

# Coal Regions in Transition: Updates from the Initiative

**Coal Regions in Transition Virtual Week** 

15 November 2021



# A few guidelines before we begin

We will use Slido for Q&A and polling. To submit questions:

#### Step 1:

Go to Slido.com

#### Step 2:

Enter the code: CRITupdates
Or follow the link on Swapcard

#### Step 3:

Submit your question, vote on other questions!

Please note this meeting will be recorded





# Updates from the Initiative

### **Adela Tesarova**

Head of Unit, Consumers, Local Initiatives, Just Transition, DG ENER, European Commission



# **Recent developments**

**EU** policy

As recovery is progressing, the years 2021/2022, EU focus will be on implementation;

The 'Fit-for-55' legislative package is underway;

The JTF programming is in full speed and the results of the Recovery planning are expected to become visible on the ground soon...



# **Recent developments**

#### EU countries and regions

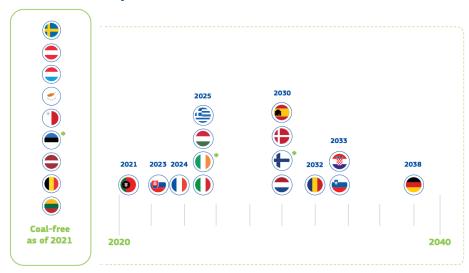
New and accelerated phase out dates e.g. Romania (2032)...

... and others expected soon (Bulgaria, Czechia);

Progress on implementation in many other EU countries;

Increased global interest for EU approach to just transition and the learnings from the Coal regions in transition initiative

#### Coal phase out commitments in the EU



Phase out under consideration



Member States with peat and oil shale in their energy mix.



# Recent trends in EU coal, peat and oil shale regions

Just Transition Platform Meeting – Coal Regions in Transition virtual week and Carbon-intensive regions seminars

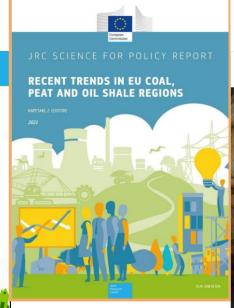
15 November 2021

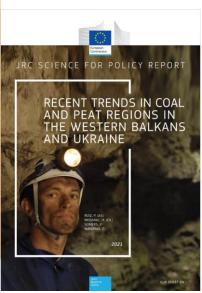
José Moya Knowledge for the Energy Union Unit Joint Research Centre



JRC support to the Coal Regions in Transition







2018

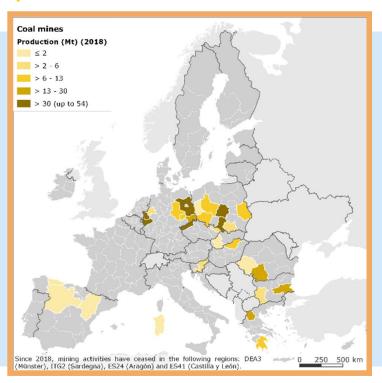
2019

January 2021

October 2021



# The coal sector

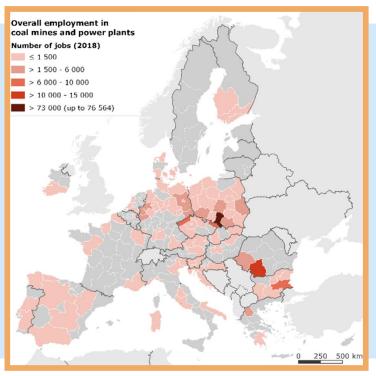


Coal-related activities in EU-27 regions (2018):

- 90 coal mines in 11 Member States (442 Mt of hard coal and lignite).
- 179 coal-fired power plants in 19 Member States (130GW).



# Employment in the coal sector (2018)

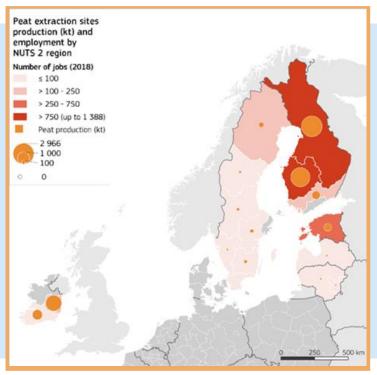


- Direct employment in the EU-27:
  - 160 000 in coal mining
  - 49 000 in coal power plants
  - Ranges per Member State:
    - Mining: 160 (IT) to 91 000 (PL)
    - Plants: 157 (HR) to 15 600 (PL)
- Estimated EU-27 indirect employment:
  - **131 000 indirect jobs**





# Peat use as fuel in the EU-27

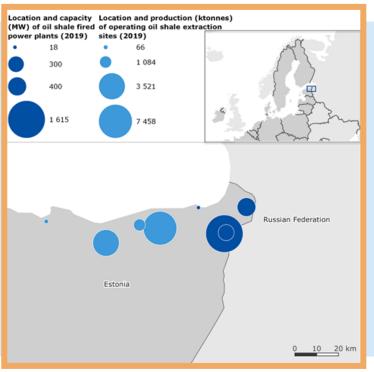


- Six countries: Estonia, Finland, Ireland, Latvia, Lithuania and Sweden.
- 9.4 million tonnes of peat for energy use (2018).
- 208 peat-fired power plants (additional 139 smaller boiler units in Finland) primarily for heat production.
- 6 300 people employed directly.





# Oil shale in the EU-27



- One country: Estonia.
- 16 million tonnes of oil shale (2018).
- 6 oil shale-fired power plants
- 5 200 people employed directly.





# Changes in the coal sector between 2015 and 2020

### **Coal mines**

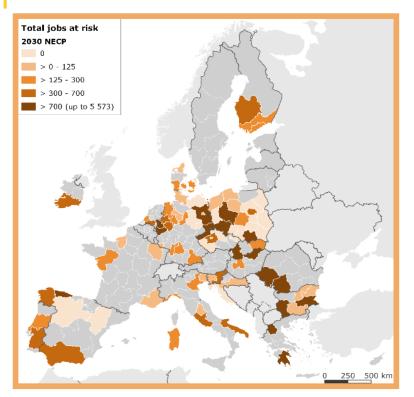
	No of mines	EU countries	Direct jobs
2015	127	11	174 270 159 267 9%
2018	90 29%	11	159 267

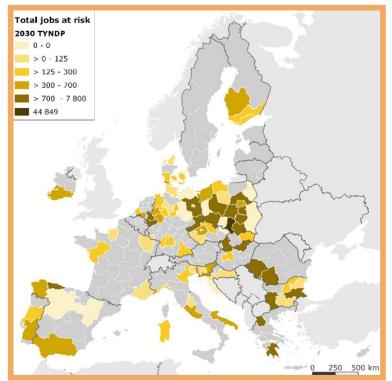
# **Coal-fired power plants**

	No of plants	EU countries	Direct jobs
	(capacity)		
2016	196 (132 GW)	20	51 706
2018	179 (130GW)	15% 19	49 102
2020	166 (112 GW) 🗸	18	42 640



# Jobs at risk in the coal sector





Source: JRC (2021). Recent trends in EU coal, peat and oil shale regions. JRC128503.



# Key findings (I)

- There are coal activities in 19 Member States and 94 NUTS-2 regions, offering direct employment to around 208 000 people.
- **Peat production** takes place in Estonia, Finland, Ireland, Latvia, Lithuania and Sweden and provides direct employment to about **6 300 people**.
- Oil shale activities are identified solely in Estonia, located primarily in the north-east of the country and associated with the direct employment of nearly 5 200 people.
- From 2010 to 2018, lignite and hard coal production dropped by 22% and 43% respectively, with the closure of 82 mines. Coal mining jobs decreased by 32%.



# Key findings (II)

- From 2016 to 2020, more than 26 GW of coal-fired generation capacity was retired.
- By **2030**, **60-75 GW** of coal-fired capacity (half to two-thirds of the EU-27 coal-fired fleet in 2020) is **expected to retire**.
- Between 2020 and 2030, job losses in coal-fired power plants and mines are likely to total 54 000 jobs under the NECP scenario and around 112 000 jobs under the TYNDP coal phase-out scenario.
- Jobs associated with peat use for energy show an immediate risk only for Ireland while in the other countries, the risk is very low.
- (from JRC117938): The deployment of **renewable energy technologies** in coal regions can create up to **315 000 jobs by 2030**, and up to **460 000 jobs by 2050** in previously identified coal regions.



# Thank you



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# **Greek Regions in Energy Transition – Progress Update in Planning, Implementation and Combining Recourses**

ALEXANDRA MAVROGONATOU
Technical Secretariat of the Greek JTDP Steering Committee



# **Energy Transition in Greece**

As a key part of The National Energy & Climate Plan, the government committed to decommission all lignite power plants by 2028, with the majority expected to take place by 2023 as well as to phase out by 2029 the autonomous power stations which use diesel or heavy fuel oil.

Main goal in this context is to support local economies and employment and minimize the associated social and environmental impact during this transition.



# **Planning Process in 2 levels**



Level 1: according to the timetable of energy transition, a comprehensive and quantified **national transition plan** was created combining the follow elements:











To have a clear vision To be supported by for "the next day"

To provide a real investments comprehensive set of incentives

To mobilize private, national and EU funds

To provide reskilling/upskilling of human resources

## **Just Transition Development Plan**

(National Master Plan)

It is an integrated plan to a climate-neutral and circular economy, according to the provisions of the National Energy and Climate Plan, aiming to the replacement of coal, diesel and heavy fuel oil by sustainable and more competitive electricity generation methods and the economic diversification / transformation of the affected areas.

The "next day's" vision for the JTDP is based on five key growth pillars, supported by horizontal actions.





Promoting sustainable development by utilizing the competitive advantages of each region, with the aim of prosperity and improving the lives of citizens



















Manufacture, small industries and trade



Smart agricultural production



Sustainable tourism



Technology and education



Structural and digital infrastructure



Human resource reskilling/upskilling



Entrepreneurship guidance and motivation



New and alternative land uses

# **Territorial Just Transition Plans & Just Transition Development Programme**



<u>Level 2</u>: JTDP's vision and growth pillars had to be tailored to the needs and specific characteristics of each one of the affected areas according to the Just Transition Mechanism and its eligibilities





#### Preparation of 3 distinct TERRITORIAL JUST TRANSITION PLANS / (TJTPs):

- 1. TJTP of WEST MACEDONIA
- 2. TJTP of MEGALOPOLIS

  (neighboring Municipalities of Oichalia, Gortynia, Tripolis)
- 3. TJTP of SOUTH & NORTH AEGEAN ISLANDS AND CRETE



Preparation of the Just Transition Development Programme, under PA 2021-2027

# Implementation of the Just Transition Development Plan



Private investments, public investments and public-private investments need to be promoted



#### **Private Investments**

Projects to be undertaken by private investors with the use of equity, leverage but also with the appropriate package of investment incentives



#### **Public Investments**

Projects to be undertaken by public bodies using the national and EU resources and the related funding programmes



# Public-Private partnership

Projects to be implemented with the co-financing of private investors and public bodies

# **Key Actions to Facilitate the Implementation Process**



Project financing: ensure adequate funding sources



New land uses: define and enactment of new land uses in areas of (ex-)lignite mines based on Special Urban Plans (SUP)



Land restoration: establish a new legal entity which will act as the owner and developer of the lands (lignite mines) to be transferred to the state



Enactment of incentives: attract and facilitate the establishment of new enterprises and the function of the existing ones



Fast Track Licensing process: identify and promote the necessary legal provisions



Public Investment: seek and create a "tank" of projects eligible and properly mature to be funded by JTM and other available resources

#### **Need to Combine all Available Resources**



#### **Just Transition Mechanism**

Pillar 1: Just Transition Fund (JTF)

Pillar 2: Initiative InvestEU

Pillar 3: EIB loan facility

**EU Structural Funds** (ERDF, ESF+) & **EAFRD** 

**Recovery & Resilience Fund (RRF)** 

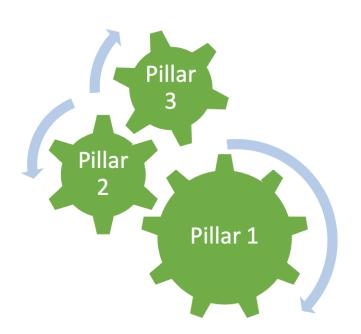
**Green Fund** (national resources)

**Greek Public Investment Programme** 

# **Just Transition Mechanism: Synergies and Complementarities of Pillars**

**Pillars 1** will support investments eligible under Just Transition Fund (JTF)

**Pillars 2 and 3** of the JTF will support a wider range of investments complementary to the eligible investments from the JTF under **Pillar 1** 



#### Additional fields

Support through a Loan Facility (Pillar 3) addressing social, economic, environmental and climate transition challenges and needs with a focus on public investments that do not generate sufficient revenue streams.

Support for projects which are highly complementary to the JDT Programme 2021-2027, such as: new road and rail projects and/or reconstructions and improvements to existing, water infrastructure/ networks, wastewater and solid waste management infrastructure/ networks, flood and fire protection projects, etc.

Pillar 2 will be used to support microfinance needs in micro-enterprises as well as investments that are technically and economically sustainable in particular in the areas of transport, energy production, digital interconnectivity and ICT, tourism and manufacturing and health.

# **Linking Type and Categories of Projects to the Available Funding Sources**

Infrastructure projects and supporting projects of emblematic investments

- Resources of the current (2014-2020) and next (2021-2027) programming period
- Just Transition Mechanism
- National Resources

RES & Energy efficiency and electrification improvement projects

- Just Transition
   Mechanism
- Green fund
- Private funds
- Investment law
- Resources from national and European research projects

Land restoration & Land repurposing

- RRF
- Resources of Pillar
   1 / JTF

Human Resource (reskilling / upskilling)

- Resources of Pillar 1 / JTF
- Other EU Funds

Projects in the primary sector

- Just Transition
   Mechanism
- RRF
- EAFRD
- Private and financial engineering

Other projects in innovation and competitiveness

- Just Transition
   Mechanism
- RRF
- Domestic and international financial institutions
- Private and financial engineering

Source: Analysis of SDAM Team

# State of play

#### **Planning**

# **Just Transition Development Plan** (National Master Plan):

- √ 04.2020 to 09.2020 JTDP was drafted
- ✓ 02.10.2020 to 10.11.2020 JTDP was launched on national consultation
- ✓ 12.2020 revised JTDP was approved (note: JTDP is revised when necessary).



✓ All 3 TJTPs officially submitted to EC on 12.10.2021, after a two-phase public consultation (04.2021 & 06.2021) and an informal negotiation process with EC services.



#### Just Transition Development Programme:

✓ JTD Programme officially submitted to EC on 12.10.2021 after a two-phase public consultation (04.2021 & 06.2021).

#### **Implementation**

#### Legal actions:

#### ✓ L.4759/2020:

- establishment of the "De-lignification Zones (D.Z. / Z.A∏.)"
- establishment of the "D.7.'s Core"
- Provision of 2 Framework Program Contracts between PPC S.A. and the Greek State

#### ✓ Elaboration of 3 new draft laws:

- Strategic investments
- JTDP governance scheme
- Investment incentives

#### **Combining Funds**

#### Just Transition Mechanism:

- Pillar 1 (JTF): 1,63 billion euros are allocated to the Greek JTD Programme to fund eligible investments
- <u>Pillar 2 (InvestEU)</u>: to be activated soon (to support private investments in the affected areas)
- Pillar 3 (EIB loan facility): an MoU between EIB and Greek Ministry of Environment & Energy has been signed, setting into activation 325,0 million euros of the funding capacity of Pillar 3

#### RRF:

√ 300,0 million euros ensured for restoration works in the lands affected by mining and are to be transferred to the state

#### **National Funds:**

- Green Fund: 30,0 million per year are used to fund public investments in the areas affected by the closure of lignite mines and plants
- ✓ <u>Greek Public Investment Programme</u>: ~10,0 million euros will be used to mature public investments that are eligible by the EU funds.



# Thank you for your time and your attention

ALEXANDRA MAVROGONATOU
Technical Secretariat of the Greek JTDP Steering Committee



ΕΛΛΗΝΙΚΗ ΔΗΜΟΚΡΑΤΙΑ ΥΠΟΥΡΓΕΙΟ ΑΝΑΠΤΥΞΗΣ ΚΑΙ ΕΠΕΝΔΥΣΕΩΝ





# JUST TRANSITION SLOVAKIA





November 14, 2021

PETER BALIK, Director-General

Innovation, Strategic Investments and Analysis (HUB)

Ministry of Investments, Regional Development and Informatization of the Slovak Republic

## TERRITORIAL COVERAGE – JTF SLOVAKIA

**✓** Upper Nitra region - *eligible* 

**✓** Košice region - *eligible* 

Banská Bystrica regionpending approval

X Bratislava region - not eligible

459 milion €



www.mirri.gov.sk

Dúbravská cesta 14, 841 04 Bratislava jtf@mirri.gov.sk

 $CO_2$ 

## PILLAR STRUCTURE OF JTF SUPPORT IN SLOVAKIA



- I. Economic diversification
  - SMEs
  - Digitalization
  - RDI
  - innovative jobs



- II. Sustainable environment:
  - Renewable energy
  - Hydrogen
  - Energy efficiency Circular economy



- III. Quality of life and social infrastructure:
  - Upskilling and reskilling
  - Social care
  - Young talents
  - Improving health



## **PARTICIPATORY PROCESS - ACTORS**





### INVOLVEMENT OF YOUTH INTO PREPARATION OF TJTP

- The aim is to actively **involve the young generation**, which is the future of these regions, in the **proposal of priorities and needs**. In addition, it is the young people who will bear the greatest impact of the consequences of the transformation and the negative effects of climate change.
- **Continuous process of work with youth** in the preparation and later in the implementation of specific measures and projects (workshops, information seminars, etc.).
- Support for specific projects for young people, for example by providing small grants for young people to support social projects in their local community to improve attractiveness of the region.



Contact details: peter.balik@mirri.gov.sk



# **THANK YOU FOR YOUR ATTENTION!**



# Facing the ugly truth

◆ low economic diversity

• few business oportunities

major dependency on coal mining and energy production





### Making a radical change



### IT'S NOT JUST A VISION

Summary of the public survey

276 project ideas

Over 75%

of projects are revolving around solar power production and energy efficiency

840 million euros

gathered over the course of 2 months

From solar power farms, to green houses powered by solar panels

80% financeable through JTF.



Gorj County Council



PROMOTING INVESTMENTS IN SOLAR ENERGY PRODUCTION ECONOMIC CHAIN

PROMOTING INVESTMENTS IN BUILDING EFFICIENCY

PROMOTING GORJ COUNTY AS A DIVERSE INVESTMENT MARKET FOR LARGE COMPANIES

STRENGHTENING THE BOND BETWEEN PUBLIC ADMINISTRATION AND LOCAL BUSINESS SECTOR

Gorj County Council







# Introducing TARGET

Technical Assistance for Regions undergoing a Green Energy Transition

#### Adela Tesarova

Head of Unit, DG Energy — European Commission

### **Antonio Almagro**

Director, P.J. Energy, European Investment Bank

November 15



## Adela Tesarova

Head of Unit, DG Energy – European Commission





### **Rationale**

need to complement START assistance with a new, targeted programme in support of a just energy transition;

build capacity of EU coal, peat and oil shale regions to perform the transition;

a joint European Commission — EIB initiative.







**Objectives** 

support clean energy and energy efficiency projects in coal, peat and oil shale regions in the EU;

for instance: small-scale renewables, heating, building renovations, energy communities, etc.

develop mature projects, ready for funding or financing.







# **Antonio Almagro**

Director, P.J. Energy, European Investment Bank





### **Activities**

- identification of projects;
- guidance to bring potential projects to mature level;
- guidance on improving project quality and alignment to the relevant EU objectives;
- guidance on potential sources of funding;
- capacity building of beneficiaries;
- preparation of projects for support from other initiatives and support programmes.

Potential beneficiaries: regional and local authorities, project promoters (both public and private), energy communities.







### Resources

TARGET mainly provided by a dedicated EIB staff (economists, engineers, environmental specialists).

In case of need external service providers could be hired to assist the EIB team.







**Application process** 

**Bottom up project identification** 

Application form to be sent to EIB for evaluation

Final decision to grant support made by European Commission







# Start of activities in early 2022.

Stay tuned!

















## Launch of **EU coal+ regions** exchange programme

Coal Regions in Transition Virtual Week

Sarah Gül, Guidehouse



# exchangeEU facilitates mutual learning between EU coal+ regions



Source: Getty Images

- Coal, lignite, peat, and oil shale ("coal+") regions are facing challenges in their economic and social transition due to the shift away from fossil fuels
- Representatives have expressed interest in a closer exchange with peers to:
  - deep dive into specific issues
  - address technical details of successful approaches
  - tailor them to the situation in their own region
- exchangeEU is embedded in the Coal Regions in Transition Initiative and implemented in close cooperation with its Secretariat

# You will benefit from being part of a flagship EU programme



**Demand-driven** programme design tailored to the participating regions.



Innovative and customized solutions for every participating region.



Hands-on **learning opportunities** and tangible results to take meaningful actions together.



Creating a community and network of practitioners with a lasting impact & benefit from other experiences and results.

Source icons: thenounproject.com



### Find your regional stakeholders and apply



### 1. GATHER MANDATE

Clarify your **interest and needs** to be part of the exchangeEU programme



#### 2. BUILD COALITIONS

Identify your region's stakeholder(s) to take part in the exchange (one person up to a delegation)



#### 3. MATCH UP

Ideally, find region(s) to pair and apply via the joint application form



### 4. APPLY

Fill in the programme's application form by **14 January 2022** in EU Survey (<u>individual</u> or <u>joint</u>)



### Check out our available resources

### **Available resources**

- Visit us at the <u>booth</u> during this event:

exchangeEU Information Stand

- Check out the programme website:
  - Information leaflet (EN)
  - FAQ
  - Executive summary (BG, CZ, EL, EN, ES, FI, PL and RO)
  - Application forms (individual/ for pre-defined pairs) in separate pdf for information/ preparation
- Contact us via exchangeEU@coalregions.eu for questions or support in the application process

### Looking for a pair to jointly apply with?

Sign up for our pre-matchmaking event in Zoom on 10 December, 10:00-12:00 CET.



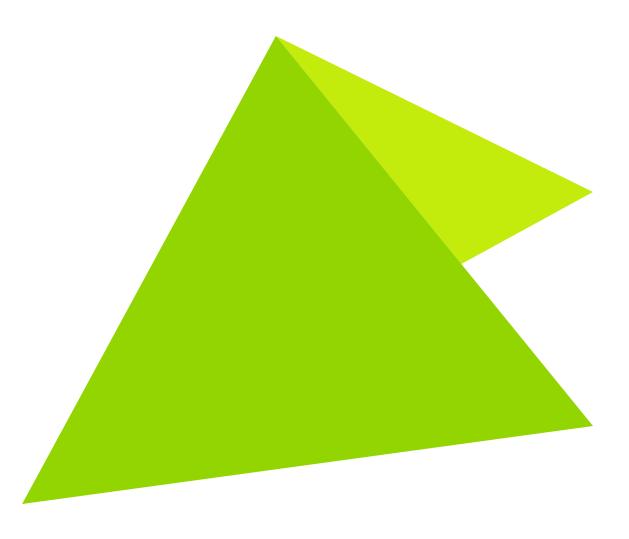
### **Contact**

#### Sarah Gül

Managing Consultant sarah.guel@guidehouse.com (+49) 30 700 109 667



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### **Support materials**

Available via coalregions.eu

- 12 current practice case studies
- 7 toolkits

Transition strategies

**Governance of transitions** 

Sustainable employment and welfare support

Environmental rehabilitation and repurposing

**Technology Options** 

New: Transition financing

Clean Air (forthcoming)



### Overview: Transition financing toolkit

Mobilising EU finance



The EU funding landscape



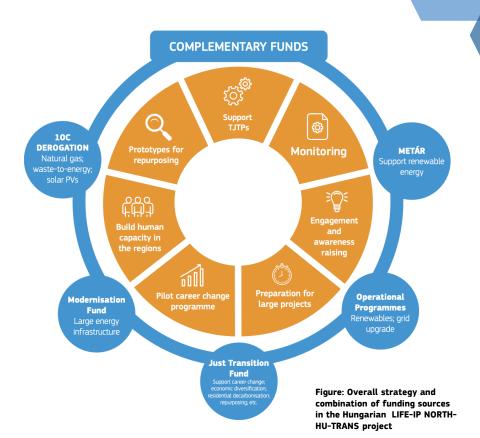
### Mobilising EU finance

### Elements of finance mobilisation

- Preparation of projects
- Designing a transition financing strategy
- Building capacity for finance mobilisation
- Coordinating at national level
- Empowering local players

### Financing approaches

- Financing mix: Pooling, synergising and blending
- Innovative approaches: strategic procurement, community energy ownership, energy performance contracting, crowdfunding, municipal green bonds, revolving funds

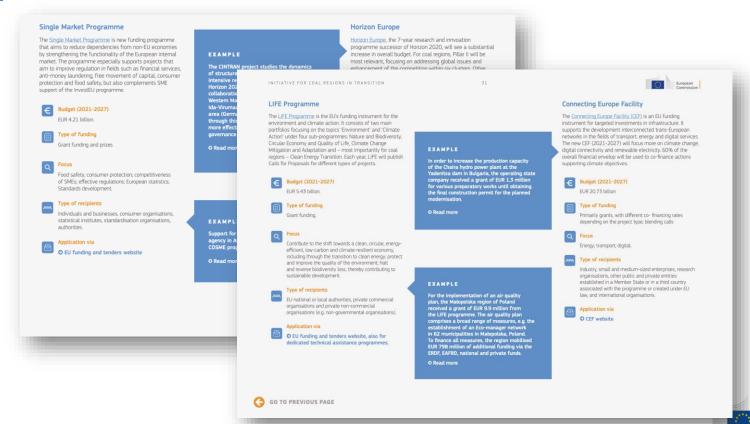


### The EU funding landscape





### The EU funding landscape



# Thank you

Download the new toolkit and other support materials via the CRIT website:

coalregions.eu

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