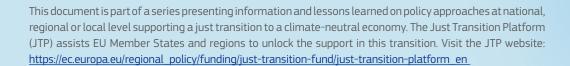




SUPPORT OF EMPLOYABILITY IN THE REGION OF UPPER NITRA

Slovakia, Trenčín region



Member State:

Slovakia

Region:

Trenčín region

Sector:

Coal, Energy

Total project budget (in €)¹:

11 973 974.12 € (EU contribution: 85 %)

Sources of funding (in €):

EU funding:

European Social Fund (2014-2020): 10 177 878.00

National funding:

1 558 470.71

Regional funding:

237 625.41

Project duration:

08/2020 - 11/2023 (40 months)

Responsible managing authority / agency / company:

Trenčín Self-Governing Region

Summary

The Upper Nitra region faces the challenge of transitioning from lignite mining to a post-coal era due to the government's resolution to end the lignite-based electricity supply by the end of 2023. The reskilling project is implemented by the Trenčín self-governing region in collaboration with Slovakia's largest mining company. Homonitrianske bane Prievidza (HBP). The project supports employees of the lignite mining sector in this transition, providing training, upskilling, personal development and helps facilitate a smooth shift to new employment². Despite the pandemic-related challenges, participants engage in activities, including professional retraining courses, skill development courses, and job preparation support.

The broader regional transition involves diverse projects supported by the European Commission's Just Transition Fund. The Upper Nitra region aims to repurpose former mining areas for energy projects, like utilising mining water for heating, attracting industries such as battery production, and fostering new employment opportunities like railway carriage repair and greenhouse cultivation. The transition plan, focusing on infrastructure, economy, energy, and quality of life, signals a commitment to a sustainable, diversified future. Engaging citizens and government support are crucial elements, and the region seeks to counter depopulation by attracting skilled talent, promoting sustainable industries, and tourism, and fostering innovation for a decarbonised future.

 $^{{\}bf 1}$ Budget information provided by the managing authority.

² See: Support for employability in the region of Upper Nitra | Kohesio (europa.eu)

Type of activities:

The 'Support of Employability in the Region of Upper Nitra' project encompasses a comprehensive range of activities to address the challenges posed by the cessation of lignite mining. The initiative, led by the Trenčín self-governing region and HBP, focuses on reskilling and supporting employees affected by the transition³. Participants engage in a six-month adaptation process facilitated by experienced tutors. This process includes group and individual sessions aimed at developing soft skills, a balance of competencies assessments by external lecturers, and the opportunity to undergo professional retraining courses and personal skills development. During the project, the miners are still employed by the mining company and receive the average compensation they would have earned by working in the mines or power plant.

The project extends beyond traditional training, helping in job application preparation and interview readiness. Newly established contact centres in Handlová, Nováky, and Prievidza provide professional advice in various areas like economics, law, psychology, and social support. The overarching goal is to prepare employees for new employment opportunities in sectors beyond lignite mining. The activities underline a holistic approach, recognising the importance of both technical and soft skills in navigating the evolving job market.

Goals and approach:

The Upper Nitra project, driven by the Trenčín self-governing region and the mining company HBP, is dedicated to mitigating the socio-economic impact of ending lignite mining⁴. The primary goal is to smoothly transition employees of HBP to new employment opportunities in diverse sectors as lignite mining activities cease. Through a meticulous approach, the project emphasises upskilling, retraining, and personal competency development.

The overarching strategy is to equip participants with a well-rounded skill set, ensuring their readiness for a dynamic job market and contributing to the broader regional transition towards a sustainable, diversified future beyond lignite dependency.

Important outputs, results or achievements:

The project is expected to yield commendable outputs and achievements. To ease the transition for employees affected by the cessation of lignite mining, the project is expected to engage with 700 employees of HBP over its life span.

Participants are expected to have undergone a comprehensive range of activities, from group and individual sessions focusing

on soft skills development to professional retraining courses and personal competency enhancement. The project is expected to not only facilitate the upskilling of employees but also provide crucial support in job application preparation and interview readiness. The establishment of contact centres in Handlová, Nováky, and Prievidza will further strengthen the support system, offering professional advice and fostering a sense of community.

Scalability⁵ and transferability⁶:

The main challenge that the managing authority has identified when replicating this project in another region is the fact that this project in Slovakia is fairly unique due to its structure. Specifically, the project entailed negotiations with a major private actor from the mining industry (HBP) in order for the affected workers to remain on the company's payroll whilst undergoing the reskilling programme.

As such, the managing authority believes that the project is scalable, but that the key challenge in this regard would be to maintain this emphasis at the local and regional level in the organisational structure of the project, to maintain direct contact with the affected workforce. This point was emphasised in light of the key challenges experienced by the project in Slovakia.

³ See: https://www.nphornanitra.sk/o-projekte/zakladne-informacie/

⁴ See: Basic information - National project - Support of employability in the region of Upper Nitra (nphornanitra.sk)

⁵ Scalability entails that a policy approach can be adapted to a bigger scale than just the local context.

⁶ Transferability entails that a policy approach can be applicable to a similar setting and replicated.

Tools for supporting economic diversification and reskilling/upskilling via projects:

- · Supporting vulnerable workers during the period of industrial transition
- Providing workforce training and upskilling programmes

Key success factors and lessons learnt:

A key success factor of this project identified by the managing authority has been the word-of-mouth effect among employees, which has helped reduce hesitation and uncertainty towards the programme.

Specifically, the managing authorities have identified this as a key success factor when considering the personal hurdles associated with the closure of the mines and power plant and the reskilling programme from the affected worker's point of view. It has been reported that many of them were reluctant at first to engage with the programme and that the positive experience of their colleagues helped them overcome this particular stumbling block. As time passes, the project has managed to attract more and more workers thanks to this positive word-of-mouth effect.

Key challenges:

The Upper Nitra reskilling project faces several key challenges. The foremost obstacle is the imminent cessation of lignite mining, resulting in job losses for employees of HBP. The specificity of these mining jobs poses a unique challenge, as the reskilling project must navigate a niche labour market, ensuring that the acquired skills align with the evolving demands of other sectors in the region.

Further, the managing authority highlighted two major related challenges. The first one was the hesitation and scepticism of many workers at the start of the project, which led to a slow uptake at first (project retrained 417 workers by the end of 2023). The second one was the challenge of overcoming the personal barrier of the affected workers and motivating them to engage fully with the rescaling project, such that the retraining programme could be tailored to their skills and proficiencies.

Moreover, the project grapples with the repercussions of the COVID-19 pandemic, hindering participants from attending educational courses within the stipulated six-month period. This obstacle highlights the project's adaptability, requiring flexibility in its approach to accommodate the restrictions imposed by pandemic-related measures.

Central framework conditions⁷:

The Upper Nitra region is located in the western part of Slovakia, along the upper course of the Nitra River. It is a historically industrial region, with the first attempts at coal mining there dating back to the 18th century.

Even today, the mining industry plays a dominant role in the region: HBP is a large company that mines brown coal and lignite. The region has developed tourism, associated primarily with the Bojnice Castle and a local zoo, and its natural resources, such as the Bojnice spa, are also being exploited. However, Upper Nitra's environment is marked

by long-term mining and the negative effects of the energy and chemical industries.

With such a long history of mining and powerful interest groups fighting for the preservation of the industry, the journey to end mining and start the transformation of the region has not been easy.

To that end, an Action Plan was created in 2018-2019 to facilitate a just transition in the region. Under this plan, a measure aimed at reskilling the workforce affected by the green transition was included.

Outlook:

The European Commission has approved the prolongation of the project until January 2025 on 24 November 2023 under EU State aid rules.⁸ The managing authority fully expects all affected HBP workers to have undertaken the reskilling programme by the new end date.

⁷ 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.

⁸ See: https://ec.europa.eu/commission/presscorner/detail/en/mex_23_6051

Project partners & contacts:

- · Trenčín Self-Governing Region
- Ministry of Investments, Regional Development and Informatization of the Slovak Republic
- HBP
- · City of Handlová
- · City of Prievidza
- City of Nováky

Website / social media:

https://prievidza.sk/projekty-mesta/podpora-zamestnatelnosti-v-regione-horna-nitra https://www.nphornanitra.sk

Sources:

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- · Interview with a representative of the Department of Regional Development of the Trencin Region, 14 November 2023.
- European Commission (2023): Support of employability in the region of Upper Nitra. Available at: https://kohesio.ec.europa.eu/en/projects/Q3106918
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