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PROPOSAL

From: Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director

date of receipt: 26 July 2021

To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union

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Subject: ANNEX to the Proposal for a Council Decision on the position to be taken on behalf of the European Union in the written procedure by the Participants to the Arrangement on Officially Supported Export Credits regarding the review of the Sector Understanding on Export Credits for Coal Fired Electricity Generation Projects contained in Annex VI

Delegations will find attached document COM(2021) 418 final Annex.

Encl.: COM(2021) 418 final Annex



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ANNEX

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to the

Proposal for a Council Decision

on the position to be taken on behalf of the European Union in the written procedure by the Participants to the Arrangement on Officially Supported Export Credits regarding the review of the Sector Understanding on Export Credits for Coal Fired Electricity Generation Projects contained in Annex VI

ANNEX
PROPOSAL

The position of the European Union is to support:

- (1) The immediate end of the provision of officially supported export credits and tied aid for:
 - (a) The export of new coal-fired electricity generation projects or parts thereof.

Coal-fired electricity generation projects are complete power stations, or parts thereof, fuelled by coal; they include all components, equipment, materials and services (including the training of personnel) directly required for the construction and commissioning of such power stations.
 - (b) The supply of equipment to existing coal-fired electricity generation plants, unless all the following conditions are met:
 - (i) The purpose of the equipment supplied is pollution abatement.
 - (ii) The equipment supplied induces neither an extension of the useful lifetime of the plant nor a capacity increase.
- (2) The immediate end of the provision of officially supported export credits and tied aid for export of goods and services related to:
 - (a) Development, construction or expansion of thermal coal mining. This includes the exploration, extraction and production of thermal coal and its associated infrastructure.
 - (b) Any kind of transport (including modes of transport and associated infrastructure) predominantly used to move thermal coal.

Points (a) and (b) of paragraph 1 shall not apply to coal-fired electricity generation projects that fall within the scope and meet the conditions of Appendix II of the Sector Understanding on Export Credits for Renewable Energy, Climate Change Mitigation and Adaptation, and Water Projects (Annex IV). The financial terms and conditions applicable to such projects shall be those set out in Annex IV.

Points (a) and (b) of paragraph 2, shall apply to all exports of goods and services covered by the Arrangement, including when covered by Sector Understandings.

The implementation of this proposal may lead to changes to the Sector Understanding on Export Credits for Coal Fired Electricity Generation Projects contained in Annex VI, as well as potentially to the provisions of the Arrangement on Officially Supported Export Credits, especially its Article 6.