



EU coal regions exchange programme

Exchange between Northern Hungary (HU), Upper Nitra (SK) and Western Macedonia (EL)

exchangeEU

Study visit in Northern Hungary

Delegates from Northern Hungary (HU), Western Macedonia (EL), and the Upper Nitra Region (SK) met in Eger, Hungary, the heart of the Heves coal region, to exchange on three key topics: establishing energy communities, develop strategies for re-skilling **and upskilling (former) coal+ workers, and stakeholder engagement.** Aside from intensive group discussions, delegates visited the Mátra Power Plant, Hungary's only operating coal power plant, as well as the Tiszabő social power park, and Heves Chamber of Commerce and Industry amongst other site visits.

On **energy communities**, Western Macedonia, which has established more than 1,400 energy communities, highlighted the importance of setting high renewable energy deployment targets to incentivise the creation of energy communities. Further, they recommended designing legal parameters that ensure energy communities truly serve the needs of their members as opposed to selling renewable energy exclusively to the electricity market. Following the exchange, Upper Nitra plans to liaise with Western Macedonia to get case study examples of different energy community models.

On **re-skilling and up-skilling,** delegates talked about different approaches to both re-skill coal workers and attract new industries to diminish regional brain drain. The president of the Heves Chamber of Commerce presented a plan to use Just Transition Fund (JTF) budget to create a career guidance, trainings, and employment support programme for coal workers. Similarly, Upper Nitra highlighted a successfully implemented Contact Centers programme, designed to provide former coal workers with counselling, financial advice, mentoring, psychological consultations, and job training.

On **stakeholder engagement,** all delegations emphasized the importance of putting people at the centre of the transition process. Best practice examples were presented to showcase ways to

include local stakeholders in the transition process, such as Western Macedonia's EUTeens4Greens projects and the Slovakian company 'Pronea' which works to educate students on entrepreneurship and encourages them to develop their region through their own ideas and projects.

NORTHERN HUNGARY, HUNGARY

Roles	Hosting region	Mentor in respective fields of expertise
Main actors involved	Coal Commission Secretariat, Heves County Chamber of Commerce and Industry	
Field of expertise	Stakeholder engageme	nt

UPPER NITRA REGION, SLOVAKIA

Roles	Visiting region	Mentor in respective fields of expertise	
Main actors involved	City of Prievidza, CEE Bankwatch Network – Priatelia Zeme, and Pronea		
Field of expertise	Clean energy projects development, especially district heating		

WESTERN MACEDONIA, GREECE

Roles	Visiting region	Mentor in respective fields of expertise
Main actors involved	IPTO-Independent Power Transmission Operator, SMBC Institute, Chamber of Florina and DCN Global	
Field of expertise	Energy community crea der engagement	tion and youth stakehol-

Region profiles

Towards a just transition away from coal

This exchange brought together three regions still extracting lignite but planning to phase out coal accordingly: Slovakia plans to phase out lignite by the end of 2023, Northern Hungary aims for 2025, and Western Macedonia by the end of 2028.

NORTHERN HUNGARY, HUNGARY

State of phasing out coal

ONGOING

coal mines

mio. EUR of annual revenues1

operation

share of coal-fired

power generation

employed coal workers

closure target

950 MW by

State of Just Energy Transition

Northern Hungary is working to prepare project calls for projects aligned with key topics identified in the country's two Territorial Just Transition Plans (TJTP) focused on lignite mining regions Heves and Borsod Abauj Zemplen.

UPPER NITRA REGION, SLOVAKIA

State of phasing out coal



mio. EUR of annual revenues



extracting coal mine



coal power plant in operation



share of coal-fired power generation



coal workers

closure target



State of Just Energy Transition

The Slovak Republic will end electricity production from domestic brown coal by the end of 2023. Upper Nitra is currently working on projects to support low-carbon energy production in areas such as district heating. The Slovakian TJTP focuses on economic diversification, transitioning to clean energy and revitalising territories, and development of human capital and skills for just transition.

WESTERN MACEDONIA, GREECE

State of phasing out coal





bn. EUR of annual revenues



extracting coal mine

coal power plants in operation

share of coal-fired power generation

employed coal workers

closure target

State of Just Energy Transition

Greece has cut its use of coal quickly in recent years, down from 43% in 2017 to 12% in 2021. In 2019, the Greek government decided to shut down all lignite power plants by 2028, and to accelerate the de-lignification by withdrawing 80% of installed capacity by 2023. Western Macedonia's TJTP focuses on transforming the region into a hub for clean energy production and utilisation.

Common challenges

- Retaining human capital in the region to support the next phase of the region's economic development;
- Establishing and sustaining a reliable legal framework to enable energy communities both as for-profit models as well as for citizen-centred models;
- Limited personnel in national, regional, and local governments to support the wide spectrum of just transition topics and implementation measures.

¹ Annual Report of MVM Mátra Energia Zrt. (2021)

² Note: The Ministry of Energy is currently doing an economic analysis to determine if they potentially extend the closure date, which will not be confirmed until June.

Focus topics

This exchange focused on the three below topics:



Energy communities

A substantive portion of the exchange focused on how to establish, regulate, and support energy communities in coal+ regions. Western Macedonia shared legal provisions and considerations for effectively setting up an energy community. Also shared were valuable lessons learned on how to create legally binding rules to ensure energy community members actually benefit from the renewable energy produced.



Re- and upskilling workers

Each of the regions shared their respective approaches for retraining and upskilling (former) coal workers to prepare them for new jobs and newly settled industries. Highlighted were skills programmes with both bottom-up and top-down approaches.



Stakeholder engagement

Regions shared different approaches to ergage with a wide range of stakeholders, both within their region and in neighbouring countries in the just transition process. Stakeholder engagement discussions focused on the importance of building an ecosystem of just transition experts and practitioners that engage citizens, NGOs and other civil local organisations in the transition process.

Recommendations

- Based on a thorough stakeholder landscape analysis, identify key stakeholders to be engaged with. Then tailor just transition engagement strategy and projects' according to the identified needs and interests;
- Before planning an energy community roll-out strategy for communities in your region, first ask citizens, SMEs and municipalities about what is necessary for them to invest and participate in an energy community project;
- To determine how much budget you need for setting up a regional re-skilling and upskilling programme, begin by identifying new business opportunities for your region and what former coal+ workers would need to learn to be employable
- by those new business areas;

 Once your re-skilling and upskilling programme has started, ask former coal+ workers who successfully went through your programme to further promote it within their own peers-circle.



"We need to put people at the centre of the just transition process. Peer exchanges help us to understand how to do this."

Dimitrios Kouras, Energy, expert IPTO-Independent Power Transmission Operator, Western Macedonia, Greece



"Exchanges create the opportunity for establishing new connections and getting to know different approaches to support economic development."

Ondrej Grencik, Pronea, Slovakia

Learnings

- Citizens need to be involved in the process of establishing an energy community to ensure these communities serve their power needs, instead of just selling renewable power onto the market;
- An important precondition to shifting the mindset of coal workers and communities towards supporting a low-carbon economy is a strong political commitment to the national coal phase-out plans;
- It is important to clearly communicate that a coal mine will close and that though it will change the region, there is a vision in place for the region and that citizens can be a part of shaping that vision;
- ✓ To effectively integrate the next generation's needs and interests into just transition plans and projects, engaging young people should start early in primary or middle school.

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











exchangeEU is part of the *Initiative for Coal Regions in Transition (CRiT)*