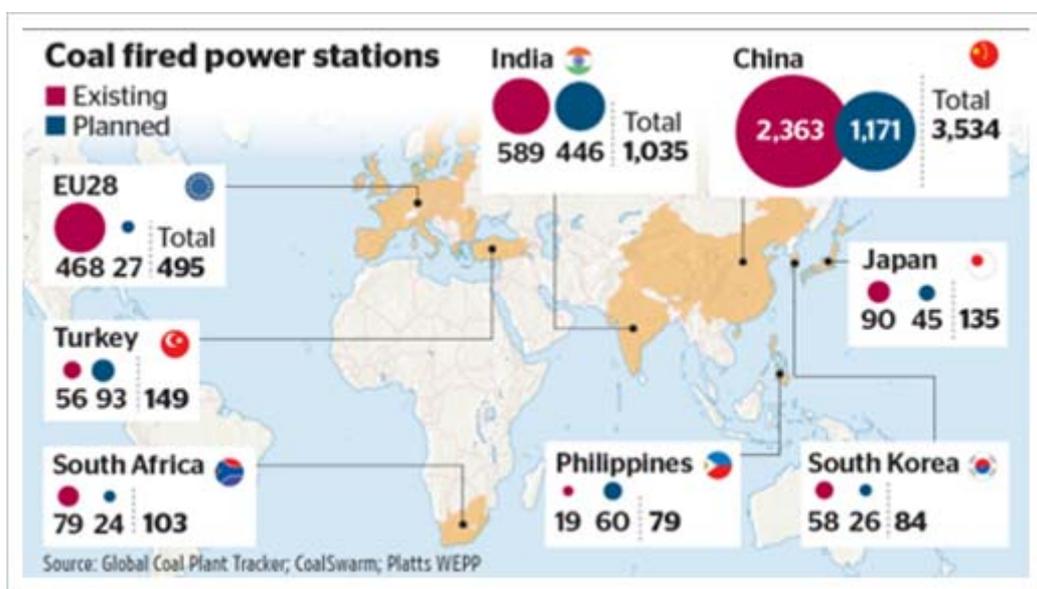


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As Beijing Joins Climate Fight, Chinese Companies Build Coal Plants

By [HIROKO TABUCHI](#) JULY 1, 2017

1,600 new coal-fired power plants are planned or under construction in 62 countries.



When [China](#) halted plans for more than 100 new coal-fired power plants this year, even as President Trump vowed to “bring back coal” in America, the contrast seemed to confirm Beijing’s new role as a leader in the fight against [climate change](#).

But new data on the world’s biggest developers of coal-fired power plants paints a very different picture: China’s energy companies will make up nearly half of the new coal generation expected to go online in the next decade.

These Chinese corporations are building or planning to build more than 700 new coal plants at home and around the world, some in countries that today burn little or no coal, according to [tallies compiled](#) by [Urgewald](#), an environmental group based in Berlin. Many of the plants are in China, but by capacity, roughly a fifth of these new coal power stations are in other countries.

Over all, 1,600 coal plants are planned or under construction in 62 countries, according to Urgewald’s tally, which uses data from the [Global Coal Plant Tracker](#) portal. The new plants would expand the world’s coal-fired power capacity by 43 percent.

The fleet of new coal plants would make it virtually impossible to meet the goals set in the [Paris climate accord](#), which aims to keep the increase in global temperatures from preindustrial levels below 3.6 degrees Fahrenheit.

Electricity generated from fossil fuels like coal is the [biggest single contributor](#) globally to the rise in carbon emissions, which scientists agree is causing the Earth's temperatures to rise.

“Even today, new countries are being brought into the cycle of coal dependency,” said Heffa Schücking, the director of Urgewald.

The United States may also be back in the game. On Thursday, Mr. Trump said he wanted to lift Obama-era restrictions on American financing for overseas coal projects as part of an [energy policy](#) focused on exports.

“We have nearly 100 years' worth of [natural gas](#) and more than 250 years' worth of clean, beautiful coal,” he said. “We will be dominant. We will export American energy all over the world, all around the globe.”

The frenzied addition of coal plants underscores how the world is set to remain dependent on coal for decades, despite fast growth in renewable energy sources, like wind and [solar power](#).

In China, concerns over smog and [climate change](#) have prompted a move toward renewables, as have slowing economic growth and a gradual shift in the Chinese economy away from heavy manufacturing and toward consumer industries. The addition of domestic capacity, though large on paper, does not mean there will be growth in coal consumption. The current coal plants are operating far below capacity because demand for coal-generated power has slowed considerably.

But overseas, the Chinese are playing a different game.

[Shanghai Electric Group](#), one of the country's largest electrical equipment makers, has announced plans to build coal power plants in Egypt, Pakistan and Iran with a total capacity of 6,285 megawatts — almost 10 times the 660 megawatts of coal power it has planned in China.

The China Energy Engineering Corporation, which has no public plans to develop coal power in China, is building 2,200 megawatts' worth of coal-fired power capacity in Vietnam and Malawi. Neither company responded to requests for comment.

Of the world's 20 biggest coal plant developers, 11 are Chinese, according to [a database](#) published by Urgewald.

Over all, Chinese companies are behind 340,000 to 386,000 megawatts of planned coal power expansion worldwide, Urgewald estimated. A [typical coal plant](#) has a capacity of about 500 megawatts and burns 1.4 million tons of coal each year, [enough to power](#) almost 300,000 homes.

Kevin P. Gallagher, a professor of global development policy at Boston University and an expert in Chinese energy investment overseas, said a strong infrastructure demand in

developing countries and a sharp fall in coal financing by the World Bank and Asian Development Bank had opened up the field for Chinese involvement.

“In China, you have lots of very competitive and politically influential companies — but all of a sudden there’s no demand,” Professor Gallagher said, referring to China’s slowing economic growth. “So China is helping these companies go overseas to help make the adjustment at home less painful.”

Much of China’s overseas push has come under a state initiative called “[One Belt, One Road](#),” announced in 2013, which calls for up to \$900 billion in infrastructure investments overseas, including high-speed railroads, ports, gas pipelines and power plants.

China’s two global policy banks, the China Development Bank and the Export-Import Bank of China, have already provided more than \$43 billion in overseas coal financing since 2000, according to [a separate database](#) of Chinese energy investments published this year by Boston University.

Some of the countries targeted for coal-power expansion, like Egypt or Pakistan, currently burn almost no coal, and the new coal plants could set the course of their national energy policies for decades, environmentalists warn.

In Egypt, coal projects by Shanghai Electric and other global developers are set to bring the country’s coal-fired capacity to 17,000 megawatts, from near zero, according to the Urgewald database.

Pakistan’s coal capacity is set to grow to 15,300 megawatts from 190. In Malawi, planned coal projects would bring its coal-fired capacity to 3,500 megawatts from zero.

Chinese companies are not the only drivers of the global coal expansion.

The world’s single largest coal-plant developer is India’s [National Thermal Power Corporation](#), which plans to build more than 38,000 megawatts of new coal capacity in India and Bangladesh. The corporation did not respond to an email query.

The [AES Corporation](#), based in Arlington, Va., is building coal plants in India and the Philippines with a combined capacity of 1,700 megawatts. Amy Ackerman, a spokeswoman for the company, said it was shifting its focus to renewables and natural gas, and had no plans to build coal plants after its India and Philippines projects.

Japan’s [Marubeni Corporation](#) is involved in joint ventures for a combined 5,500 megawatts of new coal generation in Myanmar, Vietnam, Philippines and Indonesia, according to the database. Japan is also adding to its coal-fired capacity at home, to make up for an energy shortfall in the wake of the Fukushima nuclear disaster. A Marubeni spokesman confirmed projects in the four countries.

Western investors also continue to play a role in financing new coal plants overseas. Bonds and shares of the world’s biggest coal developers, like India’s National Thermal Power and Marubeni, are frequently found in the portfolios of large institutional investors and banks.

To be sure, countries like China and Japan are also big players in renewables. China is a major exporter of solar panels and [wind turbines](#), and is leading the construction of the Quaid-e-Azam solar park in Pakistan, one of the world's largest.

Chinese wind and solar companies are “among the leading renewables companies around the world and play a key role in the dramatic fall of wind and solar power prices,” said Alvin Lin, a Beijing-based climate and energy expert at the [Natural Resources Defense Council](#). And President Xi Jinping of China and other top leaders there have been resolute in setting climate policy.

But China's climate concerns have so far been driven by narrow concerns over local pollution, said Eric G. Gimon, a senior fellow at [Energy Innovation](#), a research firm based in San Francisco.

“For now, those concerns seem not to extend elsewhere,” Mr. Gimon said.