



24-25 October 2022

# Just Transition Platform Conference

Report from the Coal Regions in Transition sessions at the  
Just Transition Platform Conference (24-25 October 2022)

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Monday, 24 October 2022

## Opening Session: Accelerating just transition in times of crisis (10:00–11:30)

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### Introduction and keynote speeches

Moderator: Sasha Twining

Ms. Twining opens the sessions presenting the Commissioners and giving them the floor.

### Elisa Ferreira, Commissioner of Cohesion and Reforms

Commissioner Ferreira expressed that, as long as we are dependent on fossil fuels, Europe and the world will continue in the current situation. She highlighted that there are 100 billion EUR available for the coming seven years to help with just transition. Specifically, there are billions of EUR available in the form of the Just Transition Fund, intended for regions that will suffer the most in the face of transition. Additionally, there are 30 billion EUR available via the Just Transition Mechanism.

The Commissioner also highlighted that the European Commission (EC) is finalising additional programmes to ensure funding that is ready for investment. She pointed out that local ideas will help to make the change needed to reach the transition. For instance, she mentioned that when she visited various regions and had the opportunity to talk to ex-miners who are fighting to preserve their region's heritage, she saw the enthusiasm that the different transition programmes bring, as they can ensure a bright future for all. She emphasised that there is the urgent need to support stakeholders who hold local expertise and are ready to advise programme officials. Therefore, Member States, regions, trade unions, youth and NGOs must work together for a green transition that leaves no one behind.

### Kadri Simson, Commissioner for Energy

Commissioner Simson also emphasised how impressive the currently available transition budget is. She related this to the European Green Deal, which emphasises that no one can be left behind as various actions are carried out. She also highlighted that the current crisis – the Russian war in Ukraine and the energy crisis – is a challenge, especially in light of energy prices jeopardising several businesses. If this continues, she affirmed, the situation may lead to social tensions.

There is a need to continue forward with climate policies and the Green Deal. Member States are working to continue with their commitments, not letting the current situation distract them from Just Transition. She highlighted that no EU Member State has cancelled their phase out commitment, despite the fact that there will be some delays to meet the current energy reality. She stated that transition can take some detours, but renewables remain the best solution to reach climate ambitions. She also underlined that renewable energy investments will clearly provide employment, and that many coal regions are ready for this shift, and have the know-how to see it through. These regions are ready to become role models on delivering the transition, sharing their knowledge and experience.

### Roundtable discussion

Moderator: Sasha Twining

Panellists:

- **Elisa Ferreira**, Commissioner for Cohesion and Reforms
- **Kadri Simson**, Commissioner for Energy
- **Susana Solís Pérez**, MEP, Renew Europe Group
- **Rainer Robra**, Minister of State, for Europe and Culture and Head of the State Chancellery of Saxony-Anhalt
- **Luc Triangle**, General Secretary of IndustriALL
- **Chris Foulds**, Associate Professor at Global Sustainability Institute, Anglia Ruskin University, UK



**Elisa Ferreira**  
Commissioner for Cohesion and Reforms,  
European Commission

You cannot impose anything top-down. You have to listen to the community. We have to listen to you, learn from you, and listen to your expectations.



The moderator started by highlighting Commissioner Simson's point that if someone is left behind, then we have missed the point of *just* transition, steering the conversation toward the question of how to protect the most vulnerable while accelerating transition.

**Susana Solis** emphasised that just transition is one of the 'hottest' topics in the Parliament, and all Member States support the Just Transition; but there is a need for more attention to be paid to making sure that SMEs, vulnerable groups, etc. are protected. She welcomed the EC decision to use the remaining funds from the 2014-2020 programme to support vulnerable groups, families and SMEs. She pointed to experiences from her home region of Asturias, a region where coal mining was the main source of employment, and therefore social consequences have had to be analysed (loss of employment, young people leaving the region, etc.). To this end, the JTF represents a significant opportunity for the region, which has a large number of projects on the table, especially from young people. Support to youth must be ensured for the transition to be sustained long term. Employment needs to be assured so people would stop leaving the regions looking for new opportunities elsewhere.

**Luc Triangle** pointed to how the current situation compares to one year ago. The group of 'vulnerable people' is growing very fast – even week-to-week the amount of people that cannot make ends meet is substantially increasing. It is not possible to disentangle Just Transition from this reality, which makes it urgent to find broader solutions for the most vulnerable people. Member States' 2030 goals should not change, but the context for many people *has* changed. The European Parliament and the Council have been called on to provide support similar to what was rolled out when COVID-19 hit, but for citizens to compensate for high energy prices and inflation. He suggested that this support must be for companies as well, since they are currently moving out of Europe, running a risk of de-industrialisation that could worsen the transition.

Just Transition must make Europe more equal, not exacerbate inequalities. There are around 25 million workers working on the automotive industry, energy intensive industries, extractive industries, etc. They are all part of Just Transition, and we

need to find solutions for those people as well. This means re-industrialisation with quality jobs.

**Commissioner Simson** commented on the link between energy poverty and Just Transition. Energy bills are significantly higher than what they were a year ago all across Europe. For this reason, the EC has offered Member States guidance on how to adjust taxes, how to promote and regulate prices for individuals and SMEs, and introduced a promotion rate for energy for companies. She highlights that this is a short-term solution, and in the longer run, the solution is to get rid of fossil fuels and increase use of renewables. She underlined that, in places where there is a sufficient amount of renewables, energy prices have not increased as much as in places that are almost entirely dependent on imported energy.

Currently, there is a triple challenge: prices, climate, and security of supply. When investing in solutions to these challenges, we must ensure these solutions will serve in the years to come, and reach the energy poor. The energy performance of buildings is important here, since there are people living in places that consume up to ten times more energy than a new build, which are located in areas where the population is decreasing, and are thus not attractive for bank loans.

**Commissioner Ferreira** urged local levels to look at all the ways to use the (financial) possibilities available. We face incredible challenges, but at the same time, there has never been such extensive amount of funding available to support vulnerable communities. For the first time, there are recovery and resilience plans in Europe, and this coincides with the 2021-2027 funding period.

Cohesion Policy takes a long-term perspective, but there has to be a strategy defined for regions, in particular for those where the challenges are more significant. There are different investments that can be done (financed or co-financed by different funds), in order to stimulate companies to relocate in regions (making them more attractive) so employment is created and locals stay. She provided the example of a hospital in Romania, which was refit with solar panels and heat pumps, thereby saved 30-40% on their energy bills, and created many jobs thanks to this refitting. She underlined that



**Kadri Simson**  
EU Commissioner for Energy

**If anyone is left behind in the process of energy transition, then we have missed the point.**

this is happening across Europe. Cohesion Funds and Just Transition Funds are key instruments to avoid 'brain drain'.

**Chris Foulds** commented on how businesses can tackle ongoing challenges. Businesses must contend with: 1) energy bills (this is where energy efficiency comes into discussion), and 2) psychological anxieties around how to pay bills, especially given the COVID-19 pandemic. Subsidies should be used to improve energy efficiency. There are also rural vulnerabilities (old infrastructure, youth leaving town, vulnerabilities among the elderly, etc.) that should be considered. He mentioned that talking to the people on the ground is useful, knowing their experiences and what they are going through, and engaging society as a whole. The most important issues, he underlined, are accounting for employment, and for citizens that are not tended to. Avoid the one-size-fits all, and rely on Territorial Plans, which work very well, he concluded.

#### Comments from the floor:

*It is important to ask people how they would tackle energy poverty themselves. Decentralising systems, e.g. by forming energy communities, is a solution that this participant saw as able to address the current and future crises.*

*Leaders must be transparent about transition, as lack of knowledge is destabilising for communities and creates insecurity.*

**Rainer Robra** highlighted that there are several challenges that the entire European continent is facing. Just Transition Plans have been approved recently in Germany, and they are working properly so far, despite the challenges facing Europe. In Saxony Anhalt, the work started already in the 1990s, as the region adjusted to changes brought on by the German reunification. The loss of employment was already felt at that time in the coal sector. They have built Just Transition into the regional transition process, using social funds. It is imperative that everyone within the process is engaged and fights against transition scepticism. In this region there have been significant rates of emigration since 1990. People have reinvented these regions, where employment has been created based on new industries and that has provided new prospects for young people. The new challenge (since 24 February 2022) is to face the increase in energy prices, and instruments to tackle this have been developed very quickly. In the coal regions there is the need to push structural changes forward, creating optimal and quality jobs for local people, and involving all stakeholders in the process. The structural funds are bottom up, showing that this is a very practical tool. There have been several events held with young people to involve them, and also children, building lego models of how the future looks to them. It's a creative process that has been launched in this area because people want to be involved and contribute.

Several remarks were made by speakers on how to engage different stakeholders involved.

**Chris Fould** highlighted how several events have been organised to bring stakeholders with different backgrounds together (transition arenas), asking what they want with this process, back-casting into what policy leaders are aiming for. He emphasised that it is important that people are treated as citizens and not as consumers.

Session participants underlined that, when talking about Just Transition, people losing their sources of income must be able to actually see justice in action. If nothing is delivered to meaningfully make transition just for them, then people become angry. Another participant remarked that, when a company or a mine closes, it is already too late to try to do something for the workers. Intervention has to be done far in advance of actual closure. Finally, a participant remarked that the issue of gender balance had been missing from the debate so far.

**Maciej Sytek** pointed out that in the Eastern Greater Poland Region, the region engaged communities in just transition programmes, and found the social component very important. He also underlined that there is a significant challenge regarding how to actually implement transition in the face of the energy crisis. Coal is now again becoming a source of energy due to the war, which lies in contrast to the messaging we *need* that coal belongs to the past. There is a repetition nowadays that coal is an alternative solution, and this is sending mixed messages to people.

#### Closing of the session

Ms. Twinning highlighted that just transition is about involving everyone. Engagement is crucial, shedding light on sparks of ideas, especially those brought by youth communities

## Updates from the Initiative for Coal Regions in Transition (14:30–16:00)

▶ RECORDING

📄 PRESENTATIONS

### Welcome and introductory remarks

Moderator: **Adela Tesarova**, DG ENER

Ms. Tesarova welcomed the audience and explained that this session is dedicated to the Coal Regions in Transition Initiative, and its support schemes for (coal+) regions. Participants were invited to make use of this support.

### exchangeEU discussion

Speakers:

- **Emma Krause**, Guidehouse (exchangeEU facilitator)
- **Zsuzsa Piskóti-Kovács**, Hungarian Coal Commission Secretariat (exchangeEU beneficiary)

The exchangeEU programme just completed its first round, implementing exchanges in 18+ regions – the second call for participating regions was open at the time of the JTP conference, and closed on 7 November 2022. The programme has facilitated, for example, deep discussions among workers on social communities to support former workers, and on coal mines with strategic plans.

Dr. Piskóti-Kovács shared that the Northern Hungary region was very satisfied with the exchange. They were motivated to participate to learn from other coal regions how they plan their transitions, and how to draft related plans. To be able to exchange with other coal regions, as well as the pre-matching sessions were key, according to her, to supporting their development of ‘out-of-the-box’ thinking. This led to great inspiration and was a significant opportunity for coal regions participating.

Specific lessons of the exchange that she detailed were to understand: 1) that all regions are different, regardless of their shared challenges, and they all have to work to reach objectives in locally-effective ways; 2) how to carry out economic diversification, which is an enormous challenge; and 3) the challenges of preserving mining heritage.

As part of the programme, they visited a high-tech company in their Slovenian host region, where they attracted young people to the region by establishing ‘an incubator hour’. This has motivated people to stay in the region. This relates, for Dr. Piskóti-Kovács, to the strong mental aspect of transition.

Their exchangeEU delegation involved many types of stakeholders, including a Mayor. This was key, since the mayor could see challenges and possible solutions on the ground. She closed with recommendations for regions interested in applying to the exchange program: take time to consider which region will be the host, and which will be the visitor; and be precise on the specific topic to be addressed, in order to work more effectively with the facilitator.

### TARGET discussion

Speakers:

- **Sarunas Bruzge**, EIB (TARGET facilitator)
- **Jiří Štěřba**, SUAS Group (TARGET beneficiary)

TARGET is a joint EIB and DG ENER instrument, created at the end of 2021. The instrument is dedicated for coal regions, and provides expert support to beneficiaries free of charge. This support, namely: EIB expertise on project development, fosters the preparation of successful energy transition projects. This has led to four projects in four coal regions, running until the end of 2027.

Mr. Bruzge highlighted that TARGET, which was created based on the EIB’s experience with its JASPERS programme, supports projects at a very early stage, which makes it unique compared to other types of funding. The idea behind this early support is that assistance may thus have greater added value, since it can then help shape project scoping and next key steps in project development (e.g. finding technical assistance and other sources of funding).

Mr. Štěřba explained that SUAS Group is a systems company, created as a direct response to transition, which develops projects without fossil fuels in areas like engineering and transportation. They are working with TARGET on the ENERGYHUB project, which presents a unique take on implementing photovoltaic parks and other renewable sources (batteries, substations, etc.) to help (coal) regions achieve their decarbonisation plans. ENERGYHUB helps integrate new sources of clean energy and prevent blackouts and disturbances in the grid.

TARGET specifically provided the project with expert support to prepare and finetune the evaluation of technical documents, such that they fit EIB standards, as well as identification of possible sources of funding for the project. The project learnt, in particular, to reach out to support programmes without hesitation – even if the project does not fit one instrument, targeted brainstorming can find another, suitable instrument.

### World Bank Support for Poland discussion

Speakers:

- **Magdalena Chawuła**, World Bank Group (facilitator)
- **Grzegorz Macko**, Lower Silesian Voivodeship (beneficiary)

In Lower Silesia, the technical assistance provided via the World Bank Support programme focused on economic diversification, as well as revenue at risk, and a general review of the region with a labour market analysis. It was challenging to get technical assistance started, and the conditions changed by the time assistance could be delivered. This meant that they had to remain flexible, and their approach had to be adjusted.

The JTF is quite important, since without this funding, Lower Silesia could not fill funding gaps to face the challenge of transition. The region is involved in several JTF projects, and is creating new projects to face transition; they are particularly interested in co-financing projects. For Mr. Macko, the key to success has been involving as many stakeholders as possible – there are many types of coal, many groups dependent on these industries, and all must be accounted for.

The regional population is shrinking, leading them to need significant support, including technical assistance from the World Bank, which has been crucial. They face substantial labour market challenges from mine closure, making it imperative to diversify their portfolio of services. It is crucial to have social acceptance in order to make this change. In addition, the economic diversification strategy that the World Bank helped them with is needed to generate new jobs and bring investors.

#### **Secretariat Technical Assistance to Regions in Transition (START) discussion**

Speaker:

- **Robert Pollock**, CRIT Secretariat

A call is now open for all coal, peat, lignite, and oil shale regions in the EU to access START technical assistance. This call will remain open until 16 December 2022, and another call for assistance is planned to open in late-2023.

This technical assistance has been running effectively for two years, and has already provided support to seven diverse regions, all in different phases of transition. The program has delivered wide outputs of high interest to many regions – including: tailored advice and capacity building, strategy

development, governance planning, and project planning – all targeted to improving local economies and community wellbeing, as well as individuals affected by transition. Affected communities have to ultimately benefit from START interventions, which should be clearly laid-out in applications. The open call is particularly to develop and advance project ideas. START support does not exclude other technical assistance programmes.

START particularly invites public administrations, local and regional authorities, and civil society organisations to apply. Successful applicants will receive technical assistance assignments equivalent to 50 to 100 ‘person-days’ of delivered support, provided over a 6- to 10-month period, all delivered through collaboration and co-creation with the beneficiary.

#### **Q&A with all speakers, moderated by Adela Teserova (DG ENER)**

Many questions sought clarification on the application processes, and on how different regions could concretely benefit from participating on any of these programmes.

There was a question regarding whether industries could directly benefit from TARGET, and the response was that the programme is designed for coal+ regions, who can bring in and consider industry in their actions. Another participant asked if technical assistance risked distracting regions from planning and implementing important (ongoing) infrastructure projects. Mr. Macko (Lower Silesia) affirmed that they have found the technical assistance very helpful, especially since the region they did not have the resources to gather data by themselves, and the instrument helped them to generate the information needed to develop and execute a plan.

#### **Closing remarks**

Adela Tesarova thanked the audience and the speakers for their participation and for the fruitful discussion.



**Alexandru Kelemen**  
Social service expert  
ADTIVJ

**START technical assistance brought NGOs and the local government into better relationship in the Jiu Valley. It was easier to work together when mediated by the START assistance, and now that relationship continues to be stronger.**



## Innovative clean energy technologies for coal regions (16:30–17:30)

▶ RECORDING

☰ PRESENTATIONS

### Scene-setting presentation

Moderator: **Timon Wehnert**, CRIT Secretariat

**Felicia Aminoff**, Energy Transitions Analyst at BloombergNEF, set the scene with a presentation on ‘uptake of clean energy technologies in coal regions’, drawing on her economic modelling of different clean energy technologies. Modelling offered insights on the cost-effectiveness of different technologies that are commonly used in coal regions to decarbonise the grid. Lithium emerges as the most established option; the competitiveness of pumped hydrogen and compressed air is too dependent on local topography; and many clean energy technologies require policy interventions to be competitive.

According to Ms. Aminoff, two examples which showcase the unpredictability of costs are green hydrogen and small modular nuclear reactors. As a matter of fact, her overview of a scenario analysis on green hydrogen in Poland showed that this option may well be competitive with grey hydrogen by 2030. However, this competitiveness greatly depends on available infrastructure (i.e. pipelines). Ms. Aminoff ended her presentation by stressing the uncertainty that arises from betting on new technologies, as oftentimes their competitiveness has not been proven yet.

### Presentations of innovative clean energy projects

Speakers:

- **Noel Canto** (Hunosa), District Heating Barredo Colliery
- **Charlie Blair** (Gravitricity), Energy Storage Gravitricity
- **Nicolas Graveline** (Newheat), Solar Thermal Heat

The first speaker on innovative clean energy projects, **Noel Canto**, showcased an example of how to turn an extinct mining operation into a geothermal energy source. This project was carried out in the Asturias region in Northern Spain. Mr. Canto started his presentation by explaining the background of the company he works for (Hunosa), which due to the closure of the coal mines, has diversified its activities into geothermal and biomass technologies.

Mr. Canto explained their geothermal process, which has been applied in two mines (El Fondón and Barredo), and came up during the process of dismantling the Barredo mine. These mines are located close to populated areas, so a great amount of water must be pumped out. In order to offset the costs of pumping out all this water, they came up with the

idea of providing renewable energy. After a first phase of the project in which the supply of geothermal energy was limited to specific buildings (e.g. the local hospital), they embarked on a second phase in which they offered centralised district heating to increase efficiency. Mr. Canto stressed the need to apply centralised district heating when deploying geothermal projects to enhance efficiency, space availability, and cost-effectiveness. In fact, the individual heating systems they applied in the first phase were not satisfactory. Lastly, he highlighted a series of key points to consider when implementing geothermal energy projects, namely, the mine shaft must be close to ensure profitability, it can be difficult to persuade clients about the feasibility of the project, and it is essential to conduct a detailed study on the corresponding resources and demand.

Next, **Charlie Blair** from Gravitricity offered an overview of their gravity storage projects, where a mine shaft is used to store energy using gravity. Gravitricity is a technology company – an industrial consortium, to be precise – which follows a partnership approach with public bodies and civil society. The core of their power storage technology consists of lifting a heavy weight (at least 500 tonnes) that takes electricity out of the system and stores it in gravitational potential. Then, the weight can be lowered back down again and discharge most of the electricity back to the grid. Mr. Blair stressed that the main advantage of this approach lies in its longevity, in comparison to more short-time energy storage options such as batteries.

The last presenter on innovative clean energy projects was **Nicolas Graveline**, from Newheat, who presented his project and experience with solar thermal heating. Mr. Graveline started his presentation by reminding the audience that 30% of district heating is still produced with coal and that the most effective way of providing heat to regions in transition is setting up green district heating networks. Newheat provides strong modelling capacities and tailor-made solutions that focus on energy efficiency, allowing flexible approaches in which additional heat pumps or biomass energy can be used when needed. He highlighted that Newheat is not a technology-specific company.

Mr. Graveline illustrated their work with solar thermal energy in Pons (France), a €1.3 million, partially (65%) publicly-funded project, in which local authorities wanted to expand their green district heating from biomass to other renewable sources. Solar thermal was chosen in Pons after heat recovery and heat pumps were deemed unsuitable, including because there was no available connection to the network. Thanks to the project, the effectiveness of the previously installed biomass system increased, as introducing solar thermal energy to the grid enabled the temporary shutdown of the biomass boiler for maintenance. Key elements that ensured the success of the project were: discussions between the producer and the network on the appropriate temperature, and the collaboration between the municipality (the district heating operator) and themselves as producers.



**Discussion between speakers and audience**

During a brief Q&A session, Mr. Blair clarified that their energy storage time can be up to several hours, but that the economically profitable time ranges from 15 minutes to 1 hour at the moment. In addition, the presenters gave insights on their respective levelized costs of energy. Mr. Canto explained how their geothermal energy can guarantee their clients a 10-15% of savings with respect to gas, while Mr. Graveline pointed out that gas is solar thermal's main rival in terms of cost-competitiveness.

Tuesday, 25 October 2022

## Tackling energy poverty in times of crisis (11:30–13:00)

▶ RECORDING

📄 PRESENTATIONS

### Introduction

Moderator: **Carlo Della Libera**, CRiT Secretariat

Mr. Della Libera explained that this session aims to gather the knowledge and experience of different experts working on energy poverty from different angles. The presentations are set to focus on good practices to help face the growing issue of energy poverty. Mr. Della Libera reminded the audience that Member States, regional and local authorities are struggling to find solutions to the rise of energy prices. Therefore, he stressed the need to implement systemic measures when tackling energy poverty in marginalised communities.

**Eero Ailio**, Advisor at DG ENER, opened the session with a keynote address presenting EU policy responses to energy poverty. The Commission has a set of energy poverty tools, which are centred around household renovation and energy efficiency, as well as informational tools for consumers and funding measures (e.g. carbon pricing instruments and building renovation measures). These address energy poverty's three main causes/challenges, which feed into each other: (1) energy efficiency; (2) the energy crisis; and (3) low incomes. Finally, Mr. Ailio highlighted that energy poverty must be a natural part of the agenda when setting new goals and new projects in the field of climate mitigation and adaptation, if there is a wish to have everyone together when "passing the finishing line" once climate neutrality goals are met.

### Short presentations by panellists

Speakers:

- **Jeppe Jensen**, Energy Poverty Advisory Hub (EPAH)
- **Piotr Maślowski**, Deputy Mayor of Rybnik (Poland)
- **Martha Myers**, Campaign Consultant on Energy Poverty
- **Josh Roberts**, REScoop Project

**Mr. Jensen** stressed that municipalities' role is key, as these public bodies deal with the effects of the energy crisis in the most direct way. Most energy poverty policies are implemented in municipalities. Therefore, there is a need to advise municipalities, to support them to implement immediate actions, and to facilitate local leaders' learning from collective intelligence.

Next, **Mr. Maślowski** shared his experience in the coal region of Silesia (Poland), where the town of Rybnik is located, and where he found national and local policies were not always aligned. As a result, the town has focused on implementing various 'soft measure' projects to tackle energy poverty (e.g. co-housing for elderly women, joint programmes with academia on innovative fuels, usage of cultural institutions to reach vulnerable citizens). However, local authorities have budget constraints; Mr. Maślowski highlighted that EU funding is crucial to fill funding gaps and enable local authorities to go beyond soft measures.

**Ms. Myers** offered a passionate speech in which she stressed how energy poverty is a systemic problem that requires systemic solutions. The energy transition, she explained, must be just and tackle wider social inequities that existed before the European Green Deal. Tackling energy poverty is therefore one of the backbones of just transition. Ms. Myers reminded the audience that grassroots groups are demanding tailored and subsidised tools, which should be grant-based, in acknowledgement that many low-income citizens cannot access loans. She also highlighted the high cost of these measures. However, according to Ms. Myers, the main question should not be whether we can afford to implement these measures, but whether we can afford *not* to implement them, considering the invisible public health costs that energy poverty causes.

Lastly, **Mr. Roberts'** presentation showcased one of the solutions shown to help address energy poverty, namely: energy communities and cooperatives. He explained that energy communities and cooperatives are democratic organisations that help ensure that communities can benefit from their own activities. These energy communities have a lot of challenges in the market; however, their underlying socio-economic values have enabled many of these community groups to shield their consumers from the energy crisis. Mr. Roberts stressed that these examples are not yet widespread. Accordingly, he ended his presentation by highlighting the need to scale them up, which begins by ensuring supportive national policies.

### Moderated discussion

The Mayor of Kozani (Greece), a participant in the session, opened the discussion to address energy communities, specifically related to their selling energy not through the energy market, but rather through bilateral contracts directly with consumers (i.e. Power Purchase Agreements, or PPAs). He highlighted an autonomous energy community in his region, which could allow the entire town to be sourced with renewable energy. They have asked the energy company for permits to sell their renewable energy through PPAs, which is most affordable for them. This takes out the 'middle man' and bypasses issues with energy companies that are focused only on profits. Mr. Roberts responded that this links to market design conversations that the EC has had. A lot of consumers have such bilateral agreements, shielding them from the current crisis, while other citizens are using social

tariffs, leaving fewer and fewer people within the 'free energy market'. This raises the question: *how should a free market look in the future?*

Mr. Roberts also brought an example from the Netherlands, where there are energy cooperative members that want to engage in PPAs directly with their members, which from a cooperative perspective is optimal, since they are not trying to make profit, but rather to simply supply a service to their members. Currently, there are regulatory challenges in the way, but it is at least being discussed with institutions.

One of the most interesting applications of energy communities for Mr. Roberts is district heating and cooling. In these cases, the district heating is owned by the consumers themselves, meaning they have a clear incentive to lower costs as much as possible.

A representative from the Polish Green Network pointed to the ways that decentralised and democratic energy systems can better face the challenge of energy poverty by supporting the most vulnerable households. She referred to the energy crisis in Poland, where profit margins of (centralised) energy companies have grown by 7000%, and the government has signed new contracts with energy suppliers that feature very high energy prices. Furthermore, when facing the energy crisis, we must consider fair distribution of roles and responsibilities. She poses questions to all speakers on: what measures can be taken in the face of windfall profits for energy companies? How to counteract this, and how to mobilise communities in the face of this reality? Furthermore, how can we ensure our energy systems are more resilient in the event of future crises?

Mr. Ailio responded first by stating that the windfall tax issue has led to several discussions at EU institutions, leading the EC to recently propose a 'solidarity contribution', requiring companies that are making significant profits to share these profits, and give them to the Member States to redistribute the energy poor (consumers and SMEs). This is not easy to carry out, so there are several conversations that are ongoing regarding how to do this in practical terms (arrangements to put in place, etc.).

Mr. Ailio pointed to a good example in Helsinki to cut the costs of district heating, which is often owned by municipalities. In

the Helsinki case, the city repurposes old oil reservoirs/tanks by filling them with water, using wind power to heat this water (acting as thermal basic storage units), and using this simple system to help the city avoid raising heating prices.

A final question from the online audience referred to EC-level (funding) plans for retrofitting of houses. Mr. Ailio responded that there are several EC financing activities to this end; there are funds available within the energy efficiency department of the EC, and the EC encourages Member States to use this funding for this exact purpose.

## Closing session: Climate-neutral cities and JTP conference closing (16:30–17:30)

▶ RECORDING

☰ PRESENTATIONS

### Welcome and Introduction to the EU Mission on Climate Neutral and Smart Cities

**Patrick Child**, Deputy Director General, DG Environment opened the session by providing the audience with an overview of the EU Mission on Climate-Neutral and Smart Cities, sometimes referred to as the Cities Mission. The Mission offers a platform through which cities can engage in knowledge exchange in the field of climate transition; citizen engagement initiatives; and can capitalise on other measures in the field of Just Transition.

Mr. Child stressed that the Cities Mission includes cities of different sizes, economic and geographic contexts, and is not limited to the so-called 'climate front-runners'. He highlighted that transition in the urban sphere must be systemic, applying both governmental and financial approaches. Alongside a specific investment plan on how to mobilise funding, the Cities Mission includes knowledge exchange programmes, which enables cities to mutually benefit from one another.



**Magdalena Bartecka**  
Just Transition Program Manager  
Polish Green Network

**A decentralised system is a system that can stand up to energy poverty, supporting those who are most vulnerable.**

Lastly, Mr. Child explained that real focus of the Mission is to reach out to local communities, by pushing for equitable socio-economic transformations that are not limited to technological changes and solutions alone. Transition cannot be implemented with a top-down approach, but must include bottom-up solutions in order to ensure that such a transition is just. Mr. Child closed by highlighting that this session should bring to the fore the synergies between the Just Transition Platform and the EU Cities Mission.

Session moderator **Carsten Rothballe** (ICLEI Europe) then presented the Cities Mission's "Climate City Contracts" model, which sits at the core of the Mission. He explained that the contracts have three main components: (1) commitments, (2) Mission Action Plans, and (3) Mission Investment Plans. The first provides an overview of the city's vision and strategy for reaching climate neutrality by 2030, as well as signatories, and endorsers. The second includes an agreed-upon baseline, KPIs, and a monitoring system; while the third looks at capital needs, and implementation milestones. Mr. Rothballe highlighted that the Mission Action Plans act as living documents for cities that inform them about all the different EU (funding) projects that are available to them.

### Cities present their approaches

Speakers:

- **Janet Ågren**, Deputy Mayor of Umeå (Sweden)
- **Iztok Mori**, Head of Municipality Administration, Municipality of Velenje (Slovenia)
- **Lazaros Maloutas**, Mayor of Kozani (Greece)

This discussion zoomed in on the experiences of three cities that are all part of the Cities Mission, and are thus all on track to be climate neutral by 2030. Each of these cities are either coal+ towns (Velenje and Kozani), or located in coal+ regions (Umeå).

**Ms. Ågren** raised the importance and constraints of achieving climate neutrality in a growing city. She stressed that their Climate City Contract enabled them to collaborate with national agencies and directly contributed to policy developments at a national level through the partnership that this contract was able to set-up. In addition to developing sustainable city infrastructure in the context of the Cities Mission, another one of their key insights from the process has been pushing for behavioural change.

**Mr. Mori** explained that Velenje was set-up deliberately as a coal mining city; but it is now a front-runner in the Balkans with respect to transitioning from coal to a sustainable economy. The city has deployed a green transformation of the district heating system, using new and dispersed renewable energy sources. For Mr. Mori, during discussions around just transition, the EU feels closer than ever to citizens! There is a feeling that DG REGIO and DG ENER are directly supporting the city, and the people of Velenje have expressed that they

believe in the municipality. This provides a multilevel set-up with which, together with the EU, the city hopes to realise their ambition to be climate-neutral city by 2030. To date, one of the main challenges to achieving this goal is decarbonising transport.

The last presenter, **Mr. Maloutas** offered the example of his city, which is transitioning from a lignite hub to a hub of innovation and sustainability, by means of complementary digital and climate-neutral transformation programmes. The region of Western Macedonia, in which Kozani is located, used to contribute some 70% of Greece's energy supply. This number is constantly decreasing, and is planned to be down to 20-30% by 2023. With this massive loss in the energy sector – at present, approximately 50% of the city's economy depends on mining – the city's very survival greatly depends on a just transition. The city will simply not be able to thrive unless it forges climate neutral, lasting jobs.

### Panel discussion

The discussion pointed to the need to include vulnerable groups in planning. Ms. Ågren stressed the importance of incorporating social sustainability into municipal policy. She explained that Umeå established direct dialogue between citizens and municipal officers on neighbourhood needs, which allowed them to gain information that cannot be achieved through surveys alone. Similarly, Mr. Maloutas highlighted that they have carried out extensive consultation with a vast array of stakeholders, and raised the importance of communicating that climate neutrality is a one-way road for their region (i.e. there is no turning back to a carbon-intensive place).

The conversation then moved to renewable energy. Mr. Mori stressed that it is key to take time to decide on the most suitable clean energy to pursue. Ms. Ågren raised the importance of diversifying energy production, and explained that Umeå is working with a public-private partnership to research the best approaches to take in this regard. She also explained how they are working on reducing the fossil fraction of waste, as it is used for energy production in incineration.

An audience member asked about the role of migrants and refugees in these conversations around just transition and becoming climate-neutral. The representatives from Velenje and Kozani explained that there are no refugees in their respective cities.

Lastly, an audience-member brought forward the need to facilitate regional economic growth. Mr. Maloutas stated that cooperation between cities (within and beyond the region) is a win-win situation, and that their projects aim to be a source of inspiration for the entire region of Western Macedonia. Similarly, Mr. Mori stressed the importance of cooperation, while passionately thanking the EC for their support also to this end. Finally, Ms. Ågren shared a concluding tip on how to achieve effective multi-level governance across a region, urging cities to create local-regional platforms where challenges can be shared.



## Closing the conference

**Balbina Gluza-Czyczerska**, Just Transition Platform Coordinator, DG REGIO ended the session and the conference as a whole with a closing speech that highlighted the huge amount of passion and engagement displayed throughout the event, whilst also reminding the audience about the aim of the platform to foster exchange and share knowledge.

She stressed that we are entering the implementation phase of the Just Transition Fund and that the current energy crisis should not distract stakeholders from pursuing just transition. She shared some preliminary results from a survey conducted among conference attendees on their needs moving forward, which showed that there is an urgent need to support stakeholders through capacity building. Accordingly, Ms. Gluza-Czyczerska stated that in January 2023 additional technical support will be deployed by the Commission. She concluded by thanking the interpreters and organisers of the conference, namely, DG REGIO, DG ENER and the JTP and CRIT Secretariats.

## Initiative for coal regions in transition

The Initiative for coal regions in transition is an initiative by the European Commission.

👉 [ec.europa.eu/coal-regions-in-transition](https://ec.europa.eu/coal-regions-in-transition)

✉ [secretariat@coalregions.eu](mailto:secretariat@coalregions.eu)

🐦 [twitter @Energy4Europe](https://twitter.com/Energy4Europe)

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