WEBINAR SERIES

Transition strategies & Governance of transitions

Platform for coal regions in transition Secretariat

26 May 2020

Agenda

Opening remarks

Anna Sobczak, Policy Coordinator for EU Coal Regions in transition, Just Transition Fund in the context of EU Green Deal

Transition strategies

Timon Wehnert, Wuppertal Institute

Csaba Vaszko, Climate change, Energy and Water Expert

Governance of transitions

Maria Yetano Roche, Wuppertal Institute

Alexandru Mustață, Campaign Coordinator, Bankwatch Romania

Q&A

Facilitator

Robert Pollock, Senior Advisor, Platform for Coal Regions in Transition
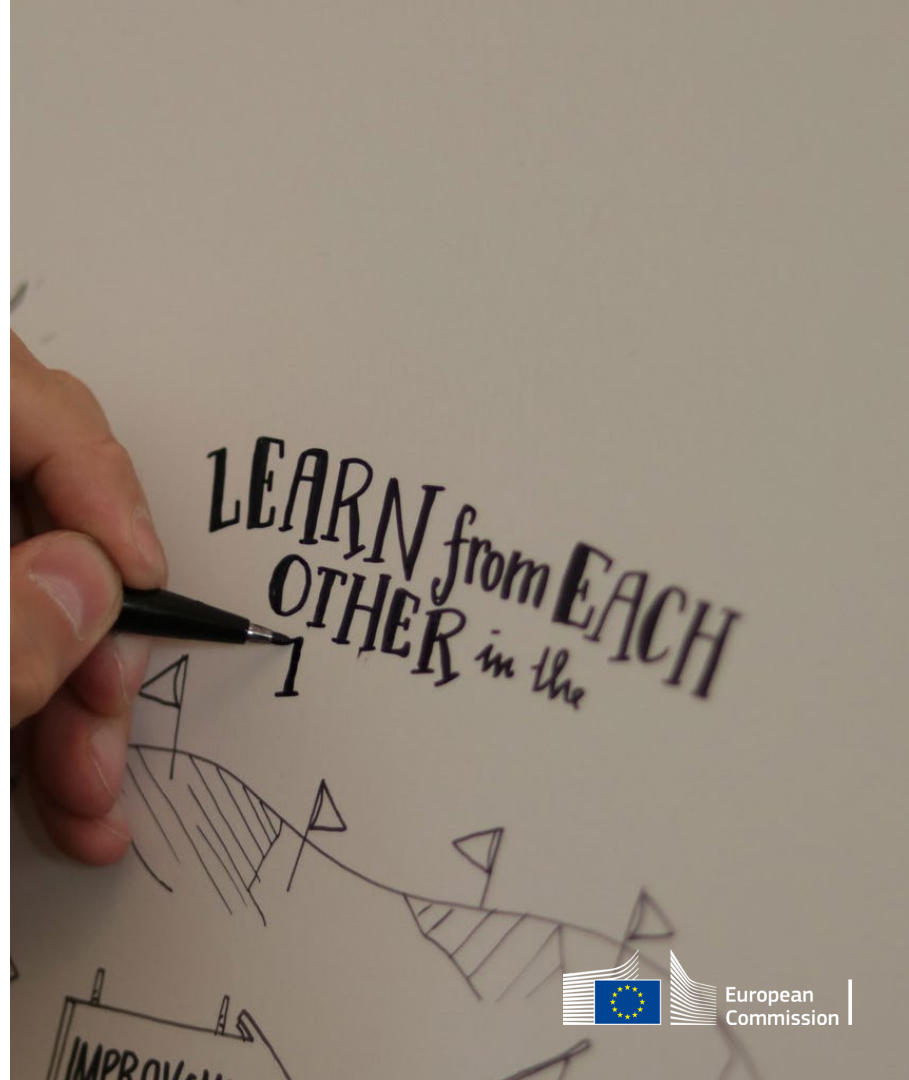
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Webinar structure

Duration 1:30 hs

Participants are muted

Questions can be added to the *questions* panel, and will be answered at the end of the webinar

The webinar will be recorded and uploaded to YouTube

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Strategies & Governance for coal regions in transition

A regional strategy guides choices and actions in the transition process they are facing, and combines the short-term and long-term.

A strategy should reflect the needs of the different stakeholders in the region and require effort from multiple actors. Building effective governance models and implementing stakeholder engagement is essential.

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Opening remarks

EU policy context

The clean energy transition is an **opportunity for the EU,** but some sectors, regions and communities will be more affected than others.

They need support at all levels to make a clean energy transition a success leaving no one behind.

At the EU level, we put forward **instruments to help with the transition strategies and governance** so that the solutions can be tailored made to needs.

The Green Deal must be at the heart of Europe's recovery plans. Clean energy investment can simultaneously create jobs and reduce emissions. I see three focus areas in our sector: boosting buildings renovation, accelerating renewables development and promoting innovative clean energy technologies. Green energy can power Europe's future growth.

#EUgreendeal

Kadri Simson
Commissioner | Energy

European Commission

European Commission

Support materials

Currently available at ec.europa.eu/coal-regions-in-transition

■ **Current practice case studies**

■ **Toolkits**

  Transition strategies

  Governance of transitions

  Sustainable employment and welfare support

  Environmental rehabilitation and repurposing

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Toolkits structure

Slides section

Summary of key messages

To be used as presentation,
but can be read by itself as executive summary

Background notes

Concise information on all topics addressed in
slides

Supported by references for further
information, like existing handbooks, tools, good
practice cases

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Transition strategies

Toolkit structure

This toolkit is structured along a simplified version of the policy cycle that can be used by practitioners to develop a transition strategy for coal regions..

THE LEARNING
Monitoring, reporting, evaluation and policy adaptation

THE PROBLEM
Problem analysis and agenda setting

THE ACTION
Identifying and selecting options
Implementing actions

THE TARGET
Defining the vision and objectives of the strategy

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Toolkit
Transition strategies
How to design effective strat...
for coal regions in...

Transition strategies

Defining the problem and agenda setting

Defining the problem is an important step in the agenda setting process, and will largely define next steps, including what an appropriate strategy is, what suitable actions are, and which stakeholders need to be involved.

Consulting with a wide range of stakeholders can help define the problem more holistically and ensure that not only a sub-set of problems are addressed.

The governance of the transition process must be set-up to correspond to the identified problems.

Participatory processes not only help to improve the quality of strategies but also lay the foundation for ownership by actors needed for its implementation.

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Transition strategies

Align with existing targets

Visions and objectives need to respond to the specific conditions of the region, but they also need to be in line with national, EU, and international goals.

The European Green Deal

This new strategic priority of the European Union represents an all-encompassing strategy for achieving long-term, sustainable growth in Europe, creating wealth and jobs while significantly cutting emissions and pollution, with the ultimate objective of making the EU the first climate-neutral bloc by 2050.

IMPORTANT OVERARCHING GOALS

Sustainable Development Goals / Paris Agreement / EU Green Deal / European Industrial Strategy / EU Cohesion Policy / EU Clean Energy Package

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Csaba Vaszko

Climate change, Energy and Water Expert

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Transition strategies

## Problem definition

Country level

Matra Power Plant (MPP), the 2nd biggets power plant with 5 lignite-fired units, 884MW capacity, 2 open pit lignite mines (8 million t/y).
MPP generates 15-20% of the domestic electricity
MPP provides 50% of the Hungarian electricity sector's CO2 emission (6.5 million t/y) and it is the biggest SO2 emitter.
No decarbonization without the MPP.
Replacement of lignite-fired capacities has to be planned.

Regional level

2100 direct and 4700 indirect jobs
Many direct employees have only low educational qualifications
~ 1 000 companies and entrepreneurs in the supply chain
Industrial park connected to the MPP – regional economy
Lack of human capacity for planning and implementing the transition
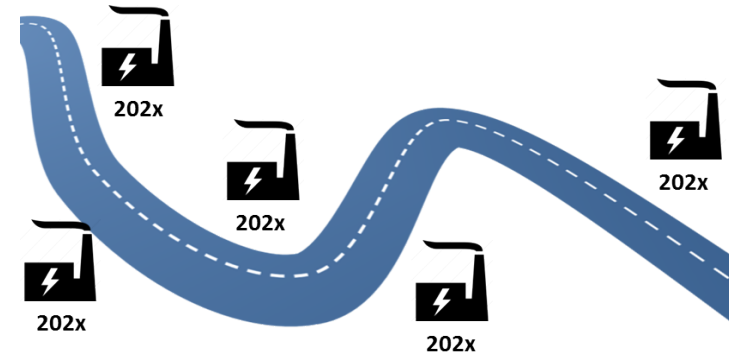Lack of strategy at regional level

Local level

Energy poverty: Lignite is also used by households for home heating (100 000 families) – health problems
Loss of income: local municipalities received income through business tax
Brownfield (environmental risk) with liabilities and assets
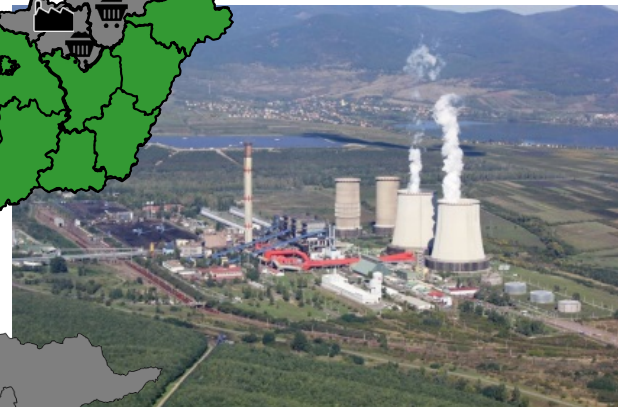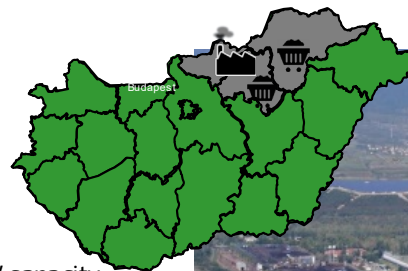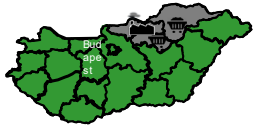
Transition strategies

Targets

- **Gradual phase-out** of lignite-fired units by 2030 >> 6.5 million t CO2/y reduction

- Replacing lignite with **low-carbon energy and energy storage**

- **Human capacity** building for planning and implementing the transition: central, regional, local level; trade unions; regional economy; employment; education; research etc.

- Attracting **funding** for the transition: Just Transition Fund; Modernization Fund etc.

- **Retraining of miners and workers** > avoid outmigration

- **Economic diversification**: support supply chain companies;

- **Energy Poverty Reduction**: phase-out residential lignite > residential energy efficiency and renewable energy solutions for different household segments;

- **Repurposing**: land and water resources > conversion into assets for energy production, tourism, water retention, cultural heritage etc

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Transition strategies

Central partners with national scope

Regional partners with regional scope

Local partners with regional scope

Regional economy
Chambers of commers and industry

Local governments

Energy industry
Owner and operator

Academic, education, research
university, research institute

Regional authority
County government offices

Central Government Bodies
Ministry, energy authority, research institute

Non-Governmental Organizations
NGO, trade unions

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Transition strategies

Actions – begin with stakeholders, transition experiences and governance model

- Stakeholder assessment

- Collection of best practices and transition experiences (success factors, good governance models)

- Human capacity building (central government, regional and local level)

- Impact assessments (socio-economic, health, environmental, energy security etc.)

- Repurposing: assessment of local assets, local demand analysis

- Energy Poverty assessment (location of vulnerable households, spatial distribution, segmentation of households etc.)

- ....

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Governance of transitions

Governance of transitions

Key messages

1. Governance of regional transformations is multi-level and multi-actor.

2. Effective regional transition governance models reflect the views of different actors and actor representatives are recognised as legitimate.

3. Stakeholder engagement must be understood as a process. It should start early, be sustained over time, and requires leadership and facilitation.

4. The process of stakeholder engagement must always include an active communication strategy, informing the general public about the process, how they can take part and what will happen next.

5. Both social dialogue and the involvement of civil society are key elements of the governance processes in coal regions in transition.

THE LEARNING

THE PROBLEM

GOVERNANCE

THE ACTION

THE TARGET

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Governance of transitions

An approach to governance

GOVERNANCE MODEL

Key elements
Step-by-step guide
Multi-level and multi-actor governance

STAKEHOLDER ENGAGEMENT AND PARTNERSHIPS

Informing vs. involving
Common barriers
Tools and guidance

THE ROLE OF CIVIL SOCIETY

Guiding principles
Examples

THE ROLE OF SOCIAL DIALOGUE

Guiding principles
Examples

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Governance of transitions

Multi-level and multi-actor governance

Governance models for coal regions in transition need to harness existing interactions among governance levels and actors in the region.

Examples of collaboration:

- **across administrative levels**: touristic lake region in Lusatia (Germany), spanning two federal states, three districts and ten municipalities;

- **among local governments and with civil society organisations**: Platform on Sustainable Development in coal mining region of Donetsk (Ukraine);

- **between business associations, municipalities and trade unions**: Rheinisches Revier regional development agency (Germany).

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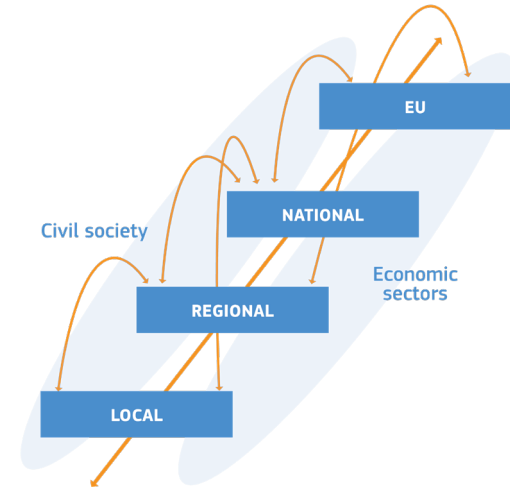
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Common barriers in stakeholder engagement

? Problem
Process is time-consuming and resource-intensive

? Problem
It is hard to achieve meaningful inclusion of certain stakeholder groups

? Problem
Lack of agreement regarding information needed to make decisions

Approach
Long-term commitment and clear expectations

Stakeholder engagement should start early and be sustained over time. It does not end when a region's strategy is launched.

Approach
Awareness raising, empowering stakeholders and effective facilitation

Awareness raising can bring certain stakeholders onboard, while targeted support can strengthen the voice of those not usually involved in decision-making. A good facilitator ensures equal engagement of all stakeholders.

Approach
Joint fact finding processes

There are solutions to avoid contestation of the evidence available and build objective and constructive stakeholder debates.

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Governance of transitions

Who is civil society?

Civil society refers to the arena of collective actors, organisations and networks that work in the interest of citizens.

Civil society groups differ from governmental and private sector actors and are able to advocate for changes needed, articulate demands and voice concerns at local, regional, national and international levels.

- NGOs
- Umbrella bodies
- Faith-based organisations
- Trusts and foundations
- Campaigns
- Civil society organisations
- Advocacy groups
- Citizen groups
- Coalitions
- Professional associations
- Business associations
- Registered charities

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Alexandru Mustață

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Q&A

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Thank you

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