

The global pipeline of proposed coal power plants has collapsed by 76% since the Paris Agreement in 2015, bringing the end of new coal power construction into sight.

United Nations Secretary General Guterres has called for 'no new coal by 2021', while COP President Designate Alok Sharma has called for COP26 in November 2021 to 'consign coal to history'. COP26 provides the ideal moment for governments to turn off the tap of new coal construction.

Since 2015, 44 governments (27 in the OECD & EU, 17 elsewhere) have already committed to no new coal, opening a pathway for remaining countries that are yet to act. We find that a further **40 countries (eight in the OECD & EU, 32 elsewhere) are without any projects in the pre-construction pipeline** and are in a position where they could readily commit to 'no new coal'.

Globally, **1,175GW of planned coal-fired power projects have been cancelled since 2015**. Accelerating market trends have combined with new government policies and sustained civil society opposition to coal. The world has avoided a 56% expansion of the total global coal fleet (as of June 2021), which would have been equivalent to adding a second China (1,047GW) to global coal capacity.

As of July 2021, **China and the countries with the next five biggest pre-construction pipelines (India, Viet Nam, Indonesia, Turkey, and Bangladesh) account for over four-fifths of the world's remaining pipeline**. Action by these six countries could remove 82% of the pre-construction pipeline. The remaining pre-construction pipeline is spread across a further 31 countries, 16 of which have just one project. These countries could follow global momentum and many of their regional peers in ending their pursuit of new coal-fired power generation.

The dynamic within the OECD & EU has already moved on to accelerating the retirement of existing coal power generation, with 56% of operating capacity either closed already since 2010 or scheduled to close by 2030. The pipeline of proposed coal power plants in OECD & EU countries has collapsed by 85% since 2015. The remaining proposed projects in OECD & EU countries make up just 6% of the global pre-construction pipeline. Australia, Colombia, Mexico, Poland, and Turkey are under pressure to follow their OECD & EU peers.

Among non-OECD countries (excluding China), the pre-construction pipeline has collapsed by 77% since 2015, with a cancellation ratio of over 5:1. 27 countries have ended the development of new coal power generation through project cancellations and / or policy commitments since 2015. This shift away from coal is being reflected in governments' political commitments, policy frameworks, and NDC submissions, for example in Pakistan, Malaysia, and Sri Lanka. They are serving as regional pathfinders that other countries can follow.

The group of non-OECD countries is home to 39% of the remaining global pre-construction

pipeline, 80% of which is located in just nine countries. Four of these governments (Bangladesh, Pakistan, Indonesia and Viet Nam) have already indicated some form of restriction on new coal construction, which can be further clarified and tightened ahead of COP26. The remaining 20% of the non-OECD pipeline is spread across small projects in 22 countries, many of which could readily commit to no new coal and pursue clean alternatives instead.

The international community can further support these countries in moving away from coal through provision of public and private clean energy finance; support to develop flexible grid infrastructure; and technical and capacity assistance to bolster regulatory and policy frameworks that accelerate the transition from coal-to-clean. COP26 will be a key moment for OECD & EU members and China to demonstrate that such support is available now for all countries that are willing to shift from dirty coal to clean energy.

China alone is home to almost 53% of the capacity under construction and 55% of the pre-construction pipeline. China has, however, seen a 74% reduction in the scale of its project pipeline, with 484GW of cancellations since Paris. President Xi has announced an intention that China will 'strictly control' new coal growth, but this has yet to be reflected in sectoral Five-Year Plan (FYP) policies. China is also isolated as the last remaining major provider of public finance for overseas coal projects, following Japan and South Korea's recent commitments to end coal finance. An end to Chinese finance would facilitate the cancellation of over 40GW of pipeline projects in 20 countries.

The collapse of the global coal pipeline and the rise of commitments to 'no new coal' are progressing hand in hand. Ahead of COP26, governments can collectively respond to UN Secretary General Guterres' call for 'no new coal by 2021'. Global trends are positive: governments can seize this moment to confirm their commitment to move from coal to clean energy.

Source: E3G