the UK introduced a carbon tax for power plants in 2013, installed coal capacity and coal power generation has already sharply decreased. In February 2020, England <u>decided</u> to phase out house coal and wet wood for burning at home by 2023.</p>
	<b>No coal in electricity mix</b>	<p>Albania, Cyprus, Estonia, Iceland, Latvia, Lithuania, Luxembourg, Malta and Switzerland have no coal plants. Norway has no coal apart from one very small CHP plant in the far North of <u>Longyearbyen</u>. Clean alternatives are currently under consideration.</p>

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