

United Nations Global Compact Communication on Engagement (COE)

Submission from the World Coal Association

Statement of continued support for the UN Global Compact

May 2019

On behalf of the World Coal Association (WCA), I am pleased to reaffirm our commitment to the ten principles of the UN Global Compact with respect to the areas of human rights, labour, environment and anti-corruption.

The WCA is a global industry association formed of major international coal producers and stakeholders. Through our work and activities, we provide leadership for the global coal industry in promoting action on the deployment of low emission coal technologies to combat climate change and supporting sustainable development.

In May 2017, we pledged to participate in and engage with the UN Global Compact. Since then, we have taken concrete action to advance the ten principles by making them part of our culture and aligning our strategy.

This is our Communication on Engagement, which provides more detail regarding our continued support for the mission and objectives of the UN Global Compact. We also commit to sharing this information with our stakeholders using our primary channels of communication and welcome feedback on its contents.

Yours sincerely



Katie Warrick
Interim Chief Executive

About the World Coal Association

The WCA is the global network for the coal industry. Our membership is open to companies and not-for-profit organisations with a stake in the future of coal from anywhere in the world, with member companies represented at Chief Executive or Chairman level.

We promote the deployment of low emission coal technologies to help achieve global climate ambitions. In addition, we work to widen understanding of the contribution that coal plays in addressing energy poverty, ensuring energy access and enabling the development of sustainable societies.

WCA represents members who are progressive and committed to playing an active, constructive role in meeting the global challenges we face. This commitment to progress is evident in our work programme, which covers a range of issues encompassing climate change, health and safety in mining, low emission coal technologies, environmental protection and other major issues, such as community engagement and social development.

WCA is committed to advancing the ten principles of the UNGC and supporting broader societal goals, such as the UN Sustainable Development Goals (SDGs), with an emphasis on collaboration and innovation.

The description of actions below outlines WCA's key activities since May 2017 to implement the UNGC principles in our policies and across our organisation.

1. Engaging and supporting members and other coal stakeholders on environmental principles

WCA is the only body that represents the coal industry at the global level, bringing together stakeholders to help the industry respond to the challenges it faces, encouraging innovation and supporting members to be industry leaders. Our international stature is derived through observer status with UN bodies and partnerships with a range of international organisations.

Knowledge, best practice and innovation on a global level

- WCA's work has raised awareness of the importance of deploying low emission technologies, including high efficiency low emission (HELE) technologies and carbon capture, utilisation and storage (CCUS). Utilising these technologies in coal-dependent economies will be essential to ensuring the environmental principles of the UN Global Compact.
- WCA has specifically worked with countries that have outlined a role for coal in their Nationally Determined Contributions (NDCs) to the Paris Agreement, supporting them in the deployment of low emission coal technologies as a key facet of meeting their individual climate goals.
- WCA's efforts in these areas have focussed on highlighting best practice within the industry and undertaking research. Our work has included conducting and commissioning research on low emission coal technologies in key coal regions, focussing on the environmental and societal benefits of wider deployment, and targeted meetings with governments in key countries.
- A key activity over the last two years has been the preparation of a survey on HELE technology best practices across the United Nations Economic Commission for Europe (UNECE) region and globally. Outcomes of the work programme will provide member states and others with a roadmap for adjusting policy and regulation in a way that could support the deployment of low emission coal technologies and a pathway towards CCUS retrofits.
- In November 2018, WCA launched a new report "*Driving CCUS deployment: The pathway to zero emissions from coal*", calling for an international commitment to large-scale CCUS deployment across various sectors, including electricity generation, industrial applications and bioenergy. This publication highlighted the critical role of these technologies in meeting the Paris Agreement goal of limiting future temperature increases to well below 2°C.



Building relationships to enact change

WCA seeks to develop relationships and partnerships with major international organisations to encourage better cooperation around the deployment of low emission technologies, increase environmental protection and effectively address climate change.

- In 2017, WCA and the UNECE signed a Memorandum of Understanding (MoU) to formalise long standing collaboration. In the period since, WCA and the UNECE have worked to facilitate a dialogue between governments and the coal industry, with the aim to promote technology solutions to reduce the environmental impact of coal (see HELE roadmap work above).
- The WCA has actively supported the work programme of the Committee on Sustainable Energy (CSE). CSE encourages the exchange of information and best practice between relevant experts of all member states in order to attract investments in advanced fossil fuel technology for electricity generation; with a view to supporting industrial and economic competitiveness and achieving low-carbon sustainable development. Within the CSE, the WCA also participates in the UNECE Group of Experts on Cleaner Electricity Production from Fossil Fuels.
- With Asia's growing importance to the world's energy and climate picture, the WCA has supported the work of the ASEAN Centre for Energy (ACE) and its members states. In late-2017, the WCA signed a MoU with ACE to support its 'coal and cleaner coal' work programme, further details of which can be found in sections 2 and 3.

2. Engaging and supporting our members and other coal stakeholders on broader Global Compact related issues

WCA has clear, positive statements on climate change, sustainable mining, energy access and sustainable development, alongside a commitment to safety, all of which are available on the WCA website.

WCA also publishes case studies, produced in collaboration with members and utilising their expertise on best practice within the industry; covering issues including mine reclamation, water management, safety and technology innovation.

The role of coal over coming decades will be influenced not only by environmental considerations but also its ability to support social and economic development, particularly as related to the 2030 Agenda for Sustainable Development.

Contributing to the Sustainable Development Goals (SDGs)

Commitment to progress and furthering the UNGC principles is evident in WCA's Sustainable Development Goals work programme, which covers a range of issues impacting the global coal industry.

Over the past two years, the WCA has begun an exercise to map the role of coal to the SDGs. This has involved exploring the contribution of coal across all of the SDGs, gaining a better understanding of the impacts, and considering where there are opportunities for greater contributions from the industry to effectively support the achievement of the Goals.

- In October 2017, we held the 'Sustainable Coal Forum: Mapping Coal to the UN Sustainable Development Goals'. The purpose of the one-day event was to challenge both perceptions and the coal industry directly about the future role for coal in meeting these global challenges. The Executive Director of UNGC Network UK gave the keynote address to a diverse audience of WCA members, government representatives, industry and NGOs.

Four SDGs – closely aligned with the UNGC principles – were selected as the focus for the day: clean and affordable energy; decent work and economic growth; industry, innovation and infrastructure; and climate action. Insights from the day allowed us to progress the WCA's Sustainable Development Goals work programme and identify the challenges for coal in delivering on the environmental, social and economic aspects of sustainable development.



- Throughout 2018, WCA organised three regional roundtables in London (March), Johannesburg (July) and Bogota (October) to further enhance understanding of the issues and opportunities around the entire value chain and life cycle of coal, touching upon all 17 of the SDGs.

The roundtables gathered participants and stakeholders with different perspectives – governments, local industry representatives, NGOs, development consultants and academia – covering a number of regions. Coal's importance in shaping economic and social development in the host regions emerged during the events, helping to inform future WCA work on mapping coal to the SDGs.

The Executive Director of UNGC Network UK chaired the London roundtable in March 2018. Summaries of the roundtables have been shared with members and are also available on the WCA website. Among the key themes to emerge from discussions was the need to engage with the complete 2030 Action Agenda for Sustainable Development. Participants suggested that each goal should be considered alongside the impact and implications for the coal industry.

- In November 2018, we held a half-day event in London, bringing together stakeholders from across environmental organisations, industry, embassies, academia and research institutes, to discuss outcomes from the previous regional SDG roundtables, share experiences from other sectors and discuss how this should help inform WCA's work in this space. UNGC Network UK once again participated, opening and chairing the first session.

Informed by the feedback from these events, the WCA Board agreed at the end of 2018 to move forward with the full SDG mapping exercise. Over the coming months, WCA will be working with partners and other stakeholders on the next steps.

3. Providing thought leadership on coal and low emission coal technology deployment

WCA represents members who are progressive and committed to playing an active, constructive role in working to meet the challenges we face. As such, we publish flagship reports and contribute to publications that establish significant intellectual rigour behind the argument that coal and low emission coal technologies can support sustainable development and action on climate change.

WCA authored publications

Over the past two years, we have published several publications, including:

- **“ASEAN’s Energy Equation” (May 2017)**
This report was the first comprehensive cost-benefit analysis of climate and energy policies and sustainable development opportunities that low emission coal technologies provide to a region that is looking to coal to fuel its growing economy. The report found that if the ASEAN region adopted modern technologies for their coal fleet, the region would reduce cumulative emissions by 1.3 billion tonnes over the next two decades.

The report’s insights provided a framework to a call for action, including pledging to end the use of inefficient technologies. Its outcomes were also noted by ASEAN Energy Ministers in the Joint Ministerial Statement of the 35th ASEAN Ministers on Energy Meeting in September 2017 in the Philippines, including emphasising an intention to “transition away from inefficient coal technologies”.
- **“Reducing Emissions from Coal: A Role for the World Bank” (October 2018)**
Forecasts show that in many regions coal will continue to play a significant role for decades to come. With limited financing options available from development banks, countries may choose to build plants with poorer emissions profiles instead of modern plants fitted with low emission coal technologies. To highlight this emerging environmental challenge, WCA published a report calling on the World Bank (and other development agencies) to adopt a new approach to providing financial support for low emission coal power projects, including supporting strategies for CCUS deployment.
- **“Driving CCUS deployment – the pathway to zero emissions from coal” (November 2018)**
In the lead-up to COP24, WCA published a report that provided coal industry inputs into the initial stocktaking exercise of the Paris Agreement. The paper highlighted the coal industry’s action to promote CCUS globally and called for a concerted international effort towards large-scale deployment of the technology across various sectors, including electricity generation, industrial applications and bioenergy. In addition, the report encourages coal-dependent countries to embed CCUS in their long-term climate mitigation plans for action through to 2050.



Advising studies and external research

Alongside our publications, WCA provides expert analysis and contributes to technical reports by leading organisations:

- As a member of the International Energy Agency (IEA)'s Coal Industry Advisory Board (CIAB), WCA is actively engaged in improving understanding of the benefits and widening the deployment of low emission coal technologies, including CCUS. WCA is an active contributor to the CIAB's work programme, including as an author to *"An International Commitment to CCS: Priority Actions to Enable CCS Deployment"* (2017) and *"Reducing China's Coal Power Emissions with CCUS Retrofits"* (2018). In its advisory role, the CIAB encourages the IEA to highlight the role of advanced coal technologies in meeting environmental challenges.
- As part of CIAB activities, WCA peer reviews articles and reports on low emission technologies. In the last two years, WCA has provided feedback to several papers from organisations such as the IEA Clean Coal Centre and Imperial College.
- WCA was also a contributing author to *"Coal in the 21st Century: Energy Needs, Chemicals and Environmental Controls - Issues in Environmental Science and Technology"* published by the Royal Society of Chemistry in October 2017.

4. Stakeholder engagement, partnerships, learning events and workshops

Over the past two years, the WCA has undertaken activities and been involved in several collaborative initiatives with a number of organisations to promote the UNGC principles and, more broadly, the UN SDGs in different regions across the world. Our work has highlighted the need to integrate sustainable development with the aims of environmental imperatives and energy security.

Engaging with partners and leading organisations

In order to deliver successful outcomes and maximise the contribution to the advancement of the UNGC principles, WCA has coordinated work across these areas with a series of key international stakeholders and partner organisations, which includes:

- **ASEAN Centre for Energy (ACE)**
Our relationship with the ASEAN Centre for Energy (ACE) has been a critical part of our commitment to sustainability.

Following the launch of the “*ASEAN’s Energy Equation*” report, WCA and ACE worked to promote its outcomes across ASEAN member states. Meetings were held with senior policymakers to jointly consider pathways for a sustainable future for coal.

In September 2017, our long-term partnership with ACE was formalised through a Memorandum of Understanding (MoU), with the signing ceremony held on the side-lines of the 35th ASEAN Ministers on Energy Meeting (AMEM).

Since then, WCA has continued to work closely with ACE, supporting ASEAN nations in achieving universal energy access and reducing their environmental impact by advancing the deployment of low emission coal technologies.

In July 2018, WCA was a keynote speaker at the Thai Department of Energy’s event focusing on environmental challenges around coal use and supporting best practice in corporate social responsibility. WCA also participated at the 17th ASEAN Forum on Coal (AFOC) Council Meeting in April 2019 to discuss plans for further joint cooperation.

- **Bettercoal**
Bettercoal works towards a global responsible coal supply chain. It was established by a group of major coal buyers to promote the improvement of sustainability performance in their coal supply chain by assessing coal mining operations against a set of ten principles.

In October 2017, WCA and Bettercoal signed a MoU to enhance cooperation and exchange expertise and knowledge on sustainable development practices in the coal industry. We work together to promote common goals and joint activities which support sustainable development and improve coal mining practices.

Bettercoal has attended a number of WCA events and conferences, participating as a speaker in the ‘*Sustainable Coal Forum*’ and ‘*Sustainable Development Goals Roundtable*’ held in London.



- **United Nations Economic Commission for Europe (UNECE)**

As part of our efforts towards ensuring universal energy access and combatting climate change, we have also worked closely with the UNECE through its subsidiary bodies, including the Committee on Sustainable Energy, the Groups of Experts on Coal Mine Methane and on Cleaner Electricity Production from Fossil Fuels. Our long-term collaboration with UNECE is driven by a MoU signed in 2017, as discussed in section 1.

In line with these objectives, WCA attended the UNECE's 'Eighth International Forum on Energy for Sustainable Development', which took place in Astana, Kazakhstan in June 2017. The forum explored the possibility of developing an 'international standard' for coal-fuelled power generation.

As part of our cooperation, a representative from the UNECE's Group of Experts on Cleaner Electricity Generation from Fossil Fuels, participated as a speaker in the 'Sustainable Coal Forum' held in October 2017 in London.

Furthermore, in September 2018, WCA participated in the 27th Session of the UNECE Committee on Sustainable Energy held in Geneva, Switzerland, where we highlighted the need to widen deployment of low emission coal technologies given the ongoing role of coal as a critical enabler of social and economic development.

WCA dialogue events

WCA hosts events that bring together our members with a diverse range of global stakeholders to discuss key issues of concern for the extractives, energy sectors and the environment.

- In May 2018, we organised the conference 'Accelerating deployment of low emission coal technology in the U.S. and globally' in Washington D.C. The event explored ways to accelerate the pathway to commercialisation of low emission coal technologies, featuring important contributions from a wide range of stakeholders, including environmental groups, non-profit organisations, UK government representatives, embassies, technology providers, industry, as well as WCA members.
- In November 2018, WCA held a high-level forum bringing together a broad scope of policymakers, experts and stakeholders from different countries, organisations, and companies to discuss the role of CCUS as a key low-carbon technology in helping achieve the goals of the Paris Agreement. The event featured the launch of our "Driving CCUS deployment - the pathway to zero emissions from coal" report, which is covered in more detail in section 3.



International recognition

WCA regularly represents the global coal industry at high-level international events on energy, sustainable development and climate change. In late-2018, for example, WCA attended 'Accelerating CCUS: A Global Conference to Progress CCUS', organised by the UK Government in Edinburgh.

We hold:

- Special Consultative Status with the United Nations Economic and Social Council (ECOSOC)
- Observer Status with the United Nations Framework Convention on Climate Change (UNFCCC)
- Observer Status with the Intergovernmental Panel on Climate Change (IPCC)
- Membership of the United Nations Climate Technology Centre and Network (UNCTCN)
- Association membership of the International Council on Mining and Metals (ICMM)

Moreover, WCA represents the coal industry at the annual UN Conferences of the Parties to the Framework Convention on Climate Change (UNFCCC), most recently at COP24 in Katowice in December 2018; and at the various UN summits on Sustainable Development.

Site tours

Since 2017, the WCA has organised tours to various low emission coal plants across the world for both our membership and international media. These visits are designed to enhance the knowledge of low emission technologies within specific environmental, economic and social contexts, while proving instrumental in generating media coverage to enable greater understanding.

Lanfang and Sanhe power plants, March 2017

WCA members, CNN and Bloomberg visited two of the most efficient coal plants in the world near Beijing.

Petra Nova CCS Project, May 2018

WCA organised a stakeholder visit to the Petra Nova CCS project in Houston, Texas. Every day, Petra Nova captures an amount of carbon dioxide that is equivalent to removing 350,000 cars from the road.

Manjung 4 power station, August 2018

In collaboration with GE, WCA supported a media visit to the Manjung 4 power station. Manjung 4 is Southeast Asia's first ultra-supercritical coal-fired power plant, generating enough electricity to power nearly two million households in Malaysia.

Measurement of Outcomes

Action	Performance Measure	Results
Attract new participants to the UN Global Compact through outreach efforts and awareness raising.	WCA, its members and allied stakeholders participate in events related to the principles of the UNGC.	WCA has held two international conferences and hosted a series of regional workshops on issues related to the role of coal in a sustainable and lower carbon energy future.
Organise learning and dialogue events, workshops and training for their members on the UN Global Compact and specific topics relevant to corporate sustainability.	Hold events for members with broad stakeholder participation considering issues related to coal and long-term sustainability of the coal sector.	WCA organised three SDGs-related roundtables in the period with diverse high-level stakeholders, including the Executive Director of the local network.
Engaging their members in collective action efforts on Global Compact-related issues.	Engage members and their regional stakeholders to consider the role of coal and the coal industry in supporting the SDGs to inform a potential mapping exercise.	<p>WCA organised three regional roundtables on the SDGs last year to facilitate the exchange of knowledge and opinions on our approach to the mapping exercise. Members were represented at these events.</p> <p>The summaries of these discussions were communicated to the membership and shared on the WCA website.</p> <p>A meeting in London provided further details of these discussions, with the Executive Director of the UNGC Network UK chairing one of the sessions. In November 2018, the Board agreed to move forward with a mapping exercise on the SDGs.</p>

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First published in the UK in May 2019.

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