



EU coal regions exchange programme

# Exchange between Stara Zagora (BG) and Karlovy Vary (CZ)

exchangeEU

## Study visit in Stara Zagora, Bulgaria

During this two-day exchange, delegates from Stara Zagora (Bulgaria) and Karlovy Vary (Czech Republic) met in Stara Zagora, the energy heart of Bulgaria, to exchange and connect on three topics: digitalisation and innovation, recultivation of coal mining regions for tourism as well as renewable energy deployment strategies.

To combat depopulation in the regions, Stara Zagora and Karlovy Vary are planning to **digitalise and innovate their economies**, thereby attracting new businesses and start-ups. In 2021, Stara Zagora created the [Zagore European Digital Innovation Hub](#). This Hub brings together actors from academia, businesses, and NGOs to deliver several core services such as digital skills and training for local businesses to find investment opportunities. Karlovy Vary presented the Czech e-government strategy, which is widely implemented and includes, among others, a subsidy portal to make information on subsidies easily accessible.

A second approach to increase the regions' attractiveness is the **recultivation for tourism** purposes. Stara Zagora is well known in and outside Bulgaria for its energy production. But the region also has a rich history and consequently great potential for expanding tourism which is currently left unexplored. This untapped potential was illustrated while visiting the Regional History Museum and Neolithic dwellings. In contrast, Karlovy Vary has developed a flourishing tourism industry, offering a broad range of activities from glamping to thermal spas and UNESCO cultural heritage sites in the region. The delegation shared how they integrated tourism into existing industries in the region, such as ceramics, porcelain, and glass, as well as best practices like a shared cultural calendar, or the innovation of existing touristic attractions through digitalisation or multipurpose use, e.g., a museum during the day and a music venue at night. These served as an inspiration on how to elevate Stara Zagora's touristic potential.

Representatives from Stara Zagora and Karlovy Vary and the exchange facilitators during a visit to the Stara Zagora Regional History Museum, photo by Mihaela Dineva

Finally, Stara Zagora shared its plans for the creation of a [Hydrogen Valley](#) to accelerate the decarbonization in the region. Here, the regions discussed a potential partnership and will explore this in the future. Following the exchange, the regions are planning to meet again in Karlovy Vary in the context of the [Annual Political Dialogue](#) and jointly participate in the [European Week of Cities and Regions](#) in October 2023.

### Stara Zagora, Bulgaria

<b>Roles</b>	Hosting region	Mentor in respective fields of expertise
<b>Main actors involved</b>	Stara Zagora Regional Development Agency (SZ REDA), Municipality of Stara Zagora, Chamber of Commerce, and Industry Stara Zagora, European Digital Innovation Hub Zagore (EDIH Zagore)	
<b>Field of expertise</b>	Clean energy development	

### Karlovy Vary, Czech Republic

<b>Roles</b>	Visiting region	Mentor in respective fields of expertise
<b>Main actors involved</b>	Karlovy Vary Innovation Committee, Governor of the Karlovy Vary Region, Karlovy Vary Chamber of Commerce, local start-ups	
<b>Field of expertise</b>	Digitalisation, start-ups, transformation of the region for tourism	



# Region profiles

## Towards a just transition away from coal

This exchange brought together two Eastern European regions, Stara Zagora in Bulgaria, and Karlovy Vary in the Czech Republic. While coal extraction in the Karlovy Vary mine is planned to cease in 2033, Stara Zagora plans to phase-out coal by the end of 2038.

### STARA ZAGORA, BULGARIA

State of phasing out coal<sup>1</sup>

ONGOING

**8,000**  
Approx. directly employed coal workers<sup>3</sup>

closure target  
**2038**



**1**  
extracting coal mine<sup>2</sup>



**4**  
coal plants in operation



**40%**  
share of coal-fired power<sup>2</sup> generation

### State of Just Energy Transition

Coal mining and coal-fired power generation in the Stara Zagora region continue at full capacity at all four thermal power plants. Negotiations between the Bulgarian government and the European Commission about Bulgaria's Territorial Just Transition Plans (TJTPs) are ongoing. Yet, the transition's focus lies on shifting from a coal-based economy to new industrial activities, including the production and use of renewable energy.

<sup>1</sup> Reference year: 2023

<sup>2</sup> SZ REDA (2021): Stara Zagora Just Transition Plan – main priority areas for development (EU Industry Week, 22-25 February 2021).

<sup>3</sup> Heuer (2018): Just transition in the Czech Republic.

### KARLOVY VARY, CZECH REPUBLIC

State of phasing out coal<sup>1</sup>

ONGOING

**2,000**  
employed coal workers

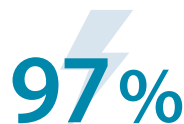
closure target  
**2033**<sup>6</sup>



**1**  
extracting coal mine<sup>4</sup>



**1**  
coal plant in operation<sup>4</sup>



**97%**  
share of coal-fired power generation<sup>5</sup>

### State of Just Energy Transition

Karlovy Vary is one of three regions in the Czech Republic to receive funding under the Just Transition Fund (JTF). While industries such as glass, porcelain, cement, and tourism play an important role, coal mining and related industries still provide the largest number of jobs in the region. Economic diversification through the creation of digital and innovation hubs, re-use of shut down lignite mining pits and the production of renewable energy, as well as energy efficiency plans for cities and municipalities are therefore strategic areas of the Czech Republic's TJTPs.

<sup>4</sup> Climate Action Network Europe (2022): Coal Plant Database.

<sup>5</sup> EU (2020): Regional Profile. Karlovy Vary.

<sup>6</sup> Regional Office Karlovy Vary (2021): Territorial just transition plan for Ústí nad Labem, Karlovarský and Moravskoslezský

## Common challenges

- Lack of experience in rendering a digitalisation plan for local economies to attract SMEs and start-ups;
- Retaining and attracting human capital in the region to support its development.
- Recultivation of post-mining areas for tourism;

## Focus topics

The participants of this exchange identified digitalisation and innovation as well as the recultivation of coal mining areas for tourism as their main topics for discussion.



### Digitalization and innovation

Focus on developing a digital economy to attract new businesses, start-ups, and SMEs to diversify the economy. Karlovy Vary shared the Czech Republic's holistic e-government strategy in place and Stara Zagora about its Digital Innovation Hub.



### Recultivation of coal mining regions for tourism

Focus on making the regions more attractive for tourism and on how to promote regional attractions, thereby shifting the focus away from coal. Karlovy Vary has developed a flourishing spa tourism industry in the region and, thus, shared its approach and best practices.

## Recommendations

+ Investments in research and implementation of renewable energy system projects need to be tailored to the region's potential;

+ Focus on leveraging existing potential and assets when developing alternative sustainable economic branches for regions in transition, rather than focusing on creating something new.



**"It is crucial that our regions see the Just Transition not as a threat but as a great opportunity for further development of their potential."**

**Sofia Savova,**  
Stara Zagora Regional Development Agency,  
Bulgaria



**"Our innovative approach during the Stara Zagora exchange facilitated productive discussions and collaboration. We truly believe that the work accomplished in those few days will contribute to the development and growth of both our regions in the coming years."**

**Simon Barczy,**  
Karlovy Vary Innovation Committee,  
Czech Republic

## Learnings

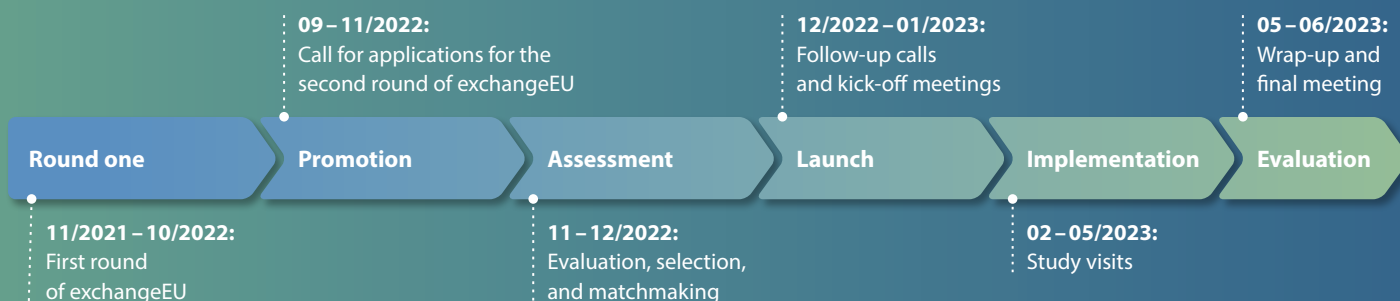
- ✓ Strong political will and support from the national government are decisive and necessary to appropriately prepare the regions for the transition;
- ✓ Active citizen inclusion is needed to successfully develop a digital economy and to increase acceptance for alternative sustainable industries amongst citizens;

- ✓ An eGovernance ecosystem can ease administrative processes for private persons and companies and can support the monitoring of JTF spendings;
- ✓ Significant investments in developing the tourism sector alongside a dedicated tourism strategy focusing on the regions' existing potential are needed to successfully transform post-mining areas for tourism.

# Programme development

exchangeEU consists of two exchange rounds, spanning from November 2021 to June 2023. The first round took place from November 2021 until October 2022, the second round launched in November 2022. In each round, candidate regions are fittingly paired according to their Just Transition and coal phase-out trajectories.

Subsequently, the matched regions collaborate closely on developing a study visit to one of the regions based on their own needs and topic interests. Assigned exchange facilitators support them throughout the process.



## About exchangeEU

exchangeEU is the exchange programme for coal, lignite, peat, and oil shale (coal+) regions in transition in the European Union (EU). The programme is part of the Coal Regions in Transition (CRiT) initiative and implemented by the European Commission.

Recognising the need for accelerating a just and low-carbon energy transition in Europe, exchangeEU facilitates cooperation and peer-to-peer learning amongst EU coal+ regions to foster the implementation of Just Energy Transition strategies. The key objective is to support EU coal+ regions to decarbonise their energy systems while protecting workers and communities through economic diversification and technological innovation. During the programme, participating regions share experiences and work together on overcoming current challenges they face in their Just Transition processes. As such, exchangeEU opens the way for building a broad network of practitioners.

## Outcomes of second application round



In total **17 coal+ regions** in transition have been selected to participate



The matching process resulted in **9 exchanges**, including 5 region pairs and 4 region triangles



The participating regions represent a total of **11 EU Member States**: Bulgaria, Czech Republic, Croatia, Estonia, Germany, Greece, Hungary, Poland, Slovakia, Slovenia, and Spain



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exchangeEU is part of the [Initiative for Coal Regions in Transition \(CRiT\)](#)