

Ministry of Regional  
Development in the Czech  
Republic

# RE:START strategy and Just Transition process in the Czech Republic

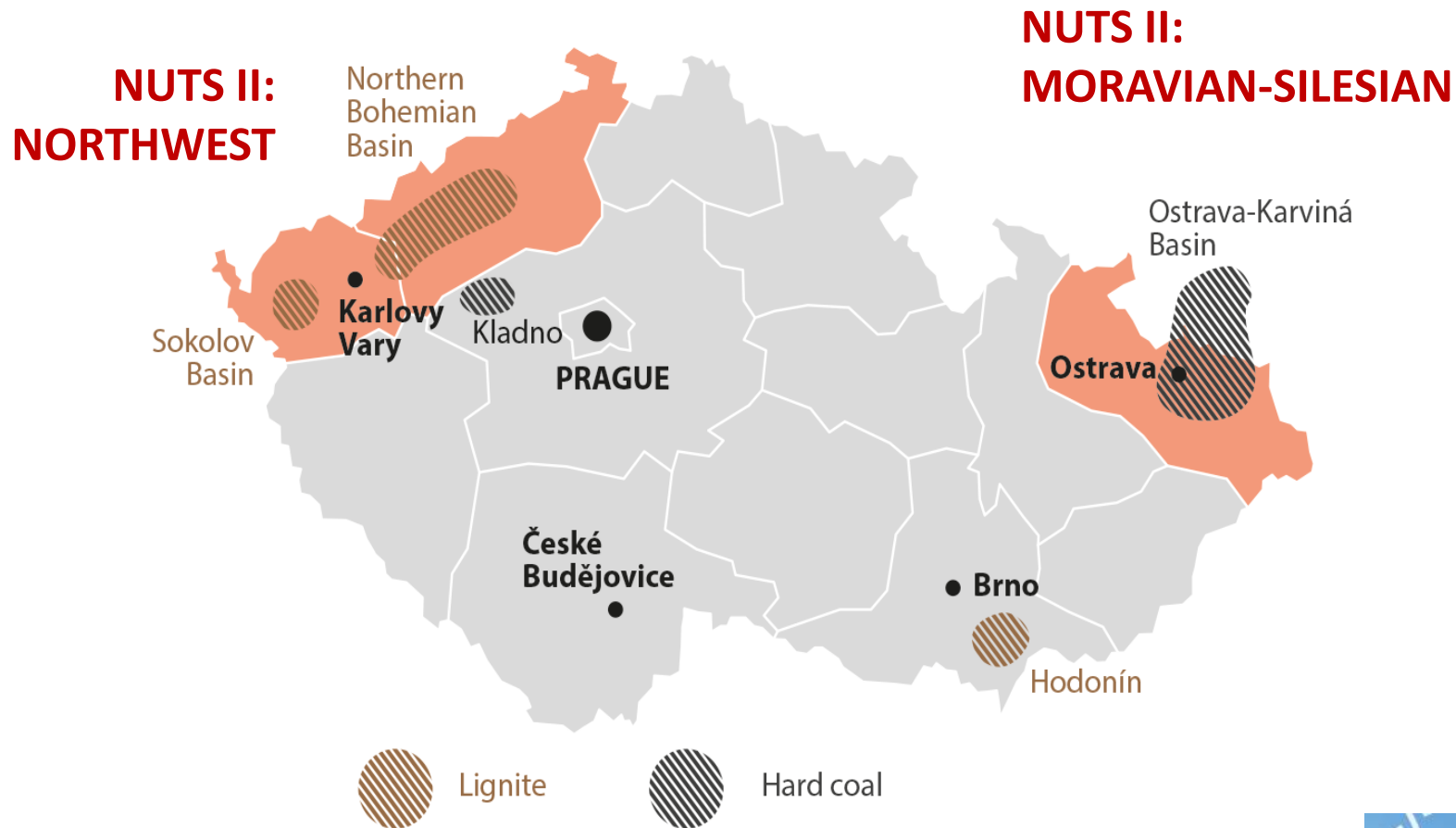
11th June 2021



MINISTERSTVO  
PRO MÍSTNÍ  
ROZVOJ ČR

# Coal mining areas in CZ covered by RE:START strategy and TJTP

Karlovy Vary and Usti region in the northwest and Moravia-Silesia region in the northeast part of the country.



**KVR** – Karlovy Vary region  
**UR** – Ústí region  
**MSR** – Moravian-Silesian reg.

The different size of Czech coal regions – mostly **NUTS III**  
X NUTS II (only MSR)

Lignite surface mining  
X  
underground mining



# Decarbonisation and coal phase-out in the Czech Republic

- **Date of coal phase-out has not been settled yet**
- **Czech Coal Commission (CC)** recommended **2038** (2033 is also discussed)
- Government assigned **CC to further elaborate documentation** that should work as a basis for its decision about the date of phase-out (end 2021)  
-> e.g. social & economic assesment, timeline for decommission of particular operations, proposals of legal instruments and scenarios of earlier phase-out

## **The expected end of coal mining:**

- 2022 - Moravian-Silesia region (MSR) – 650 workers
- 2025-2030 – Karlovy Vary region (KVR)
- After 2030? – Ústí region (UR)



# Economic challenges

- **KVR & UR - economically lagging behind other Czech regions** (negative development trend) X **MSR** is recovering (positive development trend).
- the highest **unemployment rate** in CZ (5,6-5,7 %) - **all three regions**
- Relative economic specialization could be challenging
- **Sectors affected by transition (coal mining, energy sector and others)**
- **Lack of qualified people** in the labour market and **labour market mismatch**

<b>GDP (per cap.) PPP</b> NUTS 3 region	Ranking GDP 2000*	Ranking GDP 2008*	Ranking GDP 2018*	GDP Growth index 2000- 2008	Ranking in GDP Growth index 2000- 2008*	GDP Growth index 2008- 2018	Ranking in GDP Growth index 2008- 2018*
Karlovy Vary Region	8	14	14	1,31	14	1,18	13
Usti Region	10	11	13	1,49	8	1,17	14
Moravian-Silesian Region	14	8	7	1,70	2	1,29	8
The Czech Republic	X	X	X	1,60	X	1,29	X
EU	X	X	X	1,38	X	1,19	X

\*ranking out of 14 regions in the Czech Republic

# Social, socio-economic and demographic challenges

- **brain drain** (all regions)
- **depopulation** and aging of population (MSR, KVR)
- unfavourable **educational structure of the population** (UR and KVR)
- high level of executions and household indebtedness (UR, KVR)
- socially excluded localities and rising social inequalities (KVR,UR,+MSR)
- low regional image and low attractiveness of regions (MSR, UK)
- quality of life
- regional identity – historical context (German displacement, UR, KVR)
- space concentration of many problems on local level



# Environmental challenges

- **large post-mining areas for land reclamation and revitalisation** (especiall in the Northewest),
- old environmental burdens and air polution problems (sign. improving).



sources of photos: 1) aktualne.cz and 2) iDNES.cz

# RE:START strategy – Strategy for economic restructuring of the Usti, Moravian-Silesian and Karlovy Vary regions

- **2014** – coal regions asked for government support to help strengthen their economies in the face of declining coal production.
- 2015-2016 – **regional analysis of the situation in coal regions** (challenges and needs).
- **2017** - The **RE:START Strategic Framework** (updated in 2020) – type measures that reflect needs and challenges.
- **2018** – **Action plans** (2019, 2020, from 2021 – two year period of AP)
- Action plan – contains **measures** that are going to be implemented.



# RE:START strategy:

- **First stage (2015 - 2018)**
  - Emphasis on creating a system at central level with respect to the needs of regions.
- **Second stage (2019- )**
  - Emphasis on effective absorption and implementation in regions.
- **2019 – focus on the role of regions and its stakeholders**
  - strengthening the **executive teams of regions** and their **involvement in the preparation and implementation** of the RE: START Action Plans.





# Strategic Framework of RE:START strategy – basic goals and pillars

Change of economic structure, faster economic growth and cease of regions lagging

**Identity** – enforcing solidarity and self-confidence of inhabitants  
**Image** – improved perception of regions by the neighbours: visits, investors, talents

Pillar  
Business and  
innovation

Pillar  
Direct  
investments

Pillar  
Research and  
development

Pillar  
Human  
resources

Pillar  
Social  
stabilization

Pillar Environment

Pillar Infrastructure and public administration

General **emphasis** on **IMPLEMENTATION**

**New Horizontal Priority: Transformation of Energetics and reduction of coal mining**



# RE:START strategy

- Strategy **has no its own financial resource** -> **tool** for government support from existing resources.
- **EU funds** –special treatment for coal regions within selected OPs („extra points/bonuses in assesment“)
- **Reallocation** in favour of the coal regions in the last programming period (low emission public transport).
- Restart team – **initiator of national subsidy programs** (e.g. on brownfields)
- **Just Transition Mechanism** and **JTF** – new specific fin. resource for support of coal regions with their coal phase-out.



# Just Transition process in the Czech Republic

## - preparation of Territorial Just Transition Plan and OP JT



# Overview on Just Transition Mechanism in CZ

- **Operational Programme Just Transition (OP JT)** – Ministry of Environment (MoE)
- **Territorial Just Transition Plan (TJTP)** – Ministry of Regional Development (MoRD)
- **RE:START department** (MoRD) is assigned to elaboration of **TJTP**
  
- **Coordination with regional partners** is built on existing and parallel **structure of RE:START strategy** that was completed with new features such as **Transformation Platform (TP)**. = consulting platform (4 meetings -> 5)
- „Top down“ and „bottom up“ approach - use of **umbrella organizations (32)**
- **TP** – representation of Regional Authorities and Stakeholders, Ministeries, Business, Key Industrial sectors, Employers, Unions, NGOs... many guests.



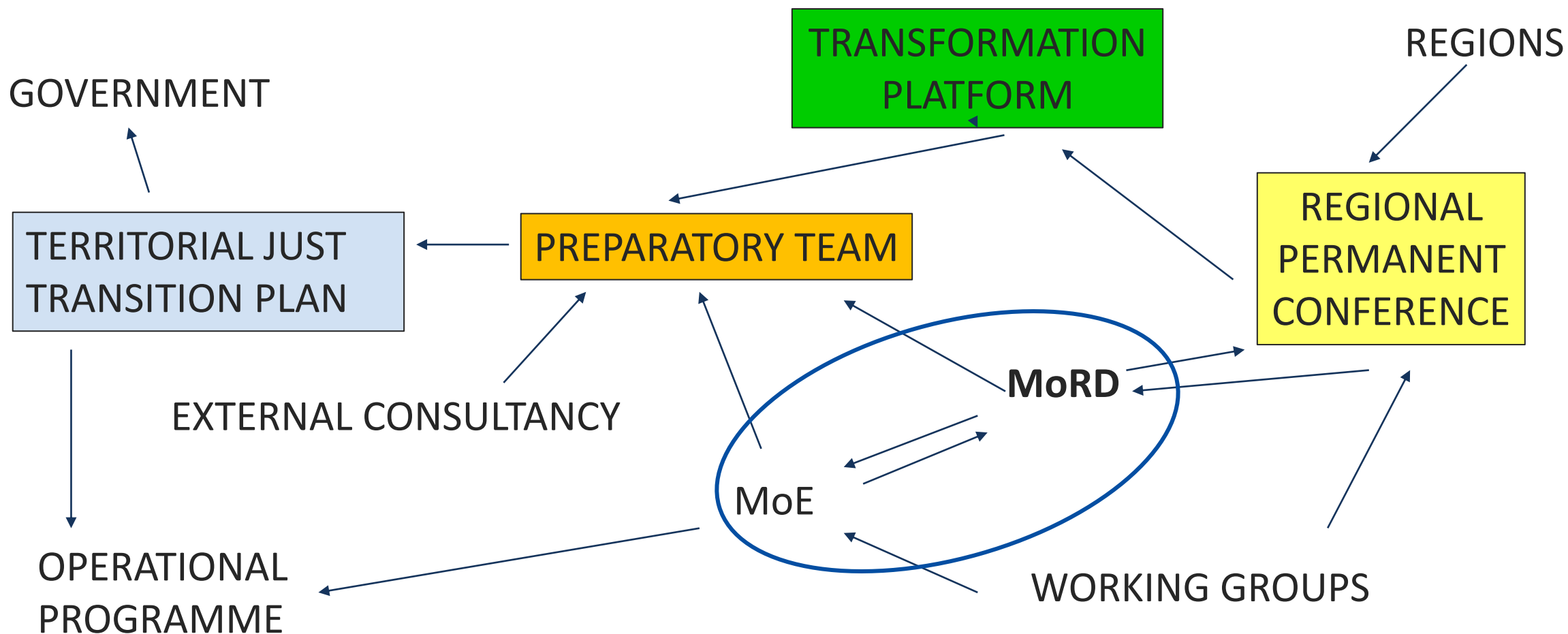
# Participation and communication with reg. stakeholders

- **updated websites** (MoE, MoRD, regional governments), **regional cooperation, workshops for different stakeholders**, consultations and interviews carried out by external consultancy
- **Series of workshops** done (February, May) – municipalities, SMEs, educational sector - universities
- Special **seminar for NGOs** (19 May)
- Participation in several events organized by external parties
- Activities carried out by regions – promotion of Just Transition,





# Structure and process of preparation of TJTP



# OP Just Transition (MoE) – structure:



Each priority is divided into **measures**

**Measures** – 2 forms:

a) thematic

b) special



# Structure of OP Just Transition - measures

## Thematic measures

- **Thematic competitive/continuous calls for proposals**
- **Grant schemes**
  - » suitable for small-scale support

## Special measures

- **Territorial and networks solutions**
  - » unclear – under preparation
- **Flagship projects (strategic projects)**
  - » Large p. - stated in TJTP

**Financial instruments - II. and III. pillar of JTM – ongoing discussion**



# Timeline

- First round of **working groups** under MoE – September 2020
- 5/10/2020 – start of **TA to TJTP - consultancy services** (5 tasks, 9 month)
- 6/10/2020 – first meeting of **Transformation platform**
- 15/10/2020 - first draft of TJTP presented to CZ government
- 2/10/2020 – first meeting of **preparatory team** ( x executive team within MoRD)
- **June/July 2021** - Finalization of TJTP following by OP JT

## Process of approval of TJTP:

-> SEA process -> approval by CZ government -> European Commission

2022 – start of OP JT

# Useful links with further information:

- <https://dotaceeu.cz/cs/evropske-fondy-v-cr/kohezni-politika-po-roce-2020/uhelne-regiony/odkazy>
- [https://www.mzp.cz/cz/opst\\_2021\\_2027](https://www.mzp.cz/cz/opst_2021_2027)





National executive team



Usti, Karlovy Vary and  
Moravian-Silesian Region

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Thank you for  
your attention



EUROPEAN UNION  
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