



Coal Regions in Transition virtual week and Carbon-intensive regions seminars April 2021

Reference document

Tuesday 27 April 2021

Opening session: Initiative for Coal Regions in Transition (10:00 – 12:00)

Welcome and introductory remarks

Speakers:

- Paula Pinho, Directorate-General for Energy, Director of Directorate for Just Transition, Consumers, Energy Efficiency and Innovation
- Jerzy Buzek, Member of the European Parliament

Day 1 of the Coal Regions Virtual Week was opened by the keynote speaker, MEP Jerzy Buzek, who pointed to two very recent and highly relevant events: the [compromise between EU institutions on the European Climate Law](#) and the virtual global summit on climate change – both of which have raised the stakes for a transformation of Europe's energy system. A founding father of the [Initiative for Coal Regions in Transition](#), he emphasised the EU has come a long way since the launch of the Initiative in 2017 and has supported European coal regions in their decarbonisation processes. Financial resources available for the energy transition have fundamentally increased from close to zero in the early 2010s to EUR 70.5 billion exclusively dedicated to transition under the Just Transition Fund. He pointed out that this budget line needed to be continued for the next three decades to achieve extensive decarbonisation and have a transformative impact also beyond the borders of the EU. Building on the [Initiative for Coal Regions in Transition in the Western Balkans and Ukraine](#), he argued that the European Union's role as a frontrunner in the area of just transition, will become an excellent example for future energy and climate diplomacy. Mr. Buzek also pointed to the ongoing preparation of Territorial Just Transition Plans which should focus on the energy transition along with socio-economic components and an inclusive approach.

Next, Paula Pinho, the new Directorate-General for Energy reported on recent developments on the EU policy side. Ms Pinho presented the key steps taken by the European Commission in 2020 to implement the [European Green Deal](#) and drive the continent towards climate neutrality in 2050. These include the launch of the Renovation Wave and strategies on hydrogen, offshore renewable energies, and energy system integration. She outlined the efforts the European Commission will be making in 2021 regarding the new legislative package "Fit for 55" that will translate the European Commission's climate objectives into sectoral legislation. These objectives will also be considered in the Recovery and Resilience Plans that Member States are currently submitting. They will complement the measures under the Just Transition Mechanism. Furthermore, Ms Pinho pointed to recent developments under the EU Initiative for Coal Regions in Transition (START assistance, toolkits, launch of the Initiative for Coal Regions in Transition in the Western Balkans and Ukraine, start of the Exchange programme for EU coal

regions, and the Technical Assistance Facility for clean energy and energy efficiency projects) and gave an update on the commitments of Member States regarding coal phase-out.

Scene setting presentation

- Speaker: Felicia Aminoff, Energy Transition Analyst, Bloomberg NEF

Ms Aminoff first gave an update on the status of European coal phase-out. She showed that 13 EU countries have phased out coal completely or will do so by 2030 and that only four countries (Romania, Poland, Croatia and Bulgaria) remain with no official commitments. The most pertinent drivers for the transition are the European 2030 CO₂ emissions reduction target, the increasing prices for carbon and the more competitive prices for renewable energies. Next, Ms Aminoff gave detailed insights into the cost modelling exercise, the "[European Energy Transition Outlook](#)" carried out recently by Bloomberg, which showed that from the four countries without commitments, three (Romania, Croatia and Bulgaria) are likely to phase out coal by 2038 because of soaring carbon prices. According to the model, Poland will replace two thirds of its capacity by renewable energy sources. She also showed the result of the model applied to Spain, projecting an earlier end for coal than expected and replacements through renewable energies and gas capacities.

Updates from Member States and Regions on the coal phase-out process

Speakers:

- Blaž Košorok, State Secretary for Energy, Slovenia
- Barbara Botos, Deputy Secretary of State for Climate Policy, Ministry of Innovation and Technology, Hungary
- Laura Martín Murillo, Director, Just Transition Institute, Spain
- Maciej Sytek, President of the Board of Regional Development in Konin and Plenipotentiary of the Board of the Wielkopolska Region for the restructuring of Eastern Wielkopolska, Poland

Blaž Košorok was the first to briefly present the coal phase-out process in Slovenia, a country that officially joined the EU Initiative for Coal Regions in Transition in 2019. Since then, the country, particularly the two coal regions Savinjsko-Saleska and Zasavje have come a long way. While coal mining activities in the latter region have already ended, the power plant in the Savinjsko-Saleska region still provides 30% of Slovenia's electricity today. With 1,500–2,000 workers dependent on coal industry, a national strategy for coal phase-out was urgently needed. This strategy will be based on four pillars (energy, environment, economy, human resource and social infrastructure) and will be adopted in June 2021, together with two laws reinforcing the transition.

Next, **Barbara Botos** gave an update on the Hungarian lignite phase-out plans set to reach an end five years earlier

than expected, in 2025. She pointed to the main vehicle under which the phase-out will be achieved, the 9-year LIFE project [“Secure and start implement an effective roadmap for the low carbon transition of the single largest coal region in Hungary”](#). This will be complemented by financing through METAR, the EU ETS Directive, the Modernisation Fund, the Just Transition Fund, and the Hungarian Operational Programmes. She explained that coal transition was applicable to three Hungarian counties located around the Matra power plant that is responsible for 14% of domestic CO₂ emissions. Ms Botos further outlined the key issues considered in the phase-out strategy: the inclusion of stakeholders, the provision of appropriate governance structures for transition, the availability of technology options, the repurposing of pre-existing mine sites and the consideration of opportunities for re-employment and economic diversification. Finally, she underlined the Hungarian example bears huge replication potential for other Eastern European open cast mines and that the Territorial Just Transition Plan was under preparation.

As the third case study, **Laura Martín Murillo** presented the situation of coal phase-out in Spain. There, 15 coal power plants remain active, producing 9.5% of the country's electricity and providing jobs to over 3,000 people. However, due to worsening political, environmental and market conditions for fossil fuels, there has been a reduction of 54% of coal capacities until 2020 – a share that is expected to grow to 84% in 2022. According to Ms Murillo, one of the main drivers for the coal phase-out is the newly established Institute for Just Transition and a unique Just Transition Agreement that was recently signed by the main stakeholders needed for the transition: the governmental institutions, involved utility companies, and unions. All three groups are committed to accompany the transition by bringing in project ideas, calling for investment proposals, providing training to workers, implementing political agreements and strategies and monitoring the transition process. These efforts will likely lead to an earlier coal phase-out in Spain by 2023 to 2025.

Finally, **Maciej Sytek** shared a different perspective on coal phase-out from the region of Wielkopolska (Greater Poland). Despite the lack of national commitment, this region has vowed to discontinue coal mining to reach a reduction of 55% of GHG emissions by 2030 and climate neutrality by 2040. The region will rely on smart specialisation and investments into renewable energies (solar and wind), energy efficiency, electromobility and hydrogen technologies. A big array of projects and an initiative to re-skill redundant workers will be supported to provide new jobs. Furthermore, Eastern Wielkopolska will be rebranded as an energy valley to attract investments, making the energy and industrial transition an engine for economic development in the entire region. All this will come together in the Just Transition Concept for Eastern Wielkopolska, an extensive document that will integrate the different funding streams (national and EU, JTF and LIFE programme) and that should reach maturity by the end of May.

Interactive Q&A session

Moderator: Adela Tesarova, DG ENER Head of Unit for Consumers, Local Initiatives, Just Transition

In the interactive Q&A session, Felicia Aminoff clarified the methodology applied for the cost model she presented, that was built on least cost optimisation. Furthermore, she underlined the role of gas in the energy transition was less relevant than many expect, as wind and solar energy could in the long term, be more economically viable. Finally, Maciej Sytek, Barbara Botos and Laura Martín Murillo gave insights into the situation in Poland, Hungary and Spain, respectively, regarding the role of political willingness and buy-in from the people for a successful transition away from coal.

Employment potential in the energy value-chain in Europe's coal regions in transition (13:00 – 15:00)

Welcoming remarks by co-chairs and scene-setting presentation

Speakers:

- Judith Kirton-Darling, Deputy General Secretary, IndustriAll
- Adela Tesarova, Directorate-General for Energy

The session was opened by **Judith Kirton-Darling** who outlined the aim of the session: looking into the potential of the energy transition to create jobs across the energy value chain in European regions. She raised awareness on the gap and potential overlaps in the transition from coal and coal-related jobs towards employment in green energy, most pertinent at the local level.

The opening was complemented by **Adela Tesarova** who gave a presentation of EU statistics and scenarios of expected key investment opportunities related to the green transition. Her main points were the following:

- Considerable investments in green energy of approximately EUR 350 billion will be needed to reach the new EU energy targets creating innovation and new jobs;
- The building efficiency sector is estimated to need most investments, but to also create most new jobs.

Ms Tesarova pointed out that these numbers can differ across regions and that the session's purpose was to give a closer look at regions beyond the models compiled at EU level.

Regional value chains and transition: Stories from the ground

Speakers:

- Janusz Gajowiecki, CEO, Polish Wind Energy Association
- Gregory Pastor, CGT FTM metallurgie

Following a short introduction, **Janusz Gajowiecki** from [PWEA](#), presented statistics and growth forecasts on the development of the wind energy sector in Poland from a government and industry perspective. He pointed out that the potential for on- and offshore wind is very high in Poland, exceeding industry forecasts. More concretely, Poland currently has a capacity of 6.3 GW of onshore wind energy, with another 4GW under construction. An additional 8.7 GW in localisation permits for offshore wind projects are currently available or already granted. According to PWEA, the full 8-9 GW capacity will likely be reached until 2029. According to numbers presented by Mr Gajowiecki, there are 8,000-10,000 workers directly employed by the wind industry in Poland with another 13,000-17,000 employed indirectly throughout the supply chain. Fired up by the new EU strategies and the new Distance Act by the Polish government, PWEA sees onshore potential of around 22-24 GW with a possibility of creating up to 42,000 new jobs until 2040 and offshore potential of up to 28GW with a possibility of generating 34,000 jobs until 2050. The mix between onshore and offshore wind would allow for a local spread of jobs in Poland. Mr Gajowiecki went on to present the potential of job creation not only directly in the wind industry but across its supply chain (e.g. in wind blade manufacturing). He estimated that the supply chain could deliver more as investments are expected to grow further with the new Distance Act. Furthermore, Mr Gajowiecki presented graphs suggesting that the wind industry has the largest share of local content in total energy production costs, especially when compared to coal. As a concrete measure to benefit former employees of coal production, PWEA opened a new training center in Silesia to retrain and enable people to enter the wind and new energy distribution sector. Supported through the EU's Just Transition Fund, a job guarantee for training participants is sought via an agreement with the government and involved companies.

Next, **Gregory Pastor**, member of [CGT FTM](#), gave his view from a trade union and workers' perspective in the energy equipment sector. He pointed out that the roll-out of the transition requirements and the change in energy mix and business models could possibly incentivise companies to cut jobs and relocate their activities to outside of Europe. Considering the crucial role of industry in achieving the goals of the European Green Deal, Mr Pastor emphasized that it will be important to avoid such a scenario and ensure that jobs are shifted and not cut. Mr Pastor also pointed out that currently there is a paradox between many renewable energy sectors, such as biomass that has an important role to play to the transition but that is being discarded by big industry players due to limited short-term profitability. Mr Pastor pointed out

that restructuring the economy must consider the social aspect to avoid the cutting or relocation of employment.

Integrated strategies for a solid energy value chain

Speakers:

- Michał Hetmański, President of the Board, Instrat Foundation
- Gonzalo Saenz de Miera, Director of Climate Change, Chairman 's Area, Iberdrola

Michał Hetmański was introduced to present research completed by the [Instrat Foundation](#) for Wielkopolska, one of the big coal regions in Poland. He presented key information around the region and the challenges it faces. This includes Wielkopolska currently being the only coal region in which the regional government and the utilities have made a clear commitment to phase out coal until 2030 and become climate neutral by 2040. The region has now been selected by the EU Just Transition Fund to receive support in this transition. Mr Hetmański pointed to several reports produced together with the WWF, in which the Instrat Foundation demonstrates how the closing of coal will affect the job market in the short and long term. At the [ZE PAK company](#), for example, one of the largest employers in the region, employment has decreased from 9,000 to less than 4,000 workers in 2020. While these numbers are set to further decrease until the plant reaches its retirement age in 2030, there is no clear answer yet if the remaining workers can all be employed by the green energy sector. Mr Hetmański also pointed out that not only the people directly employed by the company, but also those indirectly attached to it must be taken into consideration. A recently conducted scenario exercise carried out by Instrat showed that multiplier effects could double the employment potential through new jobs if an alternative (more rapid) phase-out of ZE PAK was achieved in comparison to a reference scenario in which renewable energies expand slowly and lignite extraction is practiced for many more years.

The session then went on to present the view of an industry player via **Mr Gonzalo Saenz de Miera**, Director for Climate Change at the [Iberdrola](#) utility in Spain, who presented how his utility provider underwent restructuring and comprehensive change in its business model. Overall, he summarised the transition as a huge opportunity. In the past year, Iberdrola was focused on closing all its coal facilities and investing in smart and renewable grids. He highlighted the impact of policy, pointing out that the just transition strategy of the Spanish government was particularly important for this process. Mr de Miera outlined the company's work with local stakeholders in the region of the coal facilities to develop new opportunities and accelerate investments by the company into renewable energies until 2025. He explained the shift of focus and inclusive transformation across supply chains and local communities has allowed Iberdrola to support suppliers and hire 4,000 new employees during the crisis year of 2020. Finally, Mr de Miera pointed to the importance of advocacy on the international and global level to support such processes,

leading his company to sign [the just transition and decent jobs in renewable energy pledge](#).

Q&A and closing remarks

In the Q&A session, Mr Gonzalo Saenz de Miera pointed out that the corporate sustainability mind shifts in Iberdrola since 2020 led to projects to reskill workers. Together with investment interventions by the governments, these projects provide support to workers and are ensuring that jobs can be shifted. It was pointed out that for such interventions to be successful, it is important to ensure that investments are reaching those renewable energy companies that are employing the former miners and workers. Furthermore, the triple approach (focus on renewable energies, local engagement and local entrepreneurship) and the initiation of framework agreements with local governments and stakeholders were emphasised as the key drivers for success. According to Mr de Miera, the success of governmental and third-party investments rely on a robust assessment of the area and its stakeholders. The Q&A session also answered questions on the importance of international advocacy to avoid large scale job loss or relocation of jobs to outside of Europe. Whereas Mr Pastor called for strategies to avoid the transition encouraging job cuts instead of shifting, Mr de Miera stressed efforts to encourage further companies to join the [just transition and decent jobs in renewable energy pledge](#), e.g. through national and international industry associations and bodies. The Q&A session also touched upon the risk of depopulation and how to deliver the transition territorially, discussing the example of the Polish wind energy sector and the efforts and offers it makes to former employees to work directly or indirectly in the sector.

Creative and cultural industries as drivers of change, industrial and mining heritage as their boost (15:30 – 17:30)

Welcome and introductory remarks

- Moderator: Barbara Stacher, DG EAC, European Commission

Barbara Stacher opened the session with remarks on how the cultural sector and industries have been hit hard by COVID-19. To recover from this, she spoke about funding opportunities for transforming industrial sites into cultural centres and creative hubs, specifically the European Commission's [NextGenerationEU Fund](#). She mentioned two networks of interest for this sector: the [Creative United Platform](#) by the [European Creative Hubs Network](#) and [Trans-Europe-Halles](#), a strong network of industrial heritage sites. In addition, Ms Stacher provided three examples of case studies of sites that have been successfully transformed including the [Helsinki's Cable Factory](#), the largest cultural centre in Finland, [Matedero Madrid](#), a previous slaughterhouse, and projects from [Košice](#), the Slovakian 2013 capital of culture. She finished the introduction with several recommendations for networks, funding, loans and facilities in this space.

Presentations on the historical Bauhaus in the German Lignite District and the New European Bauhaus Initiative

Presenters:

- Xavier Troussard, Joint Research Centre – New European Bauhaus
- Franziska Krüger, Head of Unit “Structural Transformation in the Central German Lignite District”, State Chancellery and Ministry of Culture Saxony-Anhalt
- Ralf Niebergall, Vice-President of the Federal Chamber of German Architects, Director of the Dessau International Architecture Graduate School (DIA)

Xavier Troussard introduced the [New European Bauhaus](#) initiative which was announced by the European Commission in September 2020. The initiative is an interdisciplinary and inter-policy approach that beyond transforming the built environment also focusses on the culture attached to it. It will take a three-dimensional approach focussed on sustainability, inclusivity and style and will be implemented in three phases; design, deliver and disseminate.

Next, **Franziska Krüger** presented the challenges of energy transition in the Saxony-Anhalt region, where the two coal mines directly and indirectly employ 5,000 people. She explained how innovation and creativity are the key drivers for the structural transformation needed in this area and pointed to pertinent opportunities that come along with the transformation challenges.

Referring to the New European Bauhaus initiative, **Professor Hermann Klockner and Professor Ralf Niebergall** gave an inspiring presentation of the [structural transformation hub for Saxony-Anhalt](#). They explained that the planning phase of the transformation hub is already underway. The local community has significantly contributed to the project which is being considered a self-driving community vehicle for rural areas and new villages in rural areas for citizens from cities. The concept of the project is to be aesthetic, modern, approachable and cross-cutting across silos, to foster glocal and hands-on participation and all aspects of economic and environmental sustainability. Finally, the two speakers spoke about the bigger aim of the transformation, namely of restoring hope and putting the new Bauhaus spirit above the Bauhaus style.

Online poll –European Regions in Transition and the New European Bauhaus Initiative

Moderator: Alessandro Rancati, Design for Policy at the New European Bauhaus, Joint Research Centre (JRC), European Commission

The first question of the online poll asked the audience on how they would like to engage with the New European Bauhaus initiative. From the few answers (21) were received,

the majority (52%) answered that they wanted to help by building a local community of practice. Others indicated that they wanted to contribute to the design phase of the initiative (29%) and to submit a pilot to the call for projects (19%). The second questions revolved around the key challenges that the audience is facing to participate in the initiative. To this, participants raised issues on the meaning of inclusiveness (energy poverty, gentrification and social housing) and on the loss of identity of cities.

Panel – Creative energy from industrial heritage (case presentations followed by a discussion on the panel, including questions from the audience)

Panellists:

- Mária Beňačková Rišková, High-level Roundtable of the New European Bauhaus Initiative
- Wim Driers, Mayor of Genk, Belgium
- Joanna Kulczycka, AGH University of Sciences and Technology, Krakow, Poland and Open Eyes Economy expert
- Sandy Hebel, Board Kreative Lausitz e.V., Germany
- Ivo Vondrak, President, Moravian-Silesian Region, Czechia

Mária Beňačková Rišková introduced this panel by sharing her thoughts on sustainability, inclusion and the sentiment for beauty. She urged regions to support the shift of the conceptualisation of transition from sentiments of nostalgia for the old times to positive feelings about the future economy.

To kick off, **Wim Driers**, Mayor of Genk highlighted the importance of culture and creativity in transforming his city. He believes that local governments will be the drivers in transforming industry. He gave examples of three mines which have been redesigned: the [C-mine](#), with features including cultural hubs, education, creative economy, artistic creation and exhibition halls, [Thor park](#), focussing on businesses in the area of renewable energy and technology, and [Labiomista](#), which stands for diversity and multiculturalism. In Genk the repurposing of the mines has given a new purpose to neighbourhoods and communities.

The following speaker, **Joanna Kulczycka**, spoke about post-mining areas in Poland. She gave the examples of KWK Siesza, Gorka Quarry and the Balaton Lake in Trzebinia as places that have been repurposed, and further addressed many other reclaimed mines and quarries in Poland which are now used for various purposes such as tourist attractions, exhibition spaces, rehabilitation centres and recreation areas. To achieve this transformation, she underlined the need for education, promotion of new practice and the demonstration of good examples.

As a short interlude, **Barbara Stacher** presented an interactive word cloud around the question: what word comes to mind when you think of creative and cultural industries in your region? The most popular response was 'innovation'.

Next, **Sandy Hebel** introduced the region of Lusatia and the [Creative Lusatia project](#). This project will make the region visible as a potential area for economic opportunities and offer a basis for cultural and creative industries and network actors beyond industry boundaries. The result will be to develop a cooperation and networking space in Lusatia.

The final panellist, **Ivo Vondrak**, spoke about the plans for transitioning away from coal in the Moravian-Silesian region in the Czech Republic. He noted that in 2022 all coal mines in the region will be closed, which will – due to high employment numbers in the mining industry – create challenges in social policy. The most pertinent ones identified by Mr Vondrak include the need to transform jobs and the regional image and to stop the brain drain.

Q&A

The first question on the funding of Labiomista was answered by Wim Driers who clarified that the project was supported through a combination of public and private investment. Furthermore, Barbara Stacher gave her opinion on the possible ways in which cultural and creative industries can assist the transition of mining sites that are distant from large urban centres. She also clarified some eligibility criteria for a project under the New European Bauhaus initiative and underlined the initiative's role in the post-COVID society. This was also reiterated by Mária Beňačková Rišková who called upon all stakeholders in the cultural and creative industries to mobilise forces against the common enemy, the COVID-19 crisis, and not to forget – the climate crisis. The session was closed with some encouraging words from Hermann Klockner, who noted that the New European Bauhaus was already starting to give people some hope – in the context of the structural transformation hub for Saxony-Anhalt through two start-ups that were formed to help local communities to respond to the pandemic.

Wednesday 28 April 2021

Coal power plants: case studies of repurposing (15:30 – 17:00)

Welcome and introduction of the technology toolkit

The afternoon session on the third day of the Coal Regions in Transition Virtual week was opened by Timon Wehnert. As a member of the Secretariat of the Initiative for Coal Regions in Transition, he highlighted the numerous materials provided in the past years like the recently published [toolkit for repurposing](#) and explained that this session will elaborate further on this issue.

Keynote speeches

Speakers:

- Rita Mergner, Senior Project Manager/Policy Expert at WIP Renewable Energies
- Anselm Sprandel, Head of Energy and Climate Protection Department, City of Hamburg
- Thomas Eck, Head of Power Plant & Environmental Technologies VGB PowerTech e.V.

As the first speaker, **Rita Mergner** underlined the key challenges and opportunities of transitioning coal regions. To dive deeper into this issue, she used the [Horizon 2020 project "TRACER"](#) as an example. From her experience, she reported that engaging stakeholders in the process is key, as they are the ones implementing transition strategies. She, however, highlighted the issue of lack of data to identify repurposing potentials. Ms Merger underlined the importance of long-term thinking to allow for continued growth of renewables. She pointed to the various opportunities that will likely arise from increased use of renewable energy sources and the possibility of achieving a large scale yet diversified roll-out. To allow for the opportunities to be realised, she pointed to an urgent need for concrete action plans and knowledge.

The next speaker, **Anselm Sprandel**, laid out Hamburg's plans for the 2021 shutdown and reuse of one of Germany's coal-fired power plants, Moorburg, which will soon produce green hydrogen instead of fossil-fuel electricity. He underlined Hamburg's aim to become a leading hydrogen region in Europe as Germany will depend on imports of green hydrogen to meet future demands, especially those of the industry. Currently, an IPCEI process is still ongoing but the city is anticipating the government's assessment in order to proceed. The shutdown of the Moorburg power plant will cause a loss of jobs but Mr Sprandel showed confidence in compensating redundant workers. Together with businesses, the city of Hamburg is developing a concept of a green hydrogen hub which will rely on the city's ideal location (for instance due to its direct access to wind power to produce green hydrogen) and to networking and collaboration opportunities in the area.

Next, **Thomas Eck**, elaborated further on the EU funded project "[RECPP Agenda](#) (Re-purposing Coal Power Plants during energy Transition)" which is supporting coal regions by mapping and clustering them and providing tailored solutions for transition. He pointed out that the coal regions are valuable assets for their infrastructure and skilled staff but also underlined the necessity of carefully assessing the technical and legal aspects for repurposing.

Panel: Technology options for repurposing

Panellists:

- Petr Krejčí, Project Manager, CEZ
- Rainer Fronius, Senior Business Developer and Marketer, EDF
- Thomas Kienberger, Chair of Energy Network Technology, University of Leoben
- Maximilian Niederehe, Business Development Energy Storage Solutions, Siemens Energy
- Rita Mergner, Senior Project Manager/Policy Expert at WIP Renewable Energies
- Thomas Eck, Power Plant and Environmental technologies, VGB and RECPP representative
- Anselm Sprandel, Head of Energy and Climate Protection Department, City of Hamburg

Mr Wehnert introduced the discussion by asking the panel speakers about the key technologies for the transformation towards a climate-neutral economy. For Mr Kienberger, democratization, decarbonisation & decentralisation are the key "three D's". Despite the various technology options on power plant sites (like the hydrogen project in Hamburg) he emphasised that the site-specific benefits and their surroundings were the most important aspects to look at. It is crucial to evaluate the assets and possibilities around the plant to act appropriately.

Similarly, Mr Niederehe highlighted the point of site-specificity and referred to the example of Hamburg as a project that also focuses on interconnected industries which can inspire and guide future decisions. Overall, transparency about the goals and visions are key for decision-making. Mr Krejčí added that in order to find the right approach, working together with partners is essential.

Regarding timeframes for technologies, Mr Niederehe stated that long-term goals should be the focal point of every decision. Yet the first crucial steps for transition needed to be taken now. Adding to this, Mr Kienberger pointed to the down-falling cost curves of hydrogen and batteries while also keeping in mind increasing CO₂ prices. Nonetheless, Mr Krejčí underlined the time-demanding process to draft strategies for site-specific approaches and pointed out that renewables are not yet economically feasible despite decreasing prices in the nearer future.

Another discussion point raised by the panel was about how to deal with heat supply functions of coal-fired power plants. Mr Fonijs underlined that combined-cycle heat power plants should be mainly used for continuous energy purposes and existing heating networks should be kept for as long as possible. However, Mr Kienberger added that heat supply will come from different and more diverse sources in the future. Mr Krejčí pointed out that it will be crucial to react to knowledge gaps on the local level and the customer side.

Regarding support mechanisms, Mr Fronius stated that there will definitely be a trend for decentralisation which should push policymakers to develop medium-term plans to frame the transition. In addition, Mr Niederehe stressed that along small-scale projects, there will still be a need of large-scale commercial projects to achieve essential progress. Ms Mergner highlighted the lack of concrete plans and the need of a clear appeal for policymakers and stressed that it remains highly questionable if sustainable biomass production can reach a critical scale. Therefore, research potential in the regions should be exploited more rapidly.

Thursday 29 April 2021

Coal regions building back better post-COVID 19 (10:00 – 12:00)

Welcome and introductory remarks

Presenter: Carlo Della Libera, Secretariat of the Initiative for Coal Regions in Transition

Carlo Della Libera welcomed the participants to the session. During the past months, the Secretariat of the initiative for Coal Regions in Transition has been busy supporting the work of regions as much as possible, while maintaining its role as a main contact point for requests relevant to the initiative. Della Libera reminded the participants that the Secretariat's work focusses on three main areas: connecting stakeholders, providing technical assistance, and providing support materials through publications. With respect to publications, the Secretariat recently published its [new toolkit](#) on different technology options available to coal regions in their transition to carbon-neutrality. With respect to technical assistance, the Secretariat Technical Assistance to Regions in Transition ([START](#)) has continued delivering assistance to regions in a virtual setting. Furthermore, the Secretariat's communications team is conducting [interviews](#) with stakeholders from regions supported by the START to collect their stories and provide examples on how they are tackling the decarbonisation of their economies. Lastly, Della Libera shared that the Secretariat is organising webinars on the newly published toolkit on technology options, as well as one on online stakeholder engagement.

The objective of this session is to provide an overview of the activities of the Secretariat and to hear the voices of communities and stakeholders to share their views on how to build back better our communities in the framework of the just transition.

Updates from the Secretariat Technical Assistance to Regions in Transition (START)

Presenter: Paul Baker, Secretariat of the Initiative for Coal Regions in Transition

Paul Baker provided an update on the work of the Secretariat's Technical Assistance to Regions in Transition (START). The START team has been providing technical assistance to seven pilot regions with diverse set of needs and in varying stages of their transition. COVID-19 has had a significant impact on the delivery of technical assistance, but the START team has done its very best to adjust its activities to a virtual setting.

Two key areas that START is supporting are strategy development and project development. In terms of strategy development, in Karlovy Vary, START provided a collection of good practices for regional strategy development. In Asturias,

START has a more advisory role, including devising the logic and structure of their energy strategy, as well as reviewing the draft strategy to ensure alignment with relevant EU policies. The START team left the Midlands with a transition mapping in the short and longer term.

In terms of thematic areas under strategy development, regions requested support with employment and skills development actions. In the Midlands and Karlovy Vary, technical assistance is focused on identifying support measures for affected workers, as well as short- and long-term employment opportunities, and re-skilling. Other areas have also included actions to support renewable energy supply, including energy efficiency. In the Midlands, the START team assessed opportunities and emerging activities in rural communities.

With respect to the activities that relate to project development, they include collection and development of projects, including templates and databases. For example, in western Malopolska, START supports the definition and development of four large projects on training and skills, involvement of women in the energy transition, and models and delivery options for establishing an energy cluster. In the Jiu Valley, the START team is formulating project concepts and is developing 8-10 projects. In Silesia, START is developing a tool to assess different options for brownfield site regeneration. The hope is that the tool can be extended and used in other regions as well.

Alongside the activities on strategy and project development, the START team has also supported stakeholder engagement processes. In the Midlands, the START team worked actively on community and stakeholder engagement with a focus on information distribution and submission of ideas by local communities. In Asturias, the START team facilitated meetings between local, regional, and European Commission stakeholders. In Malopolska, the START team organised a workshop that informed local stakeholders on relevant EU policies and funding opportunities.

Official presentation of the toolkit "Technology options, Transforming industries in coal regions for a climate-neutral economy"

Presenter: Timon Wehnert, Secretariat of the Initiative for Coal Regions in Transition

Timon Wehnert started his presentation by highlighting that the new fifth toolkit is part of a series of resources which are available on the [website](#) of the initiative. The [new toolkit](#) on technology options provides an overview of four technology options for industries in a climate-neutral economy: reuse of coal-fired power plants, hydrogen, decarbonising energy-intensive industries, and non-energy uses of coal. Rather than a deep-dive for technical experts, the toolkit is a support tool for decision-makers for regional stakeholders. When considering the technology options for transformation, it is important to look at the industries that are interlinked to

coal mining. With respect to energy-intensive industries, one of the key challenges is the long investment cycles. Thus, investments made today should be in line with the long-term decarbonisation targets. However, this presents an opportunity for investments that can improve the competitiveness of businesses while preserving industrial jobs.

One issue related to steelmaking but also to other industries is the role of hydrogen. While we know what the use of it will be, we do not know specifically how much of it and where it will be produced. To that end, the production of hydrogen depends on many factors, including infrastructure, but also demand. Hydrogen will play an important role in the future energy system but, due to high production costs, its use will be limited to applications for which direct electrification is not a viable option.

Perspectives on the Finance Toolkit

Moderator: Maria Yetano Roche, Secretariat of the Initiative for Coal Regions in Transition

Maria Yetano shared details on the upcoming financing toolkit that is under preparation and will focus on mobilising effectively EU sources of financing. The target audience is local and regional actors, including SMEs, civil society, and public authorities. The toolkit will have two main parts. The first part will discuss the various sources of EU funding relevant to coal region in transition. The second part will provide guidance for the effective mobilisation of EU funds, including examples of successful programmes and initiatives.

Next, Yetano presented an online poll with three questions for the audience.

Poll Results

Which of these EU funds do you think will be most important to finance transition projects in your region/the region that you know best? (choice of up to 3)

The respondents expressed strong preference for Just Transition Mechanism, followed by Recovery and Resilience Fund (RRF), and European structural and investment funds (ESIF).

Which of these EU sources of funds would you most welcome guidance on? (choice of up to 3)

Nearly 80% of the respondents indicated their preference for guidance on the Just Transition Mechanism (JTM), followed by the Modernisation Fund, RRF, and ESIF.

What is the biggest challenge to access EU funds for transition projects in your region?

Among the key challenges that respondents indicated were the lack of administrative capacity to develop projects at the local level, the competition with national government priorities, the limited absorption capacity, and the issue of match funding.

Stakeholders can further provide their views via an online survey that will be used as part of the development of the finance toolkit. The survey is open until the end of May. <https://ec.europa.eu/eusurvey/runner/financetoolkitsurvey>

Coal regions building back better post-COVID 19

Moderator: Robert Pollock, Secretariat of the Initiative for Coal Regions in Transition

Opening the panel, **Robert Pollock** noted that building back better is a central to Europe's [Next Generation EU](#) recovery plan. The recovery should be green, digital and inclusive. In the context of coal regions, building back better means that the recovery should be sustainable and just. Importantly, regions should be thriving and not just surviving in the process of the transition. To that end, coal communities should disproportionately benefit from building back better. The recovery presents a window of opportunity, that includes new policies, new funding instruments, and new technologies. It is important to respond to this window of opportunity in a timely manner.

Scene-setting presentation: "building back better" and the opportunity to reimagine the development of regional economies and communities

Presenter: Sandrine Dixson-Decleve, Co-President, Club of Rome

Sandrine Dixson-Decleve opened her presentation by stressing that we cannot build back glaciers and that we need to think how to move forward and not backward. Large-scale changes are already underway, including rising sea levels, and we need to half of our emissions in the next 9 years. In this process, we need to take into consideration our social tipping points, not only the technological options (i.e. replacing coal with renewables, but also having the affected communities on board).

Sandrine Dixson-Decleve moved on to present the Club of Rome's System Change Compass concept, which consists of 10 principles. She then presented some of the key lessons learned from the COVID-19 pandemic. One of them is that COVID-19 shows that overnight transformational change is possible and highlights the importance of resilience to a multitude of convergent shocks across our health, economic and finance systems. To that end, Europe should face the current situation as an opportunity for deeper systemic change, innovation, and renewal.

With respect to coal phase-out, Sandrine Dixson-Decleve highlighted the need of a systems approach of how to bring not only supply mechanisms (to replace coal) but also demand mechanisms. As we transform our energy systems, it is important to shift subsidies not only to other technology options, but also to communities so that we make sure the transition is 'just'. Finally, Sandrine Dixson-Decleve stressed that there is no single answer or magical solution, as we must look at the ongoing changes systemically, recognising

the interlinkages, the social, planetary, economic and other implications.

Panel: short introductions followed by discussion informed by pre-set questions and questions from the floor

Panellists:

- Romyana Grozeva, Regional Development Agency, Stara Zagora, Bulgaria
- Katrin Mohr, General Policy and Social Affairs of the Executive Committee, IG Metall, Germany
- Marta Anczewska, Just Transition Specialist, WWF Poland
- Maris Jõgeva, Project leader, Estonian Fund for Nature

In her opening remarks, **Romyana Grozeva** shared that until mid-2018, the topic of transition was taboo in the Stara Zagora so the discussion had to start from zero. The [DECARB project](#), which the Stara Zagora Regional Development Agency is implementing, has helped to start and promote the dialogue on the transition. In this process, communication with all affected communities is key. Through dialogue, a change in perceptions could take place, so that affected communities don't feel they are only victims in this transition but can also see the opportunities for a better life for them and their families. Furthermore, Romyana Grozeva that authorities in Stara Zagora are developing a [new industrial economic zone](#) which will be carbon-neutral and will be co-funded by the JTM and the national budget.

Katrin Mohr started by saying that COVID-19 has expatriated and accelerated processes, which require us to set the course for a sustainable path forward. To that end, a change in the production of energy, but also the production of basic materials and mobility, are required in order to address climate change. In Germany, the automotive sector has 800,000 employees, while the steel sector provides good working conditions. This is to say that not only the coal industry is impacted by the transition. The main challenge is to undergo an ecological transformation and still create new jobs, especially in regions dominated by a carbon-intensive industry. Creating new occupational opportunities should not be only in the service sector, but also industrial and manufacturing sectors. Furthermore, the transformation should not only be ecologically and economically sustainable, but also socially 'just'.

Marta Anczewska shared that WWF has just published a [new report](#) on job creation potential in several regions in Poland, Greece, and Bulgaria. The report analyses what coal jobs could be replaced with. In Silesia, the construction and manufacturing sectors have the biggest potential. In Greece, land repurposing and mine decommission, but also circular economy for waste management, offer the best

opportunities for coal workers. The report finds that the jobs are there, but what is needed is to carefully look at which jobs are good enough, offering a future, and carefully assist coal workers with the transition. The main challenge is that local authorities need to take a long-term perspective, including the 2050 targets. At this moment, this is not the case. In some communities, the current mentality is that once the COVID-19 pandemic is over, everything can go back to business-as-usual. Thus, the conversation about building back better has not started yet.

Maris Jõgeva shared the Estonian perspective where the oil shale mining region has been a key source of jobs and regional development. The region is also quite special as it is home to Russian-speaking minorities. The last decades have been already difficult with high unemployment rates, youth leaving the region, which in turn has created high uncertainty for the people living there. Maris Jõgeva stressed that the transition is mostly about social relations, social capital and people believing that a good future exists.

Maris Jõgeva further shared three components to a successful transition. Firstly, the vision of the future must be shared by all stakeholders, using cooperation methods where participants talk to each other and feel that their views are taken into account. Secondly, it is important to ensure coherence of the vision for the future with national and EU policies and authorities. Thirdly, capacity building at the local level needs to be strengthened. If we want to go for a bigger change, it is only possible if it is built on local resources that locals can control and decide on. However, financial resources are often given to those who are more experienced. Thus, there is a need for capacity building.

Closing remarks

In her closing remarks, Sandrine Dixson-Decleve stressed that among the key actions that are required in the fight against climate change is to stop investing in the aviation sector and replacing short-haul flights with trains. In coal sector, investments should be rechannelled to renewables. Finally, the recovery should not be about building back better, but building forward.

Romyana Grozeva remarked that we need new business models, including building stronger links between the business and scientific/university communities. To that end, in Stara Zagora the start of a new virtual reality laboratory is being built, in cooperation with Trakia University.

Katrin Mohr commented that many companies and employers are short-sighted, focussing on profits and not on the long-term transformation. There is need to develop strategies for sustainable economic activity, including development of alternatives. The state also has a very important role in providing a social safety net and pro-actively driving the transformation.

Marta Anczewska noted that regions need to include greenhouse gas emission targets, as part of their plans. Furthermore, the topic of biodiversity has been overlooked in the discussions about the transformation of coal regions.

Maris Jõgeva stressed the need for a new way of governance on the local level which includes a new narrative that can aid people to look for other opportunities they otherwise cannot recognise.

Q&A

Responding to a question on how we influence the high-level political agenda, Marta Anczewska remarked that there are some bright spots, such as the Fridays for Future and the involvement of the youth. Young people will enter the public sector eventually. The issue is that politicians operate on short-term political cycles and often don't take responsibility for the long-term decisions. Maris Jõgeva further emphasised the role that civil society can play.

Answering a question on the involvement of women, Maris Jõgeva said that unemployment among women in the Estonian oil shale region is a major problem, as many of them stayed at home and their husbands were the main earners. Now municipalities need to start developing social services that previously were not offered. Marta Anczewska further remarked that the gender dimension is one of the aspects in WWF's [online scoring tool](#) of the territorial just transition plans (TJTJs).

Finally, responding to a question if we need to accept that some communities will inevitably see decline, Sandrine Dixon-Declève stressed the need to create a sense of optimism by starting the conversation about the opportunities that lie ahead and hence move away from the victimisation narrative. Furthermore, we should avoid building back on existing stranded subsidies and potentially introduce a new taxation strategy and even potentially a universal basic income.

Closing the session, Robert Pollock remarked that over the course of the panel, we moved from building back better to building forward. Rather than framing the debate around winners and losers, it should be about how we can all be beneficiaries. To that end, the Initiative for Coal Regions in Transition provides an opportunity to coal regions to work together and support each other in finding solutions for the future.

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Initiative for coal regions in transition

The Initiative for coal regions in transition is an initiative by the European Commission.

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