

Initiative for Coal Regions in Transition for Western Balkans and Ukraine: where we are and how to move forward

For more information

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Photo: CEE Bankwatch Network

Background

The aim of this briefing is to assess the effectiveness of the [Initiative for Coal Regions in Transition for Western Balkans and Ukraine](#) (platform) and offer recommendations for improvements for the next period. It is primarily aimed at the principals of the platform.

The platform builds on the experiences of the [EU Initiative for coal regions in transition](#) since 2017, with both initiatives contributing to implementing the [European Green Deal](#).

According to the [dedicated webpage](#), the platform operates under the motto of ‘Building bridges for a just transition by helping coal regions to move towards a carbon-neutral economy’.¹ It was launched in December 2020 with the aim of

¹ European Commission, [Initiative for coal regions in transition in the Western Balkans and Ukraine](#), *European Commission*, accessed 8 January 2023.

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helping countries and regions to move away from coal towards a carbon-neutral economy, while ensuring that this transition is just. It supports 17 regions² in six countries neighbouring the European Union (EU): Bosnia and Herzegovina (BiH), Kosovo, Montenegro, North Macedonia, Serbia and Ukraine. The regions covered participate in platform activities voluntarily and it remains at their discretion to actively engage.

In terms of assistance to coal regions, according to its webpage, the goal is to provide an open platform allowing region-wide, multi-stakeholder dialogue. It is also to ‘create a space for sharing experiences, knowledge and best practices on transition-related issues and encourage ties between coal regions in the Western Balkans and Ukraine and their EU counterparts through coal region-to-region exchanges’.³

In addition, the platform offers a Coal Regions Learning Academy and expert support to develop transition roadmaps for relevant public authorities, although it is unclear whether this means national-level roadmaps or roadmaps for each of the regions, e.g. in the shape of territorial just transition plan-equivalents (TJTP-equivalents).

Another type of assistance offered is help for coal regions to access financing for transition projects or programmes, from the European Commission, the World Bank, the European Bank for Reconstruction and Development and the European Investment Bank.

The activities of the platform have been carried out by a Secretariat which has the task of providing direct support and ensuring collaboration between institutions and actors that the platform engages. Most importantly, it has developed and carried out the region-to-region exchanges, but also organised [events](#) and sent out [newsletters](#).⁴

The CRiT WBUA platform will end in its current form in January 2024, with a gap of at least six months until a new mechanism or instrument takes its place. This leaves additional space to take into account the lessons learnt during the current version of the platform which has been run under the auspices of DG ENER, while planning the new mechanism or instrument, for which DG NEAR will be responsible.

Methodology

The lessons learnt gathered in this briefing include views informally and formally gathered by CEE Bankwatch Network staff. The informal gathering of information was done throughout the functioning of the platform by Bankwatch staff and their partners working directly on the ground. The methodology used for this included formal and informal bilateral meetings held on various topics related to just transition, but also touching on platform activities.

To check this input and fill in potential gaps, Bankwatch staff added formal data gathering by conducting four targeted semi-structured interviews with participants in the exchanges after all of them had taken place. Having in mind that the exchanges were the most visible activities of the platform, the formal

² Tuzla canton, Srednjobosanski canton, Zeničko-Dobojski canton, Ugljevik region, Gacko region (Bosnia and Herzegovina), Prishtina region (Kosovo), Pljevlja region (Montenegro), Bitola region, Kičevo region (North Macedonia), Kostolac region, Kolubara region, Obrenovac region, Pomoravlje region (Serbia), Donets’k region, Luhans’k region, Lviv region, Volyn region (Ukraine)

³ European Commission, [Initiative for coal regions in transition in the Western Balkans and Ukraine](#).

⁴ At the time of publishing, the Secretariat had sent 20 newsletters, mostly related to activity announcements or summaries.

interviews focused mostly on them. However, interviewees were asked about all the platform activities they engaged in and their expectations from the platform.

Findings

It should firstly be acknowledged that the platform was established during the COVID-19 pandemic, and that this significantly affected the first year and a half of the platform's activities. Some events had to be organised online, including the [first annual meeting](#). The positive effect of online meetings, which was very well used by the platform secretariat, was that many more participants joined webinars and could participate online without taking the time, effort and funds to travel to events.

Webinars

The platform secretariat wisely used the online option for events to increase engagement, and all interviewees participated in nearly all [webinars](#).⁵ Some also took part in other online events. However, they had very different views on the level of usefulness of this type of events.

One participant stated that webinars and their recordings are quite a useful tool and are used in their daily work related to just transition, and others also said that they did contribute to learning and broadening of views. However, at least two participants, even one who did find the webinars useful to a certain extent, believed that **webinars are not the right tool to engage stakeholders in the Western Balkans**. The reason quoted was the cultural characteristics of people living in the region, which highly value the personal touch in communication and particularly in knowledge-sharing. This feature is, arguably, significantly more pronounced in Western Balkan cultures than in Western Europe, for example.

Exchanges

In relation to the exchanges, since information on participants is not public, the only interviewees we could discuss the topic with were four exchange participants who had shared that they had taken part in the visits.

All interviewees were unanimous in saying that the exchanges met their expectations, with some adding they knew what to expect because they had been part of similar visits in the past. Most interviewees agreed the locations were well chosen. One participant mentioned that, in hindsight, the Serbian underground mines should have been included in the exchange with Romania because the Jiu Valley would have been a good place for them to learn from, considering there are underground mines there.

A participant from BiH mentioned that it was good practice to only include Elektroprivreda BiH mine workers, not those working in the power plants, in the exchange, because the knowledge sharing with the mayors would have been affected had people from power plants been present. It was suggested that **exchanges between Western Balkans coal regions should be promoted**, and that **the exchanges should be thematic** (e.g. for trade unions from all countries, for municipal administration staff from all countries etc.).

⁵ A total of six webinars were organised, with the following titles: 'Planning for a just transition in light of energy (in)security', 'Engaging stakeholders in just transition planning: who and how?', 'Energy transition and air quality: solutions and good practices', 'Opportunities to finance energy transitions', 'Regions seizing coal phase-out as an opportunity for economic development' and 'Lessons learnt when switching from coal to renewables.'

Where the exchanges exceeded expectations was with the effect on trade unions. Following the exchange with Jiu Valley, Romania, a trade union workshop was organised in Zajecar, Serbia, where trade union representatives shared what they learned during the exchange. In addition, the visit to Czechia **resulted in increased readiness by trade unions in Bosnia and Herzegovina to shift their views from ‘we need to keep our mining jobs’ to ‘we need decent jobs, even if they are not mining ones’**. This is one of the most difficult shifts to achieve with miners, and therefore, this practice of connecting trade unions and enabling them to learn from each other on how to deal with the forthcoming changes while insisting on their right to a livelihood and dignity, is one that should certainly be pursued in the next version of the platform.

The interviewees seemed to understand well that the only point of the platform was to connect people to learn from each other, and the platform definitely achieved this – participants in exchanges are now well connected and have established lasting contacts, some on a more personal, some on a more business level, but nevertheless, those contacts enable them to consult, cooperate and seek joint projects together with partner institutions and organisations.

However, seeing both positive and negative experiences in other countries was listed as the most important takeaway by most interviewees. The mayors participating in visits came back with new solutions to the problems posed by the transition, and even municipalities that were previously uninterested in taking part in these processes, such as Tuzla, got interested when seeing the experiences of their counterparts who took part in the exchanges.

One of the key recommendations from the exchanges was that showcasing inspires others. The most significant part of the visit to Jiu Valley, in the words of our interviewee from Serbia, was to a successful window factory established by a former miner, employing former miners. **To ensure we have similar cases to showcase in the Western Balkans, his direct recommendation was to fund the development, maturing and implementation of frontrunner projects, because this is what helps people trust the process.**

This was supported by the interviewee from BiH, who emphasised that timely work on the ground on concrete projects is key.

National just transition workshops vs. presence on the ground

In relation to the national just transition workshops, the feedback was different in all the Western Balkans countries covered. However, one thing that all interviewees and the informally gathered input agree on is that the platform needed to be more present on the ground.

Some of the feedback on this is related to the locations of the workshops, which were generally held in the country capitals, instead of in the coal regions. Despite this, the participant from Bosnia and Herzegovina also mentioned that it was good practice to connect the workshop for Bosnia and Herzegovina to the Sarajevo Energy and Climate Week. This ensured that all relevant high-level stakeholders were present for the workshop. However, this cannot be said for all the others.

Stakeholders from the ground were notably missing, particularly for Serbia. It was also noted that for Serbia and Montenegro the focus of the national workshops was more on the processes related to the National Energy and Climate Plans, instead of the process of just transition of the coal regions. While this reflects

where the just transition process is on the national level in these countries, **more presence on the ground by the platform would likely have opened discussions on just transition more quickly.**

In addition, these workshops could have been an excellent tool for networking on the national level. However, considering the participation of countries in the platform activities is voluntary, it was left to the discretion of the countries to be proactive in broadening participation to include local people and CSOs. It can be argued that this approach only exacerbated the differences between the countries, because the locations where there were some active people on the ground who used the opportunities they had to push for wider participation, results in terms of participation were best (such as Bosnia and Herzegovina and North Macedonia), while other locations had limited participation.

Trying to support an increased presence on the ground, CEE Bankwatch Network in cooperation with one of our partners from BiH, the Aarhus Centre, tried to organise a visit by the European Commission to the affected regions in the country. This was based on the positive experience of visits to the coal regions in EU Member States by the European Commission, which made quite a difference in motivating local leaders in EU coal regions. We worked with the Secretariat to ensure a visit in at least one country in the Western Balkans, however, none took place.

Instead, mayors from two affected municipalities in BiH (along with the Secretary of the Municipality of Bitola, North Macedonia) were invited to Brussels to meet with DG ENER, DG NEAR and the platform Secretariat. While their voices were heard through this visit, **the visibility of a visit to the ground from the European Commission and its positive effect on the local population in relation to the processes of just transition cannot be replaced by a visit by their mayors to Brussels.**

Knowledge gathered vs. level of preparedness to plan the transition

Asked about whether the knowledge they have gathered and any support they are getting from the contacts they made during the exchanges will help them in designing their just transition work, most participants said that they got what they expected. However, the feeling of not having an opportunity to implement what they learned did appear in some of the discussions with participants. This sentiment was also picked up in informal conversations with various stakeholders from the ground.

The lack of technical assistance and funding for developing concrete plans, as well as the low level of interest of national decision makers from the high-level in this platform did take a toll on its impact, because **the people who mostly took part in the exchanges are not the ones who make the decisions** about the direction of the energy sector in the country. Had the opportunity been given to get technical support to create TJTP-equivalents, the knowledge they gathered would have been put to better and more timely use, while boosting the planning efforts on the ground. As it is, they did get knowledge, but it is unclear how much they will be able to use it and when.

Contribution to voices from the ground being heard

When asked about how the platform supported the voices from the ground in being heard by the platform principals,⁶ most interviewees said that while the multilateral development banks were present in the exchanges and engaged in events, they, understandably, mostly follow their lending policies and do not advise, but rather just support what they are told are the needs.

Asked whether the European Commission, as one of the principals, heard the needs from the ground, not all interviewees wanted to share their views. There were two noteworthy comments, though: one related to how **the gap between the platform and the new instrument or mechanism will affect processes on the ground**⁷ and the other on the lack of a Just Transition Fund for the Western Balkans and **lack of access of Western Balkan coal regions to the existing EU Just Transition Fund**.⁸

Influencing processes on the national level

Asked if what they learned through the platform will help them contribute to the just transition processes on the country level, most interviewees' input, as well as the broader, informally gathered input from the ground, shows that participants in platform activities have had very limited opportunities for influence.

This is related to the fact that decisions related to energy issues are taken at a very high level in all economies in the Western Balkans and just transition is generally seen more as a burden, rather than an opportunity. Consultation with people on the ground, even in municipalities that are affected, is at a negligible level, and if not for the country diagnostic documents on just transition, generally done by consultants in cooperation with international financial institutions and the EU Delegations, stakeholders on the ground and wider civil society would likely not have been included in the just transition processes at all.

Therefore, a very important lesson learnt is that **decision makers at all levels must be gathered to discuss just transition** and that **creating a platform for cooperation**, while helpful to some extent, **is not enough**. Dedicated funds are needed to ensure things start moving on the ground.

Another recurring point is that the design of platform activities should be different for each country, depending on the level of preparedness. Considering Bitola and Kicevo in North Macedonia, some municipalities in Bosnia and Herzegovina and Pljevlja in Montenegro are much more advanced in the process or have the most immediate need for a just transition, those should have more concrete projects and if showcasing is to be done, it should be focused on one of these countries. This can include activities related to economic diversification, reskilling and flagship projects which can then help to move the discussion forward in countries that are further behind.

⁶ European Commission, the World Bank, the Energy Community Secretariat, the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), Poland's National Fund for Environment Protection and Water Management (NFOSiGW), and the College of Europe in Natolin.

⁷ The first comment was that European Commission does not take into account to a suitable level the political price mayors are paying for deciding to move in the direction of transitioning in spite of the current views of their citizens and that the delays will mean that those mayors will lose their positions in the next elections, thus the investment the platform made in them will be lost.

⁸ The second comment was that it is not just to expect the Western Balkan countries to go through the same transition as EU Member States in spite of the lack of a Just Transition Fund for the Western Balkans or access to dedicated grants, not credit lines, for the transition.

Lack of political will

The fact that energy-related decisions are taken at a high level and that just transition is seen by national decision makers as a burden means that they often neglect it in policymaking. Therefore, all respondents agreed that it is important for the Platform to bring them together at high-level events specifically on just transition in order to make them focus on the topic.

Coal Regions Learning Academy

Notably, none of the interviewees mentioned the [Coal Regions Learning Academy](#) which was promoted in one of the platform's newsletters. It was not mentioned in any informal discussions, either. It will therefore need to be promoted more in the next period, potentially with short presentations of what can be learned through it. Considering it has a database of knowledge that can be of great use to people working on just transition on the ground, it is a resource that **should be used much more**.

Recommendations

Our recommendations are generally aimed at the platform principals, particularly DG NEAR, under whose auspices the new instrument or mechanism will function, but they may also be helpful to stakeholders from the ground.

The recommendations are divided into the four groups below, but a general recommendation is that considering the needs on the ground have changed and crystallised with the work of the platform, the **new mechanism or instrument should be differently shaped to meet those changed needs even better** than the current platform has done. This is particularly important in the economies where the energy transformation is at a more advanced stage and processes related to just transition need to be sped up to prevent the socio-economic fallout.

The platform needs to be more present on the ground:

- Events need to be held in coal regions, not only in capitals.
- Just transition events should not always be mixed with events on NECPs or other energy policies.
- Stakeholders from coal regions must be present, not only high-level political representatives – and the platform should be proactive in ensuring this.
- Visits from European Commission officials to coal regions would mean a lot.

Tools need to be matched to the recipients of the support:

- Webinars do serve a certain purpose for adding to the knowledge base of stakeholders, but they should not be counted on as a tool for engagement, only for knowledge sharing.
- Meetings in person are of the essence if the goal is to foster cooperation.
- The [Coal Regions Learning Academy for the Western Balkans and Ukraine](#) should be promoted more to ensure the knowledge database is put to good use.

- Exchanges are very useful, but for the next period it may be more useful to ensure thematic experience sharing within Western Balkan countries, as well as between similar groups, such as trade unions, municipalities who have comparable issues to solve (e.g. want to promote solar or district heating solutions) and relevant thematic advisors of high-level decision makers who will then be able to advise them on the right solutions.

Connecting stakeholders must have a well-designed and targeted purpose:

- In addition to exchanges, trade unions should be given more guidance on accepting and managing the forthcoming change, possibly by targeted workshops with trade unions from the EU who have already gone through the change. This should include enabling them to talk to their members about the transition in a constructive way. Not only umbrella trade unions, but also miners' trade unions need to be included in these workshops.
- The value of connecting stakeholders from EU and Western Balkans should be reinforced by providing them with opportunities to work together more often. To facilitate this, a tool to gather the funding options in one place would be very helpful.
- Although most events should be held in coal regions, there is a place for high-level events to be organised by the platform to focus national decision-makers' attention more on just transition.

Technical and financial support is of the essence if the processes are expected to move from discussion to action:

- To ensure the retention and use of the knowledge gathered through platform activities, in the next period technical assistance for maturing flagship projects on the local level and for developing TJTP-equivalents needs to be offered. This technical assistance should cover the entire process of the drafting, but with the mandatory inclusion of local-level stakeholders such as mayors and relevant municipality staff, wherever possible in a leading role. Also, organising wide public consultations as early in the process as possible is a must for ensuring the process is just and inclusive.
- Technical support and funds for the development, maturing and implementation of flagship projects are needed, because this is what helps people trust the process.
- To ensure faster movement of the just transition processes on the ground, visits from the European Commission to the coal-affected municipalities should be foreseen, based on the positive experience of EU Member States related to such visits.

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Informal input was gathered in formal and informal discussions throughout the period of the functioning of the CRiT WBUA platform with representatives of the following stakeholders:

Municipalities affected with coal across the Western Balkan region

CSO representatives working in the Western Balkans on the regional, national or local level

Ministries relevant to just transition across the Western Balkan region

Power plant and/or mine staff across the Western Balkan region

Trade unions across the Western Balkan region

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