



Just Transition Platform – Policy approach:

TRANSFORMATION STRATEGY IN KONIN (WIELKOPOLSKA REGION) TJTP

Poland, Wielkopolska Region

This document is part of a series presenting information and lessons learned on policy approaches at national, regional or local level supporting a just transition to a climate-neutral economy. The Just Transition Platform (JTP) assists EU Member States and regions to unlock the support in this transition. Visit the JTP website: https://ec.europa.eu/regional_policy/funding/just-transition-fund/just-transition-platform_en

Member State:

Poland

Region:

Wielkopolska Region

Sector:

Whole economy

Total budget (€):

N/A

Financing conditions (co-financing rate):

N/A

Sources of funding:

EU funding: JTF (2021-2027); €400 million planned for region's financing.

National funding:

N/A

Regional funding:

N/A

Duration:

Various activities by non-governmental organisations in 2017; Government of Wielkopolska Region officially involved since March 2018; all transition actions should last until at least 2030 based on timetable for closure of mines and decommissioning of power plants.

Responsible Managing Authority/Agency:

ARR Transformacja Sp. z o.o.; Regional Development Agency JSC in Konin; Departments of Office of Marshal of Wielkopolska Region, in Poznań

Summary

The idea of a just transition was not initiated as a top-down approach but was born from within the community of Konin's municipal activists itself. The plan bases its strategic work on the participation of working groups and includes changes occurring in the process of multi-faceted transformation, bringing benefits not only economic but also environmental ones, thus building the new identity of the region. It has been a priority to ensure that a just transition is a socially acceptable process focusing on minimising the negative social and economic impacts of the transition towards a climate-neutral economy. Therefore, from the very beginning of the work, a comprehensive approach has been adopted. This includes: support for workers losing their jobs as a result of the energy transition; the development of innovation, research, and science; support and development of micro, small and medium-sized enterprises, including the creation of new jobs; ensuring access to qualified

workers; as well as the development of culture, tourism, and infrastructure. The inhabitants, entrepreneurs, and local governments will be involved in the fair process of transformation and change towards the use of environmentally clean power sources. It is also linked to smart specialisations, such as renewable energy sources, electromobility, and hydrogen technology. The aim is to create new job opportunities in this sector within the region. In terms of the energy transition, the priority of the subregion is maintaining its energy character, as well as striving to become a national leader in the green transition and achieve climate neutrality in 2040. The plan recognises a wide spectrum of development needs in mitigating the socio-economic transition's effects. It is seen as an impulse of technological change related to the implementation of solutions in the field of renewable energy sources, as well as the popularisation of the green economy.

Type of policy measure/activities:

Main strategic directions under TJTP include:

- building a zero-emission, dynamic circular economy
- active society and inclusion of workers of the affected industry

Part of the activities is achieved by establishing diagnoses and guidelines for the region's green transition. It is planned to create projects within a low-carbon economy to adapt and mitigate the negative consequences of the transition from coal. Modeling and research regarding the negative effects of Transition on the region and different scenarios, including perspective numbers of new possible jobs and industries to create and countermeasures to the negative effects of the Transition. The project would see the establishment of an employee support centre (PCW), which would be the first point of contact for miners leaving the industry. The PCW is to provide support for acquiring new professional qualifications or upgrading existing ones, improving qualifications, and retraining. Further investment support for SMEs for adapting to changing market conditions, technological development hubs, as well as business incubators; as well as support entrepreneurs and young people. The TJTP foresees also further activities within the restoration of environmental damage in the area. Specifically, it is planned to revitalise and decontaminate degraded areas as well as restore and increase water resources and the development of brownfield sites and post-mining areas. On the public administration level, the TJTP will provide climate change adaptation measures, invest in zero-emission public transport.

Goals and approach:

While the Polish government has declared 2049 as the year that coal will be phased out, the dates vary by region. In the case of the Transformation strategy for the Eastern Wielkopolska region, the phasing out of coal in the power and heating sector is set to end in 2030. Taking into consideration the goals for the CO2 emission reduction, the Eastern Wielkopolska region TJTP has set itself the goal to achieve climate neutrality in the sub-region by 2040 and reduce CO2 emissions in the electricity sector by more than 90-95 per cent by 2030, and by 80-90 per cent in other sectors by 2040; by 2030 there will be a reduction in greenhouse gas emissions by over 55 per cent, increasing the share of energy from RES in total consumption to exceed 32 per cent and increasing energy efficiency by 32.5 per cent.

As far as it regards the approach the transformation strategy aims to include all parties that are affected by the transition plans, therefore, from the early stages of developing the conceptual work a participatory approach was used, to involve and allow the inclusion of all parties in the implemented activities. The measures and activities have been decided together with trade unions as well as the workers' council agree that retraining programs and deeper cooperation between employees and future employers. Further, the TJTP is aiming to create a 'new identity' for the region. Once the main mining and power plants close, the goal of the TJTP is not only to tackle the problems that arise with the transition, but to create a path based on a new opportunity. The funding is planned for use to develop this part of Wielkopolska to become a competitive and innovative area.

Important outputs, results or achievements:

One of the main achievements so far involved the signing, on 3 April 2021, of the Agreement on Eastern Wielkopolska's just energy transition. The Agreement was signed by more than 40 entities from the region representing the local and regional government, the private sector, and non-governmental organisations and in the long term, this group was expanded to over 70. The participants of the Agreement declared their willingness to cooperate resulting in new initiatives or investments in the subregion in the field of just transition, and expressed their willingness to cooperate in the field of:

- participation in the preparation of initiatives addressed to the subregion related to the energy transition process,
- mutual support in the just transition process, respecting the interests of each party,
- cooperation in the field of participation of Eastern Wielkopolska within the framework of the Platform for Support of Mining Regions,

- mutual support in the process of obtaining funds for the implementation of projects addressed to the subregion,
- support initiatives and investments in the sub-region aimed at creating new jobs in the energy sector and outside the sector.

The agreement became the foundation for the establishment in 2020 of the Eastern Wielkopolska Working Groups, to which declarations of participation were submitted by several hundred people representing various environments, who are experts and practitioners in various fields. From the very beginning, the Group's activity has focused on planning a just transition in the subregion, in particular by supporting the development of key documents for the subregion (the Concept of Just Transition of Eastern Wielkopolska, the Territorial Plan for Just Transformation of Eastern Wielkopolska, or the currently prepared Strategy for the development of Eastern Wielkopolska until 2040), both at the stage of their development and subsequent consultation of the content.

Scalability¹ and transferability²:

The initiative is scalable only to a smaller extent. Key success factors of the initiative are that the local stakeholders are participating in the development of the transformation strategy, scaling up such an initiative could create further difficulties in involvement from local stakeholders.

As far as it concerns the transferability of the project a high degree of transferability is given. As preconditions of transferability are that the regions

in which the transformation strategy should be implemented use the same approach that the TJTP Eastern Wielkopolska is using, namely, broad public participation in the preparation and implementation, and in depth-analysis that provides enough knowledge about the socio-economic situation of the region. Lastly, the transferability of the project in other regions would need enough financial resources to be successful.

¹ Scalability entails that a policy approach can be adapted to a bigger scale than just the local context.

² Transferability entails that a policy approach can be applicable to a similar setting and replicated.

Key success factors and lessons learnt:

Three factors of the Transformation Plan for the Eastern Wielkopolska region are seen as key success factors. Firstly, broad public participation in the development of the conceptual work and subsequent in the implementation of the TJTP. Secondly, a broad knowledge of the subregion, in terms of socio-economic provided by an in-depth diagnosis of regional conditions and a good description of the situation in the local labour market. Further, broad knowledge processes take place and the potential plans that can be implemented within the region's sectors. Lastly, the available financial resources allow the efficient and effective implementation of the programme's intention. Moreover, an additional success factor can be considered the well-designed goals on how to mitigate the social, economic, and environmental impacts of the transition to a climate-neutral economy and the development of concrete actions.

Key challenges:

One of the key challenges is the vagueness of the term: 'Just Transition', a proper definition shared by all is difficult to find. Due to this vagueness, different stakeholders have different expectations of the transition. One of the most important challenges involves the creation of a proper model of transition which would most likely require many compromises from all parties since they all have different interests in how the transition should be implemented.

A further key challenge is boosting the creation of micro, small, and medium-sized businesses, not only in the current EU financial perspective, but also in the subsequent ones. While the region intends to attract investors to build big industrial plants, it also aims to develop local enterprises, which may take up to 10-20 years. Such a long-term objective comes with further challenges that are difficult to plan for.

Central framework conditions³:

The area of Eastern Wielkopolska, which has a population of 443,273, is strongly dependent on the mining and energy sector. From the mid-1950s the subregion's socio-economic development depended on the mining industry and the power industry. Thanks to those two sectors, Konin the subregion's capital became a thriving industrial centre.

At the end of the 1980s, the number of workers employed in power stations and the mining sector has declined significantly. The region's lignite fields are rapidly becoming depleted, and the local community is opposed to the plans to open new opencast mines. Coal mining is currently expected to end in 2030.

Eastern Wielkopolska continues to be home to the region's largest group of unemployed individuals. At the end of December 2018, the unemployment rate stood at 9 per cent, which corresponds to more

than 12,000 people searching for a job. The largest group among the unemployed are people of working age with lower and upper secondary vocational education, primary education, and lower secondary education. Another problem concerns the outflow of people from the region and an ageing population.

Despite a major decline in the region's economic importance and the serious consequences of this decline for the region's population, no comprehensive plan of a transition that would make the local economy less dependent on coal has been devised so far. The consequences of this negligence are affecting the local population which urgently needs to find alternative solutions in various fields of economic development.

Outlook:

The condition for success is the financing of intentions from the JTF. If the funds are mobilised, the next step will be the implementation of the provisions of the Territorial Plan for the Just Transition of Eastern Wielkopolska. The implementation is planned for the third quarter of 2022. The just transition of Eastern Wielkopolska was included as one of the seven priorities of support. Following the previous provisions of the Entrustment Agreement for the years 2021-2027, it can be expected

that in connection with the implementation of the territorial plan for a Just Transition Eastern Wielkopolska, in the nearest financial perspective, approx. €400 million will be received for the implementation of various projects.

³ Framework conditions encompass the institutional, informational and socio-economic factors that determine a given environment (contextual information), e.g. market conditions, access to finance, tax regulation, infrastructure and support.

Partners & contacts:

- Representatives of Municipalities and Local Government
- Representative of the Board of the Wielkopolska Region for the Restructuring of Eastern Wielkopolska
- The 'Institute of Green Future' Foundation
- The 'Development YES – Opencast Mines NO' Foundation
- The 'Konin Action' Association
- The Alliance of Polish Green Network Associations
- The 'Instrat' Foundation
- Pątnów-Adamów Power Plant Complex-Konin SA (ZE PAK Konin SA)

Website:

<https://www.wde.org.pl/en>

Sources:

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