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Policy solutions for coal mine regions in the Western Balkans under the Just Transition framework

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... Beginning the discussion

... Tackling green transition, starting above all from the policy level, poses a challenge for the WB governments.

Need to shift from merely 'commitment in agreements' coupled with the 'business as usual' approach towards a significant practical and change-making effort, resulting in legislation changes, investments and direct involvement of all stakeholders.





Motivation ... and a need for better policies

In 2018, BiH produced 14.3(Mt) of brown coal and lignite, mostly used to generate electricity at power plants near the mines.

Around **70**% of the country's electricity production was from **coal** in 2020. Energy production is responsible for **64**% of BiH's greenhouse gas emissions.

The country plans to reach new targets by repurposing and decommissioning some inefficient coal-fired thermal power plants, which will go along with the closure of coal mines ...







The urgency of transition, targets and regional commitments



The region is highly vulnerable to climate change, with increasing risks of extreme weather events, water scarcity, and biodiversity loss.

Embracing green practices is crucial for mitigating these environmental threats and securing a sustainable future.



A green transition can drive economic growth by fostering green industries, creating new jobs, and attracting investments in renewable energy, circular economy, and sustainable infrastructure.



Aligning with EU environmental standards and policies is crucial for successful integration.

As WB countries aspire to join the EU, and the green transition is a key priority for the bloc.





The urgency of transition, targets and regional commitments

•<u>Sofia 2020 Launch:</u> GAWB endorsed, mirroring the EU Green Deal's objectives and committing WB6 to climate neutrality by 2050 (-55% GHG by 2030)_covering five key areas - Climate, Energy & Mobility; Circular Economy; Depollution; Sustainable Agriculture; Biodiversity - aligning with EU policies

•<u>Action Plan 2021-2030</u>: A 58-action implementation plan adopted, translating these pillars into specific measures. A roadmap to EU-aligned green transition, integrated with the EU enlargement process and Economic and Investment Plan.

•<u>GreenFORCE Role:</u> Aiming to address gaps in current tracking and ensure the framework is both *realistic* and *effective* for guiding the green transition.







JGT in the WB - a policy overview

Western Balkan countries still fall behind the EU with regard to fighting, mitigating and adapting to climate change, <u>lacking at the same time a holistic approach for transforming</u> all relevant policies (national and regional) into climate-sensitive

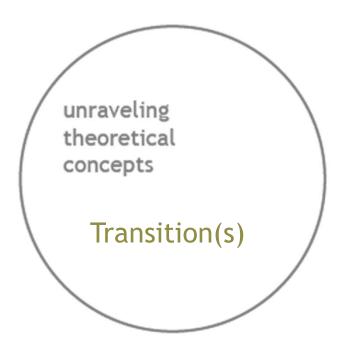
Lack of general knowledge = Lack of awareness = Lack of studies on impact

*No ex-ante assessment on the effects of this transition (justice?)





Unfolding theoretical concepts - "transition(s)"



WB Countries - an agony of 'never-ending transition'??

Transitions or 'socio-technical transitions' implies the overall concept of multi-dimensional and multi-level systems change in time and place (at different scales), e.g. towards more sustainable societies.

"Purposive Transition" - characterized by a deliberate goal pursued as of the outset of transformation, with an explicit set of societal expectations and drawing heavily on external resources, aid and political orientation.





Unfolding theoretical concepts - "sustainability"

unraveling theoretical concepts

Green Economy/
Sustainability

Sustainability transitions come with a number of special features: spatiality, large scale multiple transformations, finite natural resources environmental sustainability, tensions between growth sectors vs ethical implications on resources.

Sustainability as a norm that promotes <u>equity and</u> <u>justice</u> within and among generations and in socio-ecological interactions





Unfolding theoretical concepts - "justice"

unraveling theoretical concepts

Justice in sustainability

Core - "no one left behind..."

"Just transition" / international labor union movement - 1990s - rooted on the processes of industrial reconversion in the 1970-80s.

- *Distributional justice* (where impacts and resources are located and distributed);
- *Procedural justice* (formal & informal involvement; degree of influence);
- *Spatial justice* (spatial distribution / effects)





JGT - a "purposive transition" for the WB

In the WB the JGT has largely been treated as a buzzword, lacking the necessary depth of awareness regarding the scale and transformative changes it entails.

The "transition" terminology resonates with past and ongoing transformations, especially employed in the post-communist era.

A "purposive transition" was set in motion in the 90's characterised by a deliberate goal of transformation - signalling epochal changes / privatisation / liberalisation / democratisation ... involving a great degree of uncertainty.

While still transiting towards fully functional democratic systems <u>a new trajectory/transition to be integrated</u> in the European Union.



JUST GREEN TRANSITION IN THE WESTERN BALKANS OVERCOMING TRANSITIONS FATIGUE

Despite progress, 'transition fatigue' and unmet expectations have led to a challenging path forward → affecting the societal and economic sphere at the same time





What did we do?

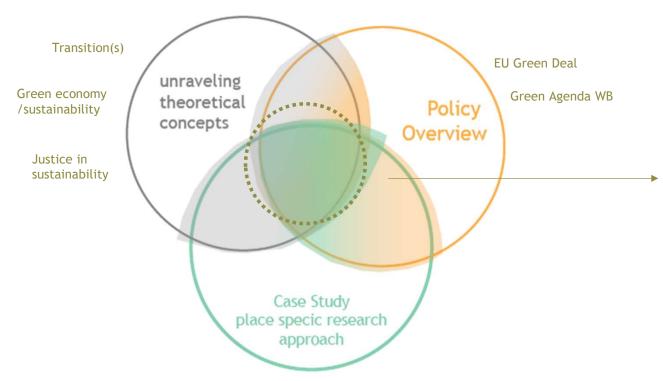
Research work to **assess costs, benefits and impacts of green transition** in 5 case studies. This task was designed in parallel with codesigning conceptualization and contextualization of GT, where each WB partner drafted a case study for their territories, with the precondition that at least **3 components of the green agenda** are covered.

ALBANIA	BOSNIA& HERZEGOVINA	MONTENEGRO	NORTH MACEDONIA	SERBIA
Net-Zero transition for Post-Communist Urban Neighbourhoods	Assessing local economic and employment impact of JGT	Waste management sector transformation and its impact towards JGT	Implications of Transition in the Energy Sector at the Regional Level	Sustainable Mobility - Transitioning Public Transportation at Local Level
Decarbonization (Energy Efficiency); Depollution	Decarbonization (RES)	Circular Economy	Decarbonization (RES)	Decarbonization (Sustainable Mobility); Depollution





Contextualizing JGT in the WB



Defining pathways towards (reconceptualization) of JGT in the Western Balkan





Assessing governance challenges - a GreenFORCE approach

The concept of governance, encompassing the institutions, processes, and actors involved in shaping policy and decision-making, is <u>fundamental to understanding the green transition</u>.

1. Multilevel Governance

2. Policy Coherence

3. Regulatory Framework

4. Stakeholder Engagement

Assessing the
coordination among
different levels of
government (local,
regional, national,
and supranational) to
ensure policy
coherence

Evaluating the degree to which different policies complement rather than contradict each other. If policies in areas such as energy, transport, agriculture, and urban planning are harmonized

Mapping of all sets of laws and regulations governing policy implementation. And assess if regulatory frameworks ensure compliance with environmental standards and promote sustainable practices

Mapping and assessing the active participation of various stakeholders, including government agencies, civil society organizations, businesses, and local communities.





A Case-Study approach to identifying challenges

Albania's multilevel governance bottlenecks in implementing Energy Efficiency measures

North Macedonia:
Weak institutional
capacity &
fragmented policies
for Decarbonization

Serbia's governance challenge related to mobility and green transport initiatives

- 1. <u>Multilevel Governance</u>: National level institutions with the responsibilities on pushing forward GA (i) MIE / (ii) MoTE / (iii) AKBN / (iv) ERE / (v) AEE ... Additionally Inter-Ministerial Working Group on Climate Change (IMWGCC). At Local level: 61 LGUs have the legal obligation to prepare and implement local plans for energy efficiency and renewable energy. Non-Institutional: Donors, NGOs, Bank Sector, Private Sector, Academia.
- 2. <u>Policy Coherence</u>: National Climate Change Strategy and corresponding National Mitigation & Adaptation plans (2019); DCM "On monitoring and reporting GHG emissions and other information relevant to climate change at the national level";
- 3. Regulatory Framework: Law No. 124/2015, "On Energy Efficiency" (amended) / Law No. 24/2023 "On Promoting the Use of Energy from Renewable Sources" (partially aligned with EU)
- 4. Stakeholder Engagement: GF mapped in total 45 actors, representing all quadruple helix stakeholders. Majority belongs to the Government category (51%), which are responsible for steering the process of the JGT. Up to 16% orientated towards the decarbonization pillar focusing on energy transition and climate change mitigation.





Key challenges identified

<u>Weak Institutional Capacity</u>: lack in expertise, resources, and coordination mechanisms to implement green policies effectively. This deficit is particularly evident in renewable energy deployment, waste management, and circular economy initiatives.

<u>Insufficient Resources</u>: Inadequate funding and a shortage of skilled personnel hamper institutions' ability to perform their mandated roles effectively \rightarrow delays in project implementation and a lack of capacity for monitoring and evaluation.

<u>Fragmented Policies and lack of coherence</u>: lack of comprehensive national green transition strategies → conflicting policies, duplication of efforts

<u>Limited Public Participation:</u> General public lacks awareness & understanding the importance of the green transition / Limited Access to Information → lack of transparency and accessibility limits the ability of citizens to engage meaningfully in decision-making processes / Weak Mechanisms for Citizen Engagement → Formal public consultation & participation mechanisms are often underdeveloped





Structural Barriers to transition ...

Stakeholders Just Transition Perceptions and Trust / current governance model deviates from a place-based approach (local inequalities and socio-economic concerns)

Skepticism about opportunities / Stakeholders expressed doubts that policies would effectively foster new job

Lack of faith in government support structures raises concerns about the feasibility of opportunities.

The prevailing perception without clear accountability and transparent processes, the anticipated economic benefits of the transition may remain unfulfilled







Policy Solutions for a JGT

Policy & Governance:

- Develop inclusive, place-based transition plans with local stakeholder participation.
- Strengthen governance structures; move from top-down to participatory models.
- Tailor policies to regional socio-economic traits, especially in lagging regions.

Social & Economic Support:

- Establish targeted social safety nets: unemployment, pensions, health.
- Invest in workforce reskilling, entrepreneurship, and local economic diversification.
- Promote transparent communication and community engagement.

Technical & Investment:

- Accelerate renewable energy investments (PV) to support transition
- Implement comprehensive decommissioning plans with environmental and social measures.



A holistic approach integrating social justice, economic resilience, and environmental sustainability ensures a successful and fair energy transition.





... policy coherence does not necessarily imply the *orderly transfer* of policy from supra- and national authorities to sub-national authorities...

... transitions without stakeholder participation are doomed to fail or, worse, provoke major damage to local communities ...

... the cooperation between key actors can somehow ensure the implementation of some specific projects/initiatives of broad societal interest.





JUST GREEN TRANSITION IN THE WESTERN BALKANS **OVERCOMING TRANSITIONS FATIGUE**

to describe the global crusade to transit from coordinating climate and environmental action. (green) and shall take place in a socially-fair way history with questionable levels of success

"Just Green Transition" (JGT) is the term used today in the absence of a comprehensive approach to unsustainable economic models towards a carbon Instead, there is a patchwork of policy initiatives neutral economy. This process entails far-reaching tackling specific sectors. Furthermore, as the WB technological, institutional, and behavioural countries commit to the JGT, a key concern is how changes (transition) that should contribute to toland the narrative of a 'transition' in a region that reducing the impacts of the environmental crisis has been subject to several transitions through

This policy brief aims to increase clarity of what In the Western Balkans (WB), however, the JGT are the practical implications of JGT for the WB is, so far, mostly used as a buzzword without fully region and for its domestic policy arena, and offer generating the necessary awareness of the scale and transformative nature it implies. This is reflected implementation and increased societal support.





Thank You!

