

REPORT

Prague Climate Talks:

Just Transition Fund: a chance for Czech coal regions?

Tuesday 16th June, 16:00 – 17:30, online

- **The second Prague Climate Talks debate of this year took place online on Tuesday 16th June from 4pm. This project is co-organised by EUROPEUM Institute for European Policy and Heinrich-Böll-Stiftung Prague, under the auspices of the UN Information Centre Prague. This debate ran in cooperation with Eurocenter Ústí nad Labem and Eurocenter Karlovy Vary.**
- **The topic of discussion was the Just Transition Fund and the speakers were Luděk Niedermayer, MEP, Karel Tichý from the Ministry for Regional Development and Josef Schwarz from the European Commission. The debate was moderated by Kateřina Davidová from EUROPEUM Institute for European Policy.**
- **The recording of the debate is available on the Facebook page EUROPEUM Institute for European Policy.**

The discussion focused on the new financial instrument of the European Union, the Just Transition Fund, which should help coal regions transition to low-carbon economies. What should the Just Transition Fund be used for in the Czech Republic? How can we best utilize it in our coal regions to move them away from coal and towards renewable, sustainable future? These were among the questions for our guests.

Josef Schwarz began by introducing the Just Transition Mechanism, which the Just Transition Fund is part of. He also explained that due to the economic

crisis caused by the COVID-19 pandemic, the volume of the fund was increased four times. The Czech Republic should now get approximately CZK 90 billion on top of the regular EU budget. According to Mr Schwarz, it is necessary for the Czech administration is well in control of the development of projects to be financed from this fund. It should also ensure that novel innovative ideas are supported and brought to life through this instrument. The risks of misuse of the fund are low, according to Mr Schwarz, thanks to robust control mechanisms in place.

According to **Karel Tichý**, the Just Transition Fund has the potential to support the decarbonisation process in the Czech Republic, but it will not be enough on its own. When looking at the Czech coal regions, he sees positive changes – in all the regions there can be seen a shift towards more innovative approaches and the inhabitants are becoming more informed about the transition away from coal.

Luděk Niedermayer agrees that the Just Transition Fund is a great opportunity for the Czech Republic to carry out transformation processes better and faster than if we relied solely on domestic public resources. There will be large sums of funding available for

Czechia. The question is, whether it will be able to utilize them effectively. Up until now, EU funds were not used efficiently in Czechia, according to Niedermayer. What will matter now is how Czechia will use the money available from the EU's post-COVID-19 recovery package: either it will conserve the economy of the 20th century, or it will kick-start the economy of the 21st century.

The viewers then asked questions regarding to for instance the potential of green jobs in the Czech coal regions or concrete instruments that will be used to monitor the effectiveness of spending of the Just Transition Fund.



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