

EU coal regions exchange programme

Exchange between Upper Nitra (SK), Ústí (CZ) and Asturias (ES) exchangeEU

Study Visit in Ústí, Czech Republic

In various workshops and group discussions, the exchange participants shared their approaches to the governance and use of Just Transition Funds (JTF) and identified challenges in defining eligibility criteria and ensuring alignment with EU, national, and local regulations. The exchange provided the participants with new ideas and inspirations, as well as the courage to continue implementing green hydrogen projects despite facing many bottlenecks. As part of the exchange, the participants visited the <u>ČSA</u> <u>surface mine</u> that is planned to be reused for renewable energy and Research and Development (R&D) projects.

In an interactive session, the participants brainstormed about region specific barriers to scaling up the green hydrogen economy such as regulatory, financial, and technological challenges. The role of regional associations that promote green hydrogen, like the Czech platform or Asturian H2 roundtable, has been highlighted as key to fostering regional collaboration. Furthermore, such associations enable the actors to work together on calls for proposals to deliver on the regional hydrogen demand. The participants discussed different funding tools for green hydrogen, such as JTF, Innovation Fund, and loans from the European Hydrogen Bank, and pointed out that some traditional industry actors are not yet fully aware of opportunities beyond grant-type funding mechanisms. Asturias highlighted the need for integrated hydrogen projects, while the Czech and Slovak representatives called for systematic support and specific action plans for green hydrogen at the national level. Despite the challenges, the participants took the opportunity to learn from each other's experiences and recognized the shared barriers encountered by different regions. They expressed their commitment to ongoing collaboration in sharing best practices on green hydrogen and optimising engagement with European processes.

Group picture from day one of the exchange, at the Innovation Centre in the Ústí region.

ASTURIAS, SPAIN

Roles	Visiting region	Mentor
Main actors involved	General Director of Mining, Repurposing and Energy in the Government of Asturias, IDEPA (Regional agency of economic promotion), FAEN (Regional energy agency)	
Field of expertise	Renewable energy projects identification and development, governance and stakeholder management	

UPPER NITRA REGION, SLOVAKIA

Roles	Visiting region	Mentee
Main actors involved	The regional government, City of Bojnice	
Field of expertise	Development of regional action plans and social dialogue measures	

ÚSTÍ REGION, CZECH REPUBLIC

Roles	Hosting region	Mentee
Main actors involved	The regional authority, RIS3 management and the Economic and Social Council of the Ústí Region	
Field of expertise	Coordination of regiona innovation support and	stakeholder networks, economic development



Region profiles

State of phasing out coal

NO LONGER

EXTRACTING

Towards a just transition away from coal

Asturias and Upper Nitra are in the final years of phasing-out coal with closure targets respectively for 2026 and 2023. Ústí plans to end coal mining by 2033.

ÚSTÍ, CZECH REPUBLIC



State of Just Energy Transition

Considering the imperatives of the energy transition, Ústí's Territorial Just Transition Plan (TJTP) addresses the needs of key heavy industries with high energy intensity, such as metallurgy and chemicals. These industries play a crucial role in the region's economy, making their inclusion essential in the plan's objectives. Thus, the plan includes measures like clean fuel-switch, R&D in hydrogen, workforce training, but also energy-communities, clean mobility, education, land restoration, and economic diversification.

State of Just Energy Transition

Asturias' TJTP is based on its Just Energy Transition Strategy 2030 which is founded on Spain's National Just Transition Strategy. Since Asturias not only faces the closure of the mines but also the shutdown of coal-fired power plants, its regional authorities seek for ways to guarantee the competitiveness of its heavy industries. Hence, Asturias plans to promote breakthrough projects that revive the regional economy and create quality jobs. The revival strategy is centred around a digital, green, and renewable vision, with flagship projects in renewable hydrogen, renewable energy and storage, and a sustainable, digital, and green industry.

State of Just Energy Transition

Upper Nitra is one of three regions covered by the Slovakian TJTP. It focusses on 3 main areas: clean energy deployment and revitalization of post-mining brownfields; economic diversification; and human capital development and reskilling. Proposed measures to support SME's include R&D programmes, energy efficiency in buildings, clean mobility, circular economy and a special education system for new economy sectors, along with providing trainings for the younger generations. Industry support is mainly focused on the production and development of renewable energy systems. Most of the suggestions in the TJTP are based on the results of local community participation efforts in the Action Plan Upper Nitra.

(2002) extracting coal-fired coal plants in share of coal-fired coal mines¹ power plants construction power generation in operation (2019)**UPPER NITRA REGION, SLOVAKIA** State of phasing out coal ONGOING employed coal workers closure target

employed coal workers



extracting

coal mines²







in operation³



2023-2027

closure targets

Common challenges

- Just Transition Fund guidelines include strict timelines⁶ but lack a clear procedural framework for regional authorities to follow and access funding quickly;
- 2 The regions are facing challenges in retrieving JTF funds within the provided time scope due to uncertainties re-

1 One small mine "Čáry", situated in the western part of Slovakia, will still remain in operation

2 Two coal mines have already been closed.

3 The installed output is of 266 MW, resp. 1 358 MWheat (Source: https://www.seas.sk/en/elektraren/elektrarne-novaky/ 4 Reference year is 2021.

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On a national level, there is no systematic support to roll out green hydrogen projects.

lated to EU, national, and regional regulation; administrative

Large hydrogen infrastructure projects only succeed with

public funding. However, the JTF does provide only limited

capacity constraints and lack of lighthouse projects;

support for large companies;

- 4 As of 2022, source: Hornonitrianske bane Prievidza, a.s. 5 For mining and coal-fired power production
- 6 A large share of the JTF budget needs to be contracted by 2023 and spent by 2026.

Focus topics

The regions matched are planning to invest in green hydrogen projects as part of their decarbonisation strategies, partly using funds from the JTF.



Governance and use of JTF funds

The participating regions experience multiple difficulties in contracting projects under JTF, an EU funding scheme to support the implementation of TJTPs. During the exchange, participants shared insights on effective governance structures and project identification processes, highlighting both successful practices and areas for improvement. The regions agreed that national support and direct communication with the national and EU level authorities is key to successfully implement the TJTPs.



The regions are at different maturity stages regarding their green hydrogen economies. Asturias - benefiting from abundant renewable energy sources and active engagement of industry actors in the transition process - is already building integrated green hydrogen projects. In Ústí, a strong regional network of stakeholders is preparing the scale up of green hydrogen. Upper Nitra is in the starting blocks with its first hydrogen project – a suburban bus transport system – tied, however, to decisions on hydrogen at national and EC levels.

Recommendations

Establish a 'Just Transition Observatory' as a monitoring body consisting of a wide range of stakeholders and citizens;
Include regional experts in the dedicated teams providing technical assistance support by different EU programmes;
Establish regional collaboration platforms for relevant stakeholders in the hydrogen economy to network and jointly apply for EU programmes;



Ensure the development of hydrogen action plans that align with regional and/or national development strategies; Explore funding opportunities beyond the JTF, such as the Innovation Fund or loans given by the European Hydrogen Bank. Also consider collaboration with Transmission System Operators to develop Important Projects of Common European Interest (IPSEI).



"The exchangeEU programme helped us to deeply think and reflect on new ideas for where we can go."

Maria Belarmina Díaz Aguado, General Director of Mining, Energy and Repurposing in the government of Asturias



"The exchange was very useful to learn about what other regions are doing. It inspired and reminded us that there is a light at the end of the tunnel for all our hard just transition work."

Martina Lamačková, Head of Department, Department of Regional Development, Trenčín Self-Governing Region, Slovakia:

Learnings



The regions face similar challenges in interpreting the JTF regulation, and experience similar regulatory and processual bottlenecks in project development – especially for the European and, partly, for domestic level;



Closing mines without securing sufficient funds for reclamation leads to large environmental degradation and a huge financial burden on future governments and the public;



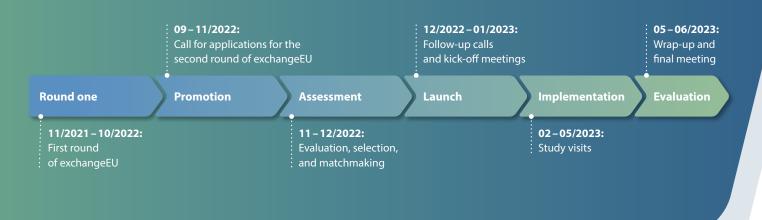
Many projects that have been identified are on hold due to long project design and permitting processes related to calls for proposals and state aid notification requirements (e.g., hydrogen projects in Spain and Upper Nitra); It is advisable to adopt a holistic hydrogen strategy covering energy supply, production of hydrogen, transport and demand;

The scale-up of hydrogen can succeed only through collaboration between companies that provide services at different parts of the hydrogen value chain.

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)

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