



**COAL PHASE-OUT  
AND JUST TRANSITION PLANS  
IN THE VISEGRAD REGION**

**Adéla Denková**  
**Association for International Affairs  
(AMO)**

**V4 Energy Think Tank Platform**

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# Coal Phase-out: State of Play in V4 Countries

## Poland

- two new units of the hard-coal-fired power plant Opole commissioned in 2019
- currently: 80% of the electricity production coming from coal → draft 2040 energy policy:
  - moderate CO2 prices scenario: 56% in 2030 and 28% in 2040
  - high CO2 prices scenario: 37% in 2030 and 11% in 2040
  - departure from coal use for heating in cities by 2030 and in rural areas by 2040
- talks between the government, coal companies and trade unions on 2049 as the closure date for the last coal mine – the issue of state aid
- Konin subregion: coal phase-out by 2030, climate neutrality by 2040
- efforts by the leading electricity groups Energa, Enea, PGE and Tauron (climate neutrality by 2050)



# Coal Phase-out: State of Play in V4 Countries

## Czechia

- December 2020: Coal Commission recommended coal phase-out by 2038 (conditional on a timely replacement of coal-fired power plants and heating plants by other sources)
- decision being postponed because of a disagreement in the government – several ministers including the minister of environment support an earlier date (2033)

## Slovakia

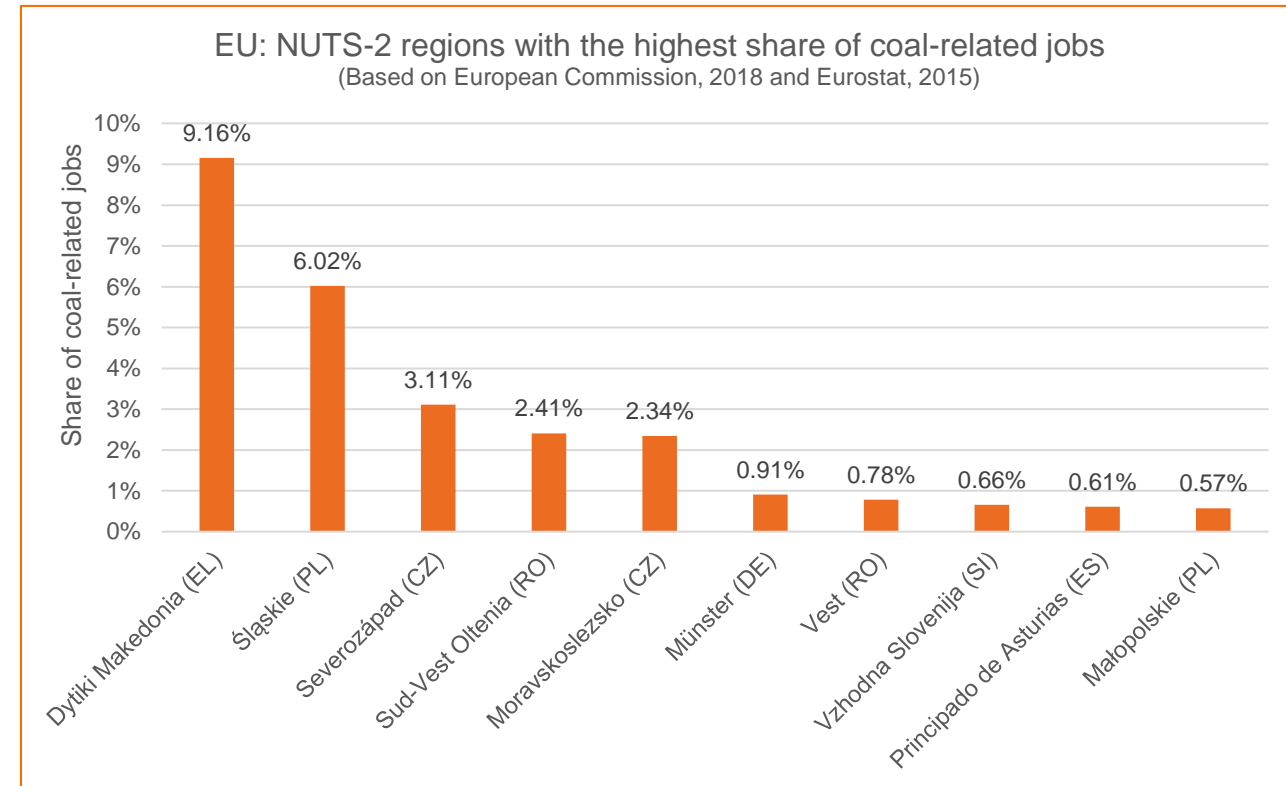
- commitment: coal phased out from electricity generation + closure of mines by 2023
- transformation of the coal area Horná Nitra in Western Slovakia

## Hungary

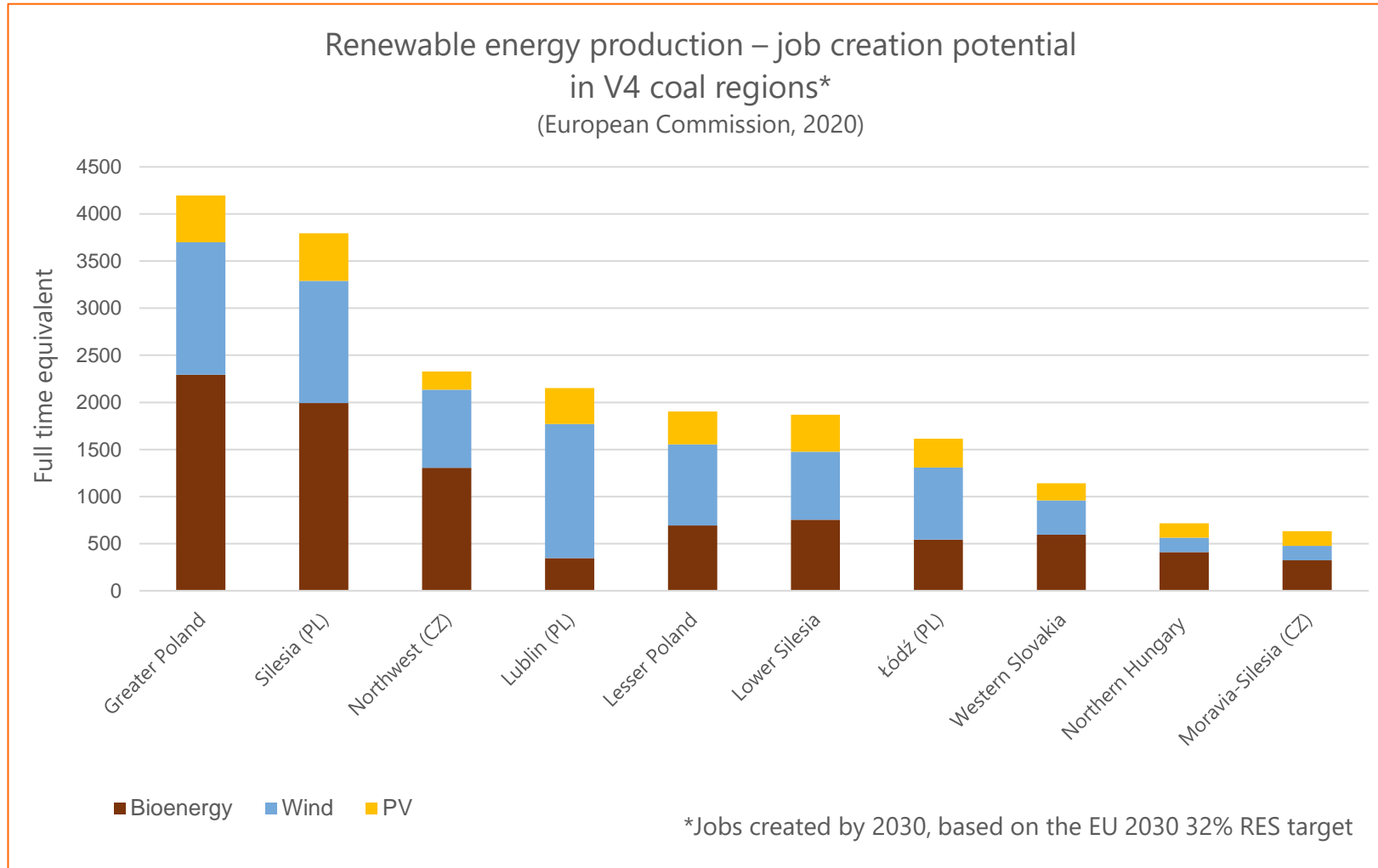
- coal phase-out = shut down (or fuel switch) of the Mátra Power Plant (the only operational lignite-fired plant in the country and the biggest CO2 emitter)
- March 2021: 2025 announced as the new phase-out date (until recently, it was 2030)

# Coal Phase-out: Impact on Jobs

- dependence of the regional economy on one sector
- direct job loss:
  - power plants retirement between 2020 and 2030 – Silesia and Greater Poland (PL) and Northwest (CZ) among the five EU most-impacted regions
  - mines closures will mainly impact jobs in Silesia (PL) and the Northwest (CZ)
- poor economic performance of V4 coal regions may be closely connected to structural problems stemming from the legacy of the former Eastern Bloc → need for a structural change

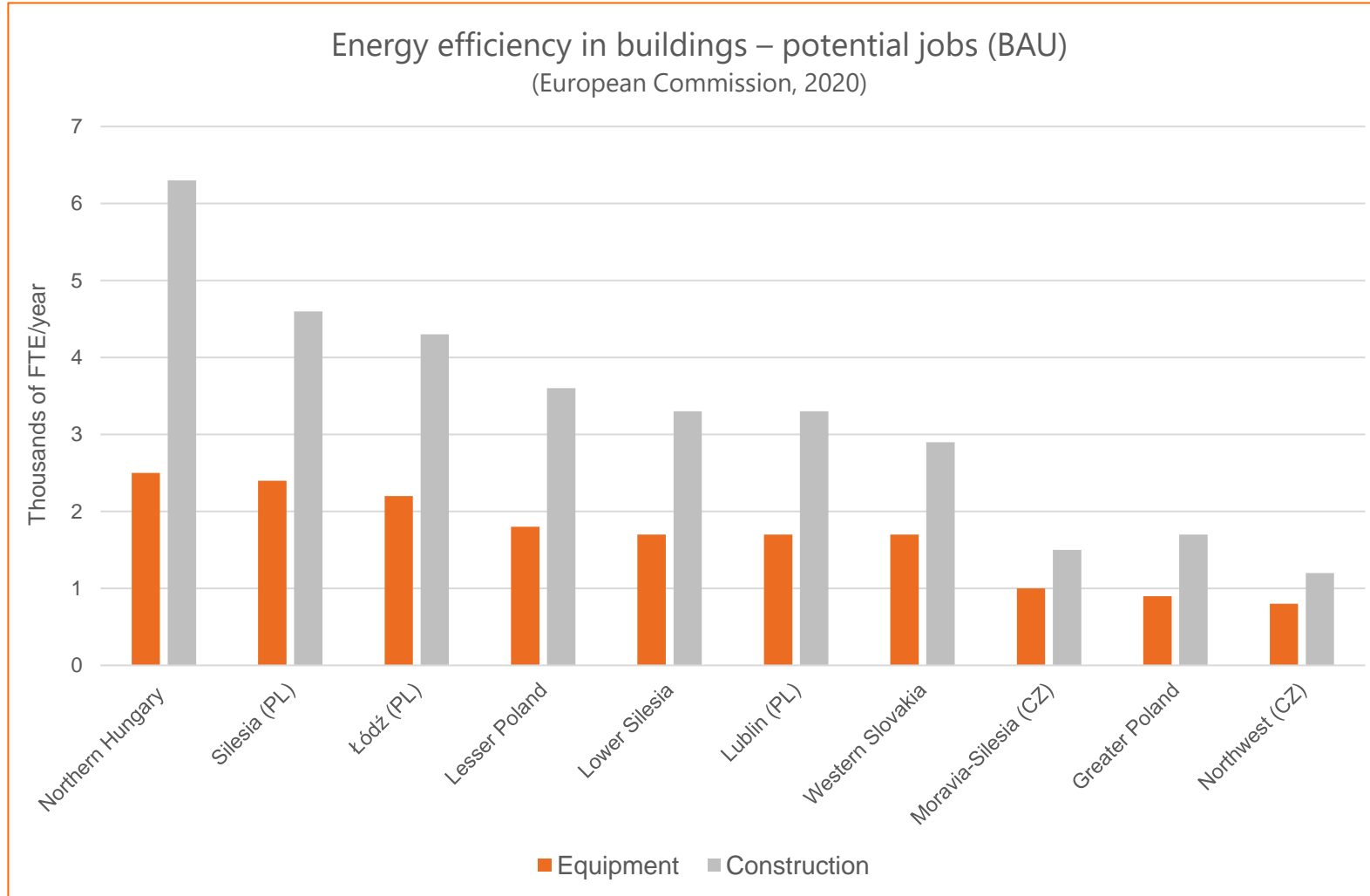


# Green Jobs Potential in V4 Regions



- biggest technical potential: ground-mounted solar PV
- biggest job creation potential: bioenergy

# Green Jobs Potential in V4 Regions

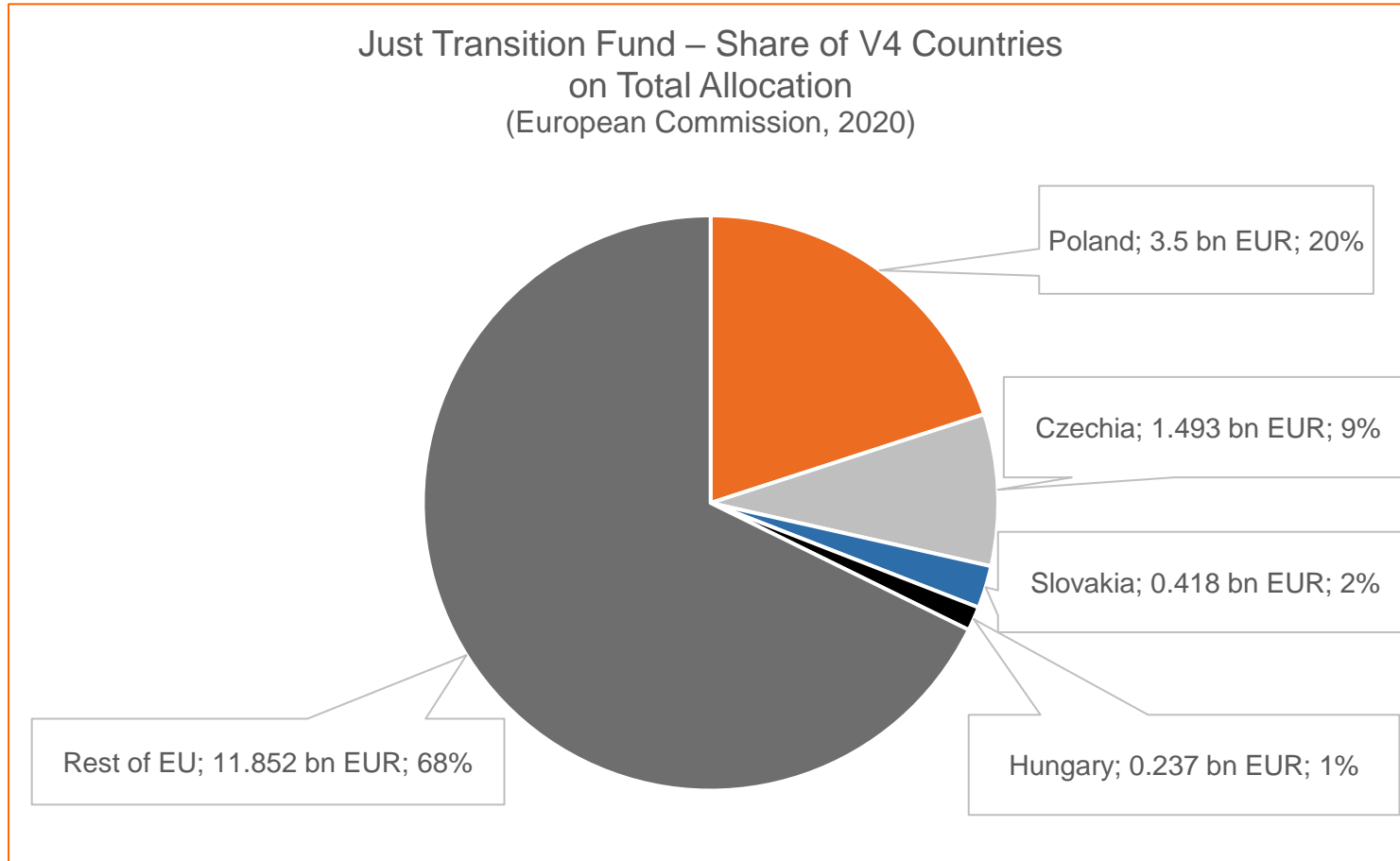


- on the regional level, especially the employment of the construction sector is interesting, as it can be mainly covered by the regional workforce

# Transition Groups of the V4 Coal Regions

High Decarbonizing Employment Potential	Slow Decarbonizing Employment Potential	Restricted Decarbonizing Employment Potential
<p><b>Lower Silesia (PL)</b> <b>Greater Poland</b> <b>Western Slovakia</b></p>	<p><b>Northern Hungary</b> <b>Lesser Poland</b> <b>Lublin Voivodeship</b> <b>Łódź Voivodeship</b></p>	<p><b>Northwest (CZ)</b> <b>Moravia-Silesia (CZ)</b> <b>Silesia (PL)</b></p>
<p>Future decarbonisation scenario will entail clearly surpassing existing coal related jobs. Support to fully deploy the identified potential may be needed in these regions.</p>	<p>These regions can potentially develop decarbonizing employment sectors to retaliate the coal related ones. Support to accelerate deployment may be needed in these regions.</p>	<p>These regions under the EUCO3232.5 scenario do not deploy decarbonized employment to a comparable level of existing coal related levels. Support may be needed to mobilise untapped existing potential or to promote alternative options.</p>

# Just Transition Fund – Allocation for V4 Countries



- Member states, in cooperation with regional authorities, have to develop Territorial Just Transition Plans
- plans should present the economic, social and environmental challenges that the regions in transition have to face, and propose the action needed within the period of the next ten years



# Just Transition Plans – Recommendations

- successful projects = those with deep ties to their local communities, provided economic diversification, partnered with local educational institutions and firms, and provided an open and transparent work environment
- smart specialisation of local economies, strengthening local entrepreneurial networks, improving local infrastructure or soft attractiveness factors for tourism, and establishing public sector activities or nationally relevant innovation or energy projects in the region
- longer-term and more focused projects, with an inter-regional focus, lower national co-financing, more national management, and a higher proportion of private and non-profit participants among the beneficiaries
- the best predictor of project's success appears to be the significant involvement of local actors and its potential to be long-lasting, in economic, social, and environmental terms
- initiatives supported through the JTF should be consistent with other EU policies and should not collide with their objectives or overlap with them in an inefficient way

# Thank you for your attention

**Adéla Denková, AMO, Prague**

**Email:** [adela.denkova@amo.cz](mailto:adela.denkova@amo.cz)

**Phone:** +420 776 710 928