



SECOND ENERGY COMMUNITY JUST TRANSITION FORUM

Vienna, 12 July 2022

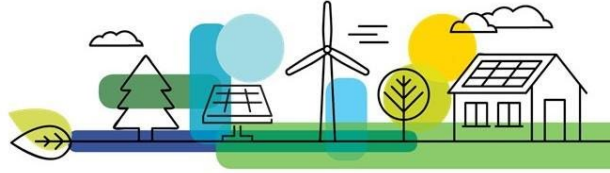
Forum Statement

The second Just Transition Forum took place under the auspices of the Energy Community in cooperation with Balkan Green Foundation, CEE Bankwatch Network and Climate Action Network (CAN) Europe at the premises of Elektroprivreda BiH in Sarajevo and in a virtual format on 12 July 2022. The Forum gathered Ministers and Deputy Ministers for energy, environment and climate of the Energy Community Contracting Parties, high-level officials as well as representatives of civil society, academia, international organisations, trade unions, youth and non-governmental organisations to discuss the best ways for the Energy Community to embrace and shape a just energy transition.

The Forum called on the Energy Community Contracting Parties to adopt ambitious 2030 targets for renewables, energy efficiency and greenhouse gas emission reduction by the end of the year. Amidst the heightened need to reduce reliance on fossil fuels exacerbated by the Russian invasion of Ukraine, the Forum underscored the critical need to accelerate the just energy transition by designing climate and energy policies that directly benefit citizens. The Forum participants agreed that decarbonisation must be participatory, socially just, inclusive, in the interest of workers, women, youth, vulnerable citizens, local communities and, of course, nature.

The Forum called on those Contracting Parties that have not yet done so to adopt National Energy and Climate Plans (NECPs) in order to provide higher regulatory stability, stimulate private investment and guide the delivery of long-term climate and energy policy objectives. As the just transition approach should be based on clear and honest communication as well as reliable targets and planning, stakeholder consultation and engagement in the preparation of the plans, including with social partners and civil society, is critical.

The Forum recognized the key socio-economic impacts associated with the fossil free energy transition in the coal regions of the Energy Community Contracting Parties and



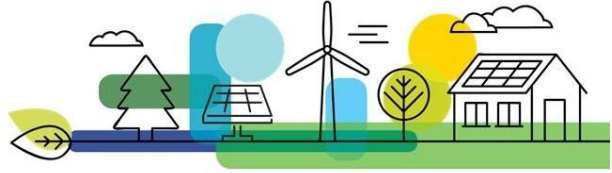
invited all partners to prioritize support to these regions, workers, vulnerable citizens and industries. The support should, inter alia, facilitate re-skilling and employment opportunities, enable access to clean and affordable energy, improve investment conditions in clean technologies and enhance research and innovation. In this context, social dialogue with local communities, workers, companies and on a broader level must be strengthened.

The Forum acknowledged that energy poverty is a serious problem in the Energy Community Contracting Parties and needs to be placed at the forefront of just transition efforts. The Energy Community Centre for Alleviating Energy Poverty will provide guidance on how to measure the level of energy poverty and design adequate policies for its reduction.

The Forum discussed the pressing need to bring down air pollution from various energy sector sources, ranging from thermal power plants to domestic heating. Rising energy prices and concerns related to security of supply are bound to have serious negative effects on air quality this winter, making immediate action even more important. The Forum reflected on the implementation challenges of the Large Combustion Plants Directive. It took stock of the achievements of the Clean Air Regions Initiative and explored possibilities for its expansion.

The Forum also touched upon the complexity of financing the just transition and the importance of public perception, especially when it comes to the level of awareness, attitudes and expectations of the energy transition process at local level in coal reliant regions. Against this background, the results of the World Bank and Energy Community jointly led Coal Regions in Transition Public Perceptions Survey, conducted in 21 coal regions and five non-coal regions across the five Western Balkans coal-producing countries, were discussed. The necessity for development of Just Transition plans and their inclusion in the National Energy and Climate Plans was highlighted, flagging the urgency for the creation of designated funds to support just transition efforts.

The Forum underlined that coal communities must be at the core of the energy transition. Without using the bottom up approach to understand the main concerns of those impacted and engage in effective participation and inclusion, a just transition will



be difficult to achieve. The transition must be guided by the principles of equity, inclusion and social justice in order to ensure the recognition of the needs and rights of a wide range of stakeholders - and especially the most vulnerable communities - and taking into account long term social and environmental impacts.