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FOSSIL FUELS

**Europe's coal
phase out**

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Beyond Fossil Fuels (BFF) is an alliance of **60+** passionate **civil society groups** committed to transforming the European energy sector. We strive for a **just transition to a fossil-free, fully renewables-based energy system** that protects people, nature, and our planet. As an independent campaign, we are driven by a fierce dedication to ending our reliance on **coal by 2030** and **fossil gas by 2035** with a focus on the power sector.

A map of Europe showing the distribution of the three main language families. The Indo-European family (blue) covers most of Western and Central Europe, including the British Isles, France, Germany, Italy, and the Balkans. The Uralic family (orange) is concentrated in Northern Europe, including Finland and Sweden. The Caucasian family (green) is found in the Caucasus region, primarily in Georgia and Armenia.



European coal phase out policies: today





Why are subsidies for coal necessary? High costs

- Coal extraction / acquisition, transport and processing
- Water use and treatment
- Pollution reduction installations (for SO₂, NO_x, ash)
- Pollution reduction consumables (e.g. limestone for SO₂, bromine for mercury)
- Salaries (labour-intensive)
- **CO₂ - ETS allowances**

The price of emissions allowances in Europe

Cost per tonne of carbon dioxide produced

Europe (€/t) UK (£/t)



Source: Data provided by Montel - EU and UK Emissions Trading Scheme prices (front December contracts); UK ETS prices exclude Carbon Price Support
Due to licensing, this data is not available for download

Wholesale electricity prices in Europe

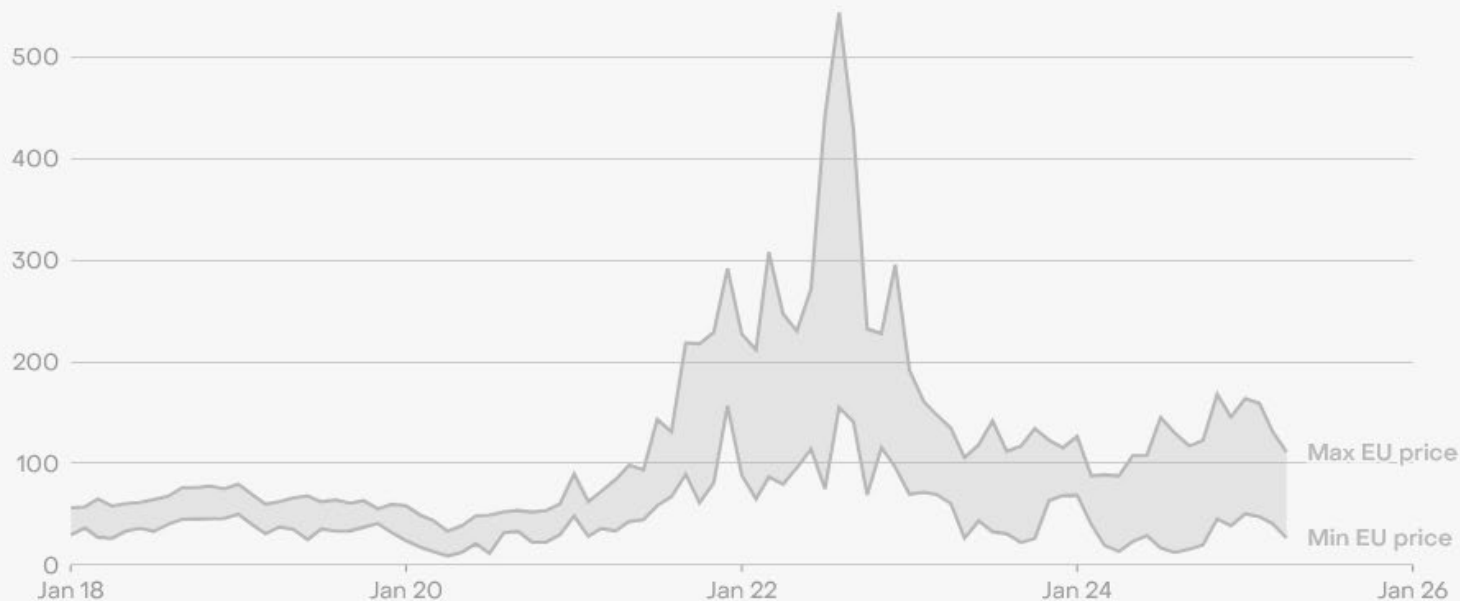
€/MWh

Monthly

Daily (1 year)

Daily (3 months)

Max EU price |x| Min EU price |x| Enter countries to show



Source: [LCCC \(UK\)](#), [semopx \(Ireland\)](#), [ENTSO-e \(all other EU countries\)](#) · Prices are average day-ahead spot prices per MWh sold per time period; Max and min prices refer to the highest and lowest average values of any country in the EU in that period; Prices converted from £/MWh to €/MWh for the UK.

Download data [here](#).



Why are subsidies for coal necessary? High costs

100 EUR / MWh:

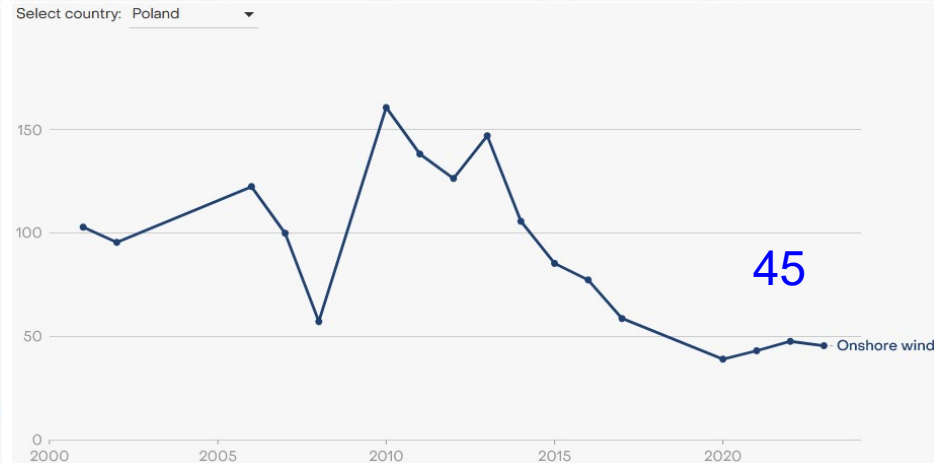
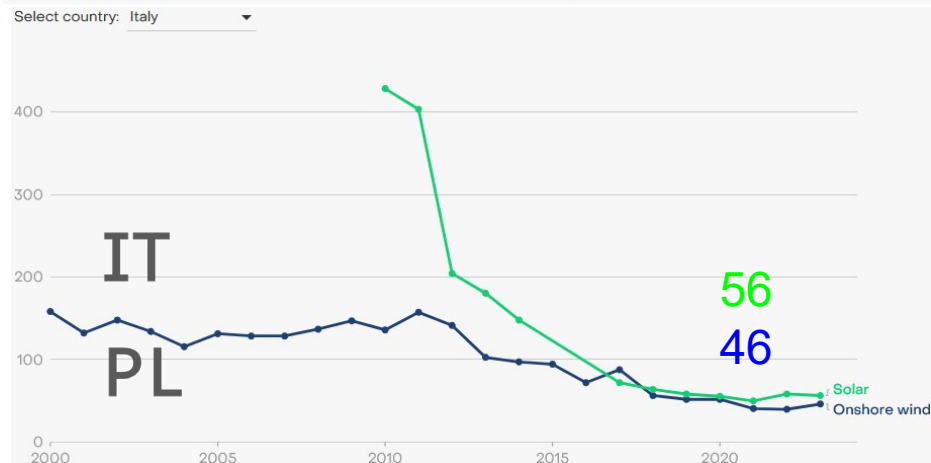
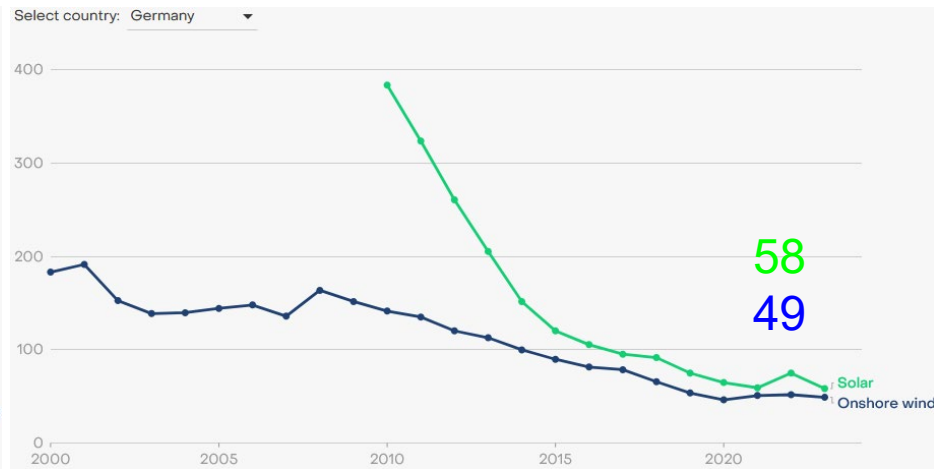
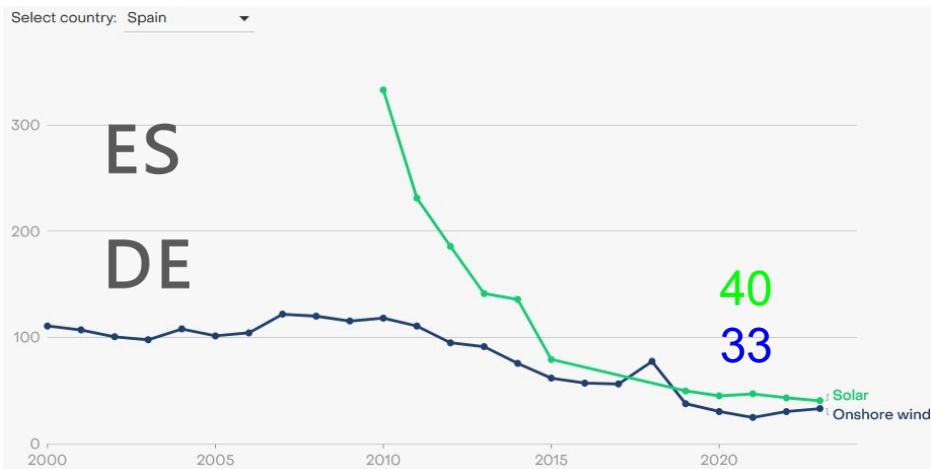
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max 40 EUR / MWh

60 EUR / MWh or more

Competition: the levelised cost for solar PV and onshore wind keeps going down

Price in EUR / MWh. Source: IRENA Renewable Power Generation Costs in 2023 via Ember.



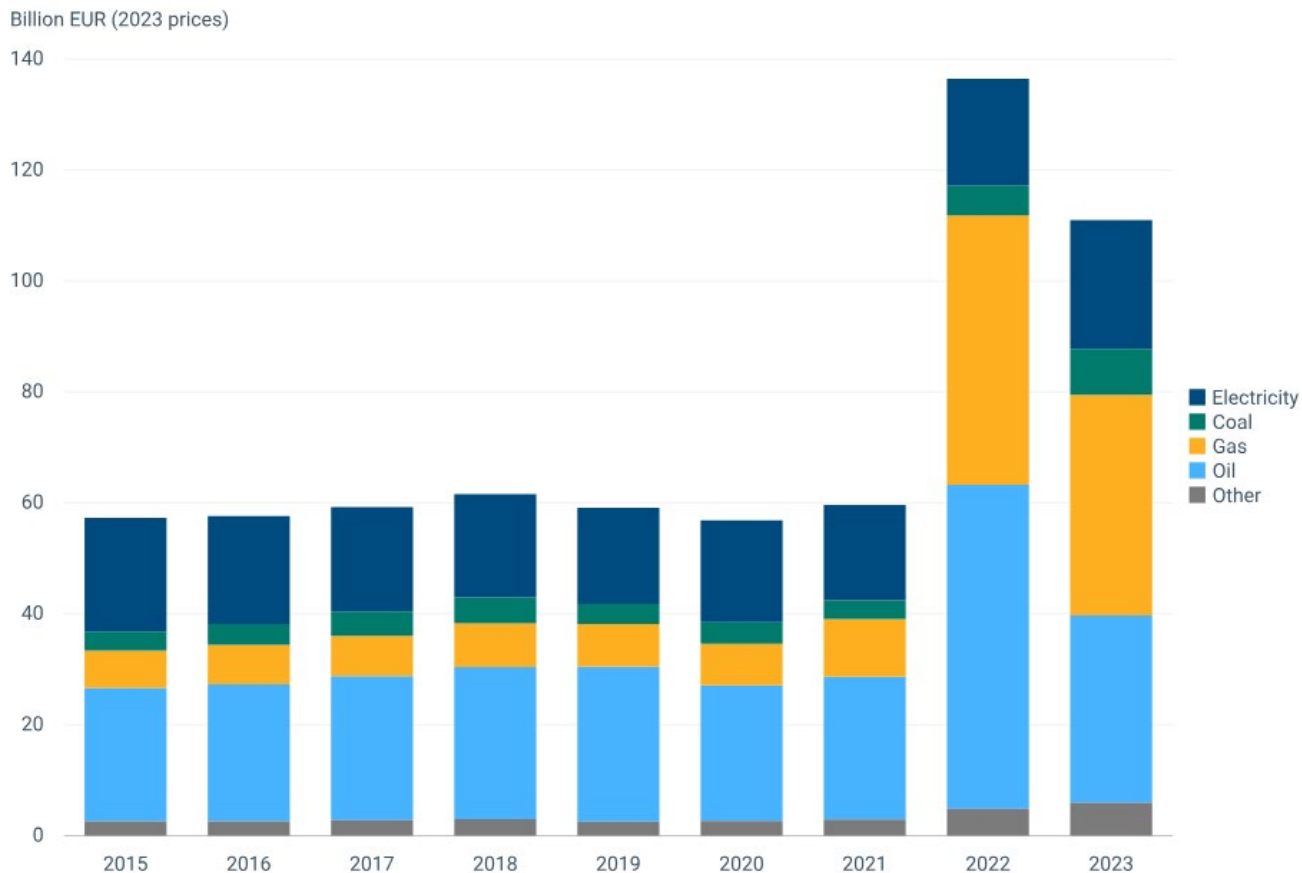
End of subsidies for hard coal in the EU...

- EU member states agreed in 2010 to only offer state aid for hard coal mines closing by 2018; “exceptional costs” (e.g. early retirement) by 2027.
- Significantly, Poland negotiates with the EU Commission and continues subsidies: 1.7 bln EUR in 2024; 2.1 bln EUR in 2025.



... but there are still plenty of fossil fuel subsidies in the EU!

Source: *Fossil fuel subsidies in Europe*, European Environment Agency, January 2025

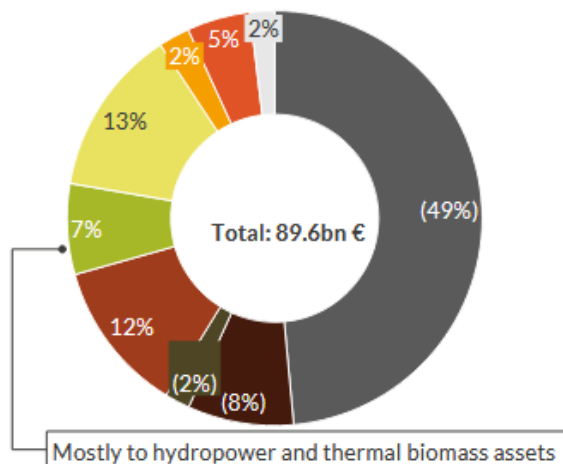


... but there are still plenty of fossil fuel subsidies in the EU!

Source: *Capacity remuneration mechanisms in Europe*, Aurora Research for Beyond Fossil Fuels, January 2025

Gas-fired assets have thus far been the main recipients, accounting for almost half of all contracted payments

Contracted payments under capacity markets in Europe¹
Bn € (nominal)

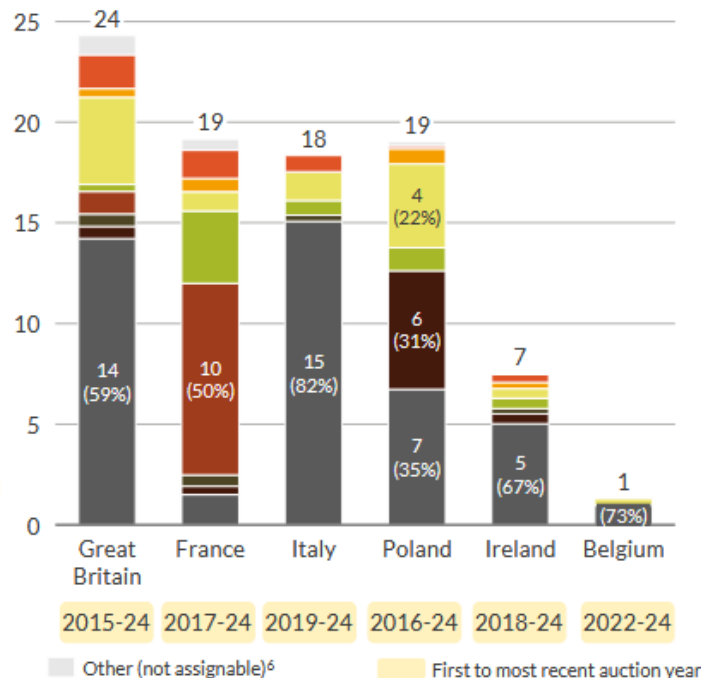


Disclaimer

The figures shown were calculated using assumptions and estimations based on available public data. The information available does not always allow a clear allocation of capacity market capacities and payments (see Appendix).

Gas Other CO2 intensive² Renewable³ DSR⁴
Coal Nuclear Storage Interconnectors⁵

Contracted payments by capacity market region¹
Bn € (nominal)



Who pays the healthcare costs?

Coal-burning is responsible for



- one-third of all U.S. carbon-pollution emissions.²
- over 13,000 premature deaths every year.³
- over 12,000 emergency room visits each year.⁴
- over 20,000 heart attacks every year.⁵
- over 200,000 asthma attacks a year.⁶
- more than \$100 billion in annual health costs.⁷



785
people die from
exposure to pollution
from burning coal
every year in Australia



14,456
asthma symptoms
are suffered by children
due to air pollution from
burning coal every year in Australia



845
babies are born
prematurely due to
pollution from burning coal
every year in Australia



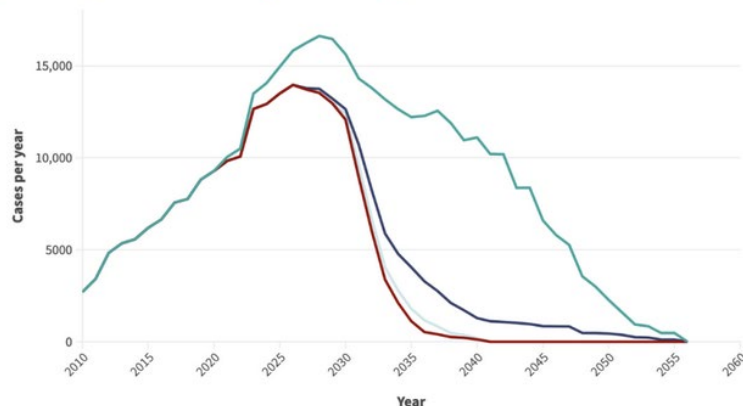
22
coal-burning power stations
still operate in Australia
some of which are among
the oldest and most polluting
in the world

The latest research indicates that emissions from uneconomically dispatched coal plants – coal plants that run when cheaper resources are available – cost communities **\$13-\$26 billion** in health costs each year. These costs are 13 times greater than what consumers are paying for that electricity, which is close to \$1-\$2 billion per year. Between 2015 and 2023, communities have had to pay **\$236 billion** in overall added health costs.



Air pollution-related deaths by scenario

1.5 degrees 1.5 degrees excluding captive 1.5 degrees w/ APC PERPRES 112/2022



Romania's coal phase out

- Oltenia Energy Complex - 4 power plants and 10 lignite mines, 90% of coal power generation
- 2020: 251 m EUR rescue loan - either repay in 6 months or restructure
- 2021: restructuring plan criticised by EC, questioning its economic viability
- January 2022: final plan approved
 - 1.3 bln EUR for ETS allowances until 2025
 - 800 m EUR for two new gas power plants (from the Modernisation fund)
- June 2022: Romania announces a coal phase out policy





▶ Reforming fossil fuel subsidies: financing a just transition

Limited public resources should be redirected from supporting fossil fuels to eliminating our dependence on them.

- **Just:** invest in the redevelopment of carbon-intensive regions and the reskilling of their workers.
- **Transition:** do not finance false solutions and any fossil fuels, in particular gas.



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Thank you!

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