

Just Transition in Action

# Slovakia's phase-out revitalises former coal region



**In 2023, the Slovak Republic will end coal power generation at the last remaining coal power plant in the Upper Nitra region, resulting in an annual decrease of 1.2 million tonnes in its carbon dioxide emissions – around 4% of national emissions [1].**

This milestone achievement was driven by the recognition that the best way to support Slovakia's coal mining region (Upper Nitra region) and regions vulnerable to the low-carbon transition (Košice and Banská Bystrica region) in their pathway to climate neutrality is to develop new economic opportunities and thus deliver a fair and just transition.

As recently as 2005, the Slovak Government adopted a resolution to support domestic coal-powered electricity generation and electricity consumers paid approximately €100 million every year to fund feed-in tariffs and subsidise the sector [2]. The government sought to protect economically vulnerable areas such as Upper Nitra, where 11,000 were employed by the coal industry, with the coal mines accounting for 4,000 jobs.

However, subsidising the coal industry came with substantial environmental and social costs. According to the government, the health costs of electricity production from coal were around €500 million per year [3]. Moreover, respiratory diseases were substantially higher in the Upper Nitra area than in neighbouring regions, and air pollution threatened the development of the tourism industry. Coal became widely recognised as a declining industry, and the lack of an economic future forced young people to leave the region.

The Slovak Government decided to take charge of the situation, acknowledge the costs of coal for the environment and its citizens, and seek international support to open up new economic opportunities to build a better future. In 2018, it identified 2023 as the year to end the subsidy for electricity generation from domestic coal, thereby setting a domestic coal phase out date also. Shortly after, the Slovak Republic became a member of the Powering Past Coal Alliance.



*The mining company is already active in other industries, for example, fish farming and growing tomatoes. (Source: SME)*

Working with the EU's Just Transition Fund, Slovakia established an inclusive consultation process bringing together a broad range of public, private, and civil society stakeholders, alongside input from the European Commission to design its Territorial Just Transition Plan for 2021-2027. The plan centred around three pillars reflecting the priorities and challenges of the regions:

- Economic diversification – support for new businesses and diversification of existing sectors; attracting small-to-medium enterprises; and supporting research and development.
- Clean transition & brownfield revitalisation – increased solar and geothermal capacity; greater energy efficiency in public buildings; investment into brownfield sites; and smart and sustainable transport including small-scale pilot projects of hydrogen mobility.
- Reskilling – retraining for workers; vocational education reflecting labour market requirements; and enhanced opportunities for young people.

Slovakia's just transition plan has major potential to create new business and work opportunities and is already seeing success. The former mine, power plant, and local grid infrastructure in Upper Nitra are repurposed for developing and connecting new energy sources such as heat pumps, solar panels, and batteries. The existing rail infrastructure of the local mining company is being used for railway carriage repair and production, offering retraining opportunities and jobs. The mining company is also diversifying employment prospects for former mine workers by building greenhouses for cultivating tomatoes and a fish farm, as well as developing tourism and recreation services. While Upper Nitra is building a new regional identity without coal mining, it remembers its industrial past and educates visitors at the Open-Air Mining Museum.

Delivering a just transition away from coal means more than transitioning one industrial sector. The Slovak Republic has demonstrated that, if well managed, by placing workers and communities at the centre of effective social dialogue, a just transition can provide environmental, social, and economic benefits for all.

*"This year Slovakia is ending coal power generation and moving to cleaner and affordable sources of electricity. We started this process by setting an ambitious coal phase out date, which gave us certainty about the direction of travel and allowed us to better reflect local people's needs and challenges while planning for the transition. The government consulted a broad range of local and regional stakeholders to develop an action plan which lays the foundation for a just transition and prepares the workers and local communities for a post-coal future.*

*With the support of the EU Just Transition Fund, Slovakia will diversify economies of the regions most impacted by the transition, generate new jobs and promote green energy."*



**Peter Balík, Minister for Investments, Regional Development and Informatization, Slovak Government**

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[1] [Decarbonization of the Slovak economy by 2030 MFSR \(2022\)](#), p11

[2] [Review of spending on the environment MFSR \(2017\)](#), p42

[3] [Review of spending on the environment MFSR \(2017\)](#), p9