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This note is part of a full report providing detailed analysis of the collapse of the global coal pipeline, available at www.e3g.org/NoNewCoal

SOUTH-EAST ASIA

Headlines

- > South-East Asia has seen a **63%** decrease in the scale of the pipeline of proposed coal power plants since 2015.
- > This represents a ratio of 3.1:1 between projects cancelled (102GW) and those that went into operation (33GW).
- > The remaining 49GW of pre-construction pipeline is spread across seven countries. This is 42% of the non-OECD and 16% of the global pipelines.
- > Regional leaders like Malaysia no longer have any projects under development, while others like Philippines and Viet Nam are moving away from new coal.
- > Cambodia, Indonesia, Laos, and Thailand can follow the lead of their regional peers and commit to no new coal construction.

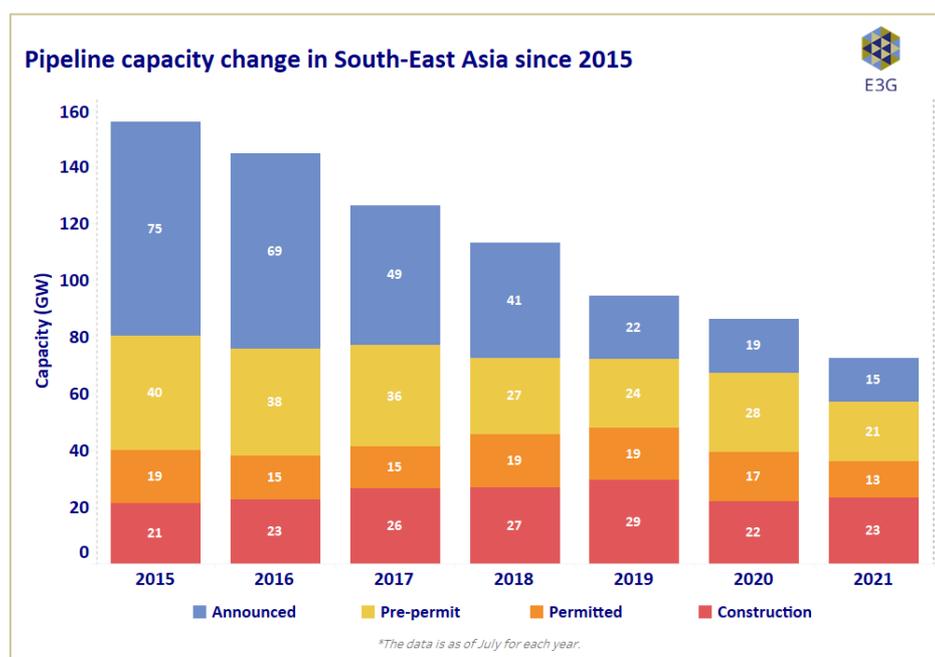


Figure 1: Pipeline capacity change in South-East Asia since 2015



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In 2015, 11 countries (Cambodia, Indonesia, Laos, Malaysia, Myanmar, Papua New Guinea, Philippines, Thailand and Viet Nam) in South-East Asia were considering new coal, with a pre-construction pipeline of **134GW**. This has now reduced to 9 countries, with a pipeline of **49GW**, a **63% decrease** (Figure 2). This represents a ratio of **3.1:1** of projects that were cancelled exceeding those that eventually entered into operation. The remaining pre-construction pipeline accounts for 16% of the global pre-construction total, or 42% in the non-OECD, with an average of 7GW per country.

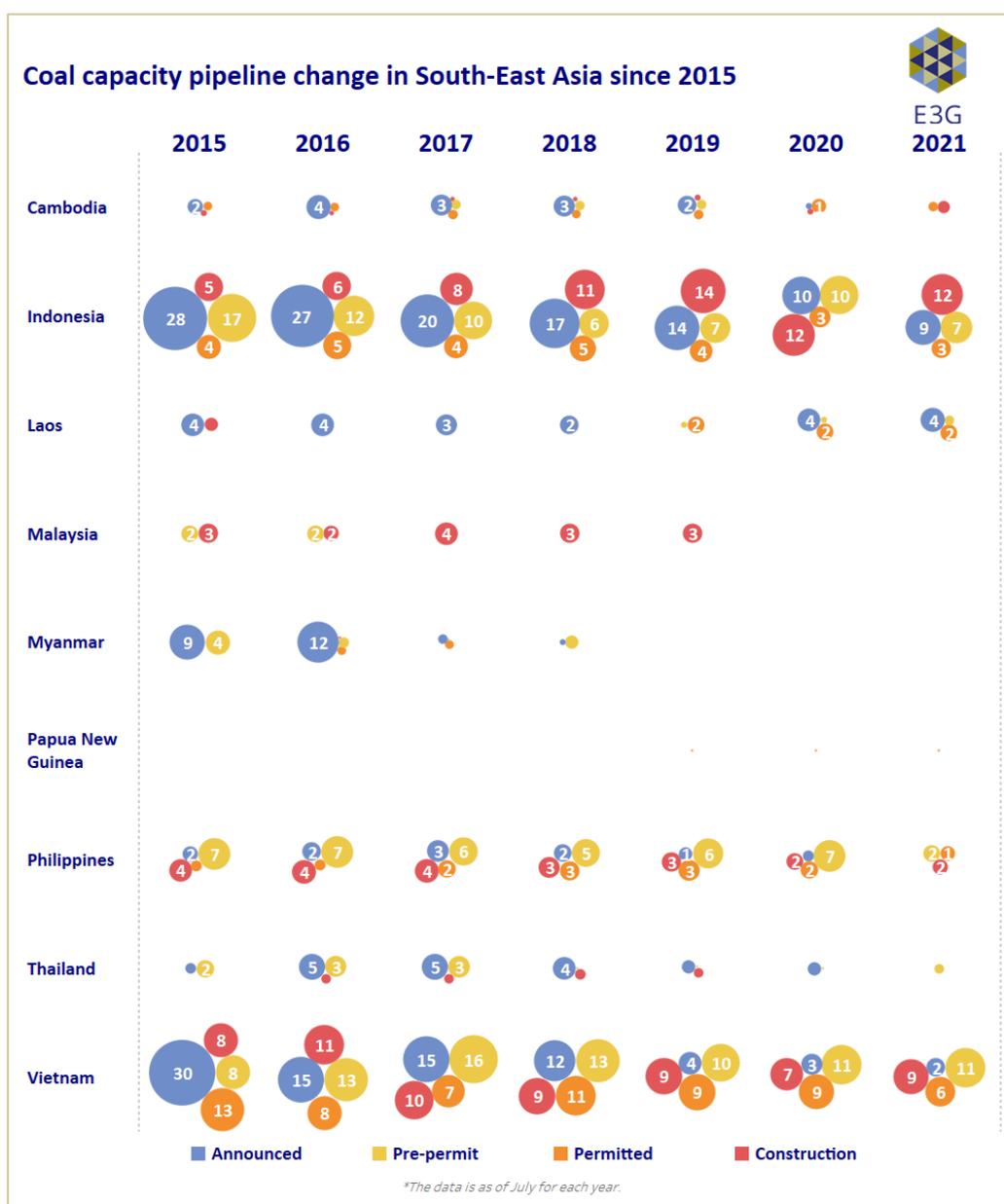


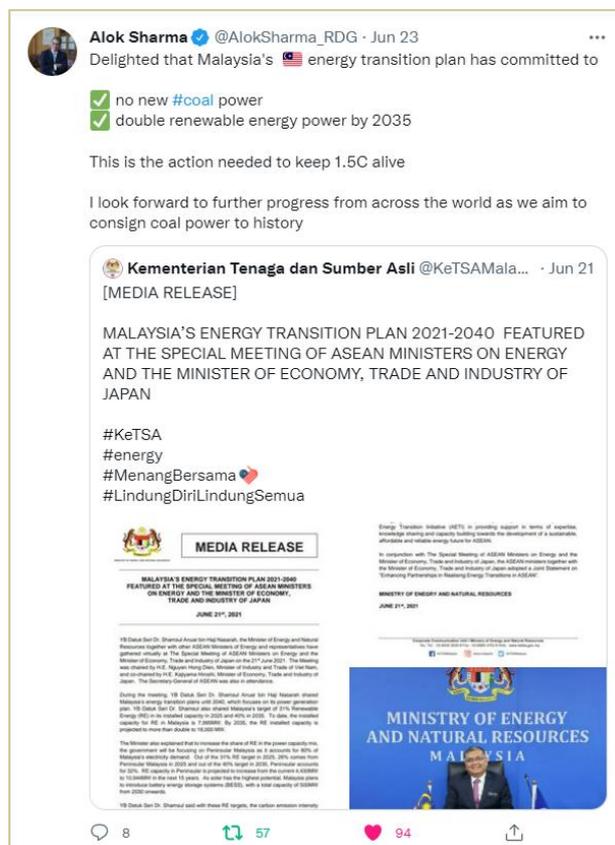
Figure 2: Coal capacity pipeline change in South-East Asia since 2015.



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Leaders

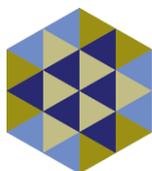
Three countries in South-East Asia no longer have any form of coal pipeline. **Malaysia** is South-East Asia's first 'no new coal' nation, as set out in its **Energy Transition Plan 2021-2040**, launched in June 2021. This government commitment builds on the **announcement** from energy utility TNB that it will not build any new coal-fired power. The policy conversation in Malaysia is now moving towards the topic of **retiring** the existing fleet in the 2030s as contracts expire. Malaysia's regional leadership was **warmly welcomed** by COP26 President Alok Sharma:



Myanmar saw a substantial pipeline of projects all cancelled by 2019, while **Brunei** has operating coal but no further projects under consideration.

Movers

The Philippines' pre-construction pipeline has fallen 65% since July 2020 alone. The Government has given strong indications that its previous pursuit of coal is at an end, with an **announcement in October 2020 by the Energy Ministry** of a moratorium on the permitting of new coal-fired power projects. It is not yet clear



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how this moratorium will be formalised, and there is **pressure** from civil society to extend it to plants which have already received permits or are under construction. This move to restrict new coal construction has since been complemented by a government commitment to massively **scale up** renewable energy capacity. In July 1.5GW of planned coal projects were **cancelled** by utility SMC followed by a **further 800MW** in August. Pressure from **civil society** continues, advocating for a cancellation of the remainder of the coal pipeline.

Indonesia, home to 4% of the global coal pipeline in 2015, has recently **announced plans to stop building new coal** fired power plants after 2023. However **analysis** suggests that this commitment excludes over 100 new projects which have yet to be built. This could result in close to 35GW of new capacity being added to Indonesia's operating fleet in line with plans first published in 2016. However the challenges of overcapacity on parts of the grid; proposals to introduce more co-firing, biomass, and CCS into existing plants; plus PLN's **pledge** in May 2021 to be net zero by 2060; all combine to suggest a number of these proposed projects may not go forward in reality. Questions remain as to whether the headline commitment to 'no new coal' will result in any proposed coal plants being paused or cancelled prior to entering into construction, or whether it will encourage the initiation of projects prior to 2023.

Indonesia has taken the encouraging step of recognising the need for an eventual phase out of coal power generation alongside its 2060 net zero commitment. The new Energy Long Term Strategy and RUTPL 10-year power supply development plan will be key policy statements for Indonesia to show international leadership on delivering a just energy transition towards net zero and an opportunity to bring forward the timeframe for its net zero commitment.

Viet Nam has a pre-construction coal pipeline of 19.4GW. This remains the third largest in the world, however Viet Nam has seen a positive trend with the cancellation of 33GW since 2015. The current draft of the Eighth Power Development Plan (PDP8) contains a scale back of new coal capacity from previous iterations, and states that **no new coal-fired power plants will be built** beyond those already under construction or planned for completion by 2025 or sooner. PDP8 still projects that up to 17GW of coal will come online in the next decade. The plan remains in draft form and has been delayed, so ambition may be increased following **recommendations** that it can act more proactively on coal, including calls from civil society for further cancellations of new coal plants.



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The progress in these countries reflects the increasing recognition by policymakers across the region that coal is a poor energy investment. The Philippines, Indonesia and Viet Nam can follow the lead of peers such as Malaysia in formalising these signals, cancelling projects that have not yet entered construction, and considering converting those being built to alternative fuel sources.

Laggards

Regional neighbours **Thailand**, **Cambodia** and **Laos** are yet to signal a formal move away from their respective coal pipelines. **Laos's** 6.7GW pre-construction pipeline is now the seventh largest in the world, putting it at risk of being one of the last countries still pursuing new coal and endangering its ability to attract inward investment from global supply chains that are increasingly requiring coal-free electricity and / or 100% renewables.

Thailand and **Cambodia** are pursuing smaller projects totaling 655MW and 700MW respectively, however Thailand has scrapped 4GW since 2015, and both countries have just one project left in the pipeline. They can position themselves for a clean energy investment pathway through cancelling these final projects and committing to no new coal alongside Malaysia.

The clear **socio-economic advantages** of transitioning to a low-carbon energy system are bolstered by the considerable potential for low-cost renewable energy. Laos benefits from aligned seasonal **solar** and **hydroelectric** potential, and **transboundary power-pooling** between these three neighbours could provide a low-cost, stable electricity system.