

25 November 2019

OPEN LETTER TO THE EUROPEAN COAL AND CARBON INTENSIVE REGIONS IN TRANSITION PLATFORM

The Coal and Carbon Intensive Regions Platform was launched in December 2017 to provide guidance to regions and support the exchange of best practice in their transition away from coal. Positive progress has been made in reaching that goal: the platform has kick-started the process of developing transition strategies in several regions, and has provided a space for open exchange on the transition. However, it is at risk of undermining the "transition" in its name, if incumbent industry interests vested in delaying the exit from coal are allowed to hold back progress by proposing false coal-based solutions.

Repeated scientific analyses find that coal power generation must be phased out no later than 2030 in the EU and OECD to be consistent with keeping the global temperature increase below 1.5°C. There are no credible technological solutions that can save it. Some regions, bowing to industry pressure for business as usual, continue to resist the structural shift away from coal by promoting mythical 'clean coal' technologies as cover for continued coal production. This is not only futile, it will lock regions into many more years of polluting and uneconomical coal.

The only just transition is a total transition away from coal. This is the mandate of the Platform, and its full potential to assist communities in a truly just transition beyond coal has been recognised by many regions. These are actively developing strategies to attract investment in clean energy and alternative economic development, while others are looking at innovative projects such as energy storage or mine reclamation linked to solar or wind investment.

And new, innovative approaches are needed. The landmark energy lending policy decision from the European Investment Bank to finish financing for fossil energy projects by the end of 2021 means that any new projects must be clearly aligned with decarbonisation goals. Sticking with coal risks leaving regions increasingly ruled out of investment opportunities.

Additional finance for this transition away from coal is required, with the proposed Just Transition fund under the next EU budget a potential means of supporting regions. But this too is being put at risk by maintaining business as usual operations.

A true just transition is one in which all affected stakeholders can contribute and engage in the processes through bottom-up participatory formats. It is a sustainable transition, consistent with international climate commitments to make sure global temperature rise is kept below 1.5°C. Finally, a just transition is also a cost-effective transition, reducing the burden of the transition on the most vulnerable and ensuring the opportunities of the transition are spread equally, leaving no-one behind. The earlier a transition is begun, the less costly it will be and the higher the likelihood of success.

We therefore call on the Platform to immediately:

- 1. Facilitate the development of clear, regional transition plans, based on ambitious national phase-out dates for coal: early clarity on (and commitment to) the necessary timeframe for coal phase out is essential for investors, the EU and local authorities so that regions can take action to make sure no one is left behind.
- 2. Ensure respect for the Partnership Principle: country and regional-level processes must implement the seven golden rules of open and inclusive just transition planning, as a minimum.
- 3. Set a clear direction: revise its Terms of Reference to eliminate references to advanced coal technologies and align it unequivocally with the Paris Agreement and the Sustainable Development Goals.

The platform is maturing and must now end its teething problems so it can grow into a positive force for regions facing a future currently beset by uncertainty. Regions need the right frameworks to implement an effective and just transition from coal, in line with the EU's Paris Agreement commitments. The announcement of the EIB and the proposal for a new just Transition fund as part of the European Green Deal present an opportunity to invest in a sustainable and just future for regions. It must not be missed.

Europe Beyond Coal WWF European Political Office **CEE Bankwatch Network** Polska Zielona Sieć







