COAL SECTOR CLOSURE AND JUST TRANSITION FOR ALL

PLANNING ASSESSMENT FRAMEWORK

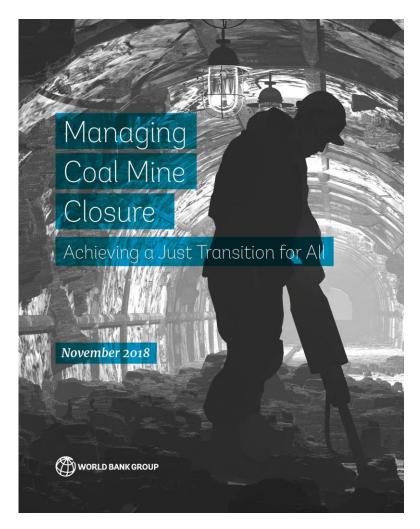
Presentation to the Coal Regions in Transition Platform Brussels November $\mathbf{5}^{\text{TH}}$, $\mathbf{2018}$





Two Decades of Global Experience in Coal Sector Adjustment

- 11 lending operations regarding coal industry adjustment in Russia,
 Ukraine, Poland, and Romania
- Types of Intervention: preparatory diagnostic, technical studies, planning and financing of sector adjustment programs
- "Managing Coal Mine Closure: Achieving a Just Transition for All":
 - ✓ The report has been selected for presentation at the 24th Session
 of the Conference of the Parties (COP24) to the United Nations
 Framework Convention on Climate Change (UNFCCC) in Poland,
 December 2018
 - ✓ It emphasizes the critical importance of well-planned and coordinated coal sector transition





Program Design to Achieve Just Transition for All

Achieving a *Just Transition for All* requires strong analytics to inform development of comprehensive transition road maps, and identification of concrete projects that mitigate the social impacts on labor and communities.

3 Phases of Work

Phase II Phase III

Preliminary Dialogue

- 2 months
- Presentations on World Bank's relevant case studies and international experience
- Study tours for clients
- Understanding by clients on how to systematically approach the design of a Road Map that supports a transition away from coal, and the delineation of concrete investment projects

Road Map for Project Design

- 10-14 months
- Application of the assessment framework
- Analytical work and feasibility studies
- Design of a regional transition strategy / roadmap underpinned by the above analytical work

Support of Concrete Transition Projects

- 5-10 years
- Development policy financing supported policy reforms
- Trust fund grants on key socio-economic transition projects
- Investment project financing supporting social protection programs, reclamation of mines and power plant lands, and repurposing of these lands and assets for alternative uses

Overall Planning Assessment Framework

A. Policy and Stra	tegy Development	B. Inst	itutions	Outputs
Mining Sector Adjustment	Just Transition	Mining Sector Adjustment	Just Transition	
			Stakeholder Engageme	nt
P1 A. Closure Review sector adjustment policies & laws Assess coal industry characteristics	P1 A. Transition Assess regional economic landscape, including impacts to related industries Outline priority economic development programs	P1 B. Closure Map ministries and agencies Design a high-level decision making body (for sector adjustment and transition) Clarify ministerial roles & responsibilities on sector adjustment	P1 B. Transition Map ministries and agencies Design a high-level decision making body (for sector adjustment and transition) Assess/Examine economic development agencies	Output 1: Governance Framework Recommendations for updating mining sector adjustment policies & laws Proposed high-level decision body for sector adjustment and transition Institutional Mapping and Roles and Responsibilities Outlined Output 2: Regional Transition Plan Spatial summary of regional economic landscape Strategy for regional economic development Summary of potential economic development priority programs Output 3: Stakeholder Engagement Strategy Stakeholder mapping
			Stakeholder Engageme	Stakeholder engagement plan for Pillar 1, Pillar 2, Pillar 3
P2 A. Closure Review policies & laws for Social Protection Pre employment transition planning for workers Define pre employment transition assistance	P2 A. Transition Define post employment transition assistance Outline transition projects	P2 B. Closure Assess capacity needs of national, regional, local institutions (delivery and coordination aspects) Map organizations for social service delivery	P2 B. Transition Identify Public and/or Private partnerships for new growth sectors Identify and assess institutions for post employment transition assistance	Output 1: Institutional Framework for Social Protection Recommendations for updating social protection policies & laws Institutional needs assessment for delivery and coordination Output 2: Social Protection and Labor Divestiture Package Action plan for pre employment transition planning and pre employment transition assist Action plan for post employment transition assistance List of potential partners for social delivery Output 3: Regional Transition: Jobs and Economies List of potential public and/or private partnerships for transition project delivery Feasible transition projects under Pillar 1 priority programs
			Stakeholder Engageme	nt
P3 A. Closure Review policies & laws for environmental reclamation Review existing mining sector adjustment plans Assess legacy issues Identify financial surety obligations	P3 A. Transition Assess land and assets for repurposing Design funding mechanisms	P3 B. Closure Review capacities, roles & responsibilities for monitoring and reporting	P3 B. Transition Identify reclamation and repurposing activities Identify public and/or private partnerships for repurposing assets	Output 1: Governance Framework Recommendations for updating environmental policies & laws Recommendations for updating PPP law Recommendations for funding mechanisms for delivery Output 2: Reclamation Master Plan Assessment of environmental legacy issues Reclamation actions Output 3: Repurposing of land and assets strategy Identification of land assets for divestiture and/or public-private partnership investment

Pillar 1: Government Systems

A. Policy and Strategy Development		B. Institutions		Outputs				
Mining Sector Adjustment	Just Transition	Mining Sector Adjustment	Just Transition					
	Stakeholder Engagement							
P1 A. Closure Review sector adjustment policies & laws Assess coal industry characteristics	P1 A. Transition Assess regional economic landscape, including impacts to related industries Outline priority economic development programs	P1 B. Closure Map ministries and agencies Design a high-level decision making body (for sector adjustment and transition) Clarify ministerial roles & responsibilities on sector adjustment	P1 B. Transition Map ministries and agencies Design a high-level decision making body (for sector adjustment and transition) Assess/Examine economic development agencies	Output 1: Governance Framework Recommendations for updating mining sector adjustment policies & laws Proposed high-level decision body for sector adjustment and transition Institutional Mapping and Roles and Responsibilities Outlined Output 2: Regional Transition Plan Spatial summary of regional economic landscape Strategy for regional economic development Summary of potential economic development priority programs Output 3: Stakeholder Engagement Strategy Stakeholder mapping				
		•		development priority pro Output 3: Stakeholder E Strategy				

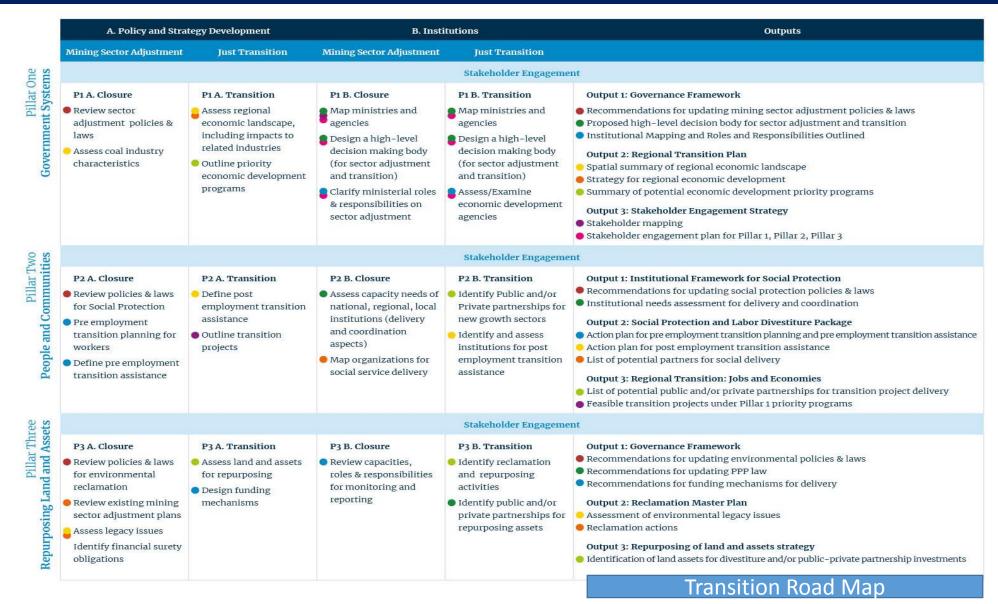
Pillar 2: People and Communities

A. Policy and Strategy Development		B. Insti	tutions	Outputs			
Mining Sector Adjustment	Just Transition	Mining Sector Adjustment	Just Transition				
	Stakeholder Engagement						
 Review policies & laws for Social Protection Pre employment transition planning for workers Define pre employment transition assistance 	P2 A. Transition Define post employment transition assistance Outline transition projects	 P2 B. Closure Assess capacity needs of national, regional, local institutions (delivery and coordination aspects) Map organizations for social service delivery 	 P2 B. Transition Identify Public and/or Private partnerships for new growth sectors Identify and assess institutions for post employment transition assistance 	Output 1: Institutional Framework for Social Protection Recommendations for updating social protection policies & laws Institutional needs assessment for delivery and coordination Output 2: Social Protection and Labor Divestiture Package Action plan for pre employment transition planning and pre employment transition assistance Action plan for post employment transition assistance List of potential partners for social delivery Output 3: Regional Transition: Jobs and Economies List of potential public and/or private partnerships for transition project delivery Feasible transition projects under Pillar 1 priority programs			

Pillar 3: Repurposing Land and Assets

A. Policy and Stra	tegy Development	B. Ins	titutions	Outputs
Mining Sector Adjustment	Just Transition	Mining Sector Adjustment	Just Transition	
		Stakeholder Er	ngagement	
 P3 A. Closure Review policies laws for environmental reclamation Review existing mining sector adjustment plans Assess legacy issues Identify financial surety obligations 	 P3 A. Transition Assess land and assets for repurposing Design funding mechanisms 	• Review capacities, roles & responsibilities for monitoring and reporting	 P3 B. Transition Identify reclamation and repurposing activities Identify public and/or private partnerships for repurposing assets 	Output 1: Governance Framework Recommendations for updating environmental policies & laws Recommendations for updating PPP law Recommendations for funding mechanisms for delivery Output 2: Reclamation Master Plan Assessment of environmental legacy issues Reclamation actions Output 3: Repurposing of land and assets strategy Identification of land assets for divestiture and/or public-private partnership investments

In Summary – Prepare a Transition Road Map that supports concrete projects, and give time to planning and preparation and stakeholder engagement



THANK YOU

FOR MORE INFORMATION, PLEASE CONTACT:

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