

The image features a large, stylized graphic of the letters 'R' and 'B' in a light blue-grey color. The 'R' is on the left and the 'B' is on the right. The background of the letters is a photograph of an open-pit mine, showing terraced levels of earth and rock, with some industrial structures and a crane visible. The sky is a pale, hazy blue.

# The need for a Just Transition Fund for the Western Balkans

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CEE

Bankwatch  
Network

# A Just Transition Fund for the Western Balkan countries

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## Why the urgent need?

- **Commitments**

The Western Balkan 6 embraced the 2050 decarbonisation goal (Sofia Declaration)

- **Economic reality of coal**

CBAM and/or CO<sub>2</sub> pricing will come, cause reduction of coal production.

Some plants will close sooner than thought.

- **Financial weakness of the region**
- **High dependency on coal – big social impacts**



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## How? Sources for a dedicated JT Fund

- **Known, but not earmarked for JT**

EC's Economic and Investment Plan for the Western Balkans (9 billion Euros)\*

- **Available, but unclear in size and types of projects**

Loans from the World Bank, EBRD, EIB, other IPA funds

- **Potential, but will take a while**

Carbon pricing (ETS, CO2 tax) and/or EU budget equivalent to revenues from CBAM

### Economic and Investment Plan Flagship areas

1. Connecting east to west (transport)
2. Connecting north to south (transport)
3. Connecting the coastal regions (transport)
4. Renewable energy
5. Transition from coal (gas and electricity transmission)
6. Renovation Wave (energy efficiency)
7. Waste and water management
8. Digital infrastructure
9. Investing in the competitiveness of the private sector
10. Youth Guarantee

Read more [here](#)

## Why a **dedicated** fund for WB6?

- Clear governance & accountability & transparency
- Equal opportunities for all countries/ regions to apply for funding
- Signals to national/ local decision makers the commitment to fund JT specifically
- Requires rigorous participatory planning
- Encourages competitiveness and early planning



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## Principles of funding the transition

- must be based on participatory and transparent local development plans, created bottom-up.
- the projects supported must have a regional positive impact within the coal regions (e.g. encourage inter-municipal cooperation on joint projects).
- must exclude support to any kind of fossil fuel investments (not only coal, but also oil or gas), as well as to other investments likely to hinder the achievement of EU policy objectives.
- the **allocation** of funds to coal regions **must be fair**, i.e. it should reflect the magnitude of the transition challenge

A circular graphic with a landscape background showing a valley with a river and hills. The text is overlaid on the image. A small 'CEE' logo is visible in the top right corner of the circle.

**A Just Transition  
Fund for the Western  
Balkan countries**

## **The earlier a country's coal-phase out commitment, the higher its share of a Just Transition Fund**

This and more findings are revealed in a model-based analysis by The Green Tank and CEE Bankwatch Network available [here](#)

# Thank you!

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