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Inspire Policy Making with Territorial Evidence

## POST-EVENT BRIEF

# ESPON Roundtable: Regions and structural change in the light of just transition and decarbonisation strategies

Virtual

11 June 2021, 9:20-13:05 (CEST)



## Summary



This roundtable (online workshop) took place on the 11<sup>th</sup> of June 2021 and was co-organised by the Polish Ministry of Development Funds and Regional Policy and ESPON. It brought together Polish national and regional practitioners and their counterparts from other regions developing their Just Transition Plans.

Regions in transition to a post-carbon Europe are facing an unprecedented structural change, compounded by the damage inflicted by the COVID-19 pandemic and population shrinkage. With a special attention on Polish coal regions and comparison with other transitioning regions in Europe, the workshop focused on the Just Transition Plans as a common denominator for various policy and empirical situations. This roundtable discussion was carried out following the publication of the recent ESPON policy brief *Structural change in coal phase-out regions*.

### Objectives and target groups

In Poland, six regions are preparing for a transition to a climate-neutral economy: Śląskie, Dolnośląskie, Wielkopolskie, Lubelskie, Łódzkie, and Małopolskie. These regions are indicated as the Just Transition Fund beneficiaries in the draft Partnership Agreement for 2021-2027.

The roundtable discussed ESPON territorial evidence on the potential of regions to induce structural change, focusing particularly on knowledge and innovation, industry and entrepreneurship, and the phenomenon of complex shrinkage. The roundtable concentrated on the Polish context, with the specific examples of the Śląsk and Lubelskie Voivodeships to demonstrate existing European strategies and instruments for a just transition.

The discussions during the workshop treated the following policy questions:

- **What are the common denominators between regions, to help defining the most meaningful application field of the Just Transition Funds? How does this denominator translate to the regions in question?**
- **What are the structural change potentials and new opportunities for diversification, in actions related to research and development (R&D) investments, productive investments, and business incubation in the Śląsk and Lubelskie Voivodeships?**
- **What kind of lessons and insights can deliver strategies from other regions in Europe?**

### Overview of presentations and participants

#### Welcome and introduction

Wiktor Szydarowski, Director of the EGTC at ESPON in Luxembourg, warmly invited the attendees to the meeting and explained its aims and structure.

An opening presentation was given to inform the participants about the Polish context. This was done by Renata Calak, Director of the Department of Strategy, Polish Ministry of Development Funds and Regional Policy. The presentation focused on the implementation of the green transformation in Poland. It showed that there were approximately six regions in the country which could be considered areas in transition, mostly to the south. Just Transition Plans have been drawn up in these regions. These plans were not made in isolation but require cooperation with other governmental departments and coordination with their plans. These include:

- The Strategy for Responsible Development; Partnership Agreement 2021-2027 (Ministry of Development Funds and Regional Policy)
- The National Energy and Climate Plan (Ministry of Climate and Environment)

- The Energy Policy of Poland until 2040 (Ministry of Climate and Environment)
- The Voivodeship development strategies
- The Social agreement for Śląskie (Ministry of State Assets)

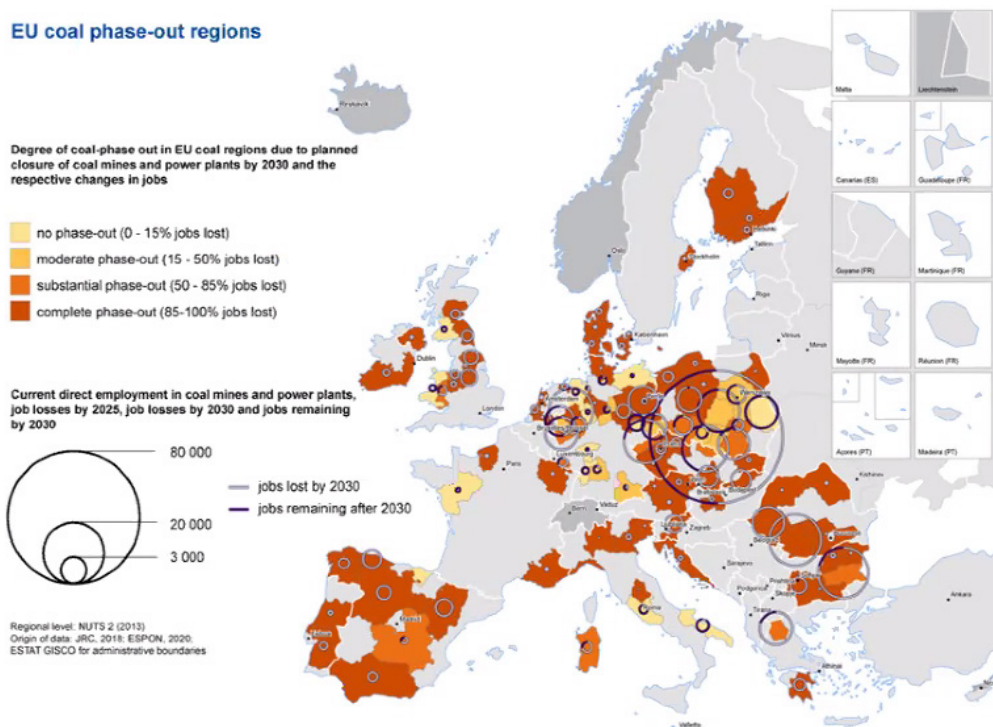
## Session 1: Just Transition: strategies and instruments for regions

moderated by Sébastien Bourdin, EM Normandy Business School

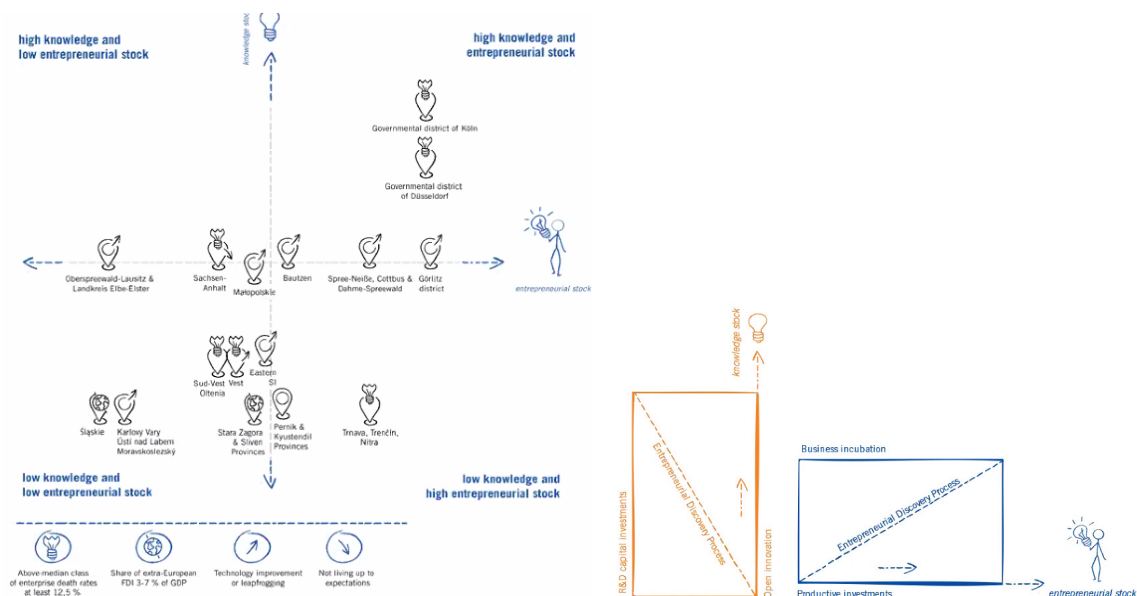
This session is intended for Polish researchers to showcase new insights into just green transitions. It will show that their experiences are valuable beyond coal phase-out regions and can be extended to similar regions throughout Poland and Europe.

### Structural change in coal phase-out regions - Vassilen Iotzov, ESPON EGTC

The presentation set out some of the most salient parts of the Just Transition Fund within the Just Transition Mechanism, which is also part of the European Green Deal. How much will deindustrialisation cost the EU? A reasonable ballpark figure is € 300bn annually. The Just Transition Fund is an instrument with € 17.5bn available for all member states. The approach taken in the allocation is grounded in microeconomic theory, which assumes diminishing marginal returns. Therefore efficiency of actions is needed to achieve “social benefit maximising intensity”. A good starting point is to target coal phase-out regions. These are displayed on the map below.



ESPON research overlapped this information with maps of the knowledge economy to see whether there was a potential to shift from one sector to another. This is not very evident in Poland, but it is in Germany. An overlap with FDI was also performed, because this could serve as a replacement for the coal economy. There are different kinds of FDI, such as greenfield investments which signal a higher chance of importing knowledge. Technology might also point a way forward, ranging from so-called 3.0 technologies (such as ICT and semiconductors) to 4.0 (cyber-physical advances and internet of things). Sometimes regions can leapfrog from industrial economies directly to 4.0 technologies. In this context, Polish (or Romanian) coal regions do not show as much potential as those in Germany, Austria, or France.



The potentials of each region were then plotted out. Different regions have similar access to funds, but some can take advantage of them better and in varying ways. The approach also takes the law of diminishing returns into account, both with respect to productive and knowledge aspects. So there is a need to find the right balance for each region. In general, one could say that many of these regions are more than well-equipped to master another transition. Also because their collective memory of previous transitions will help them make the next step.

### Questions from the audience

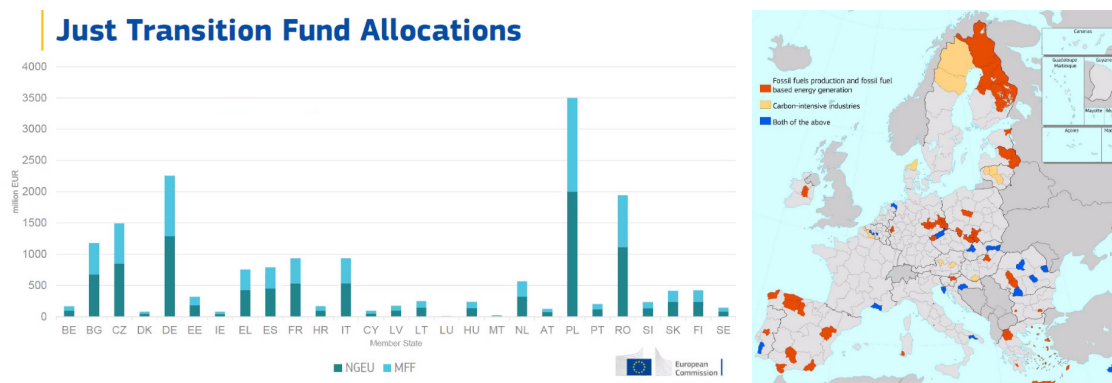
**How will the social impact of JTF investments be monitored over time in the different regions?**

The majority of JTF actions in the regulation have an obvious social dimension, e.g. up-skilling and reskilling of the affected workers, job-search assistance, active inclusion of jobseekers but also investments in clean energy, CO2 reduction, spatial regeneration and decontamination, digitalisation and mobility. Here, the social impact can be approximated and estimated by means of the existing national and regional indicators or a dedicated set of variables in regional longitudinal micro-data studies. Counterfactual studies can also be considered.

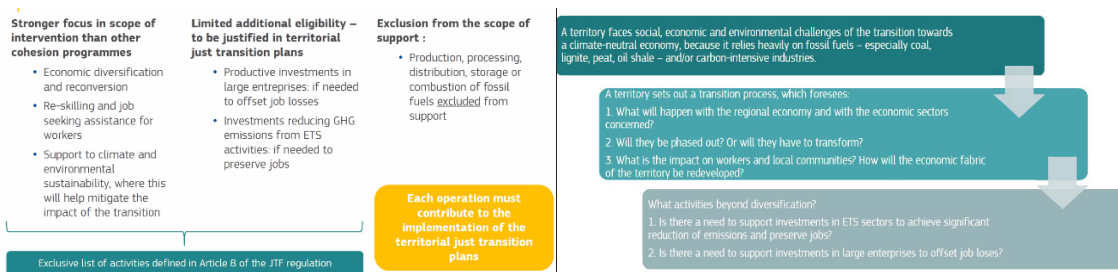
In particular relation to the ESPON JTF governance model combining a); b); and c) JTF actions to induce a long-term structural transition and where the social impact is not automatically obvious (here proceeding on the assumption that the JTF plans and governance are indeed assimilated into the Entrepreneurial Discovery Process): The logic hiding behind the Entrepreneurial Discovery Process of RIS3 is that a Pareto efficient outcome is possible where social benefit can maximise without adversely affecting business profit. Thus, it will be reasonable to monitor the social externalities of business and R&D investment, particularly in the identified RIS3 sectors. Suitable proxies can be the share of employment with tertiary attainment, labour migration, carbon footprint of local industry, net income, etc. In addition, longitudinal studies on job and life satisfaction can be introduced.

### Just Transition Fund: the regulative framework - Dr. Sander Happaerts, Coordinator of the Just Transition Fund at the Directorate General REGIO of the European Commission

The Just Transition Fund (JTF) is not just about decarbonisation/climate change, but it also has the goal to “leave no region behind” in Europe. The legislative proposal for the JTF was published in early 2020 and aimed at helping the most affected regions alleviate the socio-economic impact of the transition. As a result of the pandemic, this also became linked to the post-recovery plan. Given the limited funds, it is important to carefully direct the money to the most appropriate areas. The fund therefore narrowly targets certain regions in Europe; Poland is expected to receive the most money.



Most member states are now preparing Territorial Just Transition Plans (TJTJs). Eighteen have asked for support already, and this is in the process of becoming finalised. There is a clear list of what exactly can be funded. The main idea is to alleviate the social and economic impacts of the transition, and not mitigation or adaptation per se. Some actions can be funded to do that, but only if they also serve the main objective. Any support for fossil fuels is ineligible. Low-carbon hydrogen projects can be funded, but not necessarily; this will depend on the territorial context.



Looking to the future, a number of lessons have been learned. On the positive side we can see (1) impressive investments by local actors and public administrations; (2) excellent responses to support offered by the Commission; (3) high ambitions; (4) willingness to learn; and (5) reflections on new types of transition pathways in carbon-intensive regions. On the negative side we saw that: (1) not all relevant stakeholders are involved in plan preparation; (2) socioeconomic objectives are not always clear; (3) it is not always clear which installations are undergoing transition; (4) sometimes a plan seems to be a continuation of ERDF rather than transition support; (5) “do no significant harm” could be strengthened; (6) more attention is needed for economic diversification and skills; and (7) more complementarities are needed with JTM (Just Transition Mechanism) pillars 2 and 3.

### Questions from the audience

**When do you expect TJTJs to be submitted?**

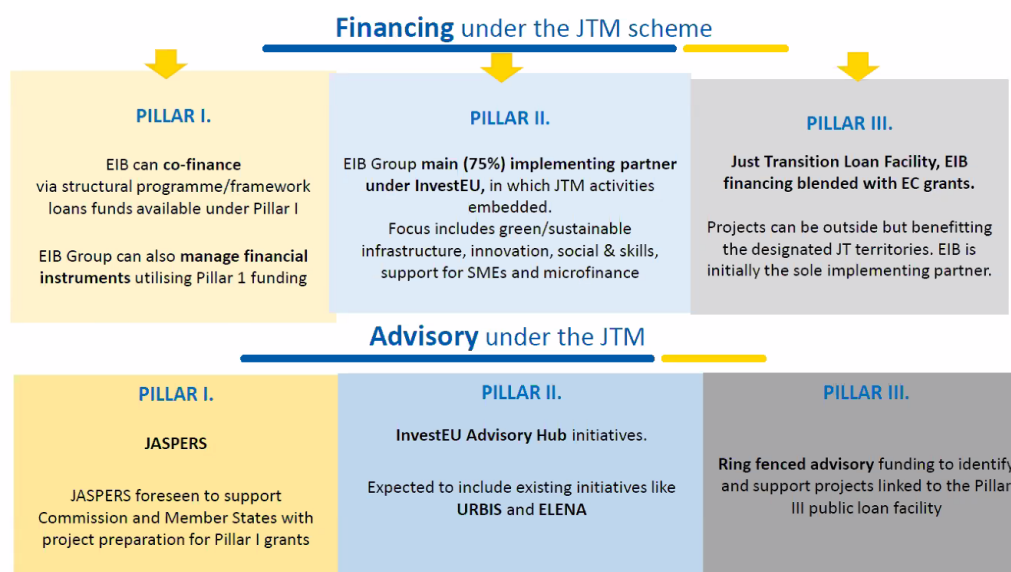
While the Directorate General REGIO has already received a number of TJTJs, they are expecting quite a lot of TJTJs this year, with remaining ones the year after. The process is currently ongoing and because the JTF regulation has not been published yet, none of them have been approved.

**Is the “rule of law conditionality” applied to access to JTF?**

The rule of law conditionality is applied to the EU budget as a whole, which hence includes the JTF.

### Just Transition Mechanism: Role of the EIB. Piotr Michalowski (European Investment Bank)

The EIB is both a bank of the EU and a specific institution that is owned by the member states. It is the world’s largest financial institution, twice as large as the World Bank. It operates outside the EU but primarily within its borders. It also supports the EU’s goal of decarbonisation and energy transition. The JTM isn’t just for Poland, but all EU regions are affected and eligible for just transition funds. There are three main pillars.



1. Pillar I is the most interesting pillar. It calls on local governments to work together with the EIB to co-finance the just transition.
2. Pillar II: 75% will be financed by EIB as a continuation of the Juncker plan. It takes the form of loans, mainly for the private sector in order to cover risky investments.
3. Pillar III: covers loans to all public sector entities, including local governments and public entities, like treasuries. The European Commission has provided funds in addition to the grant mechanism of the EIB and this will be extended to public-sector entities. For grants, 15-25% will be covered by EIB. Also important to note: regions that are not eligible under the just transition can participate in Pillar III, so aid can reach further. A potential beneficiary can approach the EIB not with a project, but a multi-annual programme. This expedites things, because only one procedure is needed. In fact, the EIB are not interested in financing small initiatives: there is a minimum threshold of € 20m.

### Questions from the audience

Could basic income pilots experimentations be supported, e.g. under pillar 3, or is the fund only for industrial and business investments and loans?

According to Piotr Michalowski, pilot projects with basic income experimentations would rather fall within pillar II but is not a type of project that the EIB is expecting. Those pilot project should first and foremost be in line with the Just Transition Plan.

Can hydrogen ecosystem be regarded as a sustainable decarbonisation perspective and thus eligible?

The same rules are applied for the hydrogen ecosystem. It will thus depend on the expert's evaluation. Also and in more general terms, it won't pragmatically be possible to combine finances from different pillars as they cover very different typologies.

In context of eligibility for Pillar III of JTM, what does it mean "state owned company"? State should own directly over 50% of shares?

Beneficiaries are defined under the draft of the PSLF as following: 'beneficiary' means a legal entity established in a Member State as a public law body, or as a body governed by private law entrusted with a public service mission, with whom a grant agreement has been signed under the Facility.

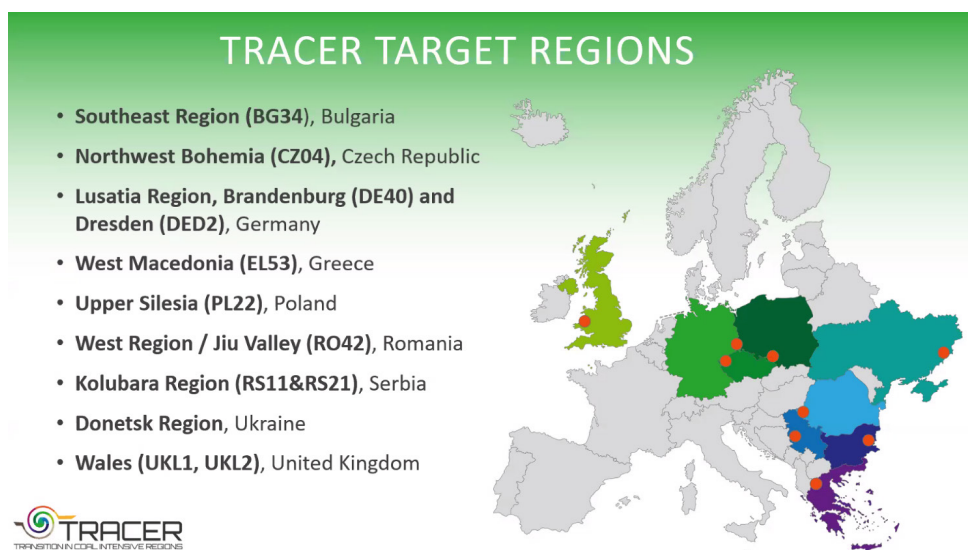
Will it be possible to combine financing from II pillar of the JTM (InvestEU) with the JTF?

Pillars cannot be combined to finance the same investment, but can complement each other to finance the overall plan (e.g. enabling public infrastructure under P1-very specific eligibilities- and P3-elements beyond P1 eligibilities-, with P2 in support of businesses that will make use of that enabling infrastructure).



## The TRACER-project and strategies from a national approach - Rita Mergner, WIP Munich, Germany

This presentation discussed the midterm results of the Horizon 2020 project TRACER on Smart Strategies for the Transition in Coal Intensive Regions. It was carried out by a consortium of 15 partners of coal regions in transition and UREK, so direct line with the European Commission.

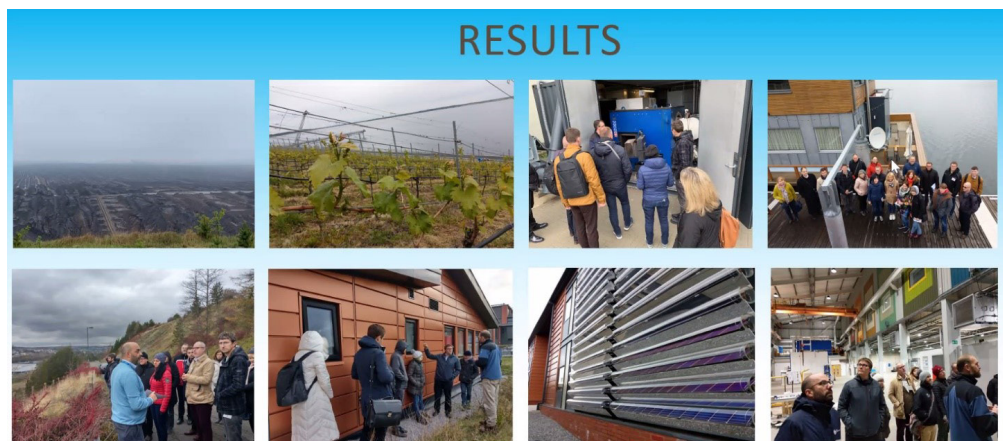


The stated objectives of TRACER were the following:

- Assist regional actors in developing R&I strategies for smart specialisation;
- Identify and exchange best practices;
- Investigate social challenges in target regions, including reskilling and
- Provide guidance to regional actors to access European funds and programmes and leverage public and private co-financing.

The project was an evolving process, a living lab of sorts. Over time it was also discovered that there was a clear need to assist regional actors to reach shared visions supported by the local population. The strategies for smart specialisation will commence next year. The identification of best practices has already led to regions inspiring each other. Renewables are key in the project, but also tourism, social challenges, and reskilling will be addressed.

So far TRACER has found all kinds of interesting activities promoting decarbonisation. TRACER seeks to identify a “pipeline of good projects” so that there are enough ideas to fund. Some examples: a vineyard on the terraces of coal quarries, novel tourism ideas, energy crops, and floating houses .



<https://tracer-h2020.eu>



The phase-out will follow different paths in different regions. For example, Lusatia in the eastern part of Germany was able to build on tourism and SMEs and could experiment because they could fund new ideas. It was also able to build on the mindset of the population and memories of previous structural change following unification. As a result, it has diversified.

To support the continuation of these efforts, there will be a few calls on coal regions in the next Horizon programme. More funding is needed for process capacity, as there is not enough manpower to absorb the funds.

## Session 2: Just Transition plans: challenges for Polish regions

moderated by Dionizy Smoleń, PwC

### The case of Lubelskie Voivodeship - Zbigniew Wojciechowski, Deputy Marshal of Lubelskie Voivodeship

The region is introducing opportunities to help firms reduce unemployment and transition impacts. Coal mining is expected to experience a significant drop in employment: 1,700 jobs (-23.3%) by 2030 and 3,600 jobs (49%) by 2040. Economic activities dependent on this sector, such as industry, transport, and construction will lose thousands of jobs as well.

The goals of the local plan are to:

- create a diversified, green, and zero-emission economy;
- ensure an active and skilled workforce;
- promote safe, clean energy and heating and
- integrated, high-quality land use.

Industry, storage and construction, retail and professional services are expected to increase. Curricula of mining schools will need to be adapted to the new reality. Depopulation is a major challenge: 400,000 people are expected to leave, and this will have severe consequences for the capital city. The Lubelskie Voivodeship can take measures to limit the outflow now and after 2040. It has natural and territorial assets and is cooperating with firms and institutions to reach a just transition. It is also cooperating with communities within the transition area and with environmental organisations at the regional level. Labour market organisations and educational institutes and mining schools dealing with recruitment of miners are also being engaged. Lubelskie is an academic centre and sees the direction taken by European Commission and Polish government as inevitable and is eager to cooperate.

### Questions from the audience

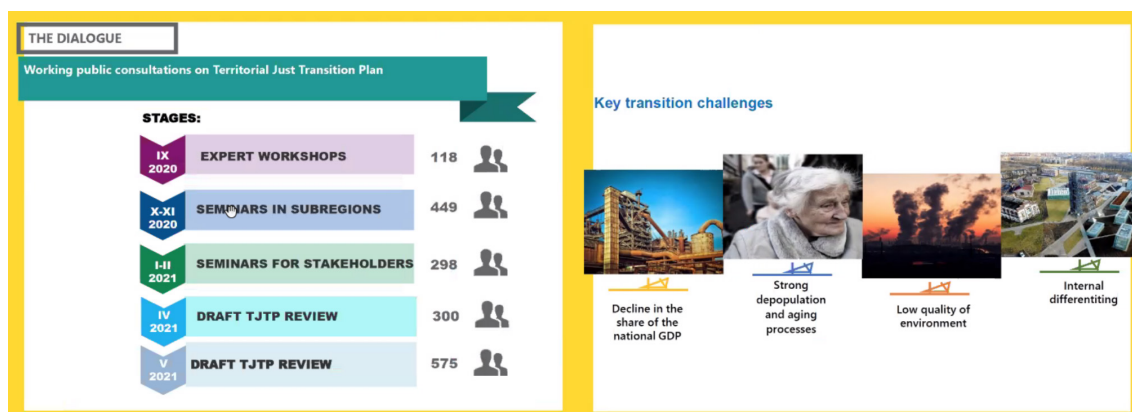
**What was the social response to the decarbonisation plan?**

The Lubelskie Voivodeship has a quite specific history, so you need to understand that first. In the 1970s when decisions were made to construct the mines, residents were very hopeful about it because it was one of the poorest regions in Poland. But today, we are going a totally different direction: we are purposefully shutting these mines down. We have to change our mentality and our hopes and dreams regarding the mines. We are doing what we can to communicate this to the community. We tell them (trade unions, individuals and families, and social councils) what we are doing and why. This is very difficult. A week ago the consultation process closed and there were many complaints; people and firms are very concerned. They are afraid for their livelihoods. And we do expect job losses and outmigration. We talk to the European Commission about this to make sure the transition is gradual and we are paying attention to social aspects as well as economic and environmental ones. So this is why we are asking for an exception. We had a good meeting with ministry officials and the EU and we were asked to follow an integrated approach that leaves no mining region behind.

### The case of Śląskie Voivodeship - Dariusz Stankiewicz, Head of the Regional Transformation Unit in Marshal's Office of Śląskie

The Just Transition Plan process was adopted with a single document for seven sub-regions. A national level working group was set up for JTF programming in mid-2020. Since then, negotiations have been ongoing

between the ministry and the regions about the approach. In addition, there has been cooperation with EU experts, resulting in 4 reports.



The planning is shown in the left-hand slide above. The participation strategy has four phases of consultation, beginning with expert workshops with local experts. This established an agreement concerning the biggest socioeconomic challenges. In the next step, the experts zoomed in on specific areas and held meetings with stakeholders, either institutions or individuals. This allowed the first draft of the Territorial Just Transition Plan to be made. Afterwards, they held well-attended meetings to review it.

The key challenges are shown in the right-hand slide above. Śląskie has a big share in the national GDP but this is declining. In addition, there is a jobs/skills mismatch as well as strong depopulation and ageing. The quality of environment is very low. Finally, there is little territorial cohesion: disparities exist between areas, and there is considerable traditional industry and dilapidated land that both require intervention.

### Questions from the audience

**What about the controversy about the exclusion of a region?**

The European Commission said that an entire NUTS3 region will be excluded, particularly the urban region. This is why a specific initiative was launched. We sent a letter to the European Commission to explain the situation and ask them to reconsider it according to the territorial specificities that are in play. We are awaiting a response.

**What was the social response to the decarbonisation plan and what is the most successful retraining for coalminers?**

This is a very sensitive issue. We have young people and journalists involved in engaging the community. There was swift response to a special purpose meeting at the town hall. Retraining support already existed on request, but you had to be employed. So it didn't help those already unemployed. I believe the best way to retrain is in conjunction with a prospective employer, so the programme should be extended to unemployed people. This should result in a database of services linked to various firms.

## Session 3: Views from other transitioning regions in Europe on just transition plans and structural change

moderated by Prof. Samuel Rufat, Université de Cergy

### Stara Zagora Just Transition Plan - Dr. Romyana Grozeva, Stara Zagora Industrial Zone, Bulgaria

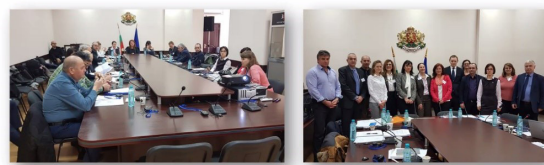
The presentation concerned the Bulgarian transition plan, which includes 9 partners in the consortium that exchange knowledge and experiences on structural change. Stara Zagora is the lead partner. It started in 2019 with site visits of mining areas to make the issue tangible. In the Badajoz region, for example, there is considerable apprehension about the social aspects of the transition.

## De Carb in pictures



## Peer Review in Stara Zagora

- Policy Learning Experts and Peers gathered in February 2020 in Stara Zagora for Peer Review to discuss the topic Future-proofing the lignite District Stara Zagora through economic diversification and reduction of the environmental footprint of power production.
- The Peer Review was organized by the Policy Learning Platform of the INTERREG EU Programme. It was hosted by the District of Stara Zagora and Stara Zagora Regional Economic Development Agency, Lead Partner of DeCarb project



The consortium met with mayors about what the plan means to them and what it should include. One of most important things was to identify cross-border topics because of the requirement for this. The consortium also met with businesses: mining and energy production is dominant, but other sectors were approached about diversification too. What kinds of projects can assist them to retrain and what kinds of skills are needed in the region? The 'De Carb' project was instrumental in this. The consortium now meets regularly to discuss next steps.

Afterwards an analysis of the region was prepared. Approximately 10,000 people are involved in mining and energy, but even more if you include dependent activities. Still, PricewaterhouseCoopers (PWC) said that the energy transition potential is quite high, and the university is supporting this transition in the health and applied sciences sectors. With respect to the JTF action, the strategic part of the plan is being developed by assessing – on the basis of the analysis described above – which sectors, assets or projects would have the most potential to make a positive impact. Still, there was no decision taken about eligibility of initiatives given that JTR has not yet been approved. An event on this will take place in Sofia on 25th of June 2021. There is not much time left, but it can hopefully be finalised in 6 months.

## Questions from the audience

**Which sectors / industries / businesses have been identified to be drivers in the transition?**

Machatonics could be regarded has the most important one, which is the second leading sector of the economy in the region. Also clean technologies and energy as well as agricultural biotechnologies have great potential. Sustainable tourism is now proving to be useful as well.

**Did the Interreg program extend to Greece and Spain? What have you learned from the other regions experience and challenges?**

The De Carb Interreg Project includes also partners from Greece and Spain. A lot of good practices in the field of energy transition and decarbonisation have been exchanged and analysed. Part of them will be adapted into the Action Plans which will be developed. They cover fields of reskilling, repurposing, diversifications of the economy.

## Structural change and just transition in Hunedoara, Romania - Adina Vintan, Valea Jiului Implicata

The speaker is the founder of the NGO VJS (Valea Jiului Society), focused on civil society aspects concerning the just transition and decarbonisation strategies in the Jiu Valley in Romania. This area has experienced considerable demographic decline following mine closures in the 1990s. Now just 3,000 miners are left, most of which are probably preparing to leave. The transition in the 1990s was not well executed, so there is little optimism. Still, EU support and the link with the European Green Deal has boosted confidence and more people are getting involved.



NGOs are helping this and have become united in a 20-party coalition of NGOs and civil society groups active in the Jiu Valley under the name 'Engaged Jiu Valley'. The purpose of this umbrella organisation is to mobilise society by organising events and training courses. It also aims to be involved in strategic planning of the Jiu valley and give input to strategic documents. VJS is working on getting municipalities to be more open to civil society and encourage citizens to get involved. For example, together with Greenpeace they helped organise a big mural which represented the past, present and future of the region. This was interpreted by an artist after talking with citizens. The next steps are to interest investors, tourists, etc.

### Questions from the audience

**Do you think the large pessimism wave leading to population shrinkage is now contained? If so, what do you think helped or is helping the most?**

The main strategy is not to tell people not to leave but remain connected and contribute to its development. Several processes are promising such as the just transition mechanisms and the current collaboration with the actors. Moreover, the pandemic has allowed a lot of people to work from home, which limits the shrinkage. I believe we are currently in a key moment.

**What are the most successful trainings for NGOs and retraining courses for the workers?**

In what the NGOs are concerned, there needs to be more organizational and community building. After the public speaking event, more and more of our members spoke on public about their NGO activity. Personal development trainings, fundraising and negotiation, communication, time management etc. I think that as more events we organize together, as better. There is a lot of room of improvement and the process is continuous. In what the miners are concerned, I couldn't say we have best examples. The courses should be adapted to job opportunities, and we need to attract investors in order to know the work force they need.

**Miners had a lot of political power until the 90s, are labour unions part of your coalition?**

The coalition is only made up of apolitical organizations -- the NGOs that are members have to prove they don't have political persons in their management. We don't have labour unions / syndicates part of the coalition, but we are trying to collaborate with them as well. We have signed the Protocol of Collaboration for the Jiu Valley, together with the 6 mayors, the university, the private sector, syndicates, and also the mining company.

**Do you observe that there is an opportunity in the pandemic to recover lost human capital? How is just transition linked with post-COVID recovery?**

As Jiu Valley is strongly supported and strategic documents are prepared for it by experts, and as the civil society is more and more active and the community started to be consulted about the future, the population starts to be more confident and part of the ones returned during the pandemic could remain in the Jiu Valley and even start small businesses in the region. I think that as more open as public authorities are towards the community, as better Jiu Valley future will look.

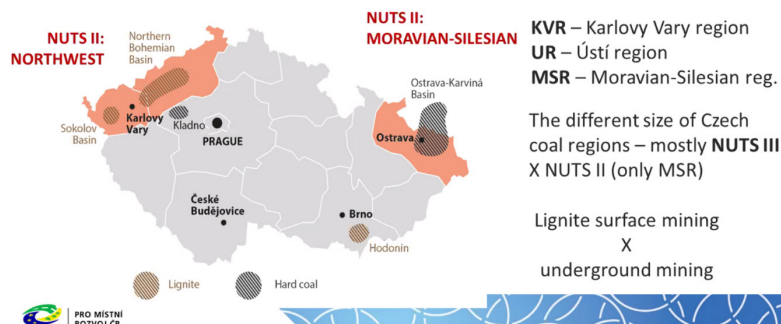
### Czech strategy for economic restructuring of the Usti, Moravian-Silesian and Karlovy Vary regions. - Tomáš Burdych, Moravian-Silesian and Karlovy Vary regions, Czech Republic

In the Czech Republic there are three coal regions (NUTS3), two are in the northwest and one in the east next to Poland. They share similarities but also exhibit important differences, for example between deep versus surface mining and lignite vs coal production.



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

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

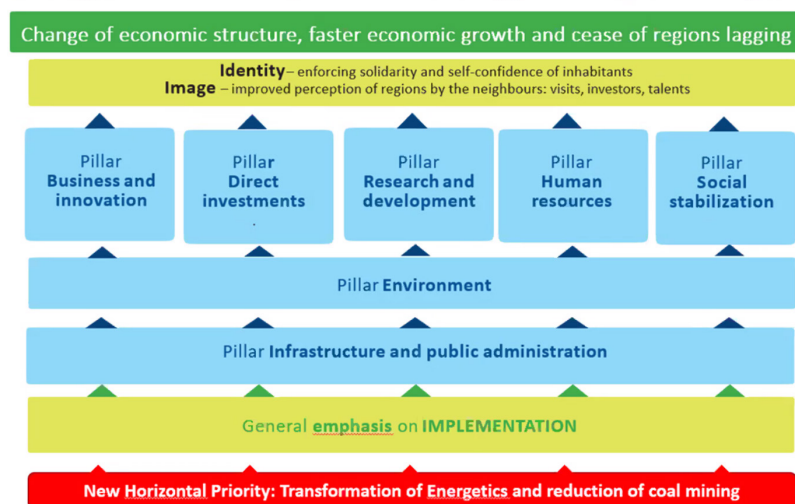


There is no official date for coal phase-out in the Czech Republic yet. A plan was proposed by the Czech Coal Commission for 2038, but this was criticised because it was seen as too slow. New, faster targets are being explored but the situation is different in different regions and the plan depends on coal markets and EU regulations. So for now the Moravian-Silesia Region (MSR) will close in 2022 (losing 650 jobs) and the Karlovy Vary Region (KVR) in the 2025-2030 period. The Usti region (UR) will probably be phased out after 2030.

All three regions have the highest unemployment rate at almost 6%, but are still modest by European standards. There are also the issues of dependent sectors and jobs mismatch to contend with. Like elsewhere, brain-drain, depopulation, and ageing are major challenges. This is sometimes compounded by low education levels, debt, and social exclusion. Moreover, there are issues regarding image and identity (e.g. German displacement). The biggest environmental challenge is the surface mining desecration of natural areas that require reclamation.

The regions have been addressing this issue for some time. In 2014, they asked for government support because of declining coal production. This resulted in a regional analysis of challenges of needs of the regions in the following years. In 2017, the RE:START Strategic Framework was set up to address these needs.

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



In the 2018-2021 period, this was followed up by action plans containing specific measures. With respect to financing, the strategy does not have its own financial resources. Instead, it bundles support from existing resources and reallocates them. This is mainly to the benefit coal regions (e.g. low emission public transport and brownfields). The JTM and JTF are seen as new resources to support this strategy.

### Questions from the audience

Most of these regions had a touristic tradition, is the revival of this sector of activities sustainable or good enough for revitalisation?

Tourism as an economic sector is only part of economic diversification of Czech coal regions and its importance differ from region to region. Of course, the transformation process should not be based only on tourism even

though especially in Karlovy Vary region it is traditional and very important part of regional economy. And the question on sustainability depends on its meaning whether we talk about environmental sustainability or economic or even acceptance of tourism from the local people. The regions certainly want to develop the form of tourism that would be durable, would generate jobs and would have minimum negative aspects. However, this is in the preparation and we will see if the regions will find and develop right form of tourism on their territory. It could be part of solution but should be done wisely.

#### Will RE:START be the strategic driver behind the just transition plan? How exactly do you link them?

First of all, the preparation of JTF is based on experience we have received during the implementation of RE:START strategy. The team preparing JTF is the same that is implementing RE:START strategy. RE:START strategy do not have any specific financial source and therefore, its measures are financed by different funds. Just Transition Mechanism is a new tool and source of finance that we can use. However, we have to fulfil all requirements related to this mechanism. That was one of the reasons why we have adjusted our strategic framework for RE:START strategy that is now more in line with goals of JTM. On the other hand every Czech coal region is defining priority areas that should be solved by measures described in JTP. These measures should be in line with real needs of regions and should be based on regional analysis. RE:START strategy could be useful tool in all these needs because is based on deep regional analysis and therefore regional governments (apart from other strategic documents) use this strategy for justification of their priority areas and measures suggested in JTP. JTP is common document and coal regions and regional stakeholders are involved in its formulation.

### Wrap-up of the roundtable by Sebastien Bourdin

The role of the JTF is to help member states make the switch to post-carbon economy. This is most acute in the regions which are most dependent on fossil-fuel production. So this strategy of smart specialisation and financial compensation should be seen more than just funds, but as a way to help build a totally new economy. COVID-19 has helped people imagine a different world and reinterpret existing crises in a radical way. The recovery plan is a step in the right direction and the EIB and Horizon Europe are also supportive. Finally, ESPON has also proven to be a good platform to exchange information and good practices!





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