German Commission on Growth, Structural Change and Employment

Role and Perspectives for German Coal Regions

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Climate Targets 2050

- Commitment to the Paris Agreement by the German Government
  path towards a largely greenhouse gas neutral economy and society by 2050
  → Concrete reduction targets for specific sectors for 2030

Objectives: 1) Secure Supply
          2) Economic Feasibility
          3) Environmental Protection
Structural Change: Challenges and Opportunities

• Implementation of the Climate Action Plan will accelerate the structural change, especially in regions producing coal-based power

• Those regions should not be burdened unilaterally

• Therefore the regions themselves, the Länder, the Federal Government and EU have to take responsibility for
  → Creating opportunities for a sustainable economic development with high-grade jobs
  → Avoiding structural interruptions and disadvantages in international competition
Lignite Regions in Germany
The Commission`s mandate

1) Creation of concrete prospects for new jobs with promising future perspectives in the affected regions

2) Development of a mix of economic policy instruments

3) Investments required in regions and economic sectors affected by the structural change
   a) Using primarily existing funding instruments of the German Government and EU
   b) Setting up a additional fund at federal level (part of priority government spendings amounting to 1,5 billion €)
4) Measures that enable the 2030 national emission reduction target for the energy sector to be reached

5) Development of a plan for the gradual reduction and phase-out of coal based power generation, including a deadline and the necessary support measures

6) Measures for the energy sector contribution to closing the gap in achieving the 40% reduction target
Preparation of Commission‘s Work (1)

- Determination of „lignite regions“ together with the Länder
- Scientific studies on lignite regions
  - Indicator-based comparison of lignite regions
  - Meta study on concepts & possible activities for regional development
  - Short survey on international experiences with structural change
  - Regional potential for development of wind and solar power
- New support programme “Unternehmen Revier”: Regional competitions on new ideas and projects for structural change
- Buildup of regional institutions for structural change (across districts and Länder)
Preparation of Commission‘s Work (2)

- Study (ongoing): effects of the coal-phasing out on electricity supply
- Project (simulation-tool): Effects of different patterns of coal phasing-out on the price of electricity
- Development of different instruments to achieve coal-phasing out (taxes, emmission-budgeting, deadlines, incentives …)
- Exploration of necessary legal framework/constitutional requirements
28 Members from various groups of society:

- Commission Members
- Chairpersons
- Unions
- Science
- Environmental organisations
- Industry & Business Associations
- Regional Representatives
- Three members of the Bundestag (with speaking rights, but no voting rights)
Organisational Structure

Commission
- meets once a month
- conducts hearings
- votes on resolutions
- prepares proposals and reports

Task Forces
- meet separately once a month
- open to all members of the Commission
- prepare resolutions

Task Force “Economic Development and jobs in the regions”

Task Force “Power sector and Climate Targets”

Commission Office
located at the Federal Ministry for Economic Affairs and Energy

Representatives of all the Ministries as well as all states involved
Operating Schedule

- **July 26th**
  - Constituting Meeting

- **Late October 2018**
  - Proposals for social and structural change in the coal regions

- **COP 24**
  - Proposals for measures to the power sector for closing the gap in achieving the 40% emissions reduction target until 2020

- **End of 2018**
  - Final Report