EU initiative for coal regions in transition

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Introduction

Coal mine closure is not matter of EU competence
But EU legal and policy framework has a direct influence on the coal sector altogether

Environmental, safety standards
State aid rules
‘Polluter pays’ principle

European Green Deal
Just Transition Mechanism
Climate Law (possibly)

EU policy and legislative context
Overall context

Sharp decline of coal in the EU, both as regards mining and power generation

Member State coal phase out decisions in the EU

Legend
- Coal phase out announced
- Coal phase out under discussion or expected
- No coal phase out discussed or expected

Production of hard coal in the EU
1990 - 2018

ec.europa.eu/eurostat
Initiative for Coal Regions in Transition

Objective

Not a ‘coal phase out’ initiative
‘No EU region, no EU citizen left behind’

Scope

31 coal regions in 11 EU Member States
230,000 jobs in the coal industry EU-wide
Now also covers peat and oil shale regions, with priority on Ireland and Estonia

Tools

Platform
Country teams
Secretariat
Platform

Provides an open forum for:

- **Stakeholder dialogue**: strategies and projects are discussed with a wider stakeholder community including NGOs, trade unions and industry.
- **Collective brainstorming**: exchange on best practices and experiences from other sectors and project ideas are brought into the discussion.
- **Guidance on available EU funds**: Commission services provide information on funds and programmes to support transition in coal regions.
- **Monitoring progress** made by pilot regions.
- **High-level political dialogue**: policy-makers provide recommendations on how to ensure an enabling policy framework, including the new MFF.

- **Platform Meetings**: 1-2 April 2020, October 2020 (Brussels)
- **Annual Political Dialogue**: November 2020, Oviedo (Spain)
Country teams

Structure and organisation

**National administration**
*Incl. possibly: Ministry of Energy, Regional Development, Finance or EU Funds, Social Affairs, Environment, etc.*

**European Commission**
All relevant services
ENER, REGIO, EMPL, CLIMA, ENV, REFORM, etc.

**Regional and local administration**

**Social partners, CSOs**

Regular meetings
In Brussels or in the country
Country teams

Currently 9 operational country teams

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Country teams

Examples of achievements (sample of 3 Member States)

**EUR 100 mln** reprogrammed in **Poland** to invest in transition planning tools, environmental rehabilitation and air quality measures.

> ENER to finance technical assistance to be provided by the World Bank, Secretariat

**EUR 250 mln** reprogrammed in **Czechia** to invest in support to SME, health and education.

> ENER to provide technical assistance through the Secretariat
> LIFE project for environmental rehabilitation of former mining sites in Moravia-Silesia

**EUR 100 mln** to be reprogrammed in **Slovakia** to invest in road infrastructure, mining site repurposing and human capital in the local administration.

> Follow up technical assistance to be provided by DG REFORM
Secretariat

Established 1 February 2019

• Assists the European Commission in the operation of the Platform

• Develops guidance materials (methodologies, reports, toolkits, best practices) on transition-related issues

• Performs targeted capacity building and technical assistance to pilot regions (7)

• Set up a knowledge hub on transition-related issues
Just Transition Mechanism

EC proposal, published on 14 January 2020

1. Just Transition Fund
EUR 7.5 bln, allocated to Member States according to industrial GHG emissions and employment in extractive industries

2. Dedicated window under InvestEU
Allowing to de-risk investments in ‘just transition’ regions, with a guarantee mechanism

3. Public loan facility
Helping projects with lower leverage effect, operated by the EIB

With a potential to generate EUR 100 bln in investments over the next decade
Just Transition Fund

Implementation phase (as per EC proposal)

1. Select **beneficiary regions** at NUTS 3 or inferior level
2. Develop **transition plans**
3. Spend funds according to plan

- Recommends **beneficiary regions** through European Semester
- Adopts **transition plans** after assessment
- Monitors spending and respect of plan
Thank you for your attention

#CoalRegionsEU