



**European Bank**  
for Reconstruction and Development

Ms Habiba Ramadan  
Researcher  
Egyptian Center for Economic and Social Rights  
1 El-Fadl St, From Talaat Harb St.  
Cairo, Egypt

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Dear Ms Ramadan,

Thank you for your letter to the European Bank for Reconstruction and Development (EBRD) dated 29 January 2014, which you submitted on behalf of a group of civil society organisations. In particular, thank you for sharing with us your concerns in relation to the EBRD financing of coal related projects in Egypt.

As you pointed out in your letter, according to our 2013 Energy Sector Strategy the Bank will not finance any greenfield coal-fired power plant except in rare circumstances. These limitations, however, do not extend to production processes of products such as steel or cement for which coal (or other solid fuels) is still essential and cannot be easily replaced both technologically and economically.

Coal is considered to be the basic fuel for cement plants worldwide and is considered Best Available Technique under the Industrial Emissions Directive of the European Commission. Also, the Cement Sustainable Initiative <http://wbcsdcement.org/> of the World Business Council for Sustainable Development published relevant guidelines for the selection and usage of all fuels, including coal, in order to meet all relevant health and safety requirements in the cement production.

It is to be noted that coal/petcoke have lower emission performance values (e.g. NO<sub>x</sub>, CO, etc.) than natural gas or other basic fuels as the combustion process is more efficient within the cement production process. In fact, most of the undesirable species (ash, metals, etc.) and side-effects are captured within the cement reaction process leading to higher durable and strengthened cement properties than with other fuels. The only exception is with the CO<sub>2</sub> emissions due to the inherent carbon in the fuels. Against this drawback the internationally recognised technology roadmap, which you can find attached, displays how the combined usage of coal and alternative fuels can lead to lower CO<sub>2</sub> emissions in line with the targets set by the International Energy Agency.

We hope the above might clarify the scope of the EBRD financing of coal related projects in the countries where we invest and we remain at your disposal for further clarifications you might need.

Yours faithfully,

Olga Filippova  
Civil Society Interim Team Leader