

Forging a Green Path: Poland's Coal Odyssey to Sustainable Horizons

For the attention of the DG for Regional and Urban Policy

This policy brief addresses the challenges and opportunities within the European Union Green Deal Industrial Plan (GDIP) with a focus on the implementation of the Just Transition Fund (JTF). Poland, being the main receiver of the JTF but still struggling to implement measures to facilitate the green transition successfully, is used as a case study. With high coal reliance and challenges in financing the green transition evident in numerous European regions, akin to the situation in Poland, the recommendations outlined in this paper can first be implemented in Poland and then extended to other regions of the EU that struggle with meeting EU climate targets.

From Coal to Clean?

85% of Poland's economy is dependent on coal.

Poland plans to **phase out coal by 2049**, well beyond the EU climate policy targets .

3.85€ billion (from a total of 17 billion) of Just Transition Funds go to Poland.

JTF Shortfalls

- **Misallocation of the JTF:** the mechanism giving Member States the liberty to independently draft the **Just Transition Territorial Plans**, without specific JTM guidelines, can lead to a lack of focus on relevant issues such as upskilling/reskilling.
- There is a **lack of focus on education** to make a green transition possible.
- The project **submission criteria** is often **unclear**.
- There is **insufficient engagement of local interest groups** - not all relevant stakeholders and involved in the decision making process .
- This has led to a **negative public perception** of green transition in Poland.

Recommendations

1

Transparency in the implementation of the JTF to **enhance communication** and ensure the Polish public does not suffer from misinformation on the green transition. Developing communication channels and **facilitating access to clear information**.

2

A strong focus on education to meet a more targeted allocation of the JTF. Implementation of **Education Innovation Quota (EIQ)** and clear **frameworks on education**.

3

Enhance the inclusion of ALL stakeholders in the region through **Private-Public focus groups** and **bi-annual innovation forums**. Ensure stakeholder diversity through **Collaborative Transition Labs (CTLs)** and by revising company policies on inclusiveness.



The US Inflation Reduction Act (IRA), signed in August 2022, offers valuable lessons for the EU GDIP, particularly in reinventing former industrial regions into thriving innovation hubs. The IRA is a comprehensive key legislative package aimed at reducing inflation, primarily through significant investments in clean energy and climate change initiatives.



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