



## Coal and the Sustainable Development Goals Roundtable

26 March 2018, London

### *Summary of discussions*

*The roundtable was held under the Chatham House Rule*

The World Coal Association (WCA) hosted a half-day roundtable on 26 March, bringing together a range of stakeholders for a high-level discussion on coal and the Sustainable Development Goals (SDGs). The roundtable kicks off a process for WCA, where it is seeking to get external input on the work that it should undertake in this space.

### Background

WCA held an event in October 2017 that provided a platform for a range of stakeholders to discuss issues around coal and the SDGs. While the event challenged perceptions about the coal industry, another key aim was also to challenge the industry about the future it can map for itself in a new global context.

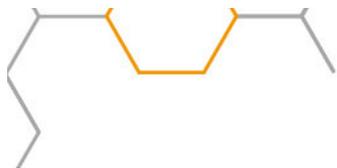
From these discussions, it was clear that WCA needed to do more work to explore the impacts (both positive and negative), implications and expectations around coal and the SDGs. It was also clear that this work had to be undertaken in consultation with stakeholders and informed by their feedback and recommendations.

Throughout 2018, WCA plans to hold a series of roundtables to explore coal and the SDGs. The roundtables will bring together participants with different perspectives and cover a number of regions.

### Coal & the SDGs – London Roundtable

The first roundtable was held in London on 26 March and brought together a range of stakeholders (a list of participating organisations is at the end of this document). As was highlighted at the outset of discussions, “coal is the eye of the storm” on the SDGs – it’s an industry that has a role across all the SDGs and is also a key challenge on efforts around SDG13, ‘taking urgent action to combat climate change and its impacts’.

WCA started the roundtable by acknowledging that climate change is the biggest challenge for the coal industry but also emphasised that we recognise that the SDGs are holistic and we need to think about the entire life cycle of coal.



Participants then introduced themselves and provided initial thoughts on coal and the SDGs, after which a moderated discussion focused on process, baselines and measuring impacts, what SDGs to cover, and outcomes and next steps.

A number of key themes emerged from the discussions, which are outlined below.

## Key themes

### 1. Establishing a credible process

Participants highlighted openness and transparency as critical to the credibility of this process, given that some stakeholders will have concerns about 'green wash'. It is important that the entire process is transparent, that we ensure greater consistency in engagement and are clear in ownership of the project.

While the roundtable brought together a variety of different organisations and perspectives, it was noted that for the process to be credible it is essential that a broad range of civil society organisations is engaged. However, it was also noted that many stakeholders don't want to engage with the coal industry as they are entrenched against coal and don't want to be associated with the industry.

There are also concerns from the environmental community that we're actually trying to grow the market for coal, rather than constructively engaging with the low carbon transition. A participant made the observation that so many stakeholders are concerned around SDG13 that they may not be prepared to engage on the other sixteen SDGs.

A suggestion from one panellist was to define a series of end goals that the process seeks to achieve – for instance, compulsory responsible mining standards for WCA members, or exploring a pathway to end unabated coal. It was also highlighted that we should be clearer about the end product, so that participants know what will come out of this engagement process.

### 2. Clear timeframes

It was noted a number of times throughout the session that we need to be clear about the timeframe that we're covering. While the pathway to 2030 is an obvious timeframe, given it's the deadline for the SDGs, it's important to also look beyond this.

Energy investments have a much longer-term timeframe, so it's important that this process looks beyond 2030. This is a particularly important consideration when looking at national climate pledges – our focus should not just be on the current set of Nationally Determined Contributions under the Paris Agreement but also their potential successors and long-term climate plans. Clarity around this will also ensure we have a more coherent conversation with stakeholders.



### 3. Engaging with investors

A notable gap in roundtable participants were representatives from the investment community, who are central to global energy developments. It was noted that investors and companies are going through a “mutual phase of discovery” on the SDGs and climate in particular. Investors are promoting greater climate awareness and climate resilience within their investment portfolios. They are driving a lot of the work on responsible sourcing, which is happening across the mining industry and more broadly. When involving investors the voices from African and Asian markets will be especially important.

### 4. Regional engagement

Contradictions around western perceptions of coal and the view from elsewhere were highlighted at the event. A participant noted that it’s important that we don’t conflate the ‘western’ viewpoint as being the accepted global view. There are a number of energy transitions taking place and the pace and nature of these transitions, and the balance of fuels in the energy mix, varies across regions.

There are also important distinctions between engagement in countries with a mature coal industry and those with a more nascent industry. It’s therefore important that this process not only takes account of regional differences in energy developments but also in terms of the maturity of the coal industry and power sector. This means in some cases the conversation may be about a shrinking role for coal, while in others it may be about how to ensure sustainability in a growing sector. This is also relevant for conversations with investors.

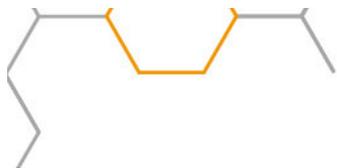
### 5. Covering all the SDGs

There was a lot of discussion about what SDGs the coal industry should address in its work in this space. Participants deliberated on whether it should be a process focused on a smaller number of SDGs of most relevance to coal or encompass all of them.

Following on from the conversation about establishing a credible process, it was agreed that it’s important to cover all the SDGs. We need to engage with the complete 2030 agenda. We can then move to a focus on a smaller number where the coal industry can add most value and be transparent in the reasons for the choices.

This process also needs to address the entire value chain and life cycle of coal, so that we are not only looking at the production of coal but right through to its use.

For each of the SDGs, it’s also important to cover the *impact* of the coal industry – both positive and negative – and the *implications* for the coal industry. This will ensure the process not only covers the positive role of the coal industry in the SDGs but also any negative impacts and where action is needed.



Participants suggested that this work should extend from not only possibly mapping coal to the SDGs but then also mapping stakeholders to the coal industry and then mapping these stakeholders to the SDGs. This work should also cover all types of coal and provide clarity on this.

## 6. Having a vision

Discussions highlighted the importance of having a compelling vision and strategy for the industry at the global and country levels, which any work mapping coal to the SDGs can feed into and support.

It was suggested that a key outcome from this process could be action plans to support this vision. They would also help to support progress in the industry's performance against the SDGs.

## 7. Importance of buy-in from WCA members

A number of participants raised the question of the level of support from WCA members. They highlighted that it would be damaging to the coal industry's reputation to engage in this process and not have the full support of members to implement any of the actions arising from it. It would also be unfair to all the stakeholders who have engaged in this process.

## 8. Measurement

Measurement of progress and achieving action on the ground were highlighted as key elements of a credible process. Participants highlighted that while stakeholders don't expect perfection, they do expect a commitment to progress and improvement in performance against the SDGs. It was suggested that mapping can create a baseline and specific SDG action plans could then be developed to resolve issues or show where the industry can assist.

## 9. Partnerships

A recurring theme throughout discussions was the importance of partnerships to the success of this work. This is also critical given SDG17 – 'Strengthen the means of implementation and revitalise the global partnership for sustainable development'.

The emphasis on partnerships covered a broad range of stakeholders but also partnerships within the industry itself. Often there are mining regions with multiple companies operating, all with their own impacts. It's vital that these companies work together on the SDGs within that region.

It's therefore essential that the coal industry not only works with other stakeholders but also works together on the SDGs. However, a concern was highlighted about the trend towards fragmentation within the industry, as some larger mining companies sell assets to junior miners, who are less able or less willing to engage on these issues.



## Next steps

WCA will take the feedback and recommendations from the London roundtable and report back to our Board of Directors at their next meeting in May. WCA is also planning roundtables in South Africa, Colombia and Asia over 2018 and stakeholder input at these events will help to further shape our work on coal and the SDGs. WCA will also continue to engage with participants from the London roundtable as it moves forward with this work.

## Participating organisations

A number of individuals from the following organisations participated in the roundtable.

Adam Smith International	IEA Clean Coal Centre
Bettercoal	Newcastle University London
Chatham House	UNGC Network UK
Climate Strategies	Vattenfall
ENGIE	Verisk Maplecroft
Equitable Origin	World Coal Association

*Please note that participation in the event does not mean endorsement of the process.*

*This note is a summary of discussions at the 'Coal and the SDGs' roundtable and does not necessarily represent the views of the World Coal Association or its members or roundtable participants.*