

PLATFORM FOR COAL REGIONS IN TRANSITION

Regional strategies and action plans by pilot regions Brandenburg and Saxony Brussels, Feb. 26th 2018

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- About the coal regions in Saxony and Brandenburg
- The region of Lusatia: Advantages/Disadvantages
- Challenges for Lusatia as a region in transition
- What we've recognized and what we do

About German coal-mining regions (lignite)



Quelle: BDEW Bundesverband der Energie- und Wasserwirtschaft e.V.; 2017



Stand: 09/2017

Leipziger Institut für Energie GmbH

About

German coal-mining regions (lignite)

Lusatia

Area
Inhabitants

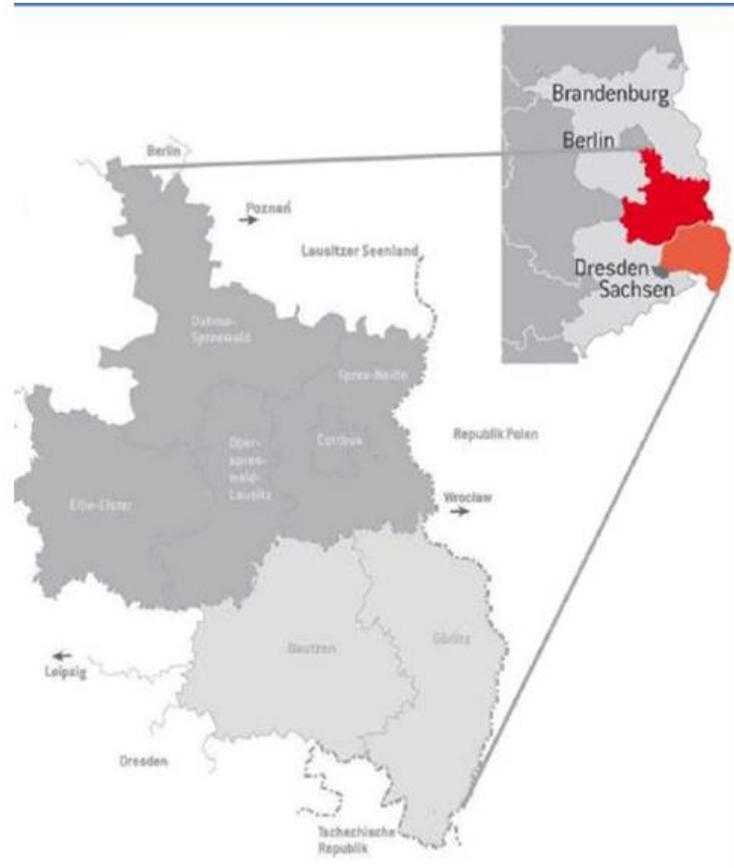
11.582 km²
1,16 Mio. (2015)

Municipalities
(thereof towns)

208
65

GDP by employees in €

59.240 (2013)



About Lusatia: employees

- active coal mining (lignite) and restoring mining about 9.000 **employees**
 - about 6.000 in Brandenburg
 - about 3.000 in Saxony
- **employees** (indirect and induced employment) linked to coal mining:
→ about 15.000
- **volume of orders** 2015 about € 950 m. → 3.900 suppliers
 - Brandenburg: about € 450 m. → 750 suppliers
 - Saxony: about € 170 m. → 840 suppliers
 - Lusatian Coal-mining-areas: over € 510 m. to about 920 suppliers

(Sources: ifo 2014, Markwardt et. al. 2016/2017)

About Lusatia: open-cast mining and power plants

- running time of approved **open-cast mining (lignite)**
 - Jänschwalde until about 2025
 - Welzow-Süd I until about 2033
 - Nochten I (2031), Reichwalde (2042)
- running time of **power plants (lignite)**
 - Jänschwalde (2.000 MW) until about 2032/33,
+ standby mode for backup purposes (2x500 MW) in 2018/19
 - Schwarze Pumpe (1.600 MW) until about 2042
 - Boxberg (1.600 MW) until about 2042
+ backup purposes (2x500 MW)

local disadvantages

- business services (consulting, ...) not adequately represented due to quote of German federal states
- mining- and energy industries, etc. highly relevant for local economy in several parts of Lusatia
- high dependency of coal-mining related suppliers on one single company (LEAG)
- limited private investment in R&D → limited public funded institutes for scientific research
- demographic decline → aging of population stronger than in other regions / shrinking population
- accessibility and mobility adverse in some parts of Lusatia

(Sources: ifo 2014, Markwardt et. al. 2016/2017)

local advantages (1/2)

- high proportion of manufacturing sector, building sector, public sector
- main focus on clusters in Lusatia: energy technology, metal, food industry, plastics and chemistry, transport, mobility and logistics, tourism (defined clusters in Brandenburg)
- other important economic sectors: IT services, technical textiles, health economy etc.
- currently qualified professionals available in the region

local advantages (2/2)

- good potential for an expanding university and science landscape (Brandenburg University of Technology Cottbus-Senftenberg, University of Applied Science Zittau/Görlitz, Fraunhofer Research Institute for Lightweight Construction and Synthetic Biofuels)
- advantageous location of region between Dresden, Berlin and Wrocław/Poland
- good potential for integration into the Trans-European Transport Network
- optimal conditions for interregional and cross-border cooperation

challenges for Lusatia as a region in transition

- permanent transition since the 1990s
- mostly rural area with only one defined upper centre (Oberzentrum) in Brandenburg (Cottbus) and no defined upper centre in Saxony
- keywords
 - globalization → changing supply chains
 - digitization → industry 4.0
 - decarbonisation → politically defined climate and environmental goals

We recognized that, ...

- it's necessary to think and work across borders.
 - borders of federal states of Germany
 - neighboring countries PL/CZ
 - hand in hand with many actors, stakeholders and European partners → **multilevel approach**

Multilevel-Approach

... activities of municipalities and regional actors

- Wirtschaftsregion Lausitz → working on the pilot project / framework
- Zukunftswerkstatt Lausitz
- Innovationsregion Lausitz
- Lausitzrunde
- Domowina
- other local + regional initiatives

... activities on the European Level

- consultation for cohesion post-2020
- Platform on coal regions in transition
- Pilot action on regions in industrial transition

Federal State governments of Brandenburg and Saxony

- Strategic principles and objectives with defined goals
- focus on activities (infrastructure development; innovation, research and science; business promotion and development; development of skilled workers; marketing, culture and tourism) including first measures and projects

↻ cooperate, coordinate and strengthen...

... activities of the federal gov. of Germany

- commission for growth, transition and employment (in foundation)
- initiative: Unternehmen Revier
- initiative: Regional Change by Innovation (WiR!)

We recognized that, ...

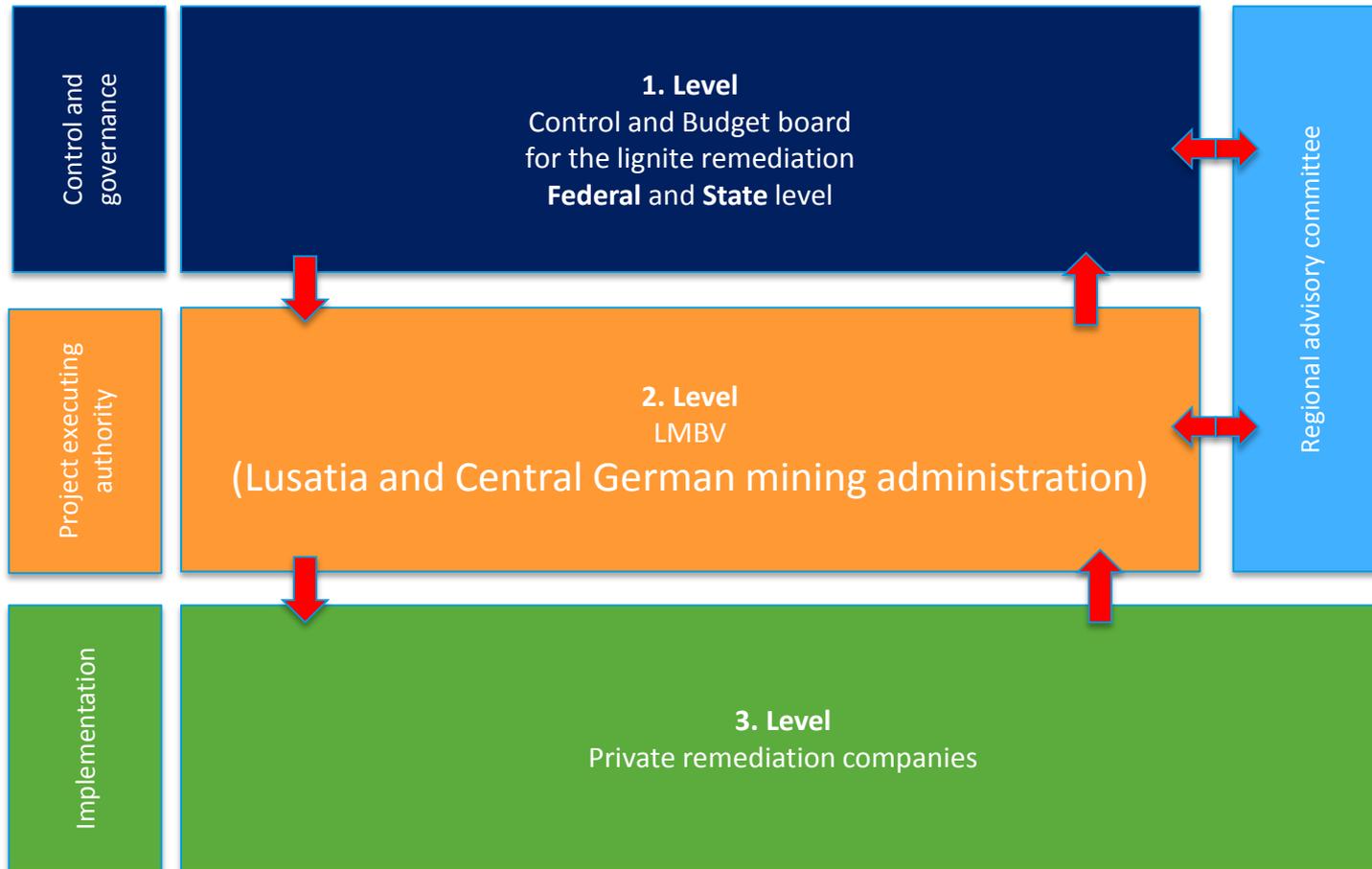
- there's a strong need to take a joint and holistic approach
 - no strict focus on industrial enterprises → service providers, agricultures, regional politics and urban development have to be analysed
 - **Redevelopment and recultivation of mining landscapes** must be sustainable for the region
 - ↳ LMBV: important stakeholder for the region

1990: Big challenges for Lusatia



Recultivation of mining landscapes (LMBV)

Organisational structure



LMBV

Key Role in recultivation and rehabilitation

Lausitzer und Mitteldeutsche Bergbau-Verwaltungsgesellschaft mbH

- Founded on August 9th 1994 by the Treuhandanstalt of the German government
- LMBV is wholly owned by the Federal Republic of Germany, represented by the German Federal Ministry of Finance.
- The main task of the LMBV is the recultivation and rehabilitation of mining landscapes.

Rehabilitation plans

Remediation work is primarily financed by the federal government of Germany and its states. Until the end of 2016, a total of approx. € **10 bn.** has been invested in fundamental remediation

Surface-Area Management



Industrial park

Ecology and Forest Recultivation



Monitoring of afforestation action

Water Resource Management



Installation of a horizontal filter well



solar park at the reclaimed site



Red deer on post-mining reclaimed site



Vibrostoffloatation compression on the shore of the lake

Environmental impact on Lusatia's surface waters

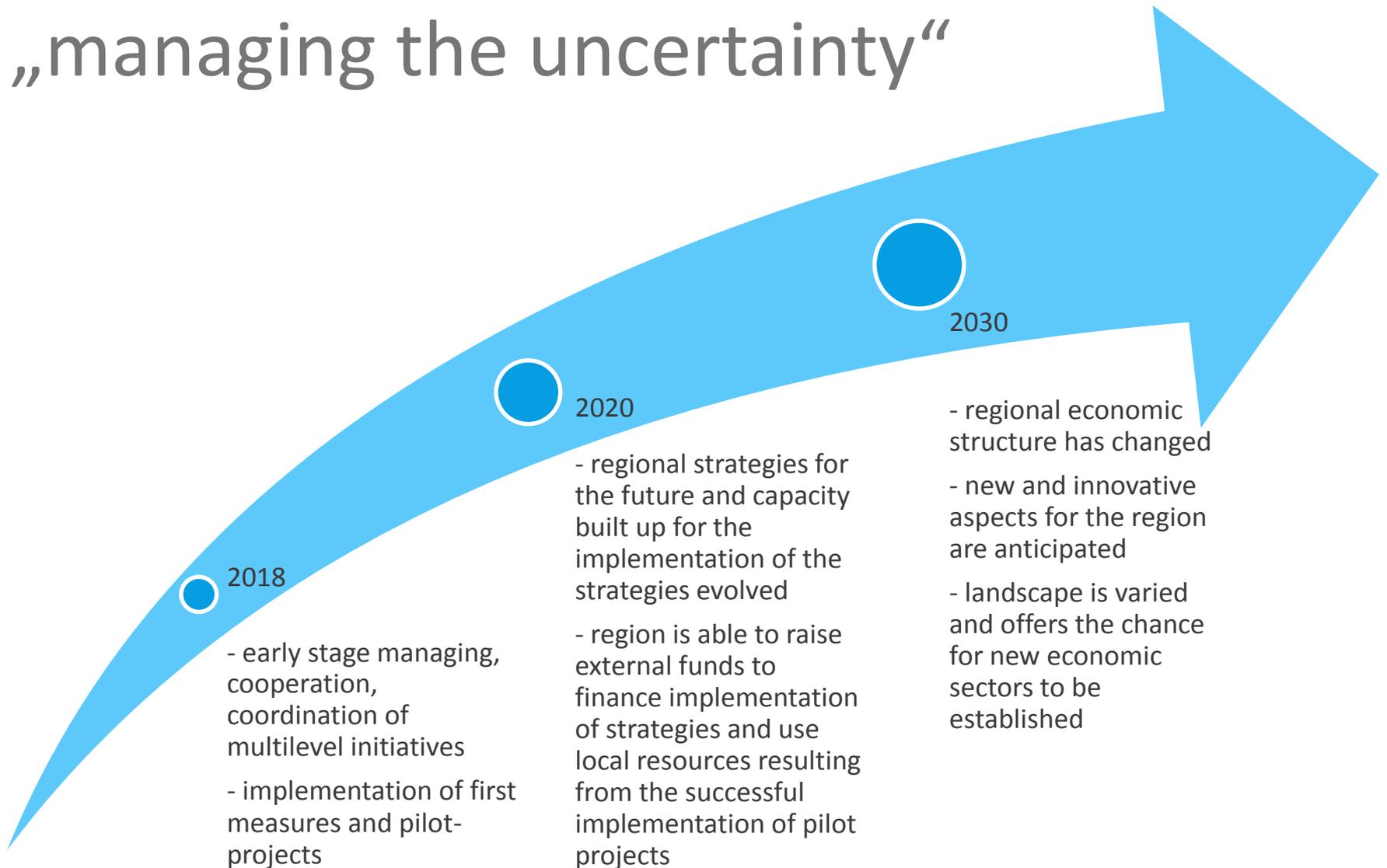
Iron - current situation, activities and projection



We recognized that, ...

- it's a **long term** task.
 - concept phase with a broad based bottom-up participation process until 2020
 - ongoing process: implementation of first measures and pilot-projects
 - subsequently: implementation of strategies and findings

Timeline – „managing the uncertainty“



We recognized that, ...

- transition needs **resources**.
 - Brandenburg, Saxony and federal government of Germany initiated and are about to support Lusatia in its transition

Existing national funds for transition, ...

project/title	amount	source
Zukunftswerkstatt Lausitz (2017 - 2020)	€ 8.0 m.	Federal Gov. 45 % Brandenburg/Saxony 45 % Local Gov. 10 %
Unternehmen Revier (2016 - 2025)	€ 4.0 m. p.a. for 10 years (energy and climate fund of Fed. Gov.), <u>40 % for Lusatia</u> 60 % other German coal regions	Federal Gov. / Federal Ministry for Economic Affairs and Energy
Wandel durch Innovation in der Region (Wir!) first stage (2017 - 2019)	€ 150 m. <u>applicable to all eastern German federal states</u> (not only coal regions)	Federal Gov. / Federal Ministry of Education and Research
LMBV → restoration of landscape (post-GDR) (1991 - 2022) Co-Financed	about € 12 bn. € 200 m.	Federal Gov. Brandenburg/Saxony

What we need.

- cohesion policy after 2020 → there is a strong need to maintain EU funds, applicable for cohesion in (coal) regions in transition → ESI-Funds
- strong commitment by the EU that regions in transition get early support to manage transition and their future sustainably
- joint action and strategic approach
- structural policy must be proactive instead of reactive