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REPORT FROM THE COMMISSION

**THE MARKET FOR SOLID FUELS
IN THE COMMUNITY
IN 1996 AND THE OUTLOOK FOR 1997
(Revision*)**

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**THE MARKET FOR SOLID FUELS
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(revision)**

1. INTRODUCTION

This report summarises the situation of the Community solid fuel market in 1996 and gives the Member States' forecasts for 1997 from information forwarded to the Commission in June 1997.

Its purpose is to inform the ECSC Consultative Committee and others concerned, as early as possible about developments in the market for solid fuels in the Community.

The report thus updates the information contained in the Commission's annual report on "The market for solid fuels in the Community in 1996 and the outlook for 1997"¹, which gave the forecasts made at the end of 1996 and in January 1997. At the end of the current year, a preliminary report will be drawn up with the provisional results for 1997 and the outlook for 1998.

The information contained in this report relates wherever possible to the expanded Community of 15 Member States. Where figures are not available on this basis, a note is made to show that the figures relate only to the 12 Member States of the Community prior to 1995.

2. THE ECONOMIC SITUATION IN THE EUROPEAN UNION IN 1996 AND THE OUTLOOK FOR 1997²

The scenario of a gradual recovery progressively gaining momentum during 1996 has materialised. Acceleration in output is forecast to continue into 1997, benefiting, in addition to the still improving supply side fundamentals, from brightening demand prospects and the recent appreciation of the US dollar. In tandem with strengthening growth, economic and financial convergence among Member States improved in 1996, and is forecast to continue improving in the final run-up to EMU. The expectation is for a significant number of Member States to meet the necessary conditions to participate in Economic and Monetary Union from the outset. It should be stressed, however, that the convergence criteria will be assessed at the beginning of 1998 on the basis of observed, as opposed to forecast data.

¹ SEC(97) 1093 of 12 June 1997

² The analysis of the current economic situation and the prospects for 1997 are based on the Commission services' Spring 1997 economic forecasts dating from April 1997.

GDP rose on average in the EU in 1996 by 1.6 %, and is forecast to accelerate to 2.4 % in 1997. The year 1996, despite a fairly weak average growth rate, was characterised by a progressive acceleration in output. Given the weak expansion of economic activity in 1996, particularly in the first half of that year, average employment in the European Union remained roughly flat in 1996. Accompanying the recovery, employment is forecast to increase by 0.5 % in 1997. Against the background of these developments and the growth of the labour force, the average EU unemployment rate stabilised in 1996 at a level of 11%. In 1997 the average unemployment rate is forecast to decrease to 10.6%.

The inflation rate, as measured by the private consumption deflator, has declined further in 1996 to 2.7 % on average in the EU and a further reduction to 2.2 % is forecast for 1997. All Member States except Greece will have an inflation rate below 2¼ % in 1997, and inflation rates are converging towards 2 %. On these forecasts 14 Member States are likely to have no problem with the inflation convergence criterion.

Member States have continued taking important measures to put order in their public finances. The average deficit/GDP ratio in the EU fell to 4.3 % in 1996 and is forecast to decrease further to 2.9 % in 1997. Thirteen Member States out of fifteen (the exceptions being Italy and Greece) are expected to have a deficit/GDP ratio at or below 3 % in 1997. However, several Member States have a deficit at or just below 3 %, so that there is no room to absorb any budgetary slippage. Based on new information, Finland had a debt/GDP ratio below 60 % in 1996 and joined France, Luxembourg and the United Kingdom which were already in such a position, while most other Member States, with a debt ratio above 60 %, are likely to have a decreasing debt ratio. For the EU as a whole, the debt/GDP ratio peaked in 1996 at 73.2% and should decline in 1997 for the first time to 72.9%.

MAIN FEATURES OF SPRING 1997 FORECAST --EUR (a)					
	Spring 1997			Difference with Autumn 1996 (b)	
	1995	1996	1997	1996	1997
GDP growth	2.4	1.6	2.4	0.0	0.1
Investment in equipment	6.5	2.7	4.8	-1.1	-0.2
Employment	0.6	0.1	0.5	0.0	-0.1
Unemployment (%) (c)	10.9	11.0	10.6	0.1	-0.2
Inflation (d)	3.0	2.7	2.2	0.1	0.0
Government deficit (% GDP)	-5.0	-4.3	-2.9	0.1	0.1
Government debt (% GDP)	71.2	73.2	72.9	-0.3	-0.8
Current account balance (% GDP)	0.7	1.0	1.1	0.0	-0.1

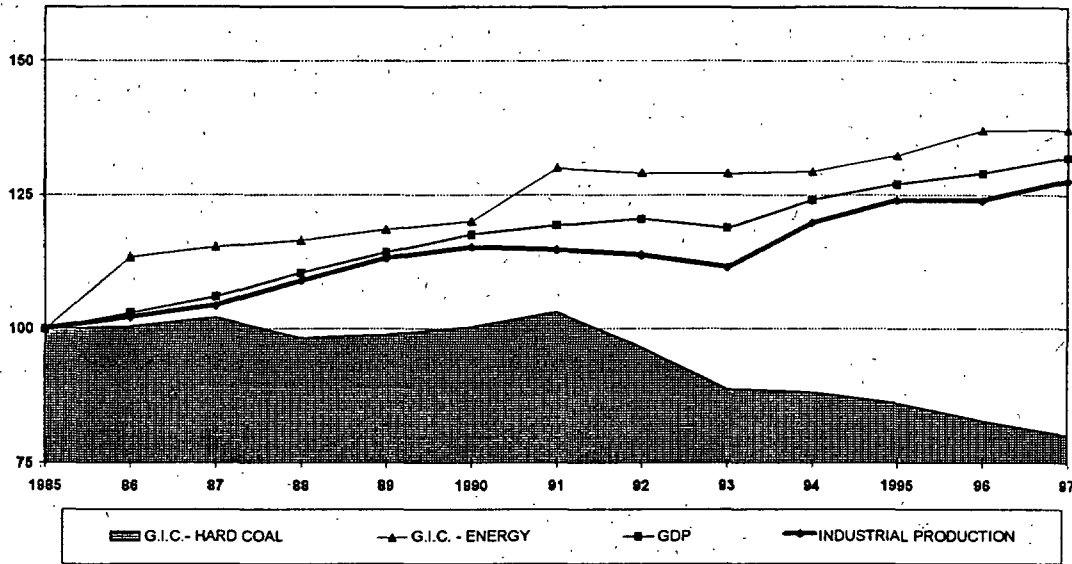
(a) Real annual percentage change unless otherwise stated.

(b) A "+" ("-") sign means a higher (lower) positive figure or a lower (higher) negative one compared with the Autumn.

(c) Percentage of the labour force.

(d) Private consumption deflator.

**TRENDS OF VARIOUS PARAMETERS (EUR-15)
ENERGY - ECONOMY (1985 = 100)**



* G.I.C.: Gross Inland Consumption

3. COMMUNITY ENERGY MARKET

In 1996 the average GDP in the EU increased by 1.6 %, as shown in section 2. This compared with a growth in primary energy demand (measured as gross inland energy consumption) of 3.6%, showing an increase in energy intensity in the 15 states of the European Union.

GROSS INLAND CONSUMPTION EU - (Mtoe)								
	1995	1996	1997			market share (%)		
				1996/ 1995(%)	1997/ 1996(%)	1995	1996	1997
Hard coal	178.5	171.7	166.1	-3.8	-3.3	13.6	12.6	12.2
Lignite	54.1	52.9	52.6	-2.2	-0.7	4.1	3.9	3.9
SOLID FUELS	232.6	224.7	218.8	-3.4	-2.6	17.7	16.5	16.1
OIL	573.5	587.0	594.8	2.3	1.3	43.7	43.1	43.7
NATURAL GAS	270.0	301.8	302.1	11.8	0.1	20.6	22.2	22.2
NUCLEAR	204.5	217.1	216.1	6.2	-0.5	15.6	16.0	15.9
OTHERS (1)	32.2	29.9	30.2	-7.2	1.2	2.5	2.2	2.2
TOTAL	1312.8	1360.4	1362.0	3.6	0.1	100.0	100.0	100.0

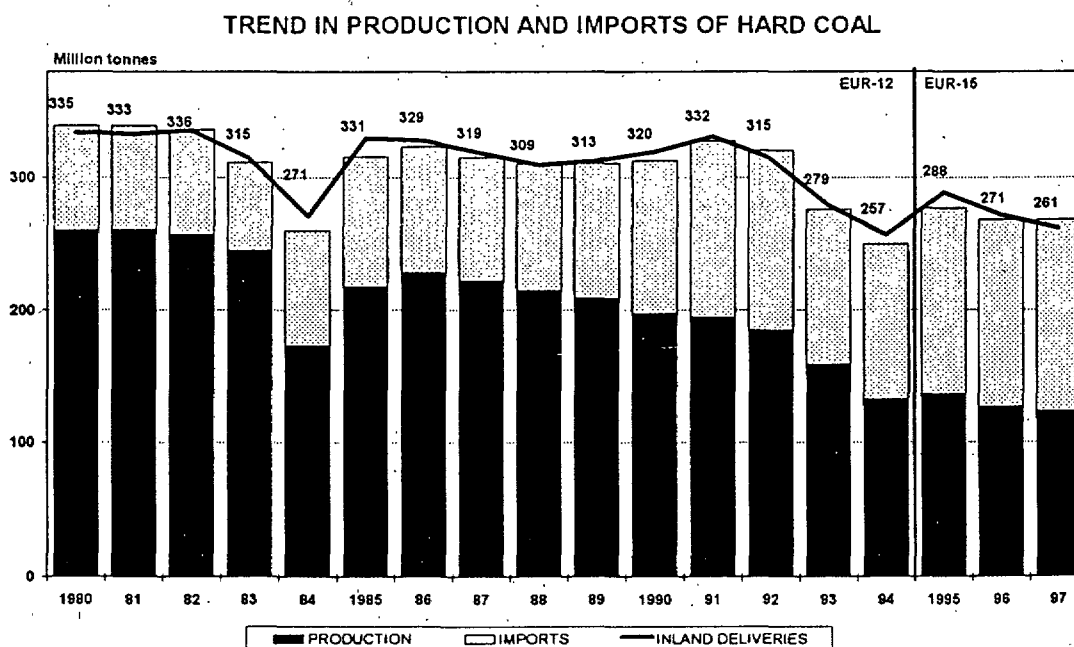
(1) includes hydro and the balance of foreign trade

Total primary energy demand amounted to some 1,360 Mtoe in 1996, an increase of 48 Mtoe. Oil still occupies the leading position, with 43% of market share. Total oil consumption has increased, despite a slight reduction in market share. Natural gas increased its share of primary energy consumption, from 20.6 % to 22.2 %, and its use by 31 Mtoe. With good performance from many European nuclear stations, nuclear power also increased its use by 12 Mtoe, gaining 0.3 % of market share to achieve almost 16%. This is slightly less than the solid fuel share of demand, which fell 1.2 % to 16.5 % share, losing 7.8 Mtoe or 3.4 %. Hard coal lost a full percentage point of market share (6.6 Mtoe or 9.4 Mtce), while hydro and other fuels also contributed a little less in 1996 both in terms of market share and of tonnes oil equivalent.

For 1997, the expected growth in GDP is about 2.4 %, while total gross inland energy consumption is expected to increase by only just over 0.1 % to 1362 Mtoe. The very small forecast increase in energy consumption is a result of the higher temperatures that Europe has been enjoying, combined with the beneficial effects of continuing economic activity. This slight change will include a reduction of some 2.6 % in solid fuel use (3.3 % hard coal and 0.7 % lignite), and a reduction in nuclear use of about half a percentage point. The rapid expansion of gas use is expected to be halted in 1997, with a forecast growth rate of only 0.1 %. Oil's share of the market is expected to be back to the level of 1995, after a slight reduction in 1996. Hydro and other (the balance of foreign trade) will account for the remaining energy consumption, an increase of just over 1%.

4. HARD COAL MARKET

While the revised estimations for hard coal deliveries for 1997 show a slight increase compared with the previous forecasts, there is still an important reduction compared to 1996. Total internal deliveries for 1997 are now forecast at 261.4 Mt, a reduction of 10.1 Mt or 3.7% on the final 1996 figures.



* Including new German Länder from 1991

The supply side position in 1997 looks more robust than in the earlier estimates, largely as a result of increases in imports, most of which will go to stock. Community production is expected to decline during the year by some 3.5 Mt (-2.8%) to 123.3 Mt. Hard coal imports from third countries are forecast to increase by 3.2 Mt to 144.4 Mt (an increase of 10 Mt on the estimate earlier in 1997). In total, including recoveries of 2.5 Mt estimated for 1997 (a reduction of 0.5 Mt on 1996), supply is likely to be only some 0.8 Mt (-0.3%) less than in 1996.

Internal deliveries will have fallen in all markets but is most notable in the power station market, where the reduction will have been 9.3 Mt on the previous year (-5.0%). Exports to third countries are expected to be higher than in previous estimates, amounting to some 0.4 Mt in 1997.

The revised forecasts in 1997 reflect an improved business confidence in the EU, which has been largely export led, and helped by the strong dollar, favouring most European economies with the exception of the UK, where the pound sterling has been even stronger. They show a decrease in coal-fired electricity generation, since assumed warmer weather will reduce demand, nuclear performance has been improving during the year, and gas penetration has been strong, particularly in the UK and is also beginning to be felt in Spain.

Total production and imports in 1997 are estimated to be some 8.3 Mt higher than deliveries and exports to third countries, suggesting an increase in stocks held by producers and consumers. While there are no estimates for changes in stocks in 1997 for a number of countries, one may remark on an increase of some 5.4 Mt at power stations in Spain compared with the previous estimate (to 13.6 Mt). Germany's revised forecasts suggest an increase in stocks at power stations of some 1.5 Mt over the earlier estimates, while producers stocks are forecast to fall by 3.4 Mt compared with the previous estimates. The UK market has seen a substantial increase in coal stocks at power stations in the first third of the year (up 4.6 Mt on the same time in 1996, while coal burn in the same period was down 5 Mt). Overall, however, power station stocks are not expected to change significantly in 1997 when compared with 1996.

Latest forecasts in the coke market suggest that, while the earlier forecasts for coke production and consumption in 1996 and 1997 have been revised upwards, the same decline between the two years has been maintained. Total resources in 1997 are expected to fall by 1.6% or 0.8 Mt compared with 1996; evenly divided between indigenous production and imports from third countries.

The lignite market is following the trend of past years, and the forecast for 1997 suggests a reduction of 5.5 Mt (-2.1%) in production and imports, and a reduction of 5.9 Mt (-2.3%) in deliveries; the chief reduction being in deliveries to briquetting plants. Peat deliveries in 1997 are expected to reduce slightly in all markets, although production and imports are likely to have increased by 0.6 Mt (4.4%) compared to 1996.

COMPARISON OF THE MAIN FEATURES OF THE SOLID FUEL MARKET - EUR 15						
(million tonnes)						
	1996 previous	1996 latest	1997 previous	1997 latest	1997 latest/ previous (%)	1997/96 (%)
HARD COAL						
Resources						
- Production	128.4	126.8	122.4	123.3	0.7	-2.8
- Recoveries	3.9	3.0	3.4	2.5	-27.4	-17.6
- Imports from third countries	137.8	141.2	134.4	144.4	7.4	2.2
Total	270.1	270.9	260.3	270.1	3.8	-0.3
Deliveries						
- To coking plants	50.2	54.2	49.9	53.9	8.0	-0.6
- To power stations*	189.5	185.2	177.2	175.9	-0.8	-5.1
- To others	32.7	32.0	32.0	31.6	-1.2	-1.3
- Exports to third countries	0.2	0.3	0.1	0.4	178.9	23.8
Total	272.5	271.8	259.2	261.8	1.0	-3.7
COKE						
Resources						
- Production	39.9	40.3	39.3	39.9	1.5	-1.0
- Imports from third countries	6.4	6.5	6.3	6.1	-2.8	-5.4
Total	46.3	46.8	45.6	46.0	0.9	-1.6
Deliveries						
- To steel industry	40.7	41.8	39.7	40.7	2.5	-2.6
- Other deliveries within the E.U.	4.8	5.5	4.6	5.3	16.6	-2.7
- Exports to third countries	0.4	0.4	0.4	0.4	-12.6	-9.2
Total	45.9	47.6	44.7	46.4	3.8	-2.6
LIGNITE						
Resources						
- Production and imports	258.8	261.1	254.3	255.6	0.5	-2.1
Deliveries						
- To briquetting plants	26.5	27.5	25.4	23.2	-8.8	-15.9
- To power stations	226.0	229.0	223.1	228.2	2.3	-0.4
- Others (incl. exports to third countries)	6.3	4.0	5.8	3.2	-45.2	-20.7
Total	258.8	260.6	254.4	254.6	0.1	-2.3
PEAT						
Resources						
- Production and imports	14.4	14.3	14.2	14.9	4.8	4.4
Deliveries						
- To briquetting plants	0.4	1.7	0.4	1.6	307.5	-1.2
- To power stations	11.1	10.4	10.7	10.2	-5.0	-1.6
- Others (incl. exports to third countries)	2.3	2.3	2.1	2.1	-0.5	-6.2
Total	13.8	14.3	13.3	13.9	5.1	-2.3

(!) The sums may not add up due to rounding

* Including industrial and pithead power stations

4.1. Hard Coal Production

According to the latest information available, hard coal production in the Community amounted to 126.8 Mt in 1996, a reduction of 8.3 Mt or 6.1% compared to 1995.

COMPARISON OF HARD COAL PRODUCTION FOR PRODUCER COUNTRIES (Mt)							
	1995	1996		1997		1997	1997/1996
		previous	latest	forecast	latest	latest/ forecast (%)	latest (%)
United Kingdom	51.5	50.2 *	48.5 *	47.6 *	46.9 *	-1.6	-3.5
Germany	58.9	53.1	53.2	50.9	52.6	3.4	-1.1
Spain	17.7	17.8	17.8	17.5	17.5	0.0	-1.4
France	7.0	7.3	7.3	6.5	6.3	-1.9	-13.3
Total	135.1	128.4	126.8	122.4	123.3	0.7	-2.8

* Commission estimates

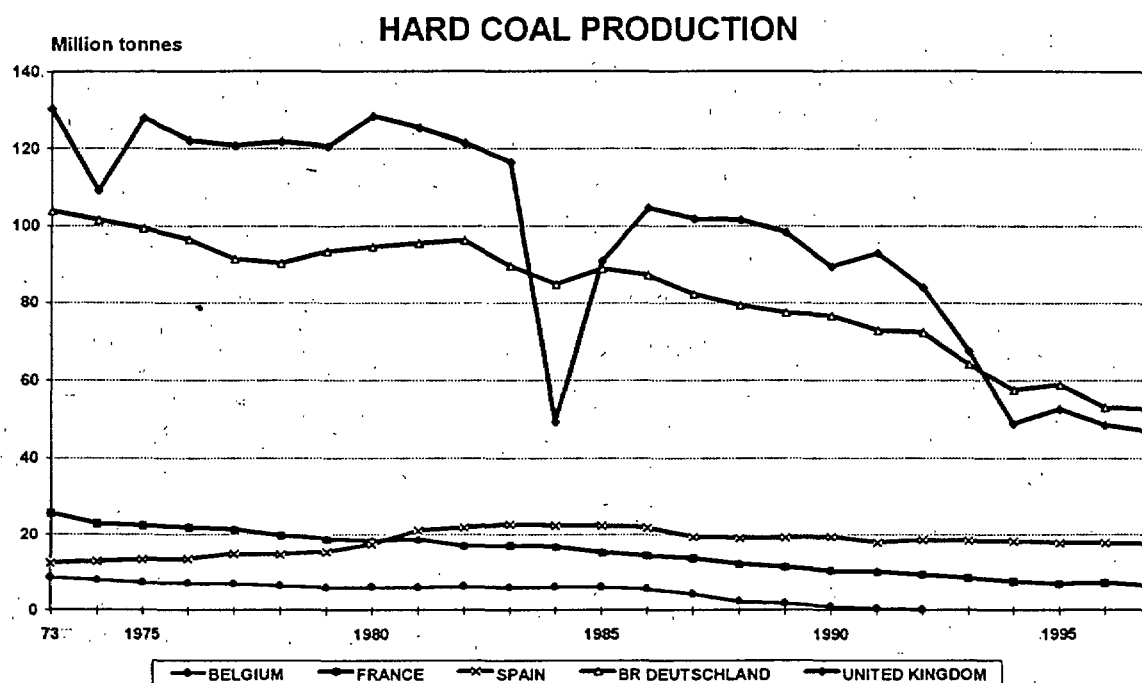
The loss of production is expected to continue in 1997, where the latest forecast suggests an output of 123.3 Mt., which would represent an increase of 0.9 Mt (0.7%) on the previous forecast, but still a reduction of 3.5 Mt (2.8 %) on 1996. German production figures have been revised upwards by 1.7 Mt, although the new total of 52.6 Mt is still some 0.6 Mt lower than 1996 output levels. Commission estimates for the UK, the other major hard coal producer, have revised production figures downwards by 0.7 Mt or 1.6%. France also expects a slightly lower final production than forecast previously, the result of its ongoing restructuring.

The subsidies being paid to the German coal industry had increased to levels that were putting severe strains on the German Federal budget. Mining costs of German hard coal in 1996 were some DEM 290 /tce (USD 171 /tce), compared with a free German border price of around DEM 75 /tce (USD 44 /tce). Subsidies to the industry over the last ten years have averaged DEM 10.5 billion (USD 6.2 billion) per annum, enabling domestic coal to hold its own in the market.

In Germany, the last remaining colliery in Aachen, Sophia Jacoba, finally closed in spring 1997, although it will continue to market the stocks on the surface until these are cleared. A further closure will result from the merger planned for July of this year of the Ewald/Schlägel and Hugo/Consolidation mines in the Ruhr. With the loss from these collieries of some 3 Mtpa capacity, other collieries will need to increase their output during the year to achieve the anticipated production for 1997.

In the UK, RJB has discontinued the proposed extension to Calverton Colliery, which would have provided access to new reserves, because of uncertainties in contracts that may be available from electricity generators after March 1998, the expiry date of contracts put in place before coal privatisation. It has also announced the closure of the Asfordby mine in the South Midlands, because geological conditions make the colliery unsafe and coal mining uneconomic. Most of the 500 men at the colliery will be transferred to work at other collieries in the group. RJB is attempting to find proposals for coal sales to the generators in the future that will help to overcome the uncertainties in the electricity market as it is liberalised from March 1998, and to counteract the use of gas.

The final outcome of the collapse of Coal Investments in the UK was the sale of 2 collieries (Annesley/Bentinck and Silverdale to the Midlands Mining Company) and the closure of 4 others (Markham, Coventry, Hem Heath and Cwmgwili; Cwmgwili had initially been sold to a Welsh consortium which went into liquidation a few months later). Scottish Coal continues to have geological difficulties at its Longannet mine; the other deep mine in Scotland, Monktonhall Colliery, has finally been closed after being mothballed for a period of time.



The figures also suggest that stocks are expected to build up at the Spanish (2.7 Mt) and UK (2.5 Mt) producers during 1997.

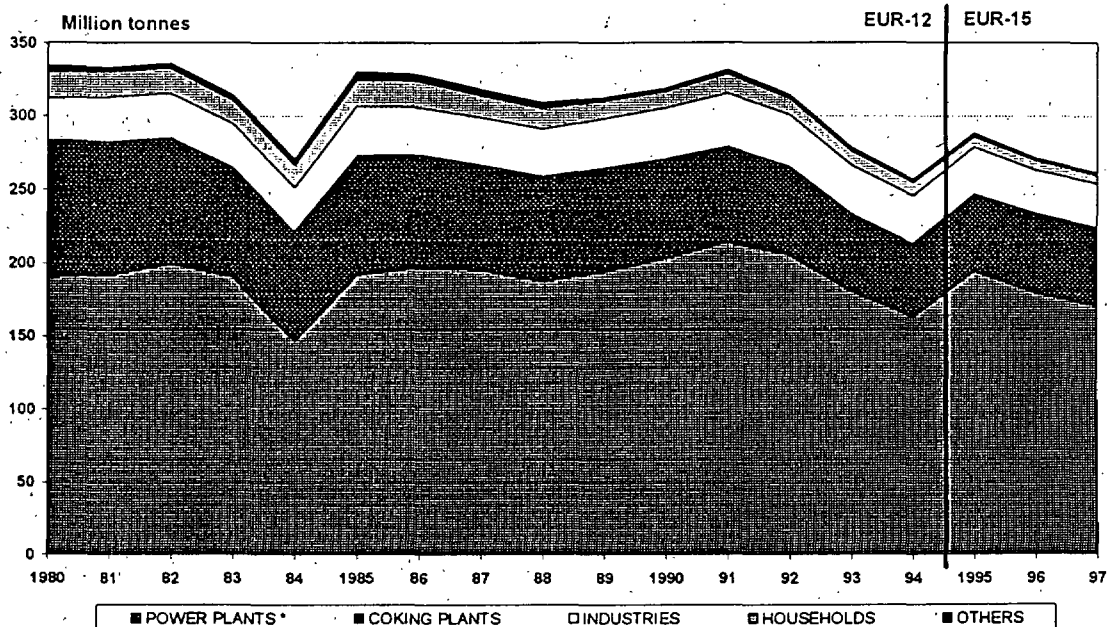
4.2. Deliveries of hard coal

Total inland hard coal deliveries in the EU amounted to some 271.5 Mt in 1996, and are expected to drop by 10.1 Mt (-3.7%) to 261.4 Mt in 1997. The revised forecasts for 1996 are some 0.9 Mt below the earlier estimates, but for 1997, the outturn is expected to be some 1.7 Mt higher than earlier estimates.

DELIVERIES OF HARD COAL TO THE MAIN CONSUMER SECTORS						(Mt)	
Sector	1996		1997		1997 latest/ previous (%)	1997/96 (%)	
	previous	latest	forecast	latest			
- Public power stations	179.8	175.8	168.2	166.6	-0.9	-5.3	
- Colliery power stations	4.2	3.8	4.0	3.8	-4.7	-1.4	
- Coke ovens	50.2	54.2	49.9	53.9	8.0	-0.6	
- Steel industry	9.6	8.4	10.3	9.3	-9.9	11.3	
- Other industries	20.2	20.7	19.4	20.3	4.8	-2.1	
- Domestic sector and issues to workers	6.6	6.7	5.7	5.8	1.1	-13.2	
- Others	1.7	1.8	1.7	1.7	2.4	-6.9	
Total inland deliveries	272.4	271.5	259.1	261.4	0.9	-3.7	

Deliveries to public power stations fell from 175.8 Mt in 1996 to 166.6 Mt in 1997, a drop of 5.3%. Part of this reduction is attributable to the weather which was mild in most parts of Europe, and wet enough to maintain hydro resources at adequate levels. In the early part of the year nuclear power was performing at higher levels than in 1996. During the course of 1997 both Denmark and Italy announced that they would carry out trials on orimulsion, thus reducing their expected coal burn. The Italian Government has been facing opposition from environmentalists to the use of coal in power generation, and a number of power stations are already limited in their coal use (La Spezia, Vado Ligure and Brindisi Nord). The Danish government has decided not to licence any more coal-fired power stations in order to reduce emissions of CO₂. Denmark is heavily dependent on coal for its electricity generation (80%), and has pledged to reduce its CO₂ emissions by 25% by 2020. As a result of the coal cut-backs, the Danes have now delayed proposed nuclear power station closures after the first unit of 600 MW at Barsebaeck closes early in 1998, despite an announcement of their intent to phase out nuclear power. SK Power will delay the closure of some coal-fired stations which they had hoped to replace with more up to date units. A new coal/biomass unit at Aarhus is unlikely now to get approval.

INLAND DELIVERIES OF HARD COAL



* Public and pithead power stations
 ** Including new German Länder from 1991

Gas is continuing to penetrate the electricity market in the whole of Europe. In the UK some 25 proposals (of varying sizes) for gas-fired generation have recently been submitted to the government for planning consent, they include proposals for some 1,000 MW of combined heat and power (CHP); a number of these schemes may gain approval because of the UK government's concern about CO₂ emissions in the future. One, a combined heat, steam and power scheme at Saltend near Hull (1,200 MW) has already been approved; much of the electricity from the project will be sold into the marketplace. These schemes, if actually built, will reduce still further the potential for coal burn in power generation in the UK. The Spanish coal market is also suffering from uncertainties because of gas penetration (and indigenous coal is said to have preference over imports in power generation).

The latest figures for 1997 show that Spain has revised downwards its forecast of coal deliveries to public power stations in the year by some 3.7 Mt, partly as a result of the restructuring in both the coal and electricity industries, and also because of improved hydro availability. From 1998, electricity sales will begin to be liberalised, so that purchasers will be able to choose their supplier on the basis of cost. France revised their coal deliveries upwards by nearly 2 Mt, probably because of delays in nuclear installation and repair.

The notable feature in 1997 is the expected increase in inland deliveries of hard coal to the steel industry, up by over 11% to 9.3 Mt. The steel industry declined during the greater part of 1996, so it is not surprising that 1997 has shown improvements in most parts of the steel industry, with the exception of the construction market. Steel production in 1996 was 147.4 Mt, and is expected to reach 157 Mt during 1997, around 6.5% more than in 1996, and now higher than 1995, which was regarded as a good year for steel (155.7 Mt). Moreover, with a firmer domestic market, suppliers have been able to increase steel prices in most products. The strong dollar has, for most countries (with the exception of the UK), helped in the export market and reduced the volume of cheap imports into the Community.

In 1996 coke ovens consumed considerably more coal (4 Mt) than earlier estimates had suggested. The latest estimates suggest that 54.2 Mt hard coal were delivered to this market. 1997 will see a small reduction in coal deliveries compared to that level, but at 53.9 Mt the forecast is again 4 Mt higher than previous estimates.

The main changes in expected deliveries to coking plants in 1996 were an additional 1.5 Mt in Belgium, the reclassification of nearly 2.0 Mt in Austria from the Iron and Steel industry and an increase of 0.6 Mt in the UK.

The improvement in growth and in business confidence in the European Community has had a beneficial effect on estimated deliveries of coal to other industries, where for 1997 the figure has been revised upward by 4.8% to 20.3 Mt. This would mean that reduction compared to the previous year would only be 0.4 Mt (2.1%).

In 1996, latest estimates suggested that deliveries of hard coal within UK to other industries were 25% higher than shown in previous figures, almost 1 Mt. France and Belgium achieved better than expected results, but these were largely counteracted by overestimates of deliveries in Germany and Italy, and in Belgium.

5. THE COKE MARKET

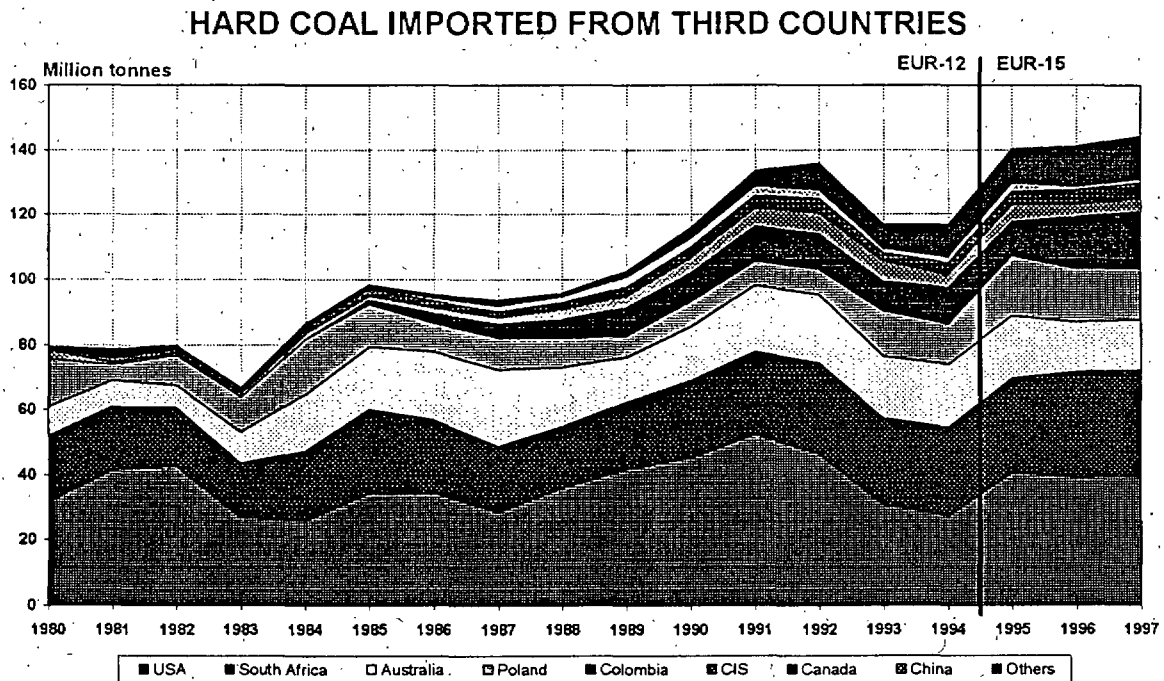
Production of coke in the European Community in 1996 was 40.3 Mt, some 0.5 Mt higher than earlier figures suggested. The majority of this increased production was in France. With 6.5 Mt of imports, total availability was 46.8 Mt in 1996. This compares with a revised availability figure of 46.0 Mt in 1997, a decrease of 0.8 Mt (less than 2%) year on year. Again, the major revision to 1997 figures was an improvement in production of 0.5 Mt in France.

Inland deliveries in 1996 were stronger than early reports had suggested, with an extra 1 Mt despatched to the steel industry, as a result of the improvement in steel prospects in the last quarter of 1996, and 0.7 Mt to other industries. Total inland deliveries were 47.2 Mt, an increase of 3.8% on earlier estimates. The major improvement was in the UK, but increases were also seen in France, Germany, Belgium and Finland, offset by reductions in Spain, Italy, Netherlands and Portugal.

In 1997, the pattern of deliveries is expected to be largely similar to 1996. Total inland deliveries are estimated at 46.0 Mt, a drop of 2.6% year on year. The only countries expecting to increase inland deliveries, compared with 1996, were Germany (+0.4 Mt) and Italy (+0.3 Mt). The major reduction is expected in the UK where a drop of 1.1 Mt on the previous year can be attributed to the strong pound.

6. HARD COAL IMPORTS FROM THIRD COUNTRIES

Imports of hard coal from third countries in 1996 were higher by some 3 million tonnes than earlier estimates had suggested, amounting to some 141.2 Mt. Within that increase, there were variances both up and down for importing countries and for suppliers.

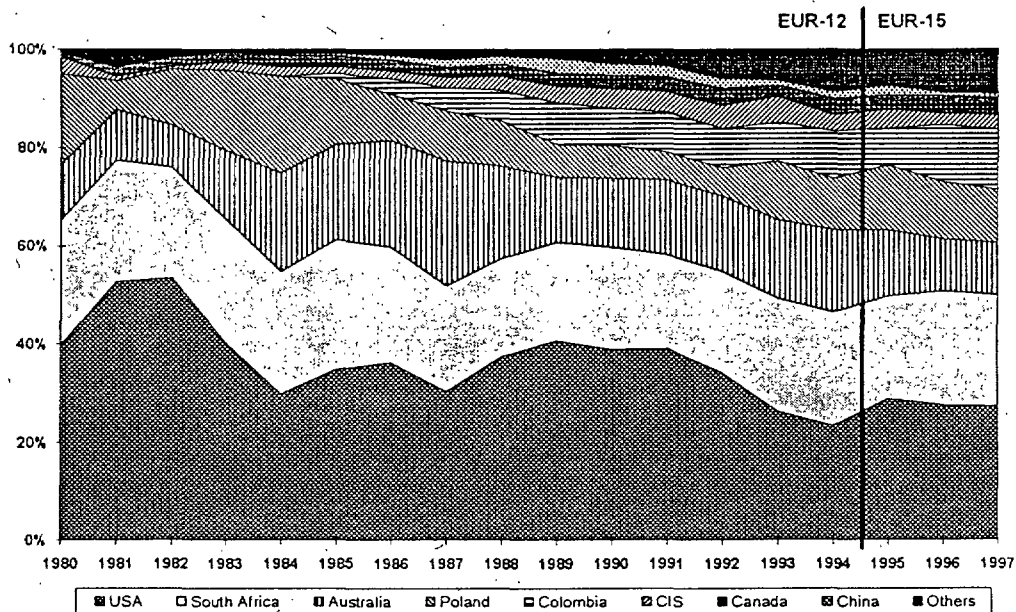


* Including new German Länder from 1991

Import demand was higher than earlier estimates in most countries, the most significant being Belgium (+2 Mt.), UK (+1.6 Mt.) and Germany (+1 Mt.). Reductions in imports, compared to earlier estimates, were seen in Italy (-1.5 Mt.) and Denmark (-1.2 Mt.), and to a small extent in Finland. The changes in Italy were due to the environmental objections to coal, while Denmark imported orimulsion on a trial basis and lost some electricity exports because of higher hydro production in the Scandinavian market and price fluctuations in the Nordic Power Pool operation which was set up in 1996.

On the supply front, South Africa shipped 3.7 Mt. more than earlier figures suggested, while Colombia increased its despatches by 3 Mt. Poland also performed better than previously expected (1.3 Mt.). The main losers compared to the earlier estimates were USA (-2.0 Mt.) and Australia (-1.7 Mt.) and, to a lesser extent, China and the CIS.

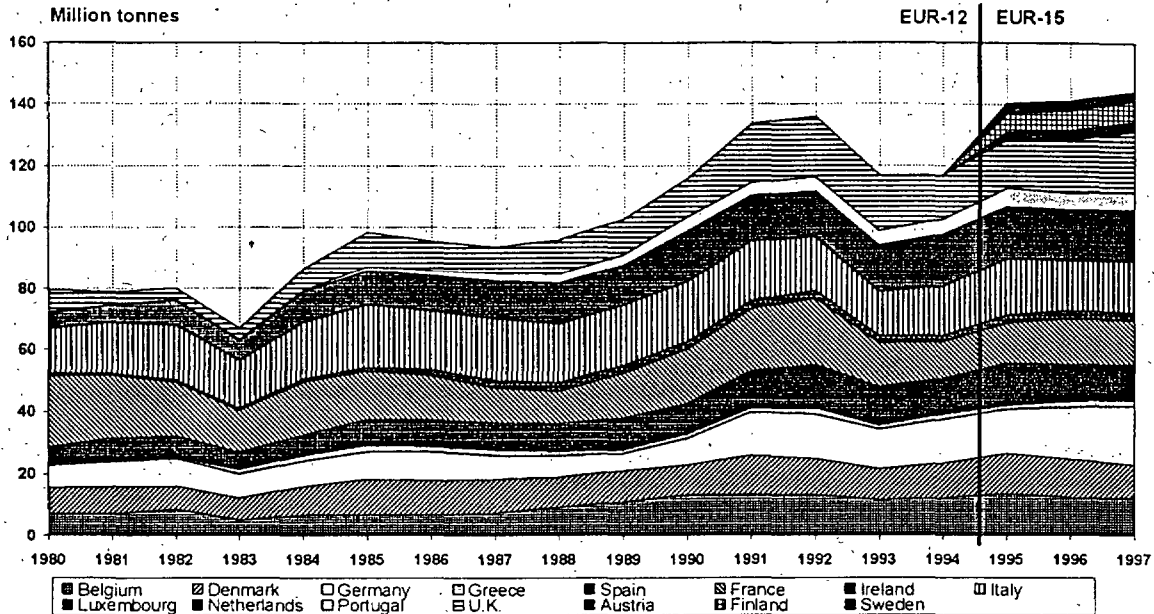
HARD COAL IMPORTED FROM THIRD COUNTRIES MARKET SHARES*



* Including new German Länder from 1991

Compared with the previous forecasts, the revised estimates for 1997 suggest a substantial increase in imports from third countries of some 10 Mt., with total imports of hard coal expected to exceed 144 Mt. Against the trend, Spain (-1.2 Mt.), Italy (-0.9 Mt.) and the Netherlands have reduced their estimates of import tonnages. In Spain this is because of the high hydro availability, and the preference for indigenous coal as mentioned above. The major increases in forecasted imports are in the UK (+5.4 Mt.), Belgium (+2.7 Mt.), France (+1.75 Mt.) and Germany (+1.5 Mt.). The UK increases are largely because of the improvement in steel industry performance and the strength of sterling which makes imported coal more attractive in price than many indigenous coals.

HARD COAL FROM THIRD COUNTRIES BY MEMBER STATE*



* Including new German Länder from 1991

The suppliers who are expected to benefit from these revised forecasts are Colombia (nearly 4 Mt.), South Africa (2.8 Mt.) and Poland (2.4 Mt). Others account for an increase of some 1.5 Mt.

6.1. Prices for imported coal

The steam coal market has been widely affected by oversupply in a period of weak demand both within Europe and world-wide. The heavy demand expected in Asia did not materialise, but is expected to show itself in 1998 and beyond, as new power stations come on stream in the tiger economies.

The result of this oversupply has been a weakening of prices. This, coupled with low freight rates, has led to competition in the steam coal market and some very low prices, particularly in the spring and summer months of 1997. FOB prices of less than USD 40 have been reported from Hampton Roads, while South African coals have been on the market at less than USD 30 FOB. Similar prices have been reported from Australia, while Colombian coals have managed to achieve slightly higher prices at around USD 32 - USD 34. At ARA, board/board prices are some USD 3 - 4 below last year's maximum of USD 44. Overall, imports (spot and contract) to North West Europe have been running, in CIF prices, at around a dollar or two below those of last year. Freight rates are, in general, about a dollar lower than last year. The general weakness in freight rates has been slightly halted by the start of the grain season, but the structural weakness remains and is likely to last toward the end of 1998.

The average CIF price for Community steam coal imports to power stations from third countries in 1996 was USD 48.86 per tonne coal equivalent; this includes deliveries from all external sources to all EU countries. This compares with USD 50.53 for 1995. The proportion of contract purchases of coal in these imports is around 60%. Recent reports suggest that, because of the current weakness of the market, the proportion of spot deals in 1997 will be considerably higher than the 40% previously expected.

AVERAGE CIF PRICE FOR STEAM COAL IMPORTED FROM THIRD COUNTRIES (USD/tce)*		
QUARTER	1995	1996
I	47.97	50.78
II	51.04	49.21
III	50.91	47.61
IV	51.84	48.22

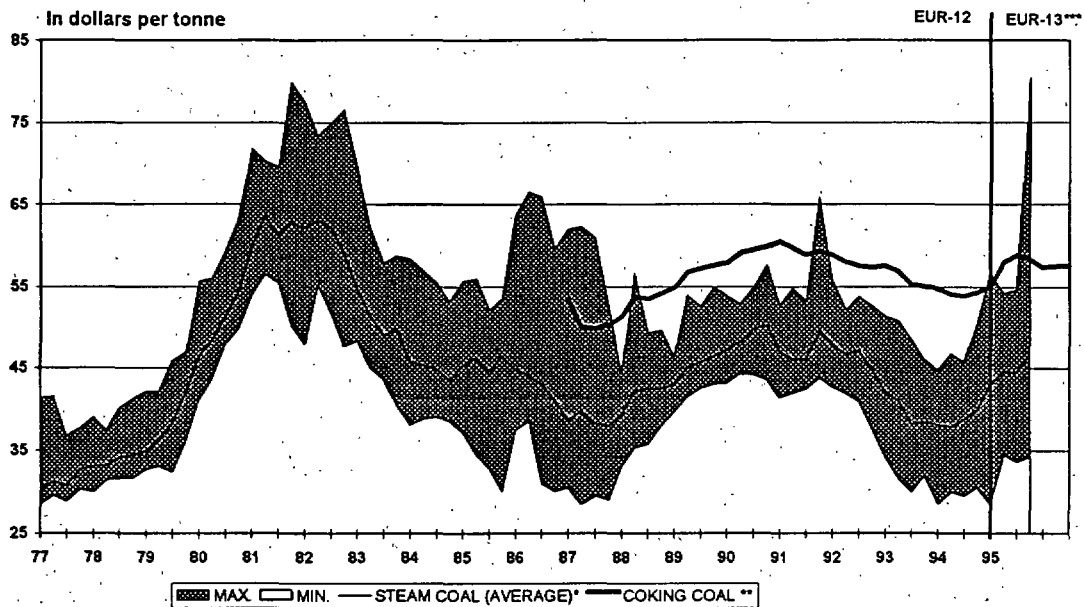
Coking coal supply and demand are expected to be reasonably in balance for the 1997/98 contract year. Prices in other market places have been either at rollover or slightly below the prices of the previous year.

AVERAGE CIF PRICE FOR COKING COAL IMPORTED FROM THIRD COUNTRIES (USD/tce)*			
QUARTER	1995	1996	1997
I	54.84	57.24	57.28
II	57.83	57.34	57.14
III	58.73	57.44	57.54
IV	58.23	57.34	n.a.

* Referred to a standard coal quality of : ash, 7.5%; moisture, 8.0%; sulphur, 0.8%; and volatile matter, 26.0%.

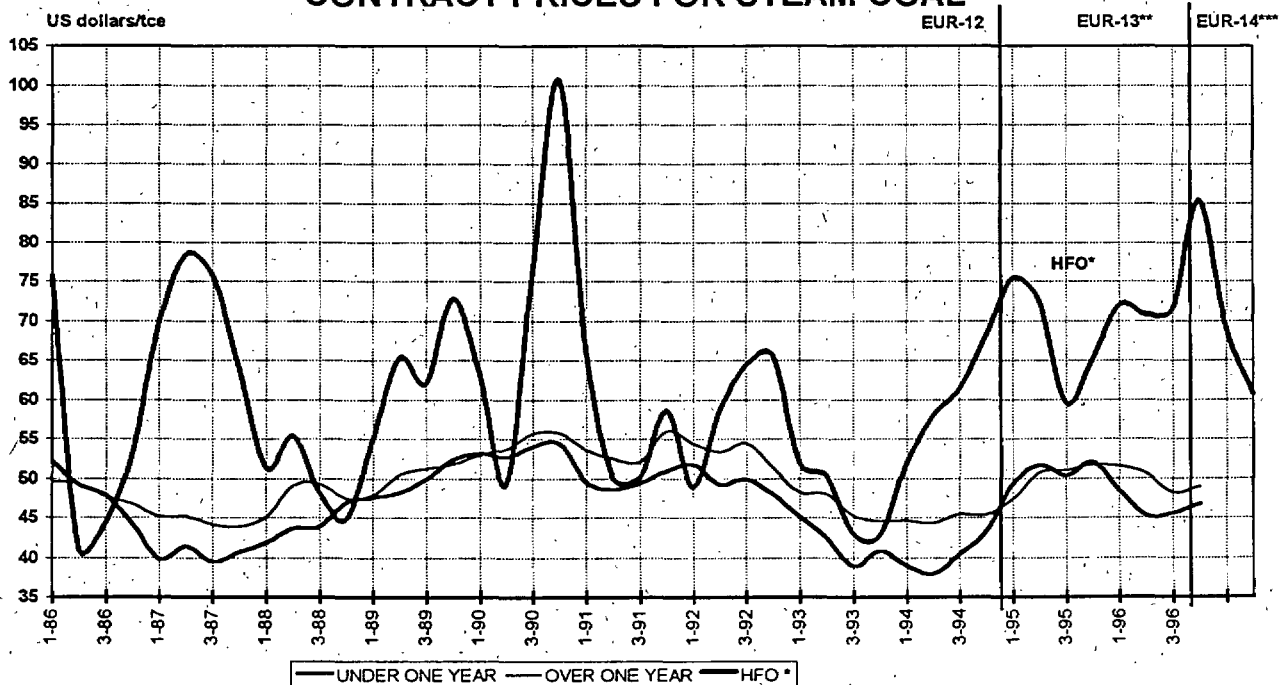
The average Community guide price for coking coal in 1996 was USD 57.34 per tonne coal equivalent, slightly below the average for 1995, at USD 57.41. The slight decline in the first two quarters of 1997 has been compensated by the rise seen in the third quarter, so that the average for the first three quarters of the year is USD 57.32.

AVERAGE CIF PRICES FOR HARD COAL IMPORTED FROM THIRD COUNTRIES



- * Weighted average price (price range)
- ** Guide price (new reference)
- *** EUR-12 plus Austria

CIF PRICES FOR COAL IMPORTS CONTRACT PRICES FOR STEAM COAL



- * Spot price Rotterdam; 3,5% sulphur,
- ** EUR-12 plus Austria
- *** EUR-15 minus Sweden

7. LIGNITE AND PEAT

Lignite production in 1996 in the European Community was 258.8 Mt, an increase of 2.4 Mt on the earlier figure of 256.4 Mt. There were slight improvements in most production areas. In 1997, latest production estimates suggest that output will be down by 4.4 Mt. This represents a reduction of 9 Mt in Germany, mostly from Lausitz; lignite production is mostly tied directly to power station demand. Expansion plans in Greece (at Ptolemais) in 1997 are unchanged from earlier forecasts, but output from Spain is likely to be over 1 Mt higher than previous estimates suggested. These increases are offset by a fall in production in Germany in the Lausitz area. The overall picture is of production of 253.4 Mt in 1997, 5 Mt below 1996 production levels.

Peat production in 1996 was 14.3 Mt, slightly down on earlier estimates. Production in 1997 is expected to be 14.9 Mt, an increase of 0.6 Mt. Finland's production of peat is however 0.5-0.7 Mt higher than earlier estimates had suggested for the two years.

8. MANPOWER AND PRODUCTIVITY

The revised figures for personnel employed underground show some changes from the earlier report. For 1996 the figures suggest that manpower underground (as a yearly average) declined by 2,100 more than previously forecasted, giving a reduction of 5,900 in total for the year. All producing countries witnessed a reduction, with the largest absolute reductions being seen in Germany and the United Kingdom. The latest estimates suggest that a further decline of 10,000 persons will be observed in 1997, 3,900 more than previously forecast, with the reduction largely concentrated in Germany (7,700).

Estimates of output per man/hour underground for 1996 are less optimistic than previous forecasts for Germany, at 758 Kg per man/hour compared with 770 Kg per man/hour, but better in France (755 kg compared with 743 kg). Forecasts for 1997 show only slight differences from earlier estimates, which suggest a steady improvement.

9. CONCLUSIONS

Economic forecasts for the EU during 1997 show an increased optimism compared with earlier forecast; average GDP is expected to reach 2.4%, compared with 1.6% in 1996. However, this is not expected to feed through to energy consumption, partly because of expectations of warmer weather and because of the beneficial effects of continuing economic activity.

The solid fuel share of the energy market is declining, despite its continuing price reduction in the international market and long term supply diversity and availability. In a number of countries, the environmental aspects are having an adverse effect on coal's future, particularly concerns related to CO₂. The continuing expansion of the gas market is having an impact on coal burn in a number of Member States, although the overall effects are expected to be less emphatic in 1997.

The revised estimates for 1997 show a more optimistic picture than the earlier forecasts. For hard coal, resources are now expected to reach over 270 Mt, some 0.8 Mt less than 1996 deliveries. Whilst the 1996 figures for Community hard coal production have been revised downwards to just below 127, the 1997 figures are higher than earlier forecasts, at some 123 Mt, as a result of higher estimates from Germany.

Hard coal deliveries for 1997 have also improved on earlier forecasts as a result of increasing economic activity to 262 Mt, but this still remains lower than the 1996 figures. Deliveries to coking plants have increased, while power station deliveries have declined although their stocks appear to be increasing.

Forecasts for the coke market have been revised upwards for both 1996 and 1997, with deliveries up to 46 Mt for 1997. However, the coke market is weak world-wide and the 1997 figures do represent a drop of about 1 Mt on 1996. This is in spite of a stronger steel market and is due to changes in steel-making technology. Community production in 1997 was higher than previous estimates, at nearly 40 Mt, and only marginally less than 1996 production levels.

Lignite production is declining slightly year on year, the chief reduction being in the briquetting market.

The international coal market is facing a period of oversupply and prices are dropping, with the effect that some suppliers are withdrawing from the market whilst those with high stocks are discounting to give very cheap spot cargoes. The oversupply is likely to spread to the coking market in the next year. Much of this surplus is the result of reduced activity in the Asian and Far Eastern markets, but this is likely to be reversed with the next year or so as new coal-fired power stations come on stream.

ANNEXES

TABLE 1

HARD COAL BALANCE SHEET FOR 1997

(In thousands of metric tons)

	Belgium	Denmark	Germany	Spain	France	Greece	Ireland	Italy	Luxembourg	Netherlands	Austria	Portugal	Finland	Sweden	United Kingdom	EUR-15
1. PRODUCTION (t = t)			52570	17500	6341		2 +								46850 *	123283
2. RECOVERIES	550		500		419										1000 *	2489
3. RECEIPTS FROM ECSC COUNTRIES	342	25	700	310	350		128 *	3	99	200	3 *				70 *	2230
4. IMPORTS FROM THIRD COUNTRIES	12055	11000	18500	11890	14250	1800	2572 *	17057	100	16800	3402 *	5837	6590	3125	18580 *	144358
5. AVAILABILITIES (1 + 2 + 3 + 4)	12947	11025	72270	29500	21360	1800	2702 *	17060	199	17000	3405 *	5837	6590	3125	67500 *	270090
6. TOTAL INLAND DELIVERIES	11550	11025	71440	26850	21993	1635	2778 +	17100	199	14800	3386 *	5837	6290	3125	63350 *	261358
A.- POWER STATIONS AT MINES			1200		2570											3770
B.- POWER STATIONS	4404	10600	47800	22300	4800	200	2350 +	7500		9000	1088 *	4741	4640	775	46400 *	166598
C.- COKING PLANTS	5181		13110	3350	7125			7100		4200	1966 *	491	1250	1640	8500 *	53893
D.- IRON AND STEEL INDUSTRY (of which POWER STATIONS)	1066		1900		2680	130	1 +	1400	79	800					300	750 *
E.- OTHER INDUSTRIES (of which POWER STATIONS)	442	225	5900	800	3400	1300	126 +	1040	120	800	330 *	605	400	410	4400 *	20298
F.- DOMESTIC HEATING	475	100	1100	300	950		300 +	60							2200 *	5485
G.- MISCELLANEOUS (TOTAL 1 - 6)	2	100	430	100	288	5	1 +				2 *				1100 *	2008
1. ISSUE TO WORKERS			70	50											170 *	290
2. PATENT FUEL PLANTS	2		320		225										915 *	1462
3. OWN CONSUMPTION AT MINES			30	50	40										5 *	125
4. GASWORKS																
5. RAILWAYS						1					2 *				10 *	13
6. OTHERS		100	10		3	4	1 +									118
7. DELIVERIES TO ECSC COUNTRIES	841		400		137 *					2150					1500 *	5028
8. EXPORTS TO THIRD COUNTRIES	20		10		13 *		3 +			150					200 *	396
9. TOTAL DELIVERIES (6 + 7 + 8)	12411	11025	71850	26850	22143	1635	2781 +	17100	199	17100	3386 *	5837	6290	3125	65050 *	261754
10. MOVEMENT OF PRODUCERS' AND IMPORTERS STOCKS (5-9)	536		420	2650	-783	165	-79 +	-40		-100	19		300		2450	5538

* Commission estimates; + figures provided in December 1996

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TABLE 2

HARD COAL BALANCE SHEET FOR 1996

(In thousands of metric tons)

	Belgium	Denmark	Germany	Spain	France	Greece	Ireland	Italy	Luxembourg	Netherlands	Austria	Portugal	Finland	Sweden	United Kingdom	EUR-15
1. PRODUCTION (t=t)			53156	17753	7310		1								48538 *	126758
2. RECOVERIES	580	64	722		443										1209 *	2998
3. RECEIPTS FROM ECSC COUNTRIES	350	36	770	347	428	2	128	5	136	202	3 *		25		619 *	2951
4. IMPORTS FROM THIRD COUNTRIES	12465	12394	16365	11783	15116	1778	2572 +	16540	108	16644	3402 *	5349	6218	3177	17280 *	141189
5. AVAILABILITIES (1 + 2 + 3 + 4)	13375	12494	71013	29883	23297	1780	2701	16545	242	16846	3405 *	5349	6243	3177	67546 *	270945
6. TOTAL INLAND DELIVERIES	11930	13133	71280	27001	23428	1484	2779	16333	242	14486	3386 *	5349	6243	3177	71247 *	271498
A. POWER STATIONS AT MINES			1200		2625											3826
B. POWER STATIONS	4553	12559	47496	22572	6329	170	2331	7450		8500	1088 *	4203	4573	827	53185 *	175836
C. COKING PLANTS	5319		13191	3308	7387			6730		4468	1966 *	331	1270	1640	8635 *	54245
D. IRON AND STEEL INDUSTRY (of which POWER STATIONS)	1102		1657		2392	116	1	1290	106	800				300	600 *	8364
E. OTHER INDUSTRIES (of which POWER STATIONS)	458	329	5968	721	3431	1193	127	803	136	718	330 *	815	400	410	4892 *	20731
F. DOMESTIC HEATING	495	128	1246	300	987		319	60							2796 *	6331
G. MISCELLANEOUS (TOTAL 1 - 6)	3	117	522	100	277	5	1				2 *				1139 *	2166
1. ISSUE TO WORKERS			85	60											185 *	320
2. PATENT FUEL PLANTS	3		371		228										946 *	1548
3. OWN CONSUMPTION AT MINES			33	60	46										8 *	137
4. GASWORKS																
5. RAILWAYS						1					2 *					3
6. OTHERS		117	33		3	4	1									158
7. DELIVERIES TO ECSC COUNTRIES	1050	112	638		264		0			2225					890 *	5779
8. EXPORTS TO THIRD COUNTRIES	27	3	28		26		3			135					98 *	320
9. TOTAL DELIVERIES (6 + 7 + 8)	13007	13248	71946	27001	23718	1484	2782	16333	242	16846	3386 *	5349	6243	3177	72235 *	271818
10. MOVEMENT OF PRODUCERS' AND IMPORTERS STOCKS (5-9)	368	-754	-933	2882	-421	296	-81	212			19				-4689 *	-3101

* Commission estimates; + figures provided in December 1996

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TABLE 3
COKE BALANCE SHEET FOR 1997

(In thousands of metric tons)

	Belgium	Denmark	Germany	Spain	France	Greece	Ireland	Italy	Luxembourg	Netherlands	Austria	Portugal	Finland	Sweden	United Kingdom	EUR-15
1. PRODUCTION (t-t)	3300		10800	2400	5380			5130		3000	1558 *	331	910	1150	6100 *	39880
2. RECEIPTS FROM ECSC COUNTRIES	18	15	500	15	350	2	1 *	35	208	50	51 *		120		100 *	1485
3. IMPORTS FROM THIRD COUNTRIES	631	10	3000	375	300	1	5 *	340	8	190	548 *	20	100	300	300 *	6127
4. TOTAL AVAILABILITIES (1+2+3)	3949	25	14100	2790	6030	3	6 *	5505	214	3240	2159 *	351	1130	1450	6500 *	45987
5. TOTAL INLAND DELIVERIES	3608	25	14800	2800	6021	3	5 +	5418	214	2250	2000 *	301	1030	1450	6300 *	46024
A.- STEEL INDUSTRY	3507		12200	2800	4976		3 +	5156	214	2150	1440 *	250	980	1385	5850 *	40711
B.- OTHER INDUSTRIES	88	25	1400		850	3	2 +	200		100	280 *	51	50	65	250 *	3344
C.- DOMESTIC SECTOR	4		500		80			80			273 *				165 *	1092
D.- MISCELLANEOUS of which :	10		700		105						27 *				35 *	877
1. ISSUE TO WORKERS			250												36 *	286
2. OWN CONSUMPTION																
3. OTHERS	10		450		105						27 *					592
6. DELIVERIES TO ECSC COUNTRIES	370		80	80	312 *			10		1000					80 *	1912
7. EXPORTS TO THIRD COUNTRIES	2		10	10	68 *			107				50			120 *	367
8. TOTAL DELIVERIES (5+6+7)	3981	25	14870	2890	6401	3	5 +	5533	214	3250	2000 *	351	1030	1450	6500 *	46391
9. STOCK MOVEMENT AT																
PRODUCTION & IMPORTS (4-8)	-32		-770	100	-371		1 +	-28		-10	159		100			-851

* Commission estimates; + figures provided in December 1996

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TABLE 4

COKE BALANCE SHEET FOR 1996

(In thousands of metric tons)

	Belgium	Denmark	Germany	Spain	France	Greece	Ireland	Italy	Luxembourg	Netherlands	Austria	Portugal	Finland	Sweden	United Kingdom	EUR-15
1. PRODUCTION (t=t)	3650		10682	2410	6580			4990		2914	1658 *	331	809	1150	6222 *	40277
2. RECEIPTS FROM ECSC COUNTRIES	22	17	635	68	406	2	1	78	454	80	61 *		120		58 *	1878
3. IMPORTS FROM THIRD COUNTRIES	633	13	2709	403	405	11	6	312		194	549 *	20	210	300	710 *	6475
4. TOTAL AVAILABILITIES (1+2+3)	4205	30	13908	2889	6391	13	7	5378	454	3188	2169 *	351	1239	1450	6990 *	46752
5. TOTAL INLAND DELIVERIES	3845	36	14358	2695	6097	13	7	5122	454	2275	2000 *	286	1239	1450	7366 *	47243
A.- STEEL INDUSTRY	3733		11800	2695	5007		4	4870	454	2275	1440 *	249	1189	1385	6679 *	41780
B.- OTHER INDUSTRIES	94	34	1359		869	13	3	195			260 *	37	50	65	457 *	3436
C.- DOMESTIC SECTOR	4		617		96			67			273 *				230 *	1177
D.- MISCELLANEOUS of which :	14	2	682		126						27 *					850
1. ISSUE TO WORKERS	3		264													267
2. OWN CONSUMPTION																
3. OTHERS	11	2	418		126						27 *					583
6. DELIVERIES TO ECSC COUNTRIES	395		93	65	280 *			44		897					61 *	1845
7. EXPORTS TO THIRD COUNTRIES	22		39	9	62 *			56		7		49			160 *	404
8. TOTAL DELIVERIES (5+6+7)	4262	36	14490	2789	6439	13	7	5222	454	3179	2000 *	335	1239	1450	7577 *	47647
9. STOCK MOVEMENT AT																
PRODUCTION & IMPORTS (4-8)	-57	-6	-155	80	-48		0	156		9	159	16			-587	-433

* Commission estimates

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TABLE 5

LIGNITE AND PEAT BALANCE SHEETS FOR 1997

LIGNITE

(In thousands of metric tons)

PEAT (In thousands of metric tons)

	Belgium	Germany	Spain	France	Greece	Ireland	Italy	Luxem- bourg	Nether- lands	Austria	EUR-15	Ireland	Finland	Sweden	EUR-15
A. RAW PRODUCT															
- AVAILABILITIES :	200	180180	9600	1140	63000	50 *	265	10	50	1139 *	255634	5898 +	8200	800	14898
PRODUCTION		178330	9600	1100	63000		250			1105 *	253385	5898 +	8200	800	14898
IMPORTS	200	1850		40		50 *	15	10	50	34 *	2249				
- UTILIZATION :	200	180180	9600	1565	61500	50 *	265	10	50	1130 *	254550	4937 +	8200	800	13937
BRIQUETTING PLANTS		22800			240				30	80 *	23150	400 +	1230		1630
POWER STATIONS		158000	9600	750	60550		265			1030 *	228195	3227 +	6970		10197
OTHERS	200	1380		815	710	50 *		10	20	20 *	3205	1310 +		800	2110

B. BRIQUETTES															
- AVAILABILITIES :	10	7770			110			5		172 *	7881	320 +			320
PRODUCTION		7270			110						7380	320 +			320
ARRIVAL FROM ECSC COUNTRIES	10							5		171 *	186				
IMPORTS FROM THIRD COUNTRIES		500								1 *	501				
- UTILIZATION	10	7770			110			5		151 *	7426	310 +			300
POWER STATIONS		200			75					10 *	265				
INDUSTRY		2800								19 *	2819				
DOMESTIC	10	3500						5		120 *	3635	290 +			290
DELIVERIES TO OTHER ECSC COUNTRIES		620									620	10 +			10
EXPORTS TO NON-MEMBER COUNTRIES		30									30				
- OTHERS		620			35					2 *	657	10 +			10

* Commission estimates; + figures provided in December 1996

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TABLE 6

LIGNITE AND PEAT BALANCE SHEETS FOR 1998

LIGNITE

(In thousands of metric tons)

	Belgium	Germany	Spain	France	Greece	Ireland	Italy	Luxem- bourg	Nether- lands	Austria	EUR-15
A. RAW PRODUCT											
- AVAILABILITIES :	227	189100	9604	841	59781	50	317	10	52	1139 *	261121
PRODUCTION		187241	9604	799	59781		302			1105 *	258832
IMPORTS	227	1859		42		50	15	10	52	34 *	2289
- UTILIZATION :	227	189229	9752	1722	58152	50	310	10	51	1130 *	260633
BRIQUETTING PLANTS		27274			157				31	80 *	27542
POWER STATIONS		159599	9752	1002	57354		310			1030 *	229047
OTHERS	227	2358		720	641	50		10	20	20 *	4044

PEAT (In thousands of metric tons)

	Ireland	Finland	Sweden	EUR-15
	5060	8400	813	14273
	5060	8400	813	14273
	5060	8400	800	14260
	390	1260		1650
	3220	7140		10360
	1450		800	2250

B. BRIQUETTES											
- AVAILABILITIES :	12	8986			88	2		6		172 *	9075
PRODUCTION		8482			88						8570
ARRIVAL FROM ECSC COUNTRIES	12					2		6		171 *	191
IMPORTS FROM THIRD COUNTRIES		504				0				1 *	505
- UTILIZATION	12	8981			88	2		6		151 *	8622
POWER STATIONS		303			51					10 *	364
INDUSTRY		3565								19 *	3584
DOMESTIC	12	3814						6		120 *	3952
DELIVERIES TO OTHER ECSC COUNTRIES		616				2					618
EXPORTS TO NON-MEMBER COUNTRIES		30									30
- OTHERS		653			37					2 *	692

* Commission estimates

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**TABLE 7A
HARD COAL PRODUCTION BY AREA**

(In thousands of metric tons)

	1995	1996	1997
Ruhr	46864	42844	43050
Aachen	1654	1071	200
Ibbenburen	1746	1633	1650
Saar + Kleinzechen	8595	7608	7670
GERMANY	58859	53156	52570
Central Asturias	3100	3158	3120
Bierzo-Villablino + Narcea	6692	6882	6740
Norte Leon + Palencia	1913	1954	1950
Sur	1944	1695	1690
Aragon-Cataluña, Baleares	4032	4064	4000
SPAIN	17681	17753	17500
Lorraine	5825	6165	5400
Centre-Midi	1189	1145	941
FRANCE	7014	7310	6341
IRELAND	1	1	2 +
Sulcis (Sardinia)			
ITALY			
Deep-mined	35150	32223 *	31100 *
Opencast	16369	16315 *	15750 *
UNITED KINGDOM	51519	48538 *	46850 *
EUR 15	135074	126758	123263

* Commission estimates; + figures provided in December 1996

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TABLE 7B
LIGNITE PRODUCTION BY AREA

(In thousands of metric tons)

	1995	1996	1997
GKB	1295	1105 *	1105 *
WTK			
AUSTRIA	1289	1105 *	1105 *
Rheinland	100185	102779	101250
Helmstedt	4074	3874	3855
Hessen	153	181	165
Bayern	58	62	60
Lausitz	70668	63574	56650
Mitteldeutschland	17618	16771	16350
GERMANY	192756	187241	178330
Ptolemais	34110	36479	40500
Megalopolis	13440	12607	12300
Amindeo	7520	7837	7800
<i>Others</i>	2592	2858	2400
GREECE	57662	59781	63000
La Coruña	10776	9604	9600
SPAIN	10776	9604	9600
Centre-Midi	1401	799	1100
FRANCE	1401	799	1100
Valdarno	367	302	250
ITALY	367	302	250
EUR 15	264251	258832	253385

* Commission estimates

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TABLE 7C
PEAT PRODUCTION BY AREA

(In thousands of metric tons)

	1995	1996	1997
IRELAND	8051	5060	5898 +
North Finland			
East Finland			
West Finland			
South Finland			
FINLAND	8382	8400	8200
SWEDEN	813	813	800
EUR 15	17246	14273	14898

+ figures provided in December 1996

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TABLE 8

COAL IMPORTS FROM THIRD COUNTRIES

(In thousands of metric tons)

1996	U.S.A	Canada	Australia	South Africa	Poland	CIS	China	Colombia	Others	Total Imports
Belgium	4647	421	2048	4022	407	263	269	176	212	12465
Denmark	1508		751	4819	2573	450		2107	186	12394
Germany	1806	59	677	5384	3586	98		1615	3140	16365
Spain	3628	404	885	4806	51	63		721	1225	11783
France	4328	778	2541	2550	1139	20	329	2528	903	15116
Greece	323		128	794		278		255		1778
Ireland	998 *		114 *	219 *	290 *			8 *	943 *	2572 *
Italy	7998	1227	2406	3277	181	445	166	617	223	16540
Luxembourg				106						106
Netherlands	4365	354	826	2900	1138	104	64	4045	2848	16644
Austria				77 *	1565 *	123 *			1637 *	3402 *
Portugal	1329	169	308	1911		12		1276	344	5349
Finland	638			99	3424	1446			611	6218
Sweden	953		635		1112	318			159	3177
UK	6657 *	1410 *	3748 *	1559 *	851 *	75 *	30 *	2823 *	127 *	17280 *
EUR-15	39178	4822	15067	32523	16317	3695	858	16171	12559	141189

(In thousands of metric tons)

1997	U.S.A	Canada	Australia	South Africa	Poland	CIS	China	Colombia	Others	Total Imports
Belgium	4500	400	2000	4000	350	190	250	175	190	12055
Denmark	1300		500	4000	2500	500		2000	200	11000
Germany	3200	100	700	5500	3700	100		1900	3300	18500
Spain	3600	400	900	4800	50	40		700	1200	11690
France	3900	750	2800	2400	750	20	400	2300	930	14250
Greece	300			850		400		250		1800
Ireland	998 *		114 *	219 *	290 *			8 *	943 *	2572 *
Italy	7040	1147	2550	3727	218	800	400	700	475	17057
Luxembourg				100						100
Netherlands	4500	400	800	2900	1200	100	100	4000	2800	16800
Austria				77 *	1565 *	123 *			1637 *	3402 *
Portugal	1407	165	250	1866				1410	739	5837
Finland	600			130	3300	1550		670	340	6590
Sweden	938		625		1094	313			155	3125
UK	7260 *	1600 *	4150 *	2090 *	450 *	100 *	30 *	3600 *	300	19580 *
EUR-15	39543	4962	15389	32659	15467	4236	1180	17713	13210	144358

* Commission estimates

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TABLE 9

INTRA-COMMUNITY TRADE OF COAL IN 1997

(In thousands of metric tons)

To	From →															Total deliveries	Total receipts
	Belgium	Denmark	Germany	Spain	France	Greece	Ireland	Italy	Luxembourg	Netherlands	Austria	Portugal	Finland	Sweden	United Kingdom		
Belgium			200		8 *					330					100 *		638
			250		2					20					70		342
Denmark	1												5	15	10 *		11
															5		25
Germany	150				120 *					1300					630 *		2200
	220				80					390					10		700
Spain	10		30							30					150 *		220
			60		25					140					85		310
France	420		80							200					160 *		860
	50 *		99 *							127 *					74 *		350
Greece																	
Ireland										5					430 *		435
	2 *		4 *							2 *					120 *		128 *
Italy			5		7 *					10							22
			3														3
Luxembourg	50																50
	85		14							20							99
Netherlands	200		5		1 *												208
	200																200
Austria																	
			1 +		2 +												3 +
Portugal					1 *												1
Finland																	
Sweden															20 *		20
United Kingdom	10		80							275							365
			70 *														70 *
Total deliveries	841		400		137 *					2150					1500 *		5028
Total receipts	537		441		84					559			5	15	279		2230

1st Line : data supplied by the exporting Member State; 2nd Line : data supplied by the importing Member State

* Commission estimates; + figures provided in December 1995

TABLE 10
INTRA-COMMUNITY TRADE OF COAL IN 1996

(In thousands of metric tons)

To	From ---->														United Kingdom	Total deliveries
	Belgium	Denmark	Germany	Spain	France	Greece	Ireland	Italy	Luxembourg	Netherlands	Austria	Portugal	Finland	Sweden		Total receipts
Belgium			285		15					340					104 *	744
			251		1					22					76	350
Denmark															19 *	19
	1		1										5	23	6	36
Germany	207	112			232					1317					19 *	1887
	281				90					412					7	770
Spain	14		26							29					53 *	122
	22		61		25	4				149					86	347
France	494		159							197					159 *	1009
	61 *		121 *							155 *					91 *	428
Greece								2								2
Ireland			4							7					480 *	491
	2 *		4 *							2 *					120 *	128
Italy			12		13					10						35
			2		3											5
Luxembourg	59		2													61
	89		14		1					32						136
Netherlands	264		12		2										41 *	319
	200				2											202
Austria			3												5 *	8
			1 +		2 +											3 +
Portugal					2					3						5
Finland																
														25		25
Sweden															8 *	8
United Kingdom	12		135							322						469
	19 *		151 *		23 *		40 *			253 *				33 *		519 *
Total deliveries	1050	112	638		264					2225					890 *	5179
Total receipts	633		545		122		40	2		876			5	81	300	2951

1st Line : data supplied by the exporting Member State; 2nd Line : data supplied by the importing Member State

* Commission estimates; + figures provided in December 1995

TABLE 11

INTRA-COMMUNITY TRADE OF COKE IN 1997

(In thousands of metric tons)

To	From -->															Total deliveries	Total receipts
	Belgium	Denmark	Germany	Spain	France	Greece	Ireland	Italy	Luxembourg	Netherlands	Austria	Portugal	Finland	Sweden	United Kingdom		
Belgium			1		52 *					203							256
					15					3							18
Denmark				5	1 *					6							11
			5 *	6 *											4 *		15
Germany	80			5	56 *					303					10 *		454
	180				80					220	10			10			500
Spain			1		16 *												17
					15												15
France	100		2	40						378					20 *		538
										350 *							350
Greece								10									10
								2 *									2
Ireland										6							6
					0 *										1 *		1
Italy			15	5	59 *					32							111
										35							35
Luxembourg	140																140
	67									141							208
Netherlands	30		20		11 *												81
	10		40														50
Austria	1		8		7 *												18
			24 +		8 +			19 +									51 +
Portugal				10													10
Finland			5		36 *					54							95
			5		25			1		61					28		120
Sweden	17		8	5	43 *											50 *	123
United Kingdom	2			10	31 *					21							64
	20				30 *					50 *							100 **
Total deliveries	370		60	80	312 *			10		1000					80		1912
Total receipts	277		74	6	158			22		860	10			10	33		1465

1st Line : data supplied by the exporting Member State; 2nd Line : data supplied by the importing Member State

* Commission estimates; + figures provided in December 1995

TABLE 12

INTRA-COMMUNITY TRADE OF COKE IN 1996

(In thousands of metric tons)

(In thousands of metric tons)

To	From ---->														United Kingdom	Total deliveries
	Belgium	Denmark	Germany	Spain	France	Greece	Ireland	Italy	Luxembourg	Netherlands	Austria	Portugal	Finland	Sweden		Total receipts
Belgium			2		47 *					182					2 *	233
					18					3					1	22
Denmark			1	7	1 *					5					4 *	18
			6	7											4	17
Germany	87			4	50 *			1		272					1 *	415
	191				82					245	3			14		635
Spain			4		14 *											18
			1		18							37				56
France	111		10	39				40		337					3 *	540
	45 *									361 *						406
Greece	1							3								4
								2								2
Ireland					0					5					1 *	6
															1 *	1
Italy			15	7	53 *					29						104
					33					43						76
Luxembourg	141															141
	136		8							310						454
Netherlands	32		49	3	10 *											94
	16		64													80
Austria	1		9		6 *											16
			24 +		8 +			19 +								51 +
Portugal				9												9
Finland			1		33 *					48						82
			5		25			1		61					28	120
Sweden	20		2	4	39 *										39 *	104
United Kingdom	2			12	28 *					19						61
	17 *			11 *	23 *									7 *		58 *
Total deliveries	395		93	85	280 *			44		897					51 *	1845
Total receipts	405		107	18	189			22		1023	3			21	34	1878

1st Line : data supplied by the exporting Member State; 2nd Line : data supplied by the importing Member State
 * Commission estimates; + figures provided in December 1995

TABLE 13

STOCKS

(In millions of metric tons)

	Producers (Hard coal)			Power Stations (Hard coal)			Coking plants					
	1995 Actual	1996 Estimate	1997 Forecast	1995 Actual	1996 Estimate	1997 Forecast	(Coke)			(Hard coal)		
							1995 Actual	1996 Estimate	1997 Forecast	1995 Actual	1996 Estimate	1997 Forecast
Belgium				0.6	0.4	0.5	0.0	0.1	0.1	0.4	0.3	0.3
Denmark				7.6	5.6	7.0						
Germany	12.3	11.3	11.8	12.7	10.3	7.5	1.8	1.5	1.1	0.2	0.3	0.3
Spain	0.9	0.6	0.9	8.0	11.2	13.6	0.1	0.2	0.3	0.5	0.5	0.6
France	0.7	0.7	0.5	5.6	5.3	4.9	0.6	0.6	0.5	0.2	0.2	0.2
Greece							0.0	0.0	0.0 *			
Ireland	0.0	0.0	0.0 *	0.4	0.3	0.3 *						
Italy				1.3	1.3	1.3 *	0.2	0.5	n.a.	0.9 *	0.9 *	n.a.
Luxembourg												
Netherlands				1.8 *	1.8 *	1.8 *	0.2	0.3	n.a.	0.5 *	0.5 *	n.a.
Austria				1.4	1.4	1.4 *						
Portugal				0.9	0.8	0.9	0.0	0.0	0.0	0.1	0.0	0.0
Finland				1.7	2.0	2.0 *				0.4	0.3	n.a.
Sweden				0.8	0.6	0.6 *	0.2	0.1	0.1 *	0.7	0.7 *	n.a.
United Kingdom	7.2	4.1	n.a.	9.7	9.1	8.5 *	0.7	0.5 *	n.a.	1.1	1.2 *	n.a.
EUR-15	21.2	16.8	n.a.	52.5	50.1	50.2	3.7	3.9	n.a.	5.1	5.0	n.a.

* Commission estimates

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TABLE 14

PERSONNEL EMPLOYED UNDERGROUND
(yearly average)

(in thousands)

	1995 Actual	1996 Estimates	1997 Forecasts
Germany	58.4	55.2	47.5
Spain	24.0	23.6	22.5
France	6.1	5.7	5.0
United Kingdom	12.5	10.6 *	10.1 *
EUR-15	101.0	95.1	85.1

* Commission estimates

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TABLE 15

OUTPUT PER MAN/HOUR UNDERGROUND

(Kg per man/hour)

	1995 Actual	1996 Estimates	1997 Forecasts
Germany	749	758	790 *
Spain	292	308	314
France	649	755	764
United Kingdom	1420 *	1423 *	1449 *
EUR-15	725	733 *	753 *

* Commission estimates