## STATEMENT OF COAL REGIONS

## ON THE CONTINUATION OF SUPPORT FROM THE JUST TRANSITION FUND AFTER 2027 FOR REGIONS TRANSITIONING FROM COAL, SO THAT NO REGION IS LEFT BEHIND!

## Taking into account:

- the 9th Cohesion Report, published by the European Commission in 2024, which outlines the challenges of a just transition,
- the ongoing discussions at national and EU levels on where cohesion policy should be after 2027,
- the new term of the European Parliament and the Council (EU), which began in 2024 and will enact European legislation for the next financial perspective,
- the declaration signed on 23 October 2023 by 21 coal regions on the approach to the planning of the next EU financial perspectives after 2027, whose demands are still valid,
- the accelerating trend to phase out the use of fossil fuels in various economic sectors,

the coal regions of the European Union express the need and willingness to contribute to the discussion on the post-2027 Cohesion Policy, including in regard to the future shape of the Just Transition Fund, in order to strengthen its role in addressing the impacts of a transition towards climate neutrality.

In the belief that the fundamental objectives of Just Transition are still valid, we present the following stance on the continuation of support from the Just Transition Fund beyond 2027.

- As the result of the new Just Transition Fund, the coal regions have been provided with a much needed, unique tool to respond to a number of social and economic transition challenges and support the EU's policy to move towards climate neutrality. They have also put in immense efforts to prepare Territorial Just Transition Plans and to build a positive image of this Fund among a wide range of stakeholders, such as local self-governments, companies and their employees, social and economic partners and NGOs.
- The experience of the last two years of implementation of the Just Transition Fund has demonstrated how EU support can be further tailored to the specific development needs of individual territories to address the identified challenges of climate and energy transition.
- From its inception, the Just Transition Fund has become a tailor-made tool based on the Territorial Just Transition Plans developed and implemented in the coal regions, which respond to genuine issues identified by various circles in these areas. Such an approach is a great example of place-based policy, adapted to the needs and characteristics of mining regions, and should be developed as an independent instrument.
- The broad involvement of local authorities as well as economic and social partners in the regions' transition process as they move away from fossil fuels, for which the Fund has acted as an additional motivator and accelerator, has contributed to a more effective implementation of a just transition process carried out at a level that allows ordinary citizens to understand their main needs and problems, which has been the springboard for the most relevant and effective design of interventions.

- The Just Transition of the coal regions is part of the European Union's long-term policy. Therefore, it is necessary to provide a multiannual and stable support for the transition of coal regions, which have made the effort and taken the risks associated with economic change, thereby ensuring that these regions move through the overall process with greater ease. It is consequently crucial that all regions included so far in the Fund continue to be eligible for support in the next financial perspective.
- The continuation of the Just Transition Fund beyond 2027 as a separate instrument for mining regions, which should retain its specificity and be guided by its own objectives, complementary to the existing Cohesion Policy, is crucial. The current territorial approach based on sub-regions (NUTS 3 level) is unique for the planning and implementation of the Fund; funds that focus on regional development in terms of sectoral specific objectives (European Regional Development Fund and European Social Fund +) are not able to replace it under any circumstances.
- The Fund's operation in the next perspective will create a favourable image of consistency in the European Union's policy of supporting coal regions in the socially sensitive process of moving away from the use of fossil fuels, and will also demonstrate the awareness of EU decision-makers that the transition process is a long and costly process, and that its effectiveness depends on the stability of the support.
- Given the scale of the social, economic and environmental challenges facing mining regions, the Just Transition Fund budget should reflect these challenges in the next financial perspective, at least by maintaining its current share in the structure of the EU's Multiannual Financial Framework.
- Should a decision be taken to expand the Fund to include new mining areas, or other carbon or energy-intensive sectors, the budget of the Just Transition Fund needs to be increased accordingly, to address the needs of all supported areas and lead to real and visible change.
- In the case of areas moving away from coal (NUTS 3), which represent a considerably poorer part of the wealthier regions (NUTS 2), it is necessary to change the approach towards determining the level of support from the Just Transition Fund. Mining areas (less developed) within larger, internally diversified regions cannot be treated on an equal basis with the rest of the more prosperous (and less affected by restructuring) part. It would reduce the competitiveness of the mining regions and restrict their development through an overlap of transition challenges with ongoing development challenges, thus contradicting the idea of cohesion policy and the Fund itself. For this reason, it should be considered reasonable to make the level of support in mining regions from the Just Transition Fund dependent on the value of GDP in relation to the EU average measured at NUTS 3 level.
- The Just Transition Fund should synergistically interact with other European Union policies/funds (including planned new instruments such as the Social Climate Fund), be complemented (not replaced) by them, and be complementary to the second pillar of the Common Agricultural Policy (agriculture and food processing is often a significant component of the economy of mining regions).
- A situation which should not take place in the next financial perspective is the imposition of a fast pace of the Fund's spending. It should be stressed that the rush to spend the JTF is not conducive to in-depth discussions with stakeholders and the implementation of difficult, challenging investments and does not go along with operational efficiency,

especially in the case of projects on brownfield and post-mining sites, which often address deeply complex issues.

- It is necessary for the European Commission to analyse the current scope of the Fund's support in order to, firstly, match its remit to the challenges under the next financial perspective and, secondly, make the approach more flexible and allow coal regions to further define the extent of support in Territorial Just Transition Plans (TJTPs). Experience from the preparation of TJTPs under the 2021-2027 perspective indicates that the current scope of intervention is not sufficiently relevant to the specific challenges faced by individual mining regions.
- Flexibility should be maintained, enabling the implementation of diverse and comprehensive measures, including projects combining investment in infrastructure/ equipment and 'soft' measures, e.g. training or reskilling of the workforce. A departure from imposing JTF implementation rules specific to other Funds (ERDF and ESF+) should also follow; the conditions of support and requirements for using the JTF should be unique and tailored to the needs of the JTF, taking into account its purpose, objectives, and the specific nature of the coal regions involved. The current situation, in which we follow rules analogous to those of the ERDF/ESF+, limits the effectiveness and efficiency of the provided support.
- The leading role of coal regions in the preparation of Territorial Just Transition Plans should be ensured, which will bring the European Union closer to its citizens (subsidiarity, community involvement) and enable the intervention to take into account the different territorial problems, potentials, needs, challenges and objectives. Given the specific characteristics and conditions of individual Member States, the Fund should be managed as closely as possible to the stakeholders and residents of coal regions, optimally by the regional self-governments.
- In the next financial perspective, the implementation system of the Just Transition Fund would be more effective if all its actors had the opportunity to learn about its rules and prepare for its introduction well in advance. Consequently, the entire legislative package for Cohesion Policy, including the Just Transition Fund, should be adopted by mid-2026 at the latest.

As representatives of the coal regions of the European Union, we are well aware of the measures that our stance requires, and we would like to express our full readiness to actively support the European institutions in order to develop solutions that will enable the most effective continuation of the Just Transition Fund support after 2027.

The position is addressed to:

- The President of the European Parliament,
- The President of the European Commission,
- The President of the European Committee of the Regions,
- The Prime Minister of the Republic of Poland.

Michał Rado Vice-Marshal Lower Silesian Voivodeship



## Artur Bagiński Member of the Board

on behalf of Joanna Skrzydlewska Marshal Łodzkie Voivodeship



Łukasz Smółka Marshal Lesser Poland Voivodeship



| Wojciech             | Saługa |
|----------------------|--------|
| Marshal              |        |
| Silesian Voivodeship |        |



Województwo Śląskie

Marek Woźniak Marshal Greater Poland Voivodeship



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