

Karlovy Vary Statement

Coal Regions need further support beyond 2027 to leave no one behind!

The Fourth Annual Policy Dialogue of the EU Coal Regions in Transition Initiative, taking place on 27-28 June 2023 in Karlovy Vary (Czech Republic), aims to:

- Transformation of the European energy system for fulfilling the European Union's commitment to the Paris Agreement is taking place with wide ranging impacts on coal, peat and oil shale regions (later referred to jointly as '*coal regions*') and their economy, especially as this entails ending a specific sector's industrial and economic activity;
- Coal regions in Europe are very diverse, in terms of both their dependence on fossil fuels for employment and industrial output, and their potential for economic reconversion;
- The transition of these coal regions is far from complete and needs sustained financial and policy support beyond 2027 to ensure that no one is left behind; While these regions face a number of challenges, they are also hubs for ideas, green and digital transition projects and innovation examples that may be of inspiration for the other EU regions that face twin transition or need to support their industries to boost competitiveness of the EU on the global market
- Therefore, the focus should be on:
 - **continuation of strong support for coal regions throughout the course of their entire transition** in the EU policy and funding framework beyond 2027 that can ensure the long-term success of transformative pathways for the economies of these regions;
 - maintaining a strong focus on **place-based solutions for the just transition** that address specific development challenges in the affected areas, that are developed in an inclusive way by involving **all relevant stakeholders** and that provide the **necessary scope of support**;
 - **complementarities and synergies between EU policies** to support the transition of coal regions, such as through the promotion of concept of smart territories, EU support for priority ecosystems, such as the bio-economy, and EU innovation policy combined with a financially strengthened Just Transition Mechanism to reach a successful EU industrial green transition pathway;
 - reinforced efforts for **effective coordination of public and private investments in coal regions** across all levels of government and other relevant stakeholders based on **partnership and multi-level governance**;
 - optimisation of **delivery systems** based on lessons learned from implementation of current programmes, while **measuring success based on impact** on supported regions;

- a **continuation of the specific provisions with regard to state aid to facilitate support in the context of the just transition** as in the current financing period;
- more **dedicated support for the cross-border and inter-regional cooperation** to further promote peer learning and capacity building;
- **better communication and storytelling** of the ongoing efforts of coal regions in transition;
- **all EU institutions** to seek an **early dialogue with coal regions** in the design and implementation of the next generation of EU policies to ensure a fair and just transition of these regions;
- the European Commission to conduct a **study, focusing on regions that are in the process of transitioning** and following up on the 2018 Joint Research Centre study which was entitled "EU coal regions: opportunities and challenges ahead"¹;
- a **continuation of the high-level EU Initiative for Coal Regions in Transition's Annual Political Dialogue** beyond 2027 with the regular involvement of all key actors of the EU institutions.

¹ "EU coal regions: opportunities and challenges ahead", JRC 2018, <https://publications.jrc.ec.europa.eu/repository/handle/JRC112593>