



Press release 01/ 2021

The VDKi has a new chairman. Alexander Bethe, Appointee of the Japanese energy trading house JERA Global Markets, has taken over the office from the long-time chairman Dr. Cieslik, who has taken his well-deserved retirement. He was elected honorary chairman at the extraordinary members' assembly. Managing Director Wodopia is also retiring. His successor is Manfred Müller.

With the first decommissioning tender, the coal phase-out reveals a major problem: the youngest and most modern hard-coal-fired power plants are surprisingly going first. Secured capacity will soon be in short supply in Germany. Hard coal-fired power plants are flexible and could support renewables in a perfectly fitting way.

Corona-induced decline in trade: global seaborne hard coal trade down 10.9% in 2020, global hard coal subsidies down 3.0%.

Hard coal in Germany: drastic decline continues - German steam coal imports down 29% in 2020.

According to preliminary calculations by the German Coal Importers Association (Verein der Kohlenimporteure e. V.), global hard coal production decreased by 3.0% to 7.0 billion t in 2020. While production in China increased by 100 million t or 2.7% and it also increased in India by around 20 million t (+2.8%), production in all other countries decreased to a greater or lesser extent. This was particularly the case for the countries involved in world hard coal trade, which suffered from the Corona-related economic slump. World seaborne hard coal trade fell Corona-caused by 10.9% in 2020. Colombia (-33%) and the USA (-29%) were hit particularly hard, suffering from the drop in demand on the Atlantic market. The Southeast Asian economies recovered comparatively quickly from the Corona crisis. Export declines were therefore lower for South Africa (-2%) and Australia (-6%) because they increasingly serve this market. Canadian exports - mainly coking coal - even increased slightly (+3%).

German hard coal imports fell significantly by **24%** or **10.4** million tons in 2020. Imports of coking coal fell by **11%**, and imports of steam coal by **29%**. Power generation from hard coal decreased by 26%. This was caused more importantly by the Covid-19 crisis combined with prioritized grid access for renewables and intense competition from gas-fired power plants. Compared to 2015, power generation from hard coal decreased to 1/3. However, this also means that this third is currently still needed on the market!

The first decommissioning tender in the ending of coal-fired power generation reveals that the design of the coal phase-out is off-target. Not the oldest, but surprisingly the youngest, most modern and largest coal-fired power plants are going first. Secured capacity will soon be in short supply in Germany. Hard-coal-fired power plants are flexible and could support renewables precisely.

Berlin, 15 January 2021

Responsible pursuant to the German Press Act: Verein der Kohlenimporteure e. V., Manfred Müller, Managing Director

About the Coal Importers Association e. V. (VDKi)

VDKi represents the interests of the imported hard coal market in Germany. The 48 German and European members are from the power industry, industry, trade and logistics. The imported coal covers 100 % of Germany's hard coal demand of about 39 million tonnes (2019). VDKi thus represents the entire hard coal market in Germany with a financial volume in the billions. VDKi regularly examines the significance of the global hard coal markets for the European and German imported hard coal market, shows perspectives for the further development of imports and regularly publishes statistics on German hard coal imports and prices. Further information is available at <https://english.kohlenimporteure.de/home.html>