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Local community participation in the Transformation Action Plan for the Slovakia's Upper Nitra Coal Region

The aim of this study is to describe the process by which local communities participated in the Transformation Action Plan of Coal Region Upper Nitra and to propose concrete steps towards the better integration of the local communities in order to achieve the Action Plan's goals.

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Photo: Mesto Prievidza

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1. Termination of coal mining in Slovakia

In the Slovak Republic lignite is extracted from four underground mines. (1) Three out of these four mines are located in the Upper Nitra region, and the extraction is done solely by a private company, Hornonitrianske bane Prievidza, a.s (HBP), located in Prievidza. 99% of the production

is sold to Slovenské elektrárne, a.s. (SE). SE is obliged to purchase domestic lignite for electricity production and generates approximately 5% of total Slovak production, supplying heat to approximately 13,000 households within a 13 km distance from the power station. In December 2018, the Government of the Slovak Republic passed a resolution in which it committed to decreasing support for electricity production from domestic coal by 2023 at the latest and set a timeframe for the gradual closure of three out of the four mining fields. The last mine, which is located outside the region of Upper Nitra and has the biggest reserves, will remain open and extraction will be limited to exclude its use for electricity production purposes. The resolution does not address the non-opening of new mining fields.

2. Description of the participation process of the local communities in the creation of the Action Plan

2.1 How did local communities take the initiative to change their future?

The creation of the Action Plan (AP) for the region came from the initiative of the local authorities. The mayor of Prievidza, a mining centre, in cooperation with the local Associations of towns and villages of Upper Nitra, presented in January 2018 the intention to create an Action Plan to develop the Upper Nitra region and called all citizens to contribute to it. Citizens were informed through local media about the possibility to participate in the AP's creation. People could register themselves through email, and there were no limiting criteria on the number or competencies of the participants.

Sixty people expressed interest in participating; they were mainly local public servants, local entrepreneurs, heads of schools or social institutions and representatives of NGOs. Between March and September 2018, approximately 15 meetings were held. Locals agreed on the priorities and pillars for the upper Nitra transformation, and this document was then handed over to the representatives of the Deputy Prime Minister's office (UPVII) on 4 September 2018. This material later became the basis for the Transformation Action Plan.

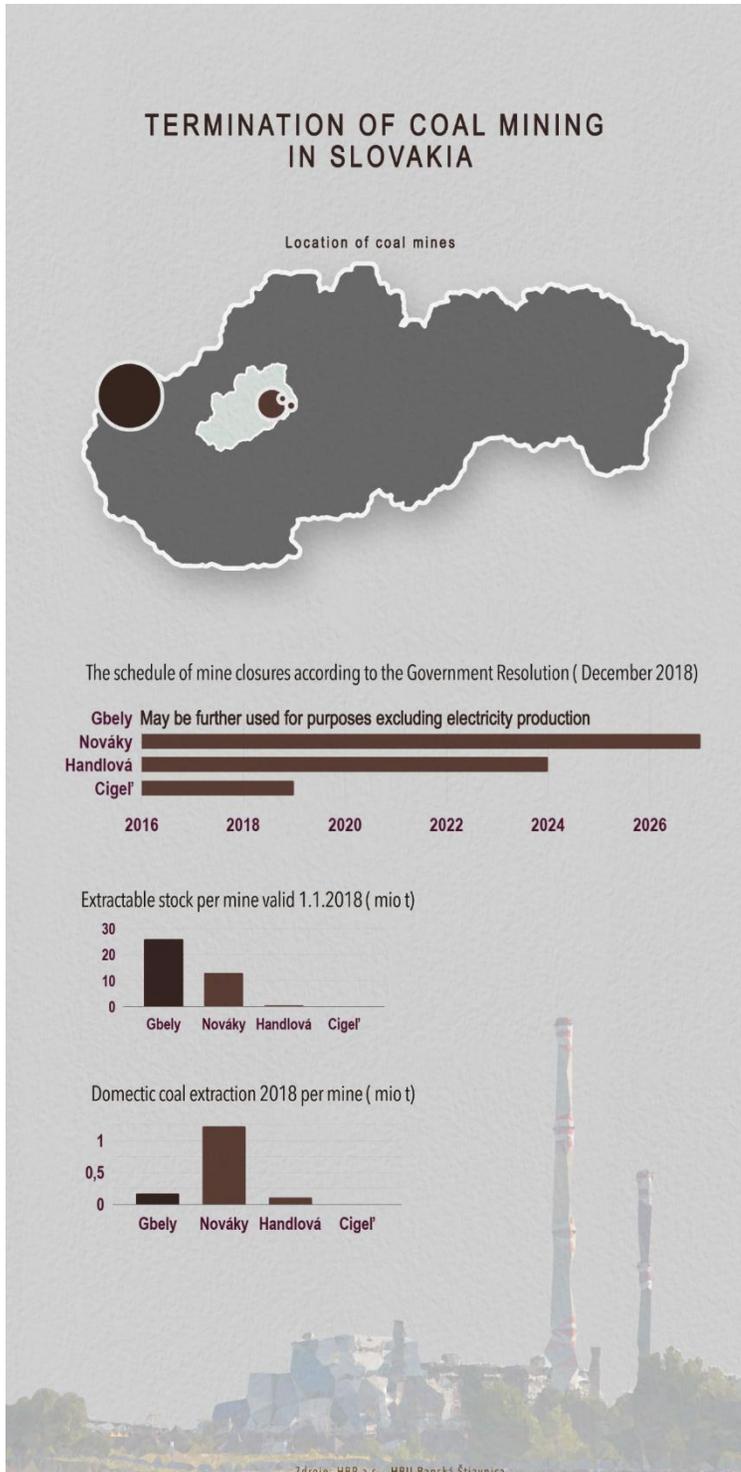


Chart: Termination of Coal Mining in Slovakia (1) (4)

People contributed in a benevolent manner and meetings were mostly held on the premises of the local authorities. The costs incurred for meetings were covered by the local authorities and by NGOs. Four working groups were constituted around the group's chosen transformation pillars— Economy, Travel, Social Infrastructure and Transport— and all were headed by regional opinion leaders. Support was provided by the Technical University in Bratislava.

2.2 What are the risks run by politicians when opening sensitive topics?

Up until 2017, the issue of ending the coal mining industry in a region with such a deep mining tradition was considered taboo. Any activity organised around the very theme of preparing for the post-coal transformation (round table, discussion, invitation to the Action Plan) would have the direct consequence of being discredited or inciting a strong reaction in the media from the mining lobby. Local politicians, in particular, faced the possibility of significant backlash for publicly opening the question of how to prepare for the post-coal period. Those who were responsible for initiating the AP in January did so despite the risk that they might not win re-election.

The local elections in Slovakia in November 2018 changed the game: the winning candidates in the mining region of Upper Nitra were those who expressed their support for the preparation of the region for the post-coal transformation or those who drew attention to the improvement of the environment. This was proof that politicians could approach the issue of regional transformation without harming their image.

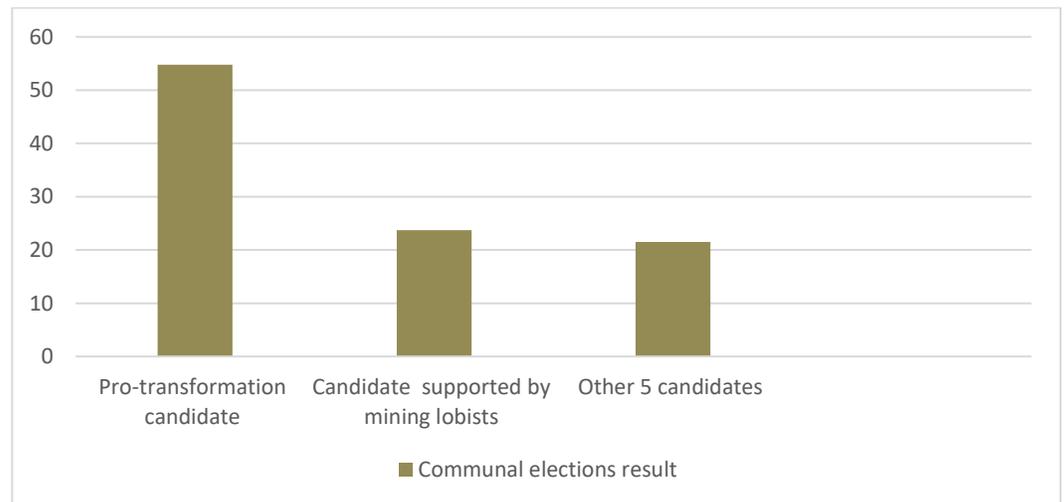


Chart: Results of the local election in Prievidza, centre of the Slovak mining industry (2)

2.3 What was the change factor in the Action Plan's creation?

Local people started to create the Action Plan in January 2018 and received very inconsistent signals. On the one hand, the local and regional authorities talked about the necessity of the transformation of the region, and on the other hand, the then Prime Minister Robert Fico publicly stated in February 2018, "I absolutely reject any words about mine closures and I do not want to have anything to do with it". (3) In addition, HBP has declined invitations to meetings on the future of the region and the creation of an Action Plan. It has distanced itself from these efforts using sports terminology, claiming that they do not play "City League".

Finally, there were two events which brought all stakeholders to sit at one table and work together. First was the institutionalization of the creation of the Action Plan under the authority of the Office of the Deputy Prime Minister, announced at a public meeting in Prievidza in April 2018. Second was the European Commission's Structural Reform Support Service's (SRSS) technical assistance for the Action Plan's creation, introduced in October 2018.

But what really became the catalyst for the development, public deliberation and final approval of the Action Plan was the Government Resolution on Reducing Support for Domestic Coal Electricity. (4) This happened in December 2018, almost a year after the locals started to create the Action Plan for the Transformation of the Region. After a long wait and pressure from environmental activists, and especially from the European institutions, the government finally set the date of the end of uneconomic and unecological support for electricity production.

What communal politicians and local communities involved in transformation need the most is for the Government to communicate clearly and transparently the necessity of transformation, as well as set its milestones and concrete dates, thus confirming that the efforts that local politicians initiate and support in the region are in the interest of the whole Slovak Republic.

2.4 What did the technical assistance supported by the EC bring?

To support the regions aiming to become independent from fossil fuel energy, the European Commission declared in December 2017 the creation of the Platform for Coal Regions in Transition. (5) Its task is to facilitate the development of projects and long-term strategies in the coal regions. Upper Nitra is a pilot region in this platform.

The Slovak government asked the European Commission for technical support in the preparation of the Action Plan.

An international consulting company, PricewaterhouseCoopers (PWC), won the contract to provide this technical support in an open tender process. The project was carried out under a Specific Contract, No. SRSS/SC2018/044 Lot 1, between PricewaterhouseCoopers EU Services EESV and Structural Reform Support Service of the European Commission. They were focused on three main objectives:

- Supporting the development of an action plan for the transition
- Examining funding possibilities for the rehabilitation of mine areas
- Preparing recommendations to avoid negative environmental impacts of actions taken for the transition of the region

Consultants worked in the region from October 2018 until July 2019. Looking back, we evaluate the work done by PWC as a positive contribution. They successfully combined the three political layers, i.e. national, county and local, and proved to be a reliable partner for local stakeholders with different interests. Their main task was to confirm the validity of the proposed Action Plan handed over by the local authorities in September 2018 through data analytics and through meetings with local individuals, in small groups or in bigger open public discussions. PWC took part in the public hearings organized to discuss the Action Plan, attended by around 400 inhabitants, and the comments from these meetings were incorporated into the final AP.

The processing time was ideal – 10 months after first call to Action Plan creation, PWC began their evaluation. They had the ability to use all the capacity in the region (existing working

groups, public attention, cities and villages premises, communication channels of the cities and villages, themes of interest, etc.).

In order to be more effective in their role, PWC should have been somewhat more active in proposing the future institutional realisation of the Action Plan and post-coal heating proposals for the region, which seems to be a very serious problem for regional politicians. Similarly, we would have welcomed more engagement of the local experts in the analysis regarding the region.

3. Suggested steps to improve the involvement of local communities in the implementation of the Action Plan

The Action Plan for the Transformation of Upper Nitra as a Strategic Document was approved by the Government on 3 July 2019. (6) With the approved resolution of the Government of the Slovak Republic, every single ministry commits to help and fulfil the tasks resulting from the Action Plan.

Since January 2018, the process of drafting the Action Plan progressively improved towards greater openness and equal opportunities for all concerned. Yet, a lot can be done to improve.

3.1 Strengthening the work of the Working Group

The Working Group for the Preparation and Implementation of the Upper Nitra Coal Transformation Action Plan was established by the Deputy Prime Minister's Office. The members of the Working Group are representatives from Deputy Prime Minister's Office, the county government, responsible ministries, local authorities from the region of Upper Nitra, civil society and entrepreneurs. We recommend their work be strengthened in the following ways:

- Every member of the Working Group should be given equal space for their views and experience and granted the right to vote. The majority of the locals did not formally become members of the Working Group from the beginning of the process but relatively recently in May 2019. New participants from the region have a secondary role without voting rights.
- The group should meet on regular, predetermined dates and genuinely involve its members in the processes, not just communicate partial agendas that have already been addressed/solved in some way.
- The calls for funds should also be prepared in a participative manner with the managing authorities, in recognition of the local ability to influence how the calls will be conceived and what criteria must be met by the supported projects. For example, locals could propose that any project that is funded must be compatible with sustainable use and environmental protection, and if a fossil firm is applying for funding, it must have a decarbonisation plan, i.e. a plan to reduce its contribution to the climate crisis.

3.2 Determining transformation project criteria

The Deputy Prime Minister's Office invited local municipalities and business entities to propose their visions through projects that may support the transformation of the region of Horná Nitra. The so-called collection of indicative transformation projects was carried out twice. The aim was to find out whether the region has sufficient potential to fulfil the priorities of the Action Plan, and whether it would be possible to secure funding for some of the projects in the current

programming period. Altogether approximately 180 projects were submitted. In 2019, the indicative project number recorded a significant increase in new applicants compared to 2018, which is a positive trend.

The announcement of the collection of indicative projects has its drawbacks, mainly because it gives people a sense of early funding for their projects. The biggest problem, however, is that several applicants did not receive any feedback and most of the propositions were not further processed.

We also consider it to be crucial that the indicative objectives be assessed on the basis of transparently defined criteria, since all the projects received were included in the Annex to the Action Plan without any critical assessment of the benefits, meaning, purpose and feasibility of the project objectives.

3.3 Creating support for applicants and beneficiaries

Discussions and workshops with local people show that in the region the availability of consulting in the preparation of projects is low, that local people consider the co-financing of projects to be high and that the language of calls is complicated. The possibility to comment on the calls is not available.

It is therefore necessary in the region to:

- Establish advisory and consultancy services for prospective applicants and project promoters and for the establishment of new non-profit organizations.
- Adjust the co-financing model, reducing the co-financing part for applicants.
- Foster partnership between all sectors.
- Enable local actors and change agents to actively participate in the implementation and monitoring of the Upper Nitra Coal Transformation Action Plan.
- Establish a functioning mechanism for monitoring and implementing the Upper Nitra Coal Transformation Action Plan.
- Involve local actors in the preparation of the programming period 2021-2027.

3.4 Improving communication with the general public

In the process of transformation, there is no party which has responsibility for systematic communication with the general public. Demands for such an improvement were made especially by local communal politicians. A good signal was the public hearings on the Action Plan, which made it possible to comment on the text of the Action Plan. Up to 400 people took part in the discussions. A total of 178 comments were received in the informal comment process, including public hearings.

There is also a lack of collection, translation and commissioning of all expert studies and recommendations prepared by the European Commission on the removals of fossil fuels from the regions.

Friends of Earth-CEPA created a communication web platform for communication and sharing of information related to the transition from coal and to the process of Action Plan development, to increase the publicity of the topic and the participation of a wider audience.

3.5 Involving civil society organizations

Most of the civic organizations were involved in the process of drawing up the Action Plan in the Social Infrastructure Working Group. Their primary objective was to prepare projects concerning solutions for the negative demographic situation in the region and the care of released miners.

Two civic organizations - Friends of Earth-CEPA and Greenpeace - also attended the meetings of the UPVII Working Group. They were not hindered in the discussion and were always given the opportunity to express their views. Friends of Earth-CEPA, for example, requested to add the following points to the Transformation Action Plan, among others:

- anchoring the termination of coal mining
- adherence to the polluter pays principle
- not expanding further mining in the region
- anchoring the binding end date for coal mining and burning by 2023

The outcome was, however, that if the proposals concerned the process of drawing up the Action Plan, they were not dealt with at all. If the proposals directly concerned the content of the Action Plan, these were partially accepted.

3.6 Communicating transparently about the dismissal of HBP employees

In May 2019, HBP announced that it would lay off around 300 employees by 2019. The redundancies began as early as the first two quarters of 2019, i.e. before the formal adoption of the Transformation Action Plan and before any special measures were actually put in place to address the situation. Even today, it is not publicly clear what the intentions of the mining company HBP are concerning the layoff, when and under what circumstances people will lose their jobs.

The region already has experience dealing with the situation related to the phase-out of coal mining. The number of miners has steadily decreased since 1990. Previously, the following social services for released employees were provided:

- Requalification and tutoring of released employees
- Support with applications for new jobs, providing contacts for employers in the region
- Support grid for people who do not get a new job immediately
- Dealing with social problems – alcoholism, homelessness, relationship problems, psychological counseling
- Providing temporary accommodation
- Social enterprises

Transparent communication is necessary to provide social services for released employees in an adequate timeframe and with sufficient capacity.

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