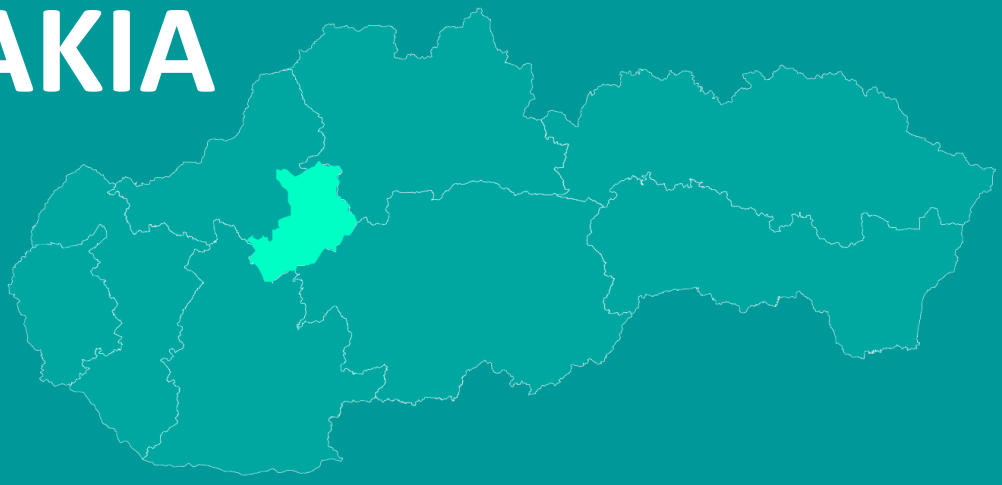
ENTRANCES

ENergy TRANsitions from Coal and carbon: Effects on Societies

POLICY BRIEF

July 2023

UPPER NITRA, SLOVAKIA



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This project has received funding from the European Union's Horizon 2020 research and innovation programme under Grant Agreement nº 957751

ENTRANCES PROJECT

ENTRANCES (ENergy TRANsitions from Coal and Carbon: Effects on Societies) is a three-year project funded by the European Union's Horizon 2020 research and innovation program. The project addresses the Social Sciences and Humanities (SSH) aspects of the Clean Energy Transition (CET) through the development of a theoretically based and empirically grounded understanding of cross-cutting issues related to social aspects of the transition in European coal and carbon-intensive regions and the formulation of a set of recommendations able to tackle these issues. To that end, 13 coal and carbon-intensive transition regions in Europe were studied using the same Multidimensional Analytical Framework (MAF), resulting in 13 case studies and an equal set of recommendations that reveal the complexity of the transition process and the impact in the daily life of local communities in its various dimensions.

EXECUTIVE SUMMARY

Horná Nitra, a pivotal region in Slovakia's decarbonization efforts, is set to phase out coal mining by 2024. This move, while supported by local stakeholders, has underscored the intricate nature of decarbonization in a region with a strong carbon-intensive history and traditional industrial base. As the transition unfolds, deeper structural issues have emerged, such as demographic shifts, low value-added industries, economic constraints, and inadequate research-practice integration. The region's decarbonization journey is characterized by two prevailing narratives: one depicting Horná Nitra as a model for successful decarbonization, and the other predicting a decline due to economic challenges and global competition. Despite these complexities, the transformation trajectory is firmly established through set decisions, with continuity expected.

The central challenge to successful decarbonization and the emergence of a new economy in Horná Nitra is the scarcity of human and professional capacities at the local level. Furthermore, insufficient collaboration among stakeholders impedes effective integration efforts. Civil society's involvement in mitigating potential adverse social impacts remains underdeveloped. The European Union's policy frameworks, including the EU Green Deal, Fit for 55, and Re-Power EU agreements, offer vital guidelines and targets for national-level actions. These established directives provide a strong foundation to guide the region's transition process, emphasizing the need for alignment between regional stakeholders, local authorities, and NGOs. This Policy Brief reviews these challenges and proposes recommendations to address these problems in the Horná Nitra region.

INTRODUCTION TO THE PROBLEM

The first region where Slovakia has started with targeted policies and support aimed at decarbonization is Horná Nitra, where, according to the decision of the Slovak government, coal mining will be phased out by 2024. While this decision has received support from local governments, NGOs and the business community, it has also shown that decarbonization is a relatively complicated process in Slovakia with its traditional industrial base and strong history of carbon-intensive production. Decarbonization of Horná Nitra also opens a “pandora's box” of deeper structural problems related to demography, the dominance of low value-added industries, the low purchasing power of the population, the insufficient link between research and development and practice, and last but not least, it reveals the insufficient personnel and professional capacities of the key stakeholders.

The socio-political analysis identified two dominant narratives on the impacts of decarbonization of the region. The first is the narrative of Horná Nitra as a winner and leader of the process, region that can serve as an example for other regions on how to approach decarbonization at regional and local level, including in other EU countries. The second is the narrative of the future decline of the region, due to the worsening economic situation, unfavorable demographic developments, global competition, which will cause the lagging behind and eventually the decay of towns and cities.

Today it is clear that the whole process of transformation of Horná Nitra is firmly anchored in the framework of the decisions taken and no major disruptions or changes in the set course can be expected.

However, the biggest challenge for the successful decarbonization of the region and the launch of the new economy is the lack of human and professional capacities at the local level and the underdeveloped cooperation that would work to integrate all stakeholders. There is also a lack of empowerment and involvement of the civil community in mitigating the potential negative social impacts of decarbonization. The EU Green Deal, Fit for 55 and Re-Power EU agreements provide important frameworks for national policies and targets. Working with the implementation of already agreed targets provides strong guidelines to keep the process on track. This outlined strategy should be continued by regional stakeholders, local authorities and NGOs. This policy brief aims to identify priorities that would effectively restore economy and community ties in region while securing its already started transition to carbon neutral economy.

Key questions

Key Question1. What are the challenges faced by coal and carbon transition regions in different dimensions?

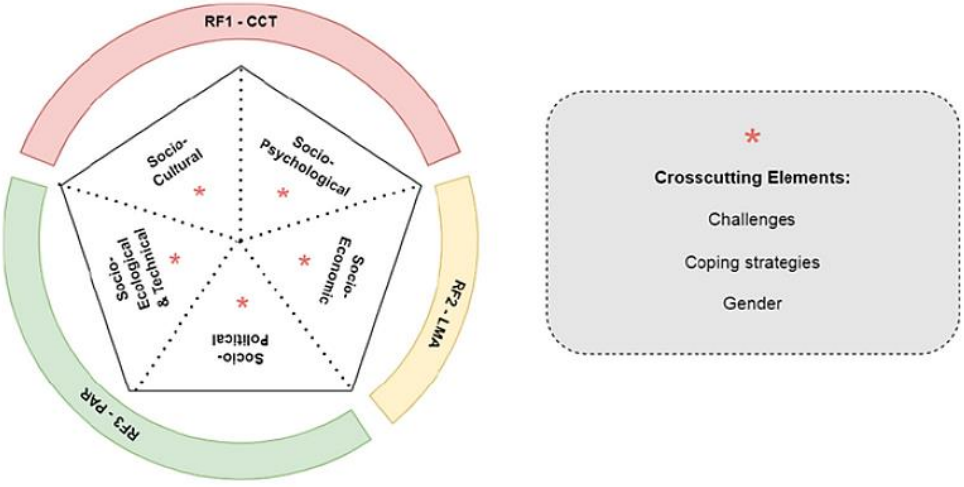
Key Question2. What are the emerging coping strategies and what policies could be more effective to address the identified challenges?

METHODOLOGY:

The ENTRANCES case studies were structured into multiple foci (Territorial Change, Structural Change and Clean Energy Transition) and respective units of analysis (Coal and Carbon Territory, Labour-Market Area and Political Administrative Region) to better address the scope of research. Additionally, a comprehensive Multidimensional Analytical Framework (MAF) consisting of five components: socio-cultural, sociopsychological, socio-economic, socio-ecological, and technical component, was adopted to study the complex and multidimensional dynamics in place.

Each component of analysis is supported by specific concepts and methodologies, as well as three cross-cutting elements: challenges, coping strategies, and gender dimension. The resulting challenges, as well as the gender dimension analysis, provide a very clear picture of the real situation in the region of analysis, accurately highlighting the problems related to the demographic, economic, social, cultural and political configuration. The initial results obtained from the different coping strategies generate new avenues for the discussion and recommendations presented in this policy brief.

Overview of the Multidimensional Analysis Framework: Research foci, components and crosscutting elements



CHALLENGES AND COPING STRATEGIES

CHALLENGE 1

Keeping the mine closure schedule and accelerating economic transformation

1 Insist on implementation of climate and energy commitments

The EU Green Deal, Fit for 55 and Re-Power EU provide an important framework for national policies and targets. Systematic implementation of already agreed targets provides a strong basis for keeping the process on track. This strategy should also be promoted by stakeholders in the region, local authorities and NGOs.

2 Accelerating the transformation of the regional economy

The regional economy in Horná Nitra is undergoing fundamental changes. The new economy towards decarbonization is already starting to provide employment opportunities and help offset the losses from the phasing out of mining. The acceleration of transformation of regional economy provides a good basis for the irreversibility of the processes.

RECOMMENDATIONS

- Adherence to the mine closure schedule under all conditions for all key stakeholders
- Encouraging and promoting alternative business projects to be undertaken after mining has ceased
- Providing early retirement pensions and social assistance to eligible mine workers
- Promoting early positive examples of compensation for the negative social impacts that accompany mine closures in practice
- Promoting the positive environmental benefits that result from the closure of mining

DISCUSSION

Keeping to the timetable for coal mine closures and accelerating the economic transition can be an important pillar for managing the potential negative impacts of the transition and for achieving the goals of a decarbonized regional economy. The first positive examples from the transformation are also important to gain public support and to build the argumentation base against attempts to slow down or stop the process of mine closure and regional decarbonization.

CHALLENGES AND COPING STRATEGIES

CHALLENGE 2

Local capacities and utilization of available financial assistance

1 Building local capacity

This may involve regional leadership, sharing knowledge and lessons learned through multi-sectoral engagement. Assistance that could come to the region from outside may focus on building and developing professional capacities and providing know-how to key regional stakeholders. It could be assistance with the coordination of programs and projects in order to achieve maximum positive impact. It can also represent support for networking and engagement in a wide range of regional fora to generate synergies for the success of the transformation.

2 Networking at regional level

Networking can be accomplished through programs and projects that link the economy, community, and environment to accelerate the inclusive prosperity of the region. Many of these programs and projects may be implemented in partnership with other organizations and coalitions and may have diverse institutional identities. Use of networks, joint identification and search for programs and projects and the use of a peer-learning approach can provide a powerful impetus for regional development.

3 International Networking

There are currently many regions in Europe that are struggling with mine closures and regional economic transitions. The Platform for Coal Regions in Transition and networking at international level can provide important incentives for Upper Nitra and help to take advantage of opportunities arising from financial assistance. There are 42 coal regions in Europe, spread across 12 EU Member States, and the European Commission has set up the Platform for Coal Regions in Transition to help them in their transition to a low-carbon economy.

RECOMMENDATIONS

- Increasing human and professional capacity to absorb financial assistance after mine closure and start-up of the new economy
- Ensuring effective use of available funding sources to remove adverse impacts and kick-start the new economy
- Promoting partnerships between all sectors and all stakeholders and ensuring consistent communication channels
- Promoting partnerships between coal and carbon intensive transition regions in Europe, sharing best practices, knowledge and experience

DISCUSSION

There has been an intense and critical public debate about the ability or inability of regional stakeholders to take advantage of the current funds and various “windows of opportunities”, but these may soon close with the effective cessation of coal mining. The period up to 2024 is critical to offset the adverse impacts resulting from mine closure. If the opportunities are not seized, the transformation of the regional economy may be slowed down, with all the negative consequences for the economy, the environment and the people.

ENTRANCES

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This project has received funding from the European Union's Horizon 2020 research and innovation programme under Grant Agreement nº 883947. The document represents the view of the author only and is his/her sole responsibility: it cannot be considered to reflect the views of the European Commission and/or the Innovation and Networks Executive Agency (INEA). The European Commission and the Agency do not accept responsibility for the use that may be made of the information it contains.