

2. Recognises and reaffirms the continuing need for strong policy action in all sectors of energy policy.

3. With regard to coal in particular, notes the study "Steam Coal Prospects to 2000" in which the Secretariat, on the basis of its own analysis, presents views on the potential contribution of coal to the future energy supply and demand balance.

4. Assesses the future potential for coal as follows:

a. Conventional oil supplies will not be available at reasonable prices and in sufficient quantities to meet the growing needs of the world during the medium and longer term.

b. Coal, nuclear power and energy conservation are the principal energy options with major potential for reducing oil dependence and thus improving the overall energy position in the medium term.

c. In many areas of the world, coal is now economically competitive with oil in major energy consumption sectors. The competitiveness of coal is likely to improve in the future. Moreover, the coal resource base is extensive and could sustain a greatly increased production of coal.

d. Long lead times for investment in coal utilisation equipment on the demand side and in mining and transportation on the supply side limit the short-term potential to expand coal's contribution. Beyond 1985, coal could provide a substantially greater contribution to the energy needs of IEA countries. This depends on the adoption by governments now of appropriate coal policies which stimulate capital investments on a scale commensurate with the long-term potential of this energy source.