



Just Transition Platform – Policy approach:

TRANSFORMATION STRATEGY IN USTI REGION TOWARDS LOW-CARBON AND COAL (TJTP)

Czechia, Ústí nad Labem region

This document is part of a series presenting information and lessons learned on policy approaches at national, regional or local level supporting a just transition to a climate-neutral economy. The Just Transition Platform (JTP) assists EU Member States and regions to unlock the support in this transition. Visit the JTP website: https://ec.europa.eu/regional_policy/funding/just-transition-fund/just-transition-platform_en

Member State:

Czechia

Region:

Ústí nad Labem

Sector:

Coal (but considers whole industry transformation)

Total budget (€):

The plan will receive a combination of funds.
The national share is to be determined.

Financing conditions (co-financing rate):

Pending

Sources of funding:

EU funding: JTF (2021–2027):
CZK 15.8 billion (EUR 0.61 billion)

National funding:

Pending

Regional funding:

Pending

Duration:

2023–2027

Responsible Managing Authority/Agency:

Ministry of Environment

Summary

Ústí nad Labem is one of the regions eligible for JTF. Four pillars for the transformation and decarbonisation strategy of Ústí nad Labem in Czechia ensure a comprehensive policy approach. They include: 1) entrepreneurship, research, innovation; 2) competent people and smart region (e.g. change of industrial mindset); 3) new power industry and efficiently used resources; 4) revitalised landscape. The strategy combines socio-economic tools and environmental tools.

Changing the mindset of the local industry and raising awareness are considered important pillars of the strategy. The strategy also seeks a link with the S3 priorities. The innovation centre of Ústí region (ICUK) contributes to the positive transformation of the region and to higher competitiveness by supporting innovation and entrepreneurship, including social innovation.

Type of policy measure/activities:

The transition plan of Ústí nad Labem was developed in an open process involving different kinds of stakeholders (e.g. universities, chamber of commerce, municipalities). The strategy is based on four pillars (system innovation; change of industrial mindset; energy domain structure; landscape revitalisation) that are meant to ensure an inclusive and extensive transition of Ústí nad Labem. The plan is embedded in the larger Just Transition Framework of Czechia and is specifically designed to address the region's main challenges for a just transition.

Goals and approach:

The objective is to transform the regional economy in line with the climate-neutral objectives. The four pillars show on which aspects the strategy will focus on. The first pillar, system innovation, will address the innovation and research capacity of the region, increase SMEs' competitiveness and support industries that are vital for the transition. Green hydrogen production is seen as a vital source of energy for the region's transition. The second pillar, directed at the labour market and skills, focuses on increasing employment, access to quality services/education, use of digitisation and the general social cohesion and community development. Indirectly, it is directed at increasing the acceptance and awareness of SME support for a sustainable growth. So far, it is still anchored in the region's mindset that growth can only be achieved by supporting large enterprises. The third pillar, energy domain structure, is closely related to the first pillar and is meant to change the region's energy consumption. Finally, the fourth pillar addressed the major scenic challenges that arose due to the mining process. In Ústí nad Labem, coal was mined through surface mining, which has a large impact on the landscape compared to underground mining.

Important outputs, results or achievements:

The strategy is not operational yet as it still must undergo an approval process. Expected outputs will be then finalised.

Concrete outputs are especially expected by projects that follow the priorities of the strategy, as the strategy sets out the priorities for the region.

Scalability¹ and transferability²:

The strategy is transferable into other regions to a large extent. Ústí nad Labem is facing similar challenges to many other European regions in transition. Looking at the four pillars of the strategy, it becomes clear that these are focus areas that are vital for many old industrial regions. The development of the strategy followed largely the regular process of setting up regional plans (e.g. roundtables to engage different stakeholders and experts), enabling a good transferability.

¹ Scalability entails that a policy approach can be adapted to a bigger scale than just the local context.

² Transferability entails that a policy approach can be applicable to a similar setting and replicated.

Key success factors and lessons learnt:

The strategy was developed in an open process, involving many different stakeholders. The main stakeholder groups are municipalities, large businesses/SMEs, and universities/NGOs. Community involvement was achieved through different communication approaches (e.g. radio, social network, websites etc.). It is important to note that some of those actors are from different regions, and therefore bring different perspectives into the process. However, the process of involving different stakeholders and opinions might be in some cases too formal to allow an in-depth discussion of pressing issues.

Key challenges:

The main challenges, and thus the main issues, that the strategy will have to face are the capacity problems the region is experiencing. Ústí region is traditionally an industrial region without major innovations. Skilled people are difficult to attract. There are only few skilled people that could function as 'drivers' for innovative approaches and projects. Closely related to this is the image of the region that is experiencing classical stereotypes on environmental aspects. This is linked to the appearance of the region that is coined by the surface mining areas. The revitalisation of land is therefore crucial. In addition, the attraction of human resources remains difficult, again, due to the region's image.

Central framework conditions³:

The strategy is not the first one the region has drafted. The Ústí region is traditionally coined by industrial and agricultural production, trade activities, and the related transport infrastructure. However, the infrastructure is often not suitable for ongoing development of the region and the needs of the population. One central challenge for the region is the social situation. The preparation for the new economy will remain at the core of the region's transition.

Outlook:

Besides the transformation strategy, several other projects have been developed that partly predate the implementation of the strategy. The concrete impact of the strategy will be shown in time. The challenges the region is facing are long-term. Therefore, the strategy will likely not result in quick changes.

³ Framework Conditions encompass the institutional, informational and socio-economic factors that determine a given environment (contextual information), e.g. market conditions, access to finance, tax regulation, infrastructure and support.

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JTF in the region: <https://rskuk.cz/fond-spravedlive-transformace-operacni-program-spravedliva-transformace>

Sources:

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