

End of coal in sight as UK secures ambitious commitments at COP26 summit

- Thanks to a package of support from the UK and our international partners, a 190-strong coalition has today agreed to both phase out coal power and end support for new coal power plants
- the UK's campaign sees major banks commit to end financing coal, on top of China, Japan, Korea and the G20 commitments to end overseas finance for coal generation by the end of 2021, effectively ending all public financing of new unabated coal power
- agreed under the UK's COP26 Presidency, countries pledge to accelerate coal phase out and rapidly scale up deployment of clean power generation, marking a momentous turning point in the global clean energy transition

Today's commitments, brought together through UK-led efforts including the new 'Global Coal to Clean Power Transition Statement', encompass developed and developing countries, major coal users and climate vulnerable countries. This includes 18 countries committing for the first time to phase out and not build or invest in new coal power, including Poland, Vietnam, and Chile, marking a milestone moment at COP26 in the global clean energy transition.

This statement, launched today, commits nations across the world to:

- end all investment in new coal power generation domestically and internationally
- rapidly scale up deployment of clean power generation
- phase out coal power in economies in the 2030s for major economies and 2040s for the rest of the world
- make a just transition away from coal power in a way that benefits workers and communities

This is on top of China, Japan and Korea, the three largest public financiers of coal, committing to end overseas finance for coal generation by the end of 2021, announced in the last year during the UK's incoming COP26 Presidency. Agreements at the G7, G20 and OECD to end public international coal finance send a strong signal that the world economy is shifting to renewables. This could end over 40GW of coal across 20 countries, equivalent to over half of the UK's electricity generating capacity.

Business & Energy Secretary Kwasi Kwarteng said:

Today marks a milestone moment in our global efforts to tackle climate change as nations from all corners of the world unite in Glasgow to declare that coal has no part to play in our future power generation.

Spearheaded by the UK's COP26 Presidency, today's ambitious

commitments made by our international partners demonstrate that the end of coal is in sight. The world is moving in the right direction, standing ready to seal coal's fate and embrace the environmental and economic benefits of building a future that is powered by clean energy.

To meet the goals of the Paris Agreement to limit global temperature rises to 1.5 degrees, the global transition to clean power needs to progress 4 to 6 times faster than at present. With coal being the single largest contributor to climate change, phasing it out and delivering a rapid, inclusive transition to clean energy is essential if we are to keep 1.5 degrees alive.

Twenty-eight new members have today signed up to the world's largest alliance on phasing out coal, the Powering Past Coal Alliance launched and co-chaired by the UK. Chile, Singapore and Durban have today joined over 150 countries, sub-nationals and businesses, including finance partners NatWest, Lloyds Banking, HSBC and Export Development Canada. This accounts for over \$17 trillion assets now committed to PPCA coal phase out goals.

There has also been a 76% cut in the number of new coal plants planned globally over the last 6 years which means the cancellation of 1000GW of new coal plants since the Paris Agreement, roughly equivalent to around 10 times the UK's total peak generating capacity.

Today's global agreement to move away from coal to clean power has been made possible thanks to a number of other UK-convened initiatives, including:

No new coal power

The end of new coal power construction is in sight. The launch of the No New Coal Power compact by 6 countries at the UN High Level Dialogue in September, followed by the commitments in the Global Coal to Clean Power Transition Statement. This means that by the end of this year, all new public finance for unabated coal power plants will have stopped, with investments increasingly focused instead on accelerating the transition to clean energy sources such as wind and solar power, now cheaper than coal generation in most countries. This accelerates the growing global momentum to end new coal power, demonstrated by the 76% collapse in the global pipeline of proposed coal power plants since the Paris Agreement in 2015.

Supporting emerging economies

In addition, major emerging economies have announced plans to accelerate a just transition from coal to clean power. This includes a South Africa Just Energy Transition Partnership worth \$8.5 billion, as well as Indonesia and the Philippines agreeing a ground breaking new partnership with the Asian Development Bank to support the early retirement of existing coal plants. Further financing announcements are expected today at COP26.

Supporting coal-intensive economies

Countries with significant coal power generation and mining face large social and financial challenges in the transition from coal. The UK's COP26 Energy Transition Council (ETC) mobilises and coordinates the assistance required to enable coal intensive economies to equitably transition from coal, bringing together 20 governments and over 15 international institutions to accelerate the transition from coal to clean power as part of a green economic recovery. For example, the Energy Transition Council's Rapid Response Facility delivers fast-acting technical, regulatory and commercial assistance to countries and has already responded to 24 requests in a range of areas, including energy efficiency in the Philippines and grid management in Egypt.

Ensuring a just transition

Today the UK government has also launched a new International Just Transition Declaration, ensuring the move away from coal high carbon industries results in a sustainable, green and fair future, and one that creates high quality new jobs and champions local social dialogue in developing and emerging economies. Coordinated by the UK government, so far, 12 countries have signed as well as the UK and EU Commission, covering a broad spectrum of the world's donor funding, now driving towards a just transition for communities around the world.

Clean Growth, Energy and Climate Change Minister Greg Hands said:

As the host of COP26 and through committing to phasing out coal by 2024 and the UK's global leadership has sent a clear signal across the world that clean energy is the way forward.

By continuing to drive forward clean, green innovations at home and abroad, I look forward to stepping into this new chapter, united with the rest of the world in our efforts to consign coal to the history books, as we build back greener.

FCDO Minister for Africa, Vicky Ford said:

A just and inclusive transition to clean energy is a win-win for the UK and Africa. Phasing out coal is a central objective of the UK's COP Presidency and will support a cleaner, greener future for British people while creating hundreds of thousands of green jobs across the developing world.

This new funding will transform the support on offer for African countries transitioning to renewable energy. The Africa Regional Climate and Nature Programme will support green electricity networks across Africa, benefitting more than 4 million people, and the Transforming Energy Access platform will see 25 million more people across the developing world access clean energy.

The UK is already delivering many of the most ambitious clean power commitments among the world's largest economies, committing to phase out coal power completely by 2024, driving forward renewable power generation with a decarbonised power system by 2035, and demonstrating that tackling climate change does not need to be at the expense of a growing economy.

Between 1990 and 2019, the UK's economy grew by 78% while carbon emissions fell by 44%, the fastest reduction in the G7 – coal power makes up less than 2% of power generation compared to 40% almost a decade ago. These achievements follow the publication of the UK's landmark Net Zero Strategy last month, which outlines measures to support businesses and consumers to transition to clean energy, while supporting hundreds of thousands of well-paid jobs and leveraging up to £90 billion of private investment by 2030.

Damilola Ogunbiyi, CEO and Special Representative of the UN Secretary-General for Sustainable Energy for All and Co-Chair of UN-Energy, said:

Energy Day at COP 26 is an important milestone for building momentum on Sustainable Development Goal 7 and the just, equitable clean energy transitions it can support.

We are the architects of a sustainable future for all. Today I call on all governments to raise the level of ambition necessary to fill the financing gaps and to ensure an energy future that truly leaves no one behind

The Honourable Steven Guilbeault, Minister of Environment and Climate Change in Canada and co-chair of the Powering Past Coal Alliance, said:

It is imperative that we phase out coal-fired electricity as a critical step to keep global temperatures from rising above 1.5°C and prevent the most severe impacts of climate change. In four years, the Powering Past Coal Alliance has united a diverse and growing number of highly ambitious members, all committed to a clean energy transition that will make coal a relic of the past.

Whether sharing solutions or providing financial support to developing countries to help them succeed, Alliance members are driving change through this global collaboration.

Secretary of State for Scotland, Alister Jack, said:

As one of the first countries to commit to ending coal power, the UK is leading the world in moving away from fossil fuels and it's fantastic to see so many other countries making that commitment at COP26 in Glasgow.

Scotland has a massive part to play in the transition to clean,

green energy. On offshore wind, for which Scotland has huge potential, our commitment is to quadruple capacity. Today's news signals tremendous progress – we must continue to move forward.

Sharan Burrow, General Secretary of the International Trade Union Confederation, said:

Before 2030 we need Just Transition plans in place in every country with decent and quality jobs at the heart. Workers and their unions are needed at the table through a genuine social dialogue process that ensures that transformative action moves our economies and societies to stabilise our climate and keep global warming under 1.5°C.

The union movement is keen to work with all the governments and institutions that sign this declaration to make this happen.

Michael R. Bloomberg, UN Special Envoy for Climate Ambition and Solutions and founder of Bloomberg L.P. and Bloomberg Philanthropies, said:

Success in the fight against climate change depends on ending coal-fired power – the largest driver of carbon emissions and the target of a major new initiative that Bloomberg Philanthropies expanded this week at COP26. Together with our international partners, we welcome the work of more allies dedicated to moving beyond coal and accelerating the clean energy transition we urgently need,

Minister Schulze, German Minister of the Environment, Nature Conservation and Nuclear Safety, said:

Phasing out coal is essential to reach our climate targets. In the near future, we will have left behind all fossil fuels and live in a new and sustainable energy world based on renewable energies. In order to get there, we need to actively shape the potential social impacts and support the affected regions in creating good sustainable new jobs. This means ensuring a just and inclusive transition together with all relevant stakeholders. Germany is willing to share its experiences with changing economic patterns and is thus supporting the Coal to Clean Statement and the Just Transition Declaration. Germany is underlining its commitment to further support the pathway towards a safe, sustainable and climate friendly energy future globally.

The French Ministry for Europe and Foreign Affairs said:

Striving to achieve universal access to affordable, reliable,

sustainable and modern energy for all and in line with the objectives of the Paris agreement is a priority for France. In 2020, the French Development Agency Group committed 1.5 billion euros in the energy sectors to support developing countries for energy transition planning, access to electricity, energy efficiency and renewable energies. The partnership announced between South Africa, France, Germany, the United States, the United Kingdom and the European Union is a testament that France stands ready to support a just transition which is socially inclusive and creates local economic opportunities.

The COP26 energy transition campaign is focused on accelerating the decarbonisation of the power sector by phasing out coal and supporting the rapid scaling up of renewable energy by ensuring renewables are the most attractive option for new power generation in all countries.

Through the UK's COP26 Presidency and the COP26 energy transition campaign, the UK has provided a major political push and diplomatic effort in driving forward this trend and towards consigning coal to history.

Further progress includes:

- Over \$20 billion to support the global coal to clean power transition has now been announced at COP26 covering
- \$10 billion of philanthropy-led financing to support developing countries deploy clean power under the Global Energy Alliance People & Plant (announced on day 2)
- \$8.5 billion for the South Africa Just Energy Transition Partnership
- \$2 billion under the CIFs Accelerating Coal Transition facility

At the G7 leaders' summit in June 2021, the US, UK, Canada, and Germany have committed to jointly contribute up to \$2 billion to the Climate Investment Funds (CIFs) new energy programmes, the Accelerating Coal Transitions (ACT) and Renewable Energy Integration (REI) programmes.

The UK as a co-founding and the largest contributor to the CIFs has committed £200 million to the Accelerating Coal Transition (ACT) programme. Announced today, India, South Africa, Indonesia and the Philippines are the initial countries selected for support through the new ACT.

Ukraine, Fiji, Colombia, Kenya and Mali were announced as selected for support through the Renewable Energy Integration (REI) programme.

Both these programmes will help raise ambition on global clean energy transitions. The UK also pledged today £5 million of support to the South East Asia Energy Transition Platform.

Meanwhile, India, Indonesia, the Philippines and South Africa have secured cutting-edge finance from the Climate Investment Funds to support their just energy transition from coal to clean energy. Indonesia and the Philippines have announced partnerships with the Asian Development Bank to accelerate their clean transition, including the early retirement of coal plants. And

South Africa has announced a ground-breaking \$8.5 billion partnership with international partners to support a just energy transition from coal, the first of its kind worldwide.

The UK's FCDO department has also provided the following two packages of funding:

- UK's Transforming Energy Access (TEA) extension under the Ayrton Fund for clean energy Innovation – new funding of £126 million to leverage total of £1.3 billion in investment
- £22 million contribution to support the World Bank's Sustainable Renewables Risk Mitigation Initiative (SRMI); and the AfDB's Sustainable Energy Fund for Africa (SEFA)

Working with the Super-efficient Equipment and Appliance Deployment initiative (SEAD) to hit the aim of doubling the efficiency of key products sold globally by 2030, the COP26 Product Efficiency Call to Action, aims to double the efficiency of four key products by 2030, which together account for more than a third of current global electricity consumption. With 14 number of signatories for our joint statement for action, including Japan and Nigeria, this now makes the UK-IEA call to action on product efficiency the largest ever commitment between governments to improve product efficiency.

The UK Government is today (Thursday, 4 November) publishing a Biomass Policy Statement, which gives an early indication of priorities and intentions for biomass use ahead of the publication of a full Biomass Strategy in 2022. The Policy Statement contains principles which will inform future biomass use across the UK economy and provides a view on the role of biomass in sectors, such as power, heat, transport and industry, and as part of bioenergy with carbon capture and storage (BECCS).

The government intends to extend UK ratification of the Paris Agreement to the 3 UK Crown Dependencies: the Bailiwick of Guernsey, the Isle of Man and the Bailiwick of Jersey. The formal process for finalising the treaty extension will be completed after COP26 and will bring the Crown Dependencies into scope of the UK's Nationally Determined Contribution (NDC) target to reduce emissions by at least 68% by 2030 on 1990 levels.