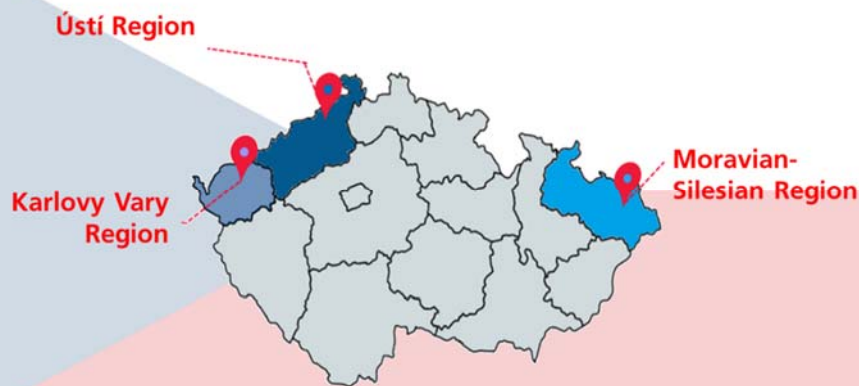


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Support to the preparation of Territorial Just Transition Plan in the Czech Republic



D2. REPORT ON GOVERNANCE MECHANISM AND STAKEHOLDER ENGAGEMENT (FINAL)

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Disclaimer

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This project is implemented by Frankfurt School of Finance & Management (as part of the AARC Consortium) in cooperation with Trinomics, Czech Technical University and Cambridge Econometrics

ABBREVIATIONS

AI	Artificial Intelligence
CMMI	Capability Maturity Model Integration
CMZRB	Czech-Moravian Guarantee and Development Bank
CTU	Czech Technical University
CZ	Czech Republic, Czechia
CZK	Czech Crown
CZSO	Czech Statistical Office
CMZRB	Czech-Moravian Guarantee and Development Bank (<i>Českomoravská záruční a</i>
D	<i>rozvojová banka</i>)
	Deliverable
DG	Directorate General
E3ME	Dynamic, computer-based, global macroeconomic model
EE	energy efficiency
EIB	European Investment Bank
ESF	European Social Fund
EU	European Union
EUR	Euro
EV	Electric Vehicles
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
ICT	Information and Communication Technology
ITI	Integrated Territorial Investments
JASPERS	Joint Assistance to Support Projects in European Regions
JE	Junior Expert
JTF	Just Transition Fund
JTM	Just Transition Mechanism
JTP	Just Transition Plan
KoM	Kick-off Meeting
KVR	Karlovy Vary region
MEYS	Ministry of Education, Youth and Sports
MFF	Multiannual Financial Framework
ML	Machine Learning
MIT	Ministry of Industry and Trade
MoE	Ministry of Energy
MoLSA	Ministry of Labour and Social Affairs
MoRD	Ministry of Regional Development
MSR	Moravian-Silesian Region
NECP	National Energy and Climate Plan
NGO	Non-Governmental Organisation
NUTS	Nomenclature des Unités Territoriales Statistiques
PA	Partnership Agreement
OPE	Operational Programme Environment
OP JT	Operational Programme Just Transition
PWC	Price Waterhouse Coopers
RCA	Regional Policy Common Result Indicators
RCO	Regional Policy Common Output
RES	Renewable energy sources
RfS	Request for Service
RPC	Regional Permanent Conference (the Czech abbreviation is <i>RSK – Regionální stálá konference</i>)
RRF	Resilience Recovery Fund

RRP	Resilience Recovery Plan
SC	Steering Committee
SE	Senior Expert
SEA	Strategic Environmental Assessment
SME	Small and Medium-sized Enterprises
SRSP	Structural Reform Support Programme
START	Secretariat's Technical Assistance to Regions in Transition
SURE	Support to mitigate Unemployment Risks in an Emergency
TA	Technical Assistance
TACR	Technology Agency of Czech Republic
TJTP	Territorial Just Transition Plan
TL	Team Leader
ToR	Terms of Reference
UJEP	Ústí, Jan Evangelista Purkyně University
UTK	Ústí region
UN	United Nations

TABLE OF CONTENTS

Executive summary	1
1 General context	4
2 Governance mechanism	6
2.1 State of play of the governance for the Just Transition Mechanism in Czech Republic	6
2.1.1 Initial considerations	6
2.1.2 Pillar 1: Just Transition Fund	8
2.1.3 Pillar 2: Dedicated scheme under Invest EU	13
2.1.4 Pillar 3: Public Sector Loan facility	16
2.2 Existing governance structures and their relevance to the Just Transition Mechanism	18
2.2.1 Partnership Agreement	19
2.2.2 RE:START strategy	20
2.2.3 Regional policy	22
2.2.4 Integrated Territorial Investment (ITI)	23
2.2.5 Review of efficiency and shortcomings in view to their relevance for the Just Transition Mechanism	24
2.3 Assessment of the governance mechanism as set for the Just Transition Mechanism	27
2.3.1 Pillar 1: Just Transition Fund	27
2.3.2 Pillar 2: Dedicated Scheme under Invest EU	32
2.3.3 Pillar 3: Public Sector Loan facility	34
2.4 Review of best practice examples regarding governance	36
2.4.1 Slovakia – Upper Nitra	36
2.4.2 Germany	37
2.4.3 Toolkit Governance of Transition as guiding document	38
2.5 Proposals and recommendations for the governance mechanism	38
2.5.1 Proposals for the Governance of the Just Transition Mechanism	38
2.5.2 Short-term recommendations throughout the duration of the technical assistance project	44
2.5.3 Long-term recommendations – after completion of the TA project	48
3 Stakeholder engagement strategy for the Territorial Just Transition Planning process	52
3.1 Overview	52
3.2 Stakeholder inventory and analysis	53
3.2.1 Stakeholder inventory	53
3.2.2 Key consultation platforms	55
3.2.3 Other structures and relevant groups	56
3.2.4 Stakeholder analysis	56
3.3 State of play of stakeholder communication and engagement for the Just Transition Agenda as implemented by MoRD and MoE	57
3.3.1 Review of current (known) positions/statements of stakeholders vis-a-vis the JTP process	60

3.3.2	Assessment of the current engagement process	61
3.3.3	Recommendations to the current engagement process	62
3.4	Stakeholder communication and engagement strategy for the Just Transition Agenda	64
3.4.1	Objective	64
3.4.2	Outcomes	64
3.4.3	Participation models	65
3.4.4	Communication channels for stakeholder engagement	65
3.4.5	Communication activities for stakeholder engagement	67
3.5	Other relevant experience to the TJTP stakeholder communication and engagement in the Czech Republic	70
3.5.1	Experience from Romania	70
3.5.2	Experience from the Upper Nitra region in Slovakia	70
3.5.3	Other START projects	70
3.6	Recommended Stakeholder Engagement Roadmap	72
3.6.1	Stakeholder engagement roadmap – Phase 1 (Preparation)	72
3.6.2	Stakeholder engagement roadmap – Phase 2 (Implementation)	74
3.7	Potential risks and mitigation	74
3.8	Monitoring stakeholder engagement	75
3.9	Complaint management mechanisms	76
4	Annexes	77

FIGURES

Figure 1: Institutions and links within the JTF governance structure	9
Figure 2: Governance mechanism for the preparation of the TJTP.....	11
Figure 3: Basic typology of geographical classification in the Czech regional policy for 2021+	18
Figure 4: RE:START governance structure	22
Figure 5: Territorial coverage of ITI and IPRÚ (Integrated Territorial Development Plans) in the Czech Republic in the period 2014-2020.....	24
Figure 6: Recommended process of building and implementation of a JTM transformation story.....	26
Figure 7: Profiling stakeholders in the influence – interest stakeholder matrix.....	57
Figure 8: Stakeholder Engagement Roadmap during Phase 1	73
Figure 9: Stakeholder Engagement Roadmap during Phase 2	74

TABLES

Table 1: Summary of recommendations to strengthen the governance mechanisms.....	2
Table 2: An overview of the basic governance traits of the Just Transition Mechanism pillars.....	8
Table 3: Comparison of the main elements of existing governance mechanisms and their relevance for the Just Transition Agenda	25
Table 4: Proposal for Governance Mechanism for the duration of the Technical Assistance Project..	47
Table 5: Summary table of identified stakeholders as of 28 February 2021	54
Table 6: Risk management concerning stakeholder engagement.....	74
Table 7: Monitoring and evaluation indicators	75

TEXTBOXES

Textbox 1: Status quo of Pillar 2 of the JTM as of December 2020	13
Textbox 2: Czech Moravian Guarantee and Development Bank.....	14
Textbox 3: Status of Pillar 3 of the JTM as of December 2020	16
Textbox 4: The State Environmental Fund of the Czech Republic	17
Textbox 5: Smart Dashboards	41
Textbox 6: The Stakeholder Register template.....	54
Textbox 7: Overall objective of the stakeholder engagement strategy	64
Textbox 8: Proposed stakeholder workshops	68

EXECUTIVE SUMMARY

To reach its climate targets, the Czech Republic needs to reduce mining, close or replace coal-based power plants, and modernise or close carbon-intensive industries. The transition process to climate neutrality is expected to particularly affect communities with carbon-intensive industries and low-productivity, as well as communities with a high risk of increasing unemployment, poverty and those with high regional disparities, such as those **in the Ústí, Moravian-Silesian and Karlovy Vary regions**. These are the eligible territories in the Czech Republic that will benefit from the measures of the European Commission's Just Transition Mechanism.

This report sets out the lines **for the Governance Mechanism and Stakeholder Engagement Strategy** in the frame of the implementation of the Just Transition Plan (JTP) in the Czech Republic (Deliverable 2). The project is managed by DG REFORM and supports the Government of the Czech Republic (Ministry of Regional Development (MoRD) in its preparation of the Territorial Just Transition Plan (TJTP) for the country. The report first provides an update of the general context and then follows with two chapters on the governance mechanism and stakeholder engagement strategy. Both chapters benefit from analysis of the current landscape, provide an assessment based on best practices and follow with specific proposals and recommendations.

The governance mechanism is to a large extent already in place for Pillar 1 of the Just Transition Mechanism (JTM) related to the Just Transition Fund (JTF). This includes the preparation of the TJTP coordinated by MoRD. The Ministry of Environment (MoE) is the Managing Authority for the Operational Programme Just Transition (OPJT) and the State Environmental Fund is the intermediary body. The preparation of the OPJT, which is coordinated by MoE is largely advanced.

Different governance levels (national–regional) are currently represented through one body–the Transformation Platform. Nevertheless, some challenges remain, such as: (1) the lack of inclusion of small players, local actors and small and medium-sized enterprises (SMEs) in the process, (2) the undefined interaction of the national and regional bodies and their distribution of responsibilities, and (3) fears from some stakeholders related to the transparency of the decision process.

For Pillars 2 and 3 of the JTM, the situation is less advanced. This applies to the EU and the national level. The Technical Assistance (TA) team¹ compiled and expanded possible governance options for both pillars in this report.

For the long-term, the governance structure of Pillars 2 and 3 of the JTM need to be decided upon. Given the strong positioning of CMZRB² as the first and second tier financial intermediary, its experience with the financial instruments of EU Funds, and counting on the necessary Pillar assessment to become the implementing partner of InvestEU, we would recommend **CMZRB as the main actor at the national level in the long-term** for Pillars 2 and 3. This would provide a simpler implementation structure as EIB transfers funds in both pillars.

Other recommended **strategic action** includes the **development of a monitoring and evaluation system**, which should monitor the social impacts of the transition and establish an analytically strong interim and ex-post evaluation scheme that focuses on the factors and effects of the transition in the three coal regions.

Table 1 provides specific **recommendations to strengthen the governance mechanisms** related to the short-term (by mid-2021) and long-term (from mid-2021 onwards) time horizons, also contained in the Section 2.5 of the report.

¹ The Technical Assistance (TA) team is the consultant team implementing this Technical Assistance assignment, led by Frankfurt School of Finance & Management (as part of the AARC Consortium) in cooperation with Trinomics, Czech Technical University and Cambridge Econometrics

² Czech-Moravian Guarantee and Development Bank (in Czech - Českomoravská záruční a rozvojová banka)

Table 1: Summary of recommendations to strengthen the governance mechanisms

	Short-term recommendations (by mid-2021)	Long-term recommendations (til the end of 2021, 2022 and beyond)
Pillar 1	<ul style="list-style-type: none"> During March and April 2021, verify the adequacy of the representation of all key regional stakeholders in the Transformation Platform with representatives of the coal regions; By mid 2021, after the finalisation of the first comprehensive proposal of the project evaluation methodology, carry out its pilot verification on selected types of projects in all coal regions; Structure previous findings from the collection of ideas and suggestions in coal regions in connection with the completion of the TJTP; Incorporate broader aspects of the expected transformation into the Strategic Environmental Assessment (SEA). 	<ul style="list-style-type: none"> Transformation story - a strong narrative approach is needed - ongoing and final evaluation; Shared responsibility – interim process assessment of national vs. regional achievements; Special focus on strategic projects – ongoing and impact evaluation.
Pillar 2	<ul style="list-style-type: none"> Complete the pillar assessment of CMZRB; CMZRB must prepare for the product specifications in the planned InvestEU call; Specify the agreement on the European Investment Advisory Hub (CMZRB and EIB). 	<ul style="list-style-type: none"> CMZRB will have to prepare the start of the option concerning the direct provision of guarantees from InvestEU; If CMZRB succeeds in the spring call of InvestEU, it will be necessary to prepare the conditions for the activities of a financial intermediary by the end of 2021; In the second half of 2021, intensify the use of EIB technical assistance in the preparation of Pillar 2 projects.
Pillar 3	<ul style="list-style-type: none"> Map the potential readiness of SEF and CMZRB for future active involvement in the implementation structure of Pillar 3. 	<ul style="list-style-type: none"> During 2022, prepare the conditions for the involvement of SEF or CMZRB in the implementation of the governance model of Pillar 3; Identify advisory needs for the preparation of relevant projects by the public sector.

Stakeholder communication and engagement is an important element to enhance the quality and local ownership of the TJTP process, which will significantly facilitate its implementation and sustainability in the future. This report finds that the **stakeholder engagement** process for the Just Transition Agenda in the Czech Republic is at an **advanced stage** and has been embedded in the information flow related to the cohesion policy since early 2019.

Nonetheless, stakeholder interviews conducted by the TA team have identified certain challenges and possibilities for improvement in the communication and engagement process. First, there is a relatively **low level of information about the JTF among broad groups of stakeholders**, particularly related to **Pillars 2 and 3** of the JMT. In addition, there is confusion over existing funding instruments and eligibilities. An **analysis is needed at the regional level on what type of investments fall under various funding programmes**. More focused and tailored information should be made available to **small players** (municipalities, small business, NGOs) and academia. Finally, except for energy efficiency programmes, **there appears to be little capacity at the local level on climate projects** and climate-related investments/development planning.

The **prevailing stakeholder engagement model of the JTM in the Czech Republic is based on the umbrella principle** (membership of institutions with multilevel structures). The predominant **stakeholder engagement format** is participation in meetings and webinars, and **information is most often shared** via email or on websites in the form of presentation slides, video recordings and meeting minutes.

The TA team has assessed the current landscape of stakeholder communication and engagement for the Just Transition Agenda as implemented by MoRD and MoE through the formal **structures of the Transformation Platform (including the MoE working groups) and the Regional Permanent**

Conferences as permanent consultation bodies. The TA team found that they fulfil the expectations and needs. They are essential to the Just Transition process in the Czech Republic and must be fully utilised. The TA team's findings suggest that further **identification and inclusion of other important stakeholders** (e.g. representatives of youth organisations, NGOs, academia, innovative SMEs) is needed to ensure a balanced representation of institutions and interests. **Specific recommendations regarding the role of different actors** in various stages of the TJTP process can be found in Sections 3.3.3 and 3.6.

In terms of channels and activities for communication and engagement, the TA team has identified three models (**collaborative, consultative and informative participation**) that can be applied by MoRD, MoE, and regional authorities. The choice of model depends on the context, scope of activity, and stakeholder profile. These participation models rely on open and transparent modes of communication that use different activities such as workshops, interviews and focus groups, as well as digital methods such as websites accessible to the wider public, social media platforms, local and national media.

Finally, the TA team outlines a comprehensive, two-phase Stakeholder Engagement Roadmap:

1. Preparation of the strategic documents TJTP and OP JT (until March-April 2021)
2. Implementation of the Operational Just Transition Programme (2021-2027)

The stakeholder engagement strategy and roadmap presented in Chapter 3, summarises the type and frequency of communication with stakeholders. The proposed roadmap considers the steps and actions, including the timing of the engagement throughout the planning and implementation cycle, to achieve meaningful consultation and inclusive participation, as well as information dissemination. **There is no simple solution or one-size-fits-all approach to identify an effective engagement method.** Thus, the proposed engagement strategy seek to be dynamic, adaptive and responsive and combines a range of complementary methods.

Please note that this report has been updated after several rounds of comments by multiple stakeholders and contains the latest information as of April 6, 2021. The upcoming Deliverable 5 (Final Report) will reflect any development of key issues happening after the cut-off date of this report.

1 GENERAL CONTEXT

In 2019, the **European Green Deal** established a roadmap towards a new growth policy for the European Union. To achieve EU climate neutrality by 2050 in an effective and fair manner, the European Green Deal proposed a **Just Transition Mechanism (JTM)**. The JTM will focus on supporting the regions and sectors that are most affected by the transition due to their dependence on fossil fuels, including coal, peat and oil shale or greenhouse gas-intensive industrial processes.

The **JTM** consists of three pillars:

- (1) a Just Transition Fund (JTF)
- (2) a dedicated scheme under InvestEU
- (3) a public sector loan facility with the EIB Group to mobilise additional investments

The first pillar the **JTF** focuses on providing funding for the economic diversification of the territories most affected by the climate transition and the re-skilling and active inclusion of their workers and jobseekers in the new economy. To access resources from the JTF, EU countries are encouraged to create **Territorial Just Transition Plans (TJTP)**. These plans should provide an outline of the transition process by defining the challenges in each affected territory, as well as the development needs and objectives to be met by 2030. The Ministry of Regional Development (MoRD) is the coordinating ministry for the elaboration of the TJTP for the concerned coal regions in the Czech Republic (CZ); the coordinating ministry for the management of the JTF is the Ministry of Environment (MoE).

The design and decision process is still ongoing for the other two pillars (Pillars 2 and 3).³ A political compromise was reached for **Pillar 2** in December 2020, and an interview with EIB representatives revealed that the annexes and clauses are not supposed to be subject to further changes. The regulation is expected to be approved and published in mid-2021 or in the third quarter of 2021. Open issues regarding eligibility are still being addressed. Under **Pillar 3**, intensive discussions on setting legislation began in February 2021. According to conducted interviews and desk-research of the status quo, it is unlikely that a compromise will be reached by mid-2021. The legislation will most likely not be adopted by the end of 2021. From the previous experience of the Technical Assistance (TA) team with evaluations of similar tools and also according to the results of guided interviews, the first projects financed from this pillar can be expected by the end of 2022 or later.

To reach its climate targets, the Czech Republic decided to **phase-out the use of hard coal and lignite**. The government of the Czech Republic established a **Coal Commission** in 2019 as advisory body to advise the Czech government on the timetable and legal framework for the coal phase-out. The Coal Commission brings together representatives of the Czech government, coal mining groups, energy companies, academia and environmental NGOs. The Czech Coal Commission recommended at its meeting on 4 December 2020 that the country should phase-out the coal use by 2038. The Coal Commission also discussed two other potential phase-out dates (2033 or 2043). This target is on par with the phase-out date set by Germany, and significantly ahead of Poland's 2049 deadline. The Coal Commission's recommendation is set to be reviewed by the Czech government, which has said that it is open to reviewing the deadline over the next five years. The Czech government has not yet decided on the date of coal-phase out; nevertheless, it was on the agenda of the government's regular meeting on 1 February 2021. Some members of the government prefer the 2033 phase-out. Therefore, the government has decided to discuss the issue in the inter-ministerial consultation procedure (in Czech "*meziresortní připomínkové řízení*").

Current **Czech energy policy** is still dominantly based on traditional resources – fossil fuels and nuclear energy. Coal generates nearly half of the electricity in the Czech Republic. The Czech government plans to expand its nuclear capacity as it phases out its coal mining and combustion operations in the Usti, Moravian-Silesian and Karlovy Vary regions (i.e. three coal regions). Despite ample Renewable Energy (RE) opportunities, the Czech Republic projects in its National Energy and Climate Plan (NECP) that traditional nuclear power (which is not supported by the JTF)⁴ would become the main source of energy (46-58%) by 2040.⁵ Nuclear power and gas would be the main substitute for energy from the coal coal-fired installations. This contrasts to most other EU Member States, and also neighbouring Germany, where the decision to phase-out coal goes hand-in-hand with a decision to phase-out nuclear

³ Annex 1 provides an overview on the Status Quo of the JTM as of February 2021.

⁴ Other EU funding/financing frameworks, such as the EU Sustainable Finance Taxonomy, the funding policy of EIB, the draft Ecolabel (for financial products) criteria, etc., all of which are discussing (controversially!) or have opted for an exclusion of nuclear energy, too.

⁵ https://ec.europa.eu/energy/sites/ener/files/documents/cs_final_necp_main_en.pdf

power, make substantial investments in RE and an update existing legal and institutional frameworks to support RE, which in the past has successfully lowered financing costs for (private) RE investors (see for example May et al., 2017).⁶

The transition process to climate neutrality is expected to **particularly affect the three coal regions** in the North-West (Ústí and Karlovy Vary regions) and in the North-East (Moravia-Silesia region) of the Czech Republic. These regions, in comparison to other Czech regions, are still characterised by many negative attributes such as lower GDP, weaker innovation profile and higher share of energy dependant branches compared to other regions of the Czech Republic. In addition, those regions have higher unemployment rates, lower percentages of people with university degrees, a high concentration of areas with deteriorated air quality and lower life expectancy, a higher than average occurrence of allergic diseases (which is caused by the lower air quality), and higher rates of abortions (see also the problem analysis in the Regional Development Strategy of the Czech Republic 2021+).⁷

⁶ May, Nils; Ingmar Jürgens, Karsten Neuhoff (2017). Renewable Energy Policy: Risk Hedging Is Taking Center Stage. DIW Weekly Report 39/40 / 2017, p. 389-396,

https://www.diw.de/documents/publikationen/73/diw_01.c.565439.de/diw_econ_bull_2017-39-1.pdf

⁷ https://mmr.cz/getmedia/a9985cb6-b672-4a97-a92c-c4c68bea2925/EN-III_ma_SRR-prac_doplneni-schemat-a-map_kontrola.pdf.aspx?ext=.pdf

2 GOVERNANCE MECHANISM

2.1 State of play of the governance for the Just Transition Mechanism in Czech Republic

2.1.1 Initial considerations

The Request for Services (ToR) requires *“to prepare a report with the proposed **governance mechanism for the Just Transition Agenda**. (...) The proposal should include suggestions for roles and responsibilities of the main actors at the national, regional and local level, decision-making processes, as well as the arrangement for the monitoring and evaluation of the planned measures. These will, in particular, examine governance issues related to the current project development capacity, access to technical assistance and finance, and established inter-regional networking.”*

This vision of the Just Transition followed by the Technical Assistance (TA) team **focuses on the mechanism for the Just Transition Agenda**. In a narrow sense, it focuses on the preparation of the Territorial Just Transition Plan (TJTP) and its implementation via investments by the Just Transition Fund and the other two pillars of the JTM. However, the TA team views the Just Transition Agenda as a transition management task that deals with complex societal problems and governance (not simply a framework for spending public money), and aims to promote radical socio-economic change to a resilient and sustainable economy.

As a result, the TA Team has elaborated the report on the governance mechanism guided by the following vision of a Just Transition:

- The Just Transition Mechanism will come **in addition** to the substantial contribution of the EU's budget through all instruments directly relevant to the transition, notably the European Regional Development Fund, the European Social Fund and the Cohesion Fund.
- The Just Transition Fund will focus **on the economic diversification** of the territories most affected by the climate transition and the reskilling and active inclusion of their workers and jobseekers.⁸

Therefore, the JTM Governance Mechanism should provide a framework not only for the management of the JTM financial streams, but should be designed with a long-term focus on the restructuring and development of the transition regions.

Regarding the general regulatory environment for restructuring and transformation of coal regions, the Czech Republic improved its performance in reducing the administrative burden on investment and strengthening the capacity of its education system. However, high administrative and regulatory burdens may hurt investment, and overall government effectiveness is still seen as a challenge.⁹

Management of the transition must address the following governance issues and challenges:

1. **Uncertainty - flexibility and the need for alternative scenarios to achieve the set goals**

Development in the coal regions will not only be affected directly through a controlled process of transition towards climate neutrality, but also indirectly through other socio-economic trends (e.g. digitisation, changes in consumer preferences, etc.) and macro-economic factors (e.g. monetary policy, (global) economic recovery, and, rather obviously, the further development of the COVID-19 crisis). For this reason, it will be necessary to regularly monitor, verify and evaluate the results achieved, the validity of related decisions, and the emerging challenges associated with the transition process.

2. **The complexity of the transition requires (flexible) governance mechanisms and a strong emphasis on an integrated approach**

As part of the transition process, it will be necessary to implement various fragmented policies and funding streams aside from the JTM (e.g. Modernisation fund, RRF). In terms of governance, this will require coordination by the managing institutions who would have to assess and optimise policy coherence, synergies and impacts. Therefore, in the planning phase, governance mechanisms need to be carefully considered and not focus too narrowly on institutions, stakeholders and decision-makers directly involved in or concerned by JTP management.

⁸ Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the Just Transition Fund, COM(2020) 22 final, 2020/0006 (COD)

⁹ 2019 European Semester: Assessment of progress on structural reforms, prevention and corrections of macroeconomic imbalances and results of in-depth reviews under Regulation (EU) No 1176/2011, {COM(2019) 150 final}

3. The role of knowledge, skills and technological change in the transition process

Long-term resilient and sustainable socio-economic growth, based on the principles of climate neutrality, can only be achieved if there is a clear approach to stimulating the knowledge potential of the regions and creating the conditions for generating new knowledge and innovation that can drive technological change. Skills development is key, in particular when it comes to reaping the economic (and specifically employment) benefits of often novel and innovative low-carbon development options and business cases. Knowledge transfer, capacity building and training are essential features of any successful governance regime for the Just Transition.

4. Importance of partnership principle and participatory view on JTP implementation with attention to all relevant actors

The transition process is an ambitious socio-economic transformation not only in the functioning of the economy but for society more broadly. For this reason, it is necessary to apply the partnership principle (i.e. a participatory and consultative approach to decision-making) not only during the preparation for the JTM and setting of governance mechanisms, but also during the implementation and subsequent evaluation and reflection of the achieved results. It is likely that the transition process may not be immediately successful in all spheres of the economy and society, and therefore it will be necessary to reflect and monitor the relevant factors on an ongoing basis in the process of implementing the relevant JTM tools together with the relevant stakeholders.

5. The long-term transition horizon and the importance of short-term policies

The assumptions and targets of climate neutrality are clear in the long-term and the transition process will require substantial efforts to achieve the relevant targets at both the macroeconomic and microeconomic levels. Short-term policies should reflect a gradual transition, which means that the short-term and medium-term programmes (e.g. within the seven-year EU programming periods) will be continuously evaluated. Specific emphasis will be placed on an ex-post evaluation. By the end of the 2021-2027 programming period, it will be necessary to carry out an inventory of the results achieved and establish a clear policy framework for the continuation of the transition, which will be funded by European and national sources. This stock-taking and monitoring exercise should be harmonised at the EU level and should be included in the European Semester process to ensure coherence with other economic, financial and fiscal policy processes in the Czech Republic, while facilitating learning among EU Member States (MS).

6. Setting the motivational nature of the transition process

This point is very important, as the private and public sectors will face increasingly stringent environmental requirements for their functioning in the coming years and decades, which should be confronted in practice with concrete and motivating incentives (options) for financing the transition. Policymakers should ensure that the transition process has a clear emphasis on the activities through which the established goals can be achieved. Appropriate JTM instruments should stimulate the active transformation in the coal regions concerned.

It follows from these governance issues and challenges that broad **societal transformation towards sustainable development** requires actions at different economic and societal levels comprising individuals, groups and policymakers. Steering societal transformation, while generating broad ownership for it among the entire constituency, involves distributed and collaborative leadership. The TA Team emphasises the complexity of **Transition Governance**, which means enforcing the proactive steering of societal transformation towards sustainability, a process challenged by high complexity, ambiguity and distributed control. It also requires a focus on distributional effects (i.e. “winners and losers”), potential inter-generational disparities and significant structural changes to “the traditional way” of doing things here.”

Table 2 presents the key governance traits of the JTM pillars, as revealed in a semi-structured interview with EIB representatives, conducted in February 2021. This table provides a link to the following chapters, which describe the current status quo of the three pillars. It is evident that the discussions are most advanced for Pillar 1, while the governance of Pillar 2 and Pillar 3 are still under negotiation. These aspects also affect the initial assumptions for governance assessment, which are laid out in Section 2.3, as well as the relevant proposals and recommendations in Section 2.5 of this report.

Table 2: An overview of the basic governance traits of the Just Transition Mechanism pillars

	Pillar 1 (JTF)	Pillar 2 (InvestEU)	Pillar 3 (Public sector loans)
EU budget	17.5 bn EUR	... <i>tbd</i>	1.5 bn. EUR (grants) 10 bn (EIB loans)
Nature of instrument	EU grant - 50 % - 85 % <i>The co-financing rate for the priority supported by the JTF shall not be higher than</i> (a) 85% for less developed regions; (b) 70% for transition regions; (c) 50% for more developed regions;	Guarantee (InvestEU rules)	Investment grant 15 % - 20 % of EIB loan
Delivery mechanism	Shared management	Central management	Central management EC to approve grant
Implementing / Financing partners (FP)	MA EIB: national cofinancing	EIB (75 %), others	INEA / similar (grant), EIB (potentially others later)
Location	JT territories (NUTS 3) to benefit from investment	No restrictions but JT territories (NUTS 3) to benefit from investment. <i>Note: However, the regulation proposal assumes a dedicated scheme for Pillar 2 for transition regions.</i>	No restrictions but JT territories (NUTS 3) to benefit from investment
Sectors	SME, RDI, job creation, renewable energy, clean energy, ↓ emission, digitisation, decontamination, land restoration, up-/reskilling, training, job search	InvestEU Policy Windows: Sustainable infrastructure, research; innovation and digitisation; availability of finance for SMEs and for small mid-cap companies; availability of microfinance and finance for social enterprises	No sectoral exclusions but demonstrable benefit for transition in most affected areas (JT territories)

Source: EIB presentation during a bi-lateral call held on 23 February 2021

Note: table added by the TA Team with minor amendments

Regarding the above table, the TA Team would like to emphasize that the setting of the JTM governance must not neglect the importance of the transition process of coal regions with the overall progress of structural reforms in the Czech Republic. As stated by the TA Team, the transition of coal regions is and will be implemented in the context of the long-term goals of EU climate neutrality by 2050. However, the assessed governance system of the JTM in the Czech Republic cannot operate independently, and must be consistently incorporated into the broader context of activities related to the structural reforms of the Czech Republic. This requires an evaluation of the business environment, regulatory incentives, market-based instruments, etc., together with JTM funding. It seems appropriate to link the evaluation of the implementation of all JTM pillars in the context of the "European Semester" assessment of progress on structural reforms, prevention and correction of macroeconomic imbalances, and results of in-depth reviews.

2.1.2 Pillar 1: Just Transition Fund

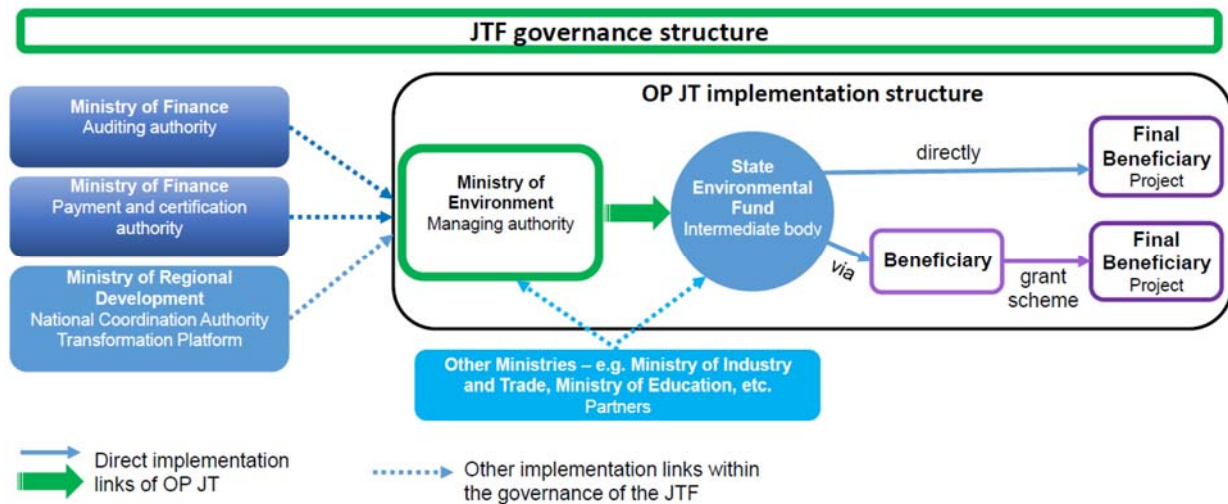
2.1.2.1 Overview on the basic governance structure of the Just Transition Fund

The basic structure of the **Governance Mechanism for the Just Transition Fund** was decided by a political decision - the Resolution of Government No. 815 on 27 July 2020. It established the Transformation Platform as the consultation and cooperation body of MoRD for the purpose of preparing the TJTP and assigned responsibility for the implementation of the Operational Programme Just Transition (OPJT) to the MoE. To utilise the resources from the JTF, MoRD has to prepare **the TJTP in close cooperation with MoE**.

Figure 1¹⁰ illustrates the various institutions and links within the JTF governance structure. It shows the planned implementation structure and links of the JTF in the Czech Republic, for which the existing experience of key institutions is used. For example, the Ministry of the Environment, will serve as the managing authority of the OPTJ. For this reason, the implementation structure of the OPJT is highlighted separately in the figure by a black frame (note: a detailed description of the implementation of the OPJT is provided in Section 2.1.2.3 of this report).

¹⁰ Source: Proposal for the use of financial sources from the Just Transition Fund. Annex 2vii to the document "Information about the preparation of documents for the future programme period 2021-2027". The document was submitted by MoRD to the Czech Government on October 16, 2020 (*Návrh využití prostředků z Fondu pro spravedlivou transformaci. Příloha 2vii k materiálu „Informace o přípravě dokumentů pro budoucí programové období 2021–2027“*)

Figure 1: Institutions and links within the JTF governance structure



Note: The solid lines and arrows in the diagram show the direct implementation links that derive from the managing authority. The dashed arrows show other links that result from the broader framework of JTF governance, i.e. the coordinating role of the Ministry of Regional Development within the Transformation Platform, the Ministry of Finance in the role of payment, certification and audit authority, and other relevant Czech ministries whose competencies include certain types of supported measures.

Other relevant Czech ministries, which will be indirectly involved in the implementation of OPJT measures, will influence the governance structure of JTF. As stated in the initial considerations of this report, the transition process is a complex matter and affects not only the agenda of MoE, but also the agenda of other ministries. This aspect of governance is considered when selecting JTF measures that should not overlap with other operational programmes. Therefore, MoE has set several parameters to ensure that the measures under the OPJT do not crowd-out other operational programmes in the affected regions, but rather operate in synergy to achieve maximum impacts. For this reason, MoE has established a sequence of parameters that serve in the selection of topics, which will benefit from support from the JTF, including:

1. **Topics not supported by any programme:** some types of measures will not be supported by any operational programme or other support programme, and are also defined in the scope of the JTF support. Such measures are considered to be most important for the concerned regions if they are identified as essential for the transition process.
2. **Strategic projects:** the successful transformation of the regions may depend on several strategic projects, which must be clearly declared in the TJTP and approved by the European Commission. The selection criteria were intensively discussed at the beginning of 2021 in the context of the anticipated legislative requirements and with regard to the results of the current mapping of possible large strategic projects in the coal regions.
3. **Comprehensive solutions:** a number of measures can be partially supported by other programmes. However, some projects are not appropriate or possible to divide into stages/parts to match the focus of each programme. As already mentioned, the OPJT will make it possible to implement projects comprehensively.
4. **Lack of allocation in relevant measures by other operating programmes** - in the programming period 2021-2027, a number of measures from other operational programmes will be financed, which may positively influence the transition process in the affected regions. However, competition for subsidy funds with other regions of the Czech Republic could affect the amount of funds drawn in the affected coal regions. This may limit the expected effects of the transition and transformation process of these regions. Therefore, it is highly desirable that in the 2021-2027 programming period, additional funding will be available for the transition in the coal regions in the JTM system.
5. **Readiness of absorption capacity:** The TA Team identified a significant gap between the Moravia-Silesia and North-West NUTS2 regions regarding the level of innovation potential, stage of preparation of projects and overall absorption capacity. The North-West region needs specific support to develop eligible projects and has requested technical support from the START consultants who are currently working with the regional authorities (information from the tripartite call on 26 February 2021 about a Karlovy Vary request for additional technical assistance).

With respect to **regional priorities (e.g. distribution between the three coal regions)**, MoRD aims to create a set of criteria that determine the initial shares. Appropriate criteria are currently the subject of discussion between MoRD and MoE, and findings in semi-structured interviews with representatives of both ministries in February 2021 revealed that the criteria would be comprehensive and represent a combination of a multi-criteria approach, such as employment in the coal sector, chemical industry, GDP per capita, investment in research, population in the region, etc. However, the TA team did not obtain further information as it is still the internal material of the managing authority.

According to MoRD, the advantage of this initial regional distribution is that each region has a clearly defined allocation available in advance to support its transformation process, which is considered to be important with regard to ensuring the (financial) stability and predictability of the Just Transition Agenda. Stability is important for planning within the regions and their cooperation with other entities.

A key element in the operational programme is also the **combination of tangible and intangible investment projects, i.e. soft activities in a project** (e.g. education, upskilling, reskilling, measures aiming to change the behavioural patterns of both employees and citizens in general). If substantive priorities were introduced, as is common for other operational programmes, this combination would be more difficult to implement with respect to programme management.

The documents provide further information about various elements, which are subject to continuous discussion between members of the Transformation Platform and may change, such as:

- Criteria for project selection that are currently addressed by the TA team with a survey;
- Delimitation to other programmes (other programmes should not be crowded-out in the target regions, instead appropriate synergies should be found); and,
- The financial allocation of JTM to particular coal regions.

2.1.2.2 Preparation: Territorial Just Transition Plan

TJTP presents the basic document for the provision of support from the JTM, which means it applies not only to the JTF, but also to the remaining pillars (i.e. support of enterprises through InvestEU and soft loans for the public sector). In terms of programming, both TJTP and OPJT must be approved by the European Commission to start their implementation. The TJTP describes the impacts of the transformation in the defined regions with coal mining and related industries in accordance with the current structure of the plan given by the JTF Regulation. Furthermore, in accordance with the regulation, it defines individual type activities that are associated with this transformation.

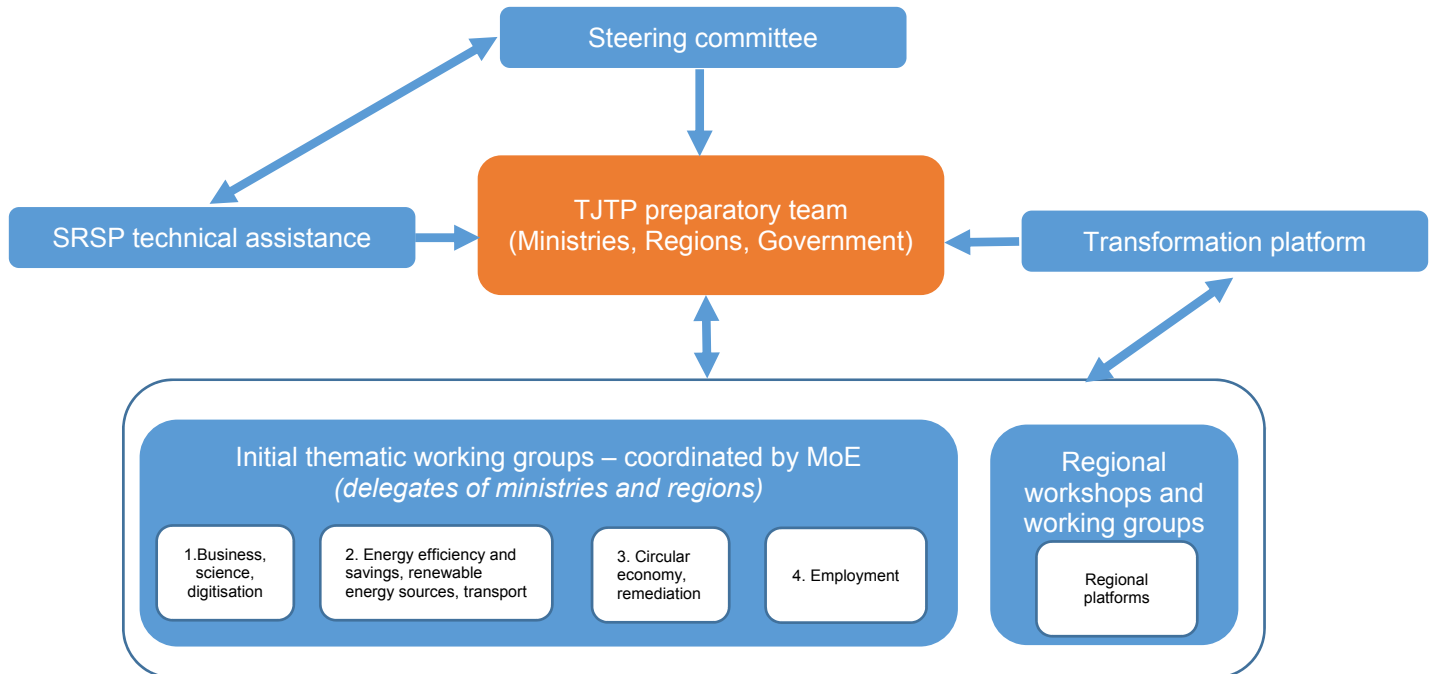
The Technical Assistance team has worked with the September 2020 version of the TJTP proposal and during January and February 2021 provided active assistance to MoRD to finalise the TJTP, e.g. through expert inputs on the thematic focus of the TJTP according to individual coal regions. According to interviews conducted by the TA team, the first comprehensive draft of the TJTP should be finalised in March 2021 so that it can be submitted to the Government of the Czech Republic for approval. According to the results of a briefing discussion (01.03.2021) between representatives of the Czech Authorities (MoRD, MoE, SEF), DG REGIO and DG Employment, it emerged that the TJTP would be submitted to the European Commission for consultation and approval in mid-2021. The Commission will decide upon the submitted TJTP and will then approve the OP.

In terms of the TJTP governance, MoRD is preparing the final version of the TJTP in cooperation with relevant partners. In particular, MoE is involved as the managing authority of the future OPJT (see below on thematic working groups). The **TJTP preparatory team**, led by MoRD, was nominated for the processing and coordination of TJTP preparation in the Czech Republic. The TJTP preparatory team involves representatives from regions, ministries, and the Government of the Czech Republic. At the same time, it is necessary to emphasise that the TJTP preparatory team builds on the previous experience of the RE:START team, whose core staff is involved in the TJTP preparation and helps to shape activities at MoRD. The TJTP preparatory team focuses on the following activities:

- Coordination of activities in the regions and project outputs from those activities into the TJTP;
- Coordination of the cooperation between ministries and regions and the sharing of outputs from the Transformation Platform;
- Finalisation of strategic documents for the Government of the Czech Republic;
- Formulation of the new programming period based on outputs from regions with valid legislation, after the feedback of managing authorities.

The governance structure of the TJTP also includes other entities and institutions. The basic list (including their relevant competencies) is provided in the draft document of the TJTP (v 1.4).¹¹ In this version of the TJTP, a simple partnership model of governance for the **preparation of the TJTP** is proposed. The basic framework of this model (including the interrelationships of individual entities, institutions and actors) is shown in Figure 2.

Figure 2: Governance mechanism for the preparation of the TJTP



The Structural Reform Support Programme (SRSP) was set-up three years ago to assist Member States in the implementation of structural measures. This programme is directly managed by the European Commission and provides "tailor-made" support for the implementation of internal reforms – from preparation to implementation of set initiatives. The EU is supporting the development of this form of cooperation in the Czech Republic in the Multiannual Financial Framework 2021-2027, in the form of the SRSP Technical Assistance under the upcoming Reform Support Program. This tool is also used in the preparation of the TJTP.

The Transformation Platform involves representatives of ministries, regional stakeholders (NGOs, companies, local governments, representatives of regions). The Transformation Platform has 31 members (see Annex 2 of this report) and has been functioning since October 2020 with several meetings to date. This list of Transformation Platform members is evolving as stakeholder interest increases for the Just Transition Plan. Some members of the Transformation Platform are members of the Czech Coal Commission or of one of its three working groups. In some coal regions, a mirror structure of the central coal commission was established (in Ústí region, for example, it is called the **Coal Platform**). According to MoRD, the approved **statute and rules of procedures** of the Transformation Platform will soon be presented for public consultation. In addition, in the September 2020 version of the TJTP it is envisioned that the Transformation Platform will be transformed into a monitoring committee of the Operational Programme Just Transition and will perform all the functions arising from the regulation in the future. The Transformation Platform focuses on the following activities:

- Defines expectations from the transformation process
- Defines activities leading to the fulfilment of transformation process objectives
- Engages stakeholders from the territories, mainly through involvement of the Regional Permanent Conferences and stakeholder involvement actions in the form of webinars;
- Monitors the development and type of activities of the OP JT over time;
- Recognises the key role of regional stakeholders.

¹¹ The current version available of the TJTP is the draft version 1.4 from December 2020.

The Steering Committee that was set-up for the present TA project involves representatives from the European Commission, ministries and affected regions. The members of the Steering Committee have been nominated in December 2020, and the first meeting was held in January 2021 to review Deliverable 2 (the present report). The Steering Committee focuses on the following activities:

- Coordinates activities in accordance with the JTF Regulation and related documents; and,
- Coordinates the provision of technical assistance.

In parallel with the Transformation Platform, the preparation of the programme is also addressed through **thematic working groups established by MoE**, where representatives of the ministries and representatives of regions participate. The preparation of the OPJT is addressed through these working groups. The working groups have already started functioning and are currently considered as informal coordination groups within the process of preparation of the JTP in CZ with the necessary flexibility in terms of speed of operation and capacity given the current ambiguity of multiple external factors such as the JT legislation and the coronavirus crisis. At a later stage, a more formalised system of working groups is envisioned and will be used in the 2021-2027 period, following the example of thematic working groups in the OP Environment. At the same time, the coal regions have their own working groups to formulate and create strategic and working documents related to TJTP. Regarding the thematic working groups set up by MoE (Figure 2), the following support structure began to operate:

1. Business, science, digitisation
2. Energy efficiency and savings, renewable energy sources, transport
3. Circular economy, remediation
4. Employment

This two-stage discussion ensures that no relevant partners are left out and that everyone has the opportunity to participate in the TJTP preparation process. Following remarks and suggestions from members of the Transformation Platform, bilateral negotiations with individual managing authorities and other partners have taken place or are scheduled for the first quarter of 2021.

In addition, the partnership principle is applied at the regional level in the preparation of TJTP. Regions must transparently involve all relevant actors in the territory in the preparation of the plan and the proposal of appropriate measures for inclusion in the support from the OPJT.

The following points summarise the ongoing activities related to the preparation of the TJTP governance settings, which were carried out from January to February 2021:

- Continuous collection of suggestions and documents in the regions concerned - the main contact points are the RPCs, while the suggestions are also collected directly by MoRD;
- A series of webinars on JTF issues and TJTP preparation is being prepared and implemented;
- MoRD is preparing a single information point for the JTF;
- Ongoing consultations with the TJTP preparation process with EC representatives in connection with the specification of the information scope to be provided in the prescribed structure given by the JTF regulation;
- Emphasis is placed on balancing the TJTP from the point of view of supported activities and support for SMEs and other issues.

2.1.2.3 Implementation: Operational Programme Just Transition

According to the draft JTF regulation, JTF resources will be programmed for the categories of regions where the concerned territories are located and the resources programmed shall take the form of one or more specific programmes or of one or more priorities within a programme. The Government of the Czech Republic decided to solve the problems of coal regions and achieve the goals of climate neutrality through one operational programme - The Operational Programme Just Transition 2021-2027. The eligibility of expenditures ends in 2029 (following the n+2 rule of EU funds financial management), when the programme will finally be closed.

The first comprehensive version of the programming document was presented by MoE as version 0.0.1 on 14 December 2020. According to a semi-structured interview with a MoE representative, it emerged that the programme should be approved in the spring of 2022. This assumption is based on legislation not yet approved at the EU level, which should frame the rules for funding in the *general regulation*

(common provisions of EU SF) and further in the JTF regulation.¹² However, already in 2021, detailed support conditions for applicants will be presented so they can further prepare their project proposals.

As the rules are set in European regulations, there is no need to adopt specific national legislation. This is in contrast to programmes financed by emission allowance revenues such as New Green Savings or the Modernisation Fund, where national legislation is necessary because they are only regulated by a directive at the European level.

According to the recommendation of the European Commission, version 0.0.1 of the OPJT determined the distribution of funding sources among four priorities: (1) Priority Karlovy Vary region; (2) Priority Ústí region; (3) Priority Moravia-Silesia region; (4) Priority Technical Assistance. A more detailed breakdown within the individual priorities is not provided as of the date of preparation of this report, and MoE assumes that it will be specified on the basis of further negotiations and preparation of the TJTP, which is under the responsibility of MoRD.

The basic parameters of the OPJT governance settings have already been mentioned in Section 2.1.2.1 and Figure 1 (i.e. *Institutions and links within the JTF governance structure*). The programme is administratively provided by MoE as the managing authority in cooperation with the State Environmental Fund as an intermediary body. Both institutions have substantial experience in the implementation of the Operational Programme Environment. According to interviews with the representatives of both institutions, it turns out that both bodies are able to create an adequate administrative structure, which will include project managers and coordinators, professional managers of individual supported areas and specialists in European funds. However, the interviews revealed some issues related to the horizontal and vertical circumstances of the governance of the OPJT, which the TA team further evaluates in Section 2.3.1 on the assessment of the governance of individual pillars of the JTM.

2.1.3 Pillar 2: Dedicated scheme under Invest EU

The design of Pillar 2 at the EU and national level is still ongoing and less advanced than Pillar 1 (JTF). The following textbox shows the status quo of Pillar 2 as of December 2020, which is further elaborated upon below. The primary sources of information are extracted via desk research, discussions within the Steering Committee, as well as a telephone consultation with a representative of the EIB and a guided interview with a representative of the CMZRB, which took place in January and early February 2021, and also a collective semi-structured interview with EIB representatives at the end of February 2021.

Textbox 1: Status quo of Pillar 2 of the JTM as of December 2020

Pillar 2: Dedicated scheme under InvestEU

Under Pillar 2 of the Just Transition Mechanism, a dedicated Just Transition scheme will be set up under InvestEU. Support under this scheme will be embedded in all financial products developed and implemented under InvestEU, across all policy windows, and will be available for all implementing partners (25% will be open to other implementing partners than the EIB, in line with the InvestEU Regulation).

According to a proposal Regulation COM(2020)403 final, establishing the InvestEU Programme, page 7, is stated the following: “*The InvestEU Fund will also provide for a dedicated scheme to generate additional investment to the benefit of just transition regions (pillar 2 of the Just Transition Mechanism) in complementarity with the Just Transition Fund (pillar 1) and the public sector loan facility (pillar 3).*”

Compared to the JTF, it will also enable investments in a wider range of projects, in line with the broader eligibility of investments under InvestEU: projects for energy and transport infrastructure (with implementing partners other than EIB) and district heating networks, but also decarbonisation projects, economic diversification of the regions and social infrastructure.¹³

Pillars 2 (and also Pillar 3 – see the next section) will have a wider geographical scope, which means that these pillars will invest in other (most likely neighbouring) regions, provided that the supported projects have a key impact on the transformation of the regions concerned. These will be, in particular, transport or energy infrastructure projects that improve the connectivity of the regions concerned. In terms of strategic planning, this means that it will cover projects in the regions with an approved territorial Just Transition Plan but also projects outside these regions when they benefit Just Transition regions and are key to the transition in those territories as justified in the TJTPs.¹⁴

¹² The status of the approval process can be observed [HERE](#) (general regulation) and [HERE](#) (regulation for JTF).

¹³ Source: From the European Commission Websites and Documentation

¹⁴ See: MoRD (2020, p. 4): *Information on the possibilities of implementing the second and third pillars of the Mechanism for Just Transformation in the Czech Republic in the programming period 2021 - 2027*. Ministry for Regional Development, National Coordination Body. Material for information of the Government of the Czech Republic, as of September 30, 2020 (available in Czech)

A document from October 2020, submitted by MoRD to the Czech Government provided preliminary considerations regarding the possible governance of Pillar 2 of the JTM. These initial considerations were further expanded by the TA team in this report in the section on governance settings assessment and proposals.

At the beginning of January, a telephone consultation was held with aspects of the EIB's role and the state of play with a representative of the Prague EIB office. According to this consultation, the EIB is waiting for the mandate from the European Commission to get actively involved in the preparation of Pillars 2 and 3 of the JTM. However, in December 2020, they received a message that the legislative process in Brussels had been suspended for six months. As a result, the EIB's hands are tied for official activities. The EIB planned to organise workshops in the regions, which is now not possible until the legislation is approved. The EIB Prague office keeps communication on a working level with MoRD and the TA team. The EIB participated on the elaboration of the informative document submitted on 16 October 2020 to the Czech government. The JASPERS team cooperates with the RE:START team on the identification and assessment of project they might be eligible for funding from Pillar 2 (and also Pillar 3).

In the second half of January 2021, the Steering Committee was attended by key representatives of relevant institutions. The discussion showed that the EC, in relation to both Pillar 2 and Pillar 3, confirmed the EIB as an implementing body, stating that no further information was available at that time. In a semi-structured interview with EIB representatives on 23 February 2021, it was stated that the regulation establishing the InvestEU Programme is expected to be approved and published in mid-2021, or in the third quarter of 2021. Open issues regarding the eligibility are still being addressed.

Main actors

Following the above-mentioned MoRD document (2020) and the ongoing discussions on setting up Pillar 2 at the national level, it follows that in addition to the EIB (EU level), the CMZRB - Czech-Moravian Guarantee and Development Bank will also play a key role in the Czech Republic. However, the section on assessing the governance of this pillar (see Section 2.3.2 of this report) also considers other options, in particular the involvement of commercial banks in the role of intermediaries, which will be a significant part of the implementation of Pillar 2 with regard to funding settings. Again, it is necessary to emphasise that these issues are not yet closed and the specific and final form of governance of this pillar will not emerge until the first half of 2021. This will be affected by the extent of CMZRB loan financing in the role of implementing body, which will be rather small in scope. Given that the EIB will remain a privileged implementing partner within the EU and will implement a 75% EU guarantee, a much larger financial volume of loans can be expected in the option for financial intermediaries. However, commercial banks can also become financial intermediaries. Nevertheless, a strong role of CMZRB is currently assumed in all options for Pillar 2, and therefore attention is paid to this institution in Textbox 2.

Textbox 2: Czech Moravian Guarantee and Development Bank

The Czech-Moravian Guarantee and Development Bank (CMZRB) is the only National Promotional Bank (NPB) in the Czech Republic. Its three key shareholders are the Ministry of Regional Development, the Ministry of Finance and the Ministry of Industry and Trade. It has been implementing a number of programmes and funds addressing market failures specifically focusing on SMEs since its foundation in 1992. To a lesser degree, national efforts in funding regional technical infrastructure and the reconstruction of panel-block apartment houses have been supported. Within this context, the new Czech National Investment Plan and the Innovation strategy of the Czech Republic 2019–2030 assigned CMZRB with an extended mission and new activities. Specifically, CMZRB aims at becoming a knowledge hub for financial instruments and investment platforms for financing infrastructure projects.

In 2019, CMZRB has 25,000 clients. During the period from 1992-2019, the bank has granted 7,400 loans to 7,000 clients, issued 25,000 guarantees to 14,000 clients for a total volume of CZK 100 bn. In addition to the distribution of CZK 149 bn as fund manager (including 23,000 of contributions for 15,000 clients, 10,000 grants for 8,000 clients as interest support and 14,000 housing loans).¹⁵

In 2020, CMZRB provided entrepreneurs with a record volume of support, amounting to over CZK 51 bn of directly provided or guaranteed loans. In total, it helped finance 10,636 business projects. In most cases, the aid was drawn by small enterprises and used to cover their operating expenses. According to the Czech National Bank, thanks to ČMZRB programs, the risk of the credit crunch was successfully eliminated.¹⁶

¹⁵ Source: https://www.fi-compass.eu/sites/default/files/publications/3_Ond%C5%99ej%20Pt%C3%A1%C4%8Dek_Financial%20instruments%20supporting%20energy%20efficiency%20and%20EPC%20schemes%20under%20ESIF.pdf

¹⁶ CMZRB (2021, February 1). News on the bank's business results. Available in Czech. Retrieved from <https://www.cmzrb.cz/pres-51-miliard-koron-ziskaly-ceske-firmy-diky-cmzrb-v-roce-2020/>

The results of the CMZRB's administration of EU funds comprises the implementation of structural funds, the Enterprise Innovation Council (EIC) using the European Regional Development Fund (ERDF) and the loan guarantee fund of the programme Competitiveness of Enterprises and SMEs (COSME).¹⁷

Related to the Investment Plan for Europe, CMZRB joined forces in 2019 with the European Investment Advisory Hub (EIAH) to design a dedicated investment platform aiming to overcome market barriers and stimulate energy efficiency projects (for energy efficiency measures in the building sector) in the Czech Republic. On 23 November 2020, a video conference was held between a ČMZRB chief executive officer and the EIB Vice President, responsible for the advisory services agenda. In addition to the discussion on possible future areas of cooperation, the intention was to confirm the June 2020 agreement on cooperation in the development and implementation of investment advisory services, created within the EIAH platform - the European Investment Advisory Hub. The primary objective of this new direction of cooperation with the EIB was and is to support the activities of the newly established Trade Development Department.¹⁸

As NPB, CMZRB is becoming Implementing Partner for InvestEU under the Multiannual Financial Framework (MFF) 2021-2027. InvestEU will accommodate a multitude of EU financial instruments under a single umbrella. It will bring together the European Fund for Strategic Investments (EFSI) and 13 other EU financial instruments currently supporting investment in the EU. It is foreseen that the new role of CMZRB at national level will also include the efficient channelling of European Structural and Investment funds (ESIF) as a priority. Here, the Bank has been undergoing a Pillar assessment for becoming Implementing Partner under InvestEU and the Neighbourhood, Development and International Cooperation Instrument (NDICI) programmes.

To date, CZMRB has been setting up a business development department to address new instruments that target very different beneficiaries from SMEs, e.g. for infrastructure investments. CMZRB already has a portfolio of municipalities, which are the third group of beneficiaries.

According to a semi-structured interview, a CMZRB representative found that the bank has been dealing with InvestEU since its inception (i.e. since 2018). The bank's staff is also monitoring the ongoing negotiations on the EU's multiannual financial framework for the next seven years, as well as post-covid. Therefore, they are fully aware of current developments in what is being addressed at EU level. At the national level, CMZRB was not involved in the ongoing discussions on the future programming period in the JTM until the beginning of 2021. The National Recovery Plan as well as the JTM were not communicated with CMZRB representatives. For this reason, they have so far relied only on their own analyses of the situation. This situation changed in mid-January 2021, when ČMZRB was approached directly by representatives of the Moravian-Silesian Region, who wanted to talk about the possibilities of Pillar 2. In the second half of January 2021, CMZRB was also approached by MoRD regarding possible cooperation in 2021. The current state of play can therefore be described more as ad-hoc activities. Given the incomplete legislative process on this issue at EU level, this is somewhat understandable. However, it is clear that a more intensive involvement of the CMZRB would significantly contribute to the systemic and logical preparation of the interventions planned in Pillar 2 of the JTM.

ČMZRB underwent the "Pillar assessment for accessing InvestEU" in the first half of 2020. In September 2020, CMZRB received comments from the EC, responded to the comments and are now waiting for evaluation for four months (feedback). However, the result of the audit was generally positive, which is partly due to the fact that it is an institution with a banking license. The EC's comments essentially only concerned the applied accounting standards (IFRS) for the private sector, which are slightly different between the view of the EC and the Czech Republic. There will also be minor adjustments in reporting. The EU requires the use of "IPSAS" standards. ČMZRB also has a partial problem in setting up a pillar that focuses on tax evasion. The EC will want to adjust their internal processes. Overall, however, this will not affect the final assessment and CMZRB does not expect it to have a negative result. It will be more of a formality to make adjustments and they expect a positive result from the EC during the first half of 2021. From this point of view, CMZRB should be ready for InvestEU.

Factors influencing the setting of decision-making processes

- The selected governance option will have an impact on the decision-making processes. However, some initial thoughts/guidelines for the financing allocation and on dealing with absorption capacity challenges (that have an impact on the allocations) have already been developed by MoRD and MoE. MoRD is currently analysing to what extent the three coal regions will be able to benefit from the second and third pillars of the JTM.

¹⁷ CMZRB concluded a counter-guarantee agreement with the European Investment Fund.

¹⁸ CMZRB (2021, February 1). The EIB will support ČMZRB in support of advisory services (EIAH). Available in Czech. Retrieved from <https://www.cmzrb.cz/eib-podpori-cmzrb-v-ramci-podpory-poradenskych-sluzeb-eiah/>

- The EIB and MoRD pointed out that the absorption capacity of funding in the Czech Republic from Pillar 2 (and also from Pillar 3) of the JTM would be affected and potentially reduced, due to the availability of other instruments and financial resources at the EU level. These can be, for example, operational programmes, the Modernisation Fund or the Recovery and Resilience Facility (RRF).

Arrangement for monitoring and evaluation of the planned measures

The monitoring of InvestEU programme performance will be measured against indicators laid out in the proposal of regulation and the regulation's Annex 3. In addition to these core indicators, more detailed indicators will be included in the investment guidelines or in the guarantee agreements on the basis of the specific financial products to be deployed. Moreover, specific indicators will be developed for the InvestEU Advisory Hub and the InvestEU Portal. Harmonised reporting will be requested from the implementing partners in line with the Financial Regulation.

The impact of the InvestEU Programme will be assessed through evaluations. Evaluations will be carried out according to paragraphs 22 and 23 of the Interinstitutional Agreement of 13 April 2016,¹⁹ where the three institutions (European Parliament, Council of the European Union and European Commission) confirmed that evaluations of existing legislation and policy should provide the basis for impact assessments of options for further action. The evaluations will assess the InvestEU Programme's effects on the ground based on the InvestEU Programme indicators/targets and a detailed analysis of the degree to which the InvestEU Programme can be deemed relevant, effective, efficient, provides enough EU added value and is coherent with other EU policies. They will include lessons learnt to identify any lacks/problems or any potential to further improve the actions or their results and to help maximise their exploitation/impact.

Eligibility

- Pillar 2 is perceived as more flexible with its funding rules, e.g. in terms of geographic coverage. InvestEU will not only support investment in projects in Just Transition territories (regions having an approved transition plan under the Just Transition Fund Regulation) but also in projects directly benefiting those regions. This is particularly relevant for transport or energy infrastructure projects that improve the connectivity of the Just Transition territories.
- Compared to the JTF, it will also enable investments in a wider range of projects, in line with the broader eligibility of investments under InvestEU.

2.1.4 Pillar 3: Public Sector Loan facility

The design of Pillar 3 at the EU and national levels is still ongoing and is less advanced than Pillars 1 (JTF) and 2 (InvestEU). Textbox 3 summarises the status of Pillar 3 as of December 2020, while the following text further elaborates the current status of discussions regarding the setting of this pillar. Pillar 3 includes a public sector loan instrument with a grant element, the task of which will be to support public investment (in particular infrastructure investment) in the concerned regions through preferential credit conditions. The MoRD document from October 2020, submitted to the Czech Government, became the basis for a preliminary discussion on the creation of this pillar. Possible variants of Pillar 3's implementation are updated in this report. These variants were discussed in February 2021 by the TA team with EIB and SEF representatives in semi-structured interviews.

Textbox 3: Status of Pillar 3 of the JTM as of December 2020

Pillar 3: Public sector loan facility

Under Pillar 3, a new public sector loan facility with the EIB will support increased public sector investment in the regions undergoing climate transition. Loans would provide public sector entities (e.g. municipal or regional authorities) with resources to implement measures to facilitate the transition to climate neutrality. Supported investments will range from energy and transport infrastructure, district heating networks, energy efficiency measures including renovation of buildings, as well as social infrastructure, and can also include other sectors.

The EU support will take the form of an investment grant, financed from the EU budget, which will be blended with loans from the EIB's own resources. The grant component will be on average 15% of the EIB loan, but can reach 20% in less developed regions. Beneficiaries will include municipal, regional and other public authorities. Support will be complementary to the products offered by the InvestEU dedicated Just Transition scheme, given that it will target projects that do not generate sufficient market streams of revenue and would not have been

¹⁹ Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making of 13 April 2016 (OJ L 123, 12.5.2016, p. 1).

financed without the support. It will also include advisory support to help generate a project pipeline.

Support from Pillar 3 of the JTM will be provided to EU member states that will have at least one TJTP. Member States should have a national envelope for the grant component, to be determined on the basis of the allocation methodology described in the Annex to the JTF Regulation. The credit component should have no national limits and will therefore depend mainly on demand and the quality of the projects and its assessment and approval by the EIB.

Pillar 3 (and Pillar 2) will have a wider geographical scope. It will cover projects in the regions with an approved TJTP as well as projects outside these regions when they benefit Just Transition regions and are key to the transition in those territories as justified in the TJTPs.

A document from October 2020, submitted by MoRD to the Czech Government, provided preliminary considerations regarding the possible governance of Pillar 3 of the JTM. These initial considerations were further expanded by the TA team in this report in the section on governance settings assessment and proposals.

Sources: From the European Commission Websites and Documentation

Under **Pillar 3**, intensive discussions on setting legislation began in February 2021. According to interviews and desk-research of the current status, it is unlikely that a compromise will be reached by mid-2021. The legislation will most likely not be adopted by the end of 2021. Therefore, the first projects financed from this pillar can be expected by the end of 2022 or later.

Main actors

The governance model in the Czech Republic for Pillar 3 is still open. **The grant element of Pillar 3** will be provided by the European Commission under a directly managed program, probably managed by the *INEA - Innovation and Networks Executive Agency* (INEA – see [weblink](#)). We assume that although it is not necessary to involve any governmental body at the level of the Czech Republic, there is a possibility of involving the Ministry of Finance and CMZRB within the EFSI. However, at this stage, it is only a hypothetical option of governance, which will not be applied in practice. **The loan element of Pillar 3** will be provided by EIB (including advice). This was also discussed by the TA team with representatives of EIB and SEF, in terms of what formal steps could be launched and implemented. According to these discussions, it can be generally stated that to the loan part of Pillar 3, EIB lending policies and procedures will apply to projects and operations.

Given that SEF may become part of the implementation structure of Pillar 3, precisely because it has significant experience in providing not only grants but also loans for the public sector, Textbox 4 provides a brief summary of the institution.

Textbox 4: The State Environmental Fund of the Czech Republic²⁰

The SEF is a specifically focused institution that was incorporated by Act No. 388/1991 Coll. It provides direct financial support through subsidies and indirect financial support through loans or contributions towards interest on loans. Since 1992, SEF has shared substantially in investment in the protection and enhancement of the environment. SEF is administered by MoE of the Czech Republic. The Minister decides on the use of the Fund's resources on the basis of the recommendation of the Fund's Council as an advisory body. In connection with the issued Decisions of the Minister of the Environment on the provision of support, the Fund Office ensures the administration of contributions. SEF is headed by a director, who is appointed and removed by the MoE.

The SEF of the Czech Republic is a focused institution that provides direct financial support through subsidies and indirect financial support through loans or contributions towards interest on loans. The Fund primarily co-finances projects to improve quality of water, air, waste management, protection of nature and the countryside, environmental education, utilisation of renewable energy sources and measures to improve the energy performance of buildings.

The SEF grants financial aid through subsidies, soft loans or a combination of both instruments. The Fund obtains the financial resources from the state budget and from polluters. Polluters pay fees for discharges of wastewater, for land reclassification, air pollution fees and fees levied under the Waste Act. From these resources, the SEF provides financial support in the National Programme Environment.

Under the Act on Emissions Trading, SEF was designated a recipient of funds from the **Modernisation Fund** and acts as a mediator of this financial mechanism. The Modernisation Fund draws funds mainly from the monetisation of 2% of the total number of emission allowances in the **EU ETS** for the period 2021-2030. In the perspective of sustainable technologies, it focuses on three priority areas (i.e. production and use of energy from renewable sources, energy efficiency, energy storage and distribution facilities). If the European Investment Bank and the European Commission manage to finalise all the implementing rules for this new

²⁰ SEF (2021, February 1). *What we do*. Retrieved from <https://www.sfzp.cz/en/about-us/what-we-do/>

financial instrument, the first standard calls from the Modernisation Fund will be issued in March 2021.

The Fund is also responsible for administering funds from the EU Structural Funds and the Cohesion Fund in the environmental sector in the Czech Republic as well as from the New Green Savings Programme which is financed from a share in the yields from the emission allowances' auctions on the European market (EUA and EUAA). The Fund has a nationwide network of consultants and qualified project managers. Offices are located in all 13 major regional cities in the Czech Republic.

Arrangement for monitoring and evaluation of the planned measures

Key performance indicators to monitor the implementation and progress of the Facility towards the objectives established in Article 3 are provided in Annex II of the draft regulation on the public sector loan facility under the JTM²¹. Under this regulation, it is assumed that the performance reporting system will ensure that data regarding the aforementioned indicators are collected efficiently, effectively and in a timely fashion. Beneficiaries in cooperation with finance partners shall provide data regarding the indicators to the EC. Proportionate reporting requirements will be imposed on the beneficiaries of the grant component of the Facility.

The Facility will be subject to a mid-term evaluation, by 30 June 2025, to assess its efficiency, effectiveness, relevance and coherence. The evaluation will also demonstrate how EU support will have contributed to addressing the development needs of the Just Transition territories. At the end of the implementation period and no later than 31 December 2031, a final evaluation report on the results and long-term impact of the Facility shall be established.

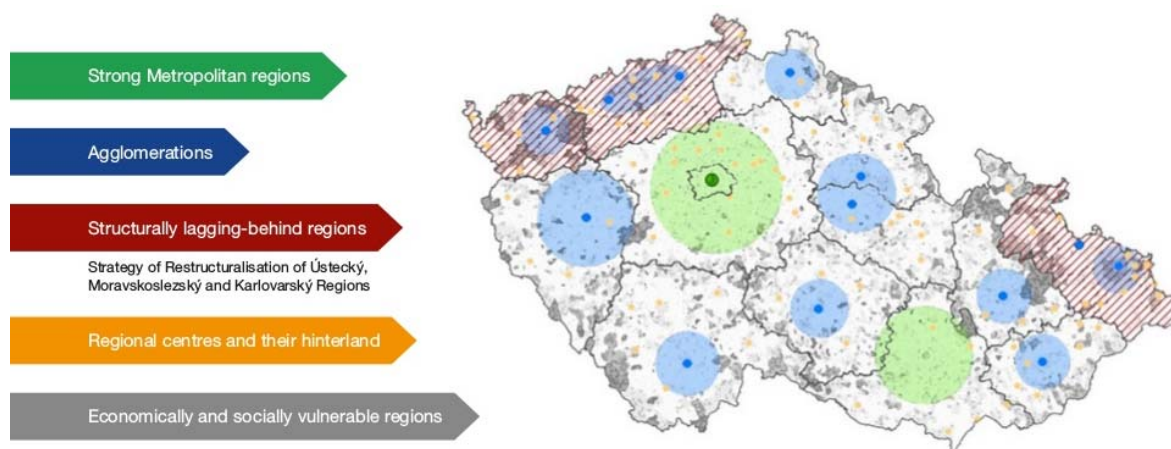
Eligibility

- Pillar 3 of the JTM will support public investment in the three regions (with loans supplemented by grants from EU budget), i.e. projects in the regions with an approved Just Transition plans and also projects directly benefiting those regions.
- Supported investments will range from energy and transport infrastructure, district heating networks, energy efficiency measures including renovation of buildings, as well as social infrastructure, and can include other sectors as well.
- The support under the public sector loan facility benefits projects that do not generate revenue and would otherwise not get financed. It will therefore be complementary to the products offered by the InvestEU dedicated Just Transition scheme.

2.2 Existing governance structures and their relevance to the Just Transition Mechanism

In this section, we discuss the relevant governance mechanisms for the Just Transition Mechanism. Figure 3 illustrates the regional dimension of various structures, which follow the Czech Strategy of Regional Development, which are described in more detail in the following subchapters.

Figure 3: Basic typology of geographical classification in the Czech regional policy for 2021+



Source: <https://restartregionu.cz/in-english/> (page 2)

²¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020PC0453>

Strong Metropolitan Regions are regions with the highest economic potential (i.e. Prague and Brno metropolitan areas). The agglomerations are important in the ITI-planning process. For the coal regions, the agglomeration of Karlovy Vary, Ústí - Chomutov and Ostrava are relevant. 'Structurally lagging regions' is the term established for the RE:START scheme; it is now synonymous with the coal regions.

2.2.1 Partnership Agreement

The **National Coordination Authority (NCA - Národní orgán pro koordinaci - NOK)** is a central methodological and coordination entity for the implementation of cohesion funds in the Czech Republic. The Partnership Agreement (hereafter referred to as the "PA") is negotiated and signed between the EC and the Czech Republic. The PA is a strategic document that summarises the basic objectives, characteristics and parameters of the five European Structural and Investment Funds (ESI Funds) for the 2021-2027 period.²²

The rules for the management and coordination of the PA in the programming period 2021-2027 (Rules for the management of the DoP 2021+) establish the basic principles, obligations, responsibilities, management and coordination of European funds (EU funds) and create a framework for the management system of all EU funds contained in the **Partnership Agreement for the programming period 2021-2027**. The main goal of EU cohesion policy stated in the PA for the Czech Republic is the development of greater competitiveness and quality of life of its citizens through five policy objectives:

1. A smarter Europe - an innovative and smart economic transformation
2. A greener, low-carbon Europe
3. A more connected Europe - mobility and regional connectivity to ICT networks
4. A more social Europe - implementing the European Pillar of Social Rights
5. A Europe closer to the citizens - sustainable and integrated development of urban, rural and coastal areas through local initiatives

The **NCA is responsible** for the management and coordination of the implementation and fulfilment of the objectives of the National Strategic Reference Framework for the last two EU programming periods and for the current 2021-2027 period. MoRD manages the NCA based on Government Resolutions No. 198 of 22 February 2006 and No. 448 of 12 June 2013.

The central methodological and coordinating role of the NCA is derived from the following **basic principles of efficient management**:

- existence of one **central methodological authority** in the area of implementation environment;
- existence of a **central coordinating authority to monitor the implementation** of all programmes co-funded from the EU Funds;
- existence of a **single official partner for the European Commission** in the area of implementation of the cohesion policy;
- existence of a **single administrator of the monitoring system**; and,
- existence of a **central authority for the area of publicity and building absorption capacity**.

On 16 October 2020, MoRD presented "information about the preparation of documents for the future programming period 2021–2027" (*Informace o přípravě dokumentů pro budoucí programové období 2021–2027*) to the Government of the Czech Republic. The document provides NCA highlights, the importance of **clearly defined responsibilities to avoid overlapping** and **strategic planning**. The overall governance system will build on previously established structures and relies on the **stability of the existing system** rather than introducing new elements and roles.

Already in the 2021-2027 programming period, increased emphasis has been placed on the **partnership principle**. The draft regulation requires Member States to cooperate in the preparation and implementation of the Partnership Agreement and programmes with partners.²³ Member States is obliged to do so in accordance with national legislation and practice.

The partnership principle unites regional and local authorities (including cities implementing integrated instruments for sustainable urban development) with economic and social partners; local

²² The structure and content of the PA are defined in Articles 7 to 9 of the Proposal for a Regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and the financial rules for these funds.

²³ Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND THE COUNCIL laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund, and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument, COM(2018) 375 final, part (11).

action groups implementing community-led local development and their umbrella organisations; NGO representatives with knowledge of cross-cutting issues such as gender equality, environmental issues or accessibility for disadvantaged people, representatives of universities and research institutes, chambers of commerce and business organisations, education and training institutions, social and health service providers, NGOs and organisations with knowledge in the field of non-discrimination and social inclusion.

The partnership principle in the Czech Republic **is mainly implemented through the participation of partners in negotiations of various working platforms or other groups.** Partners from the public administration and the professional community, the non-profit sector of associations or the academic sphere, as well as other entities, are involved in the preparation of the 2021-2027 programming period. Platforms such as the Council for the European Structural and Investment Funds (*Rada pro Evropské strukturální a investiční fondy*), platforms for the managing authorities of operational programs, the National Standing Conference, the Working Team of the Economic and Social Agreement Council (*Pracovní tým Rady hospodářské a sociální dohody*), the Expert Group for Strategic Work are used for this purpose (*Expertní skupina pro strategickou práci*).²⁴

For the JTM, the Transformation Platform and RPCs (Regional Permanent Conferences) are the most relevant platforms for information and consultation. The partnership principle is further fulfilled by thematic working groups, which are established directly by the Ministry of the Environment. The role of regional working groups is very important since representatives directly formulate and create strategic and working documents, identify strategic projects and represent the interests and needs of regional actors.

2.2.2 RE:START strategy

Genesis

The RE:START programme was established in 2015 for the “regions that were lagging behind” (also called “structurally weak regions” or “structurally affected regions”) - Ústí region (UR), Karlovy Vary region (KVR) and Moravia-Silesia region (MSR). These NUTS 3 regions are synonymous with the current coal regions. The RE:START strategy responded to the specific problems of the three regions:

- high unemployment rate compared to other Czech regions, high percentage of long-term unemployed people;
- regional GDP lower compared to other Czech regions, with a growing trend of disparities (widening the gap);
- insufficient structure of qualification and education level;
- lower R&D activities; and,
- high number of socially excluded localities (problems with the provision of affordable housing, social exclusion and high crime rate).

The overall vision was “*To provide perspective for people, companies and municipalities for the future.*”

The key driving force was the leadership role of the regional actors, which were the Government Commissioner for the lagging regions (affiliated with the NUTS 2 Moravia-Silesia region) and his Vice-Commissioner (affiliated with the NUTS 2 North-West region). The positions of the Government Commissioner and the Vice-Commissioner were established in 2014. These two very active regional actors initiated and promoted the actions of the RE:START programme.

The inspiration for this organisational model was the *Innovationsregion Rheinisches Revier* (see also - <https://www.rheinisches-revier.de/>), which the future RE:START team reviewed in April 2016. The idea was to establish a non-governmental flexible body. This concept was only partially fulfilled – the legal form of the RE:START management team was not an independent agency but a small working group with three detached offices in all three NUTS 3 regions declared as lagging regions.

Functioning

The mandate of the RE:START team was based on the government resolution, which was a signal about broad political acceptance of the RE:START programme.

The RE:START team acted as a small entity (Commissioner, Vice-Commissioner and 3–4 executive team members). In the first period, it was part of the organisational structure of the Business and

²⁴ See also website: <https://www.dotaceeu.cz/cs/evropske-fondy-v-cr/kohezni-politika-po-roce-2020>

Investment Development Agency CzechInvest. The affiliation with CzechInvest provided more independence from the governmental structures but less financial stability (funding on a one-year basis). In 2018, when a new government was appointed, the political support for the RE:START programme diminished. The Commissioner's position was dissolved and part of the RE:START team was transferred to the MoRD and some were transferred to the regional governments.

The affiliation with MoRD resulted in more bureaucracy but made use of the funds from the Operational Programme Technical Assistance available. A new chapter of the Operational Programme Technical Assistance called "*Restructuring of coal regions*" was established with a 3-year funding framework. Closer cooperation with the National Coordination Authority (NCA), part of MoRD, was made possible.

The mandate and competencies of the RE:START team were defined in a document called "Implementation principles" ("Implementační zásady"), which was also approved by the Government.

Strategy

The strategy of the RE:START programme was derived from a deep initial analysis and an active dialogue with key stakeholders. It resulted in the Strategic Framework for economic restructuring of regions, published and approved by the Government in early 2017. This established the field for an evidence-based strategic policy, for which the Action Plans defined concrete measures and steps. The first Action Plan was approved by the Government in the summer of 2017. The fourth Action Plan was presented in 2020 and is still awaiting for approval from the Government as of February 2021.

RE:START has 8 pillars that cover more than 95 measures.

The executive team of RE:START has already implemented the starting phase of complementarity to employment and job support policy coordinated by the Ministry of Labour and Social Affairs. Therefore, employment and job market measures are not included in the structure of 8 pillars.

To date, there is no systematic coordination of measures within the RE:START strategy on energy and climate transition. Action Plan No. 3 includes some activities for emissions reduction and clean mobility. The coordinating agency (MoRD) is discussing the overlap and need for coordination in the context of JTP preparation. A new pillar of "Transformation of Energy Sector and Reduction of Coal Mining" was included in the most recent Action Plan No. 4, which is currently in an approval process.

Funding and evaluation

The actions of the RE:START programme were mainly funded from the state budget and via calls within various operational programmes. The RE:START team negotiated specific funding streams or specific modifications of calls dedicated for the three regions:

- Czech national funding scheme for brownfield regeneration;
- Specific call for investment actions in universities in both NUTS 2 regions, published by the Ministry of Education as part of its programme financed from structural funds (OP VVV). This call was assigned a specific financial sum, which complicated negotiations about the distribution since it preceded the opening of the call. An equal share of 50/50 for both NUTS 2 regions was finally agreed upon; and,
- Additional points for the rating of projects were submitted to the Technology Agency that were due to be implemented in the two targeted NUTS 2 regions.

Prior to RE:START, the ministries never agreed to publish a dedicated call for specific regions. The share of national resources on the overall funding stream is rather small, a few hundred million CZK.

Originally, the implementation rules called for the regular evaluation of the programme results and impacts. However, because of the short time from the programme's start, it was only possible to evaluate the fulfilment of tasks. It was not possible to evaluate the results and impacts.

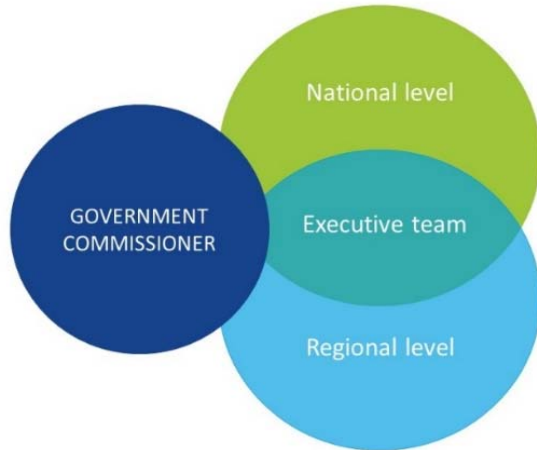
Governance structure

The original governance structure of the RE:START is illustrated in Figure 4.

RE:START was never based on fixed formal structures defined by legal rules – the RE:START team acts as a flexible working group, established by the governmental resolution. The activities and achievements of RE:START have relied mostly on the leadership roles of key actors and their ability to develop adhoc and problem-oriented collaboration with various actors on a national and regional level, as well as among actors from different sectors and among partners of the social dialogue and from their deep knowledge of the regional situation.

The RE:START team (the Commissioner and Vice-Commissioner) and their executive team played a key role coordinating various ministries on the national level, the RPCs of the three regions (bodies established in all 14 regions of the Czech Republic by law on the support of regional development No. 248/2000 Coll.) and companies and other key stakeholders on the regional level.

Figure 4: RE:START governance structure



Since 2019, the RE:START executive team has been part of MoRD. It is currently working on the TJTP and supporting Working Group 3 of the Czech Coal Commission, which deals with the impacts of the future coal phase-out in the Czech Republic.

The RE:START scheme is a unique example of flexible multi-level governance coordination among different levels and different sectors, using formal and informal communication and institutions, without being a fixed part of any hierarchical governmental structures.

Achievements, added value and further challenges of the RE:START strategy

Achievements and innovative elements of the RE:START strategy include demonstrating the importance of leadership to manage the restructuring and transformation process, flexibility, the ability to find new models of organisation, management and communication with key actors, as well as the ability to promote innovative funding schemes. The team established new flexible horizontal and vertical channels in addition to standard platforms for communication, consultation and collaboration, which can be perceived as a key added value for further transition process of concerned regions. The RE:START strategy offers the basis and source of experience to prepare the TJTP for the Czech Republic. However, the process to prepare the TJTP is now managed by the standard institutional framework of the EU regional policy.

The RE:START activities helped strengthen the regional identity and activation of actors in the three coal regions. RE:START has also brought the issue of restructuring to the public discourse. The strategy and its underlying activities have illustrated the differences between the Moravia-Silesia and North-West NUTS 2 regions (e.g. potential, absorption capacity and preparation for restructuring processes). Overall, the situation is better in the Moravia-Silesia region, while the TA team sees some deficits in the North-West region.

The main challenges of the RE:START programme are the dependence on political support, (instable) funding and a high dependence on the active leadership role of key actors.

2.2.3 Regional policy

Czech regional policy is coordinated by MoRD. The main objective of Czech regional policy is “to improve quality of life in all types of regions with a focus on facilitating cohesion and boosting competitiveness.” The legislative basis is Act No. 248/2000, on the support of regional development. According to this law, key contexts, activities and strategic documents are implemented, and the competencies of the relevant entities at the national and regional level are further defined. The basic strategic document is **“The Strategy of the Regional Development of the Czech Republic,”** which is prepared and managed by MoRD. This strategy secures the coherence of the national regional policy with the regional policy of the EU and establishes the basis for regionally targeted development programmes financed exclusively from national sources or co-financed from EU sources. The Strategy of Regional Development also includes a **Database of Strategies**, which provides a comprehensive overview of approved public administration strategy documents.

The **key governance platform** in the regions are the **Regional Permanent Conferences (RPCs)** [in Czech - *Regionální stálá konference*], which include multi-sectoral regional, social and economic partners. Important members of platforms on the national and regional levels are the regional bodies of

social dialogue - **The Economic and Social Council** [Hospodářská a sociální rada], which acts as a format for trilateral negotiations (public authorities, employers and employees) on the legal basis of the Act on employment (435/2004 Col.).

All regions of the Czech Republic (NUTS 3 level) are obliged, in connection with the above-mentioned Act No. 248/2000, to draft a regional strategic programme (usually called the Regional Development Programme) for their respective territories. This programme is compiled by regions as a comprehensive strategic document, which includes all components of sustainable regional development. The **strategic documents at the regional level correspond with the programming periods of the EU** as financing from the European Structural and Investment Funds is a key source of funding for Czech regional policy.

In the Karlovy Vary and Ústí regions, newly appointed regional governments are considering redrafting or revising the regional development strategies, to adhere to the new context of the JTM.²⁵

Support for the region's innovation potential in relation to the ongoing economic transformation is elaborated within the **Regional Innovation Strategy** (RIS3²⁶ – Research Innovation Strategy for Smart Specialisation). The managing authority for the RIS3 is the **Regional Competitiveness Council** [Krajská rada pro konkurenceschopnost], an advisory body of experts from business, researchers and public sphere, and a RIS3 manager who is responsible for executive management (appointed in coordination with the Ministry of Industry and Trade as the national RIS3 coordinator). At the regional level, project developers are active in developing innovation projects to support the implementation of the RIS3. The RPCs received a revised Statute and Rules of Procedures, which will take into account the Just Transition Agenda. In the three coal regions, new RIS3 strategies were elaborated (in Ústí and Karlovy Vary regions). The Moravia-Silesia region decided to update its version from the previous period.

The analysis of RIS3 strategies and the development strategies of the three coal regions has shown that the topic of the transition to a low carbon economy increasingly permeates regional strategic documents (both analytically and in the setting of strategic priorities of regions). Following the findings of the TA team's review of the setting of regional programming documents in the period 2007-2013, it turns out that this process was usually not considered in the documents for the programming period 2007-2013. The strategies for the programming period 2014-2020 already mentioned uncertainty regarding further development of coal mining and energy concept of the state as one of the threats for regional development (e.g. the Moravian-Silesian Region clearly defines the need to leave the image of the coal region for the mentioned reasons). This uncertainty is highlighted intensively in the strategic documents for the programming period 2021-2027. Similar differences exist in the proposed measures and priorities. While the 2007-2013 programming period mentioned general support for innovation and competitiveness, in the next two programming periods there is a clear emphasis on environmental and infrastructure sustainability, including measures for decarbonisation and diversification.

2.2.4 Integrated Territorial Investment (ITI)

The **Czech regional policy emphasises the development of urban areas** (with a high concentration of industry and therefore importance for the climate transition). MoRD created a national framework for urban policy defined by the Principles of Urban Policy. Within the urban policy, an integrated approach is applied with the use of ESI funds, which enables thematic, territorial and temporal interconnection of interventions implemented on the basis of an integrated territorial development strategy. There are three types of integrated tools implemented in the Czech Republic:

- ITI (Integrated Territorial Investment): designed for the seven most important urban agglomerations (Prague and Central Bohemia, Ústí - Chomutov agglomeration, Pilsen agglomeration, Olomouc agglomeration, Brno metropolitan area, Ostrava agglomeration, Hradec – Pardubice agglomeration)
- IPRÚ (Integrated Territorial Development Plan): applies to six agglomerations of regional importance (Karlovarská, Mladoboleslavská, Jihlavská, Zlínská, Českobudějovická, Liberecko-jablonecká agglomerations)
- CLLD (Community Guided Local Development): refers to rural areas addressed through local action groups.

²⁵ Information provided during interviews in the mid of February, 2021.

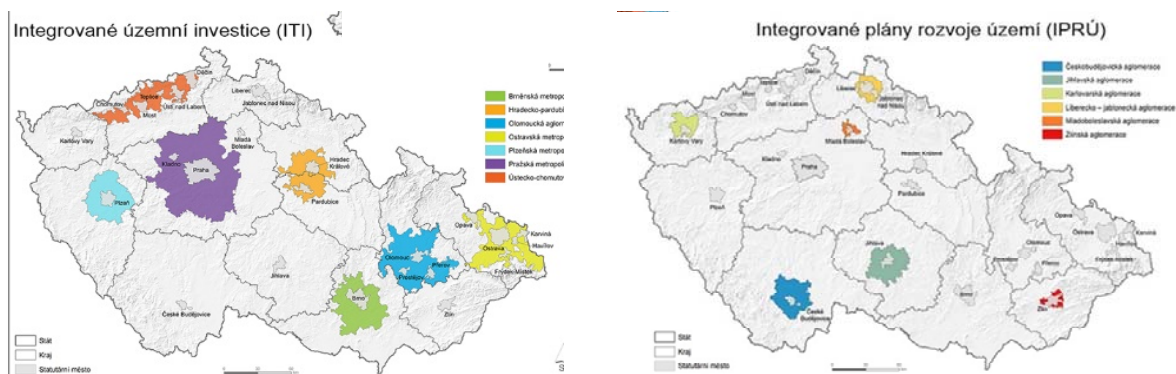
²⁶ **RIS3 - Research Innovation Strategy for Smart Specialisation** - https://ec.europa.eu/regional_policy/en/information/publications/brochures/2014/research-innovation-strategies-for-smart-specialisation

ITIs are a tool for the implementation of the territorial dimension in metropolitan areas/agglomerations of national importance. ITIs are intended for metropolitan areas/settlement agglomerations with a concentration of over 300,000 inhabitants: namely, the metropolitan areas of Prague, Brno, Ostrava, Pilsen and the agglomerations of Ústí-Chomutov, Olomouc and Hradec-Pardubice agglomerations in accordance with the Regional Development Strategy of the Czech Republic 2014-2020. ITI is used as the main instrument of urban policy to support the development of Functional Urban Areas in the Czech Republic for the 2021-2027 programming period as well. MoRD coordinates strategic rural development planning through the Rural Development Concept. The **ITI strategy**²⁷ for the period 2021-2027 is currently under development in all three coal regions (Ústí – Chomutov and Ostrava were already in place during the previous period). In the previous programming period, the Karlovy Vary region implemented the IPRU – *Integrovaný plán rozvoje území* – an integrated plan of territorial development, which might be considered as a less complex format of integrated territorial development.

According to the MoRD document (2020), it follows that the implementation tool for ITI is the document *Territorial Dimension in Operational Programmes 2021+*, which defines the specific objectives (or activities) of operational programmes and their territorial dimension. This document will be approved by the Government of the Czech Republic. Through integrated territorial investments, ITI tools, the minimum obligation to set aside is 6% of the ERDF allocation for sustainable urban development. The ITI tool will be implemented in the Czech Republic in five OPs (IROP, OP John Amos Comenius, OP Technologies and Application for Competitiveness, OP Environment, and OP Transport,) through two EU funds (ERDF and CF) and will contribute to the fulfillment of thematically broad integrated territorial strategy of metropolitan areas and agglomerations defined by MoRD according to a uniform methodology based on functional regions. The OP Technical Assistance will co-finance the creation and implementation of these strategies.

The ITI pays intensive attention to the stakeholder engagement in the representative bodies' format. The ITI programming teams have a well-functioning website, the Usti-Chomutov ITI website presents detailed minutes from all meetings of the cooperation bodies and meeting minutes from all the Steering Committee meetings. The ITI Usti-Chomutov team used surveys to collect opinions on specific questions and elaborated a detailed stakeholder analysis. The territorial coverage of ITI and IPRÚ are presented in Figure 5.

Figure 5: Territorial coverage of ITI and IPRÚ (Integrated Territorial Development Plans) in the Czech Republic in the period 2014-2020



Source: MoRD (2020), available on-line: <https://mmr.cz/cs/microsites/uzemni-dimenze/ud-typy/stara-ud/integrované-nastroje>

2.2.5 Review of efficiency and shortcomings in view to their relevance for the Just Transition Mechanism

Section 2.2.5 provides a brief review of the basic elements of the governance models applied to date in the Czech Republic, which have a direct or indirect link to the coal regions. It connects to the previous sections focused on the description of key instruments of regional policy (EU and national), which operate in the Czech Republic to solve specific transformation problems. Table 3 specifies the characteristics of individual categories of governance models for the regional planning structure, ITIs and RE:START structure. The last column of the table lists the main elements of the Transition Platform that also includes the structure for TJTP implementation. We then link these governance models to

²⁷ Integrated Territorial Investment - https://ec.europa.eu/regional_policy/sources/docgener/informat/2014/iti_en.pdf

the following section, which is devoted to the assessment of the governance mechanism for the Just Transition Mechanism.

Table 3: Comparison of the main elements of existing governance mechanisms and their relevance for the Just Transition Agenda

	Regional planning structure	Integrated Territorial Investment (ITI)	RE:START structure	Transformation platform + structure for TJTP implementation
Legitimacy	Act on the support of regional development	Governmental resolution	Governmental resolution	Joint decision of MoRD and MoE
Length of operation period	Established after 2000	Established in 2014	Established in 2014 and operating since 2017 with Action Plans	Established in 2020
Level of decision process	National government + all 14 NUTS 3 regions in the Czech Republic	Regional /microregional/local	National government + 3 coal regions	National government and regional governments
Involvement of regional actors	Multi-level structure	Multi-level structure	Multi-level structure	Regional actors are members of the Transition Platform at national level
Resolution of potential conflicts between the sectors	On the regional level if possible	On the level of working groups and the ITI Steering Committee	On the regional level if possible	On the central level
Coordination of different levels	Established structures and processes	Via the membership of ITI representative in the Regional Standing Conference	Ad hoc decisions	Transition platform as negotiation platform
Involvement of business and NGOs	Institutions of social dialogue relevant mainly on the regional level	On the local/regional level - Members of the working groups	Via regional planning structures	Social partners (business, trade unions) and NGOs are members
Involvement of research and education institutions	On the regional level	On the local/regional level – Members of the working groups	Via regional planning structures	Innovation centre of Ústí region (representing the Ústí university too)
Relation to scope of TJTP	Regional focus	Smaller scope than TJTP	Broader scope than TJTP	Focuses on TJTP

The official regional policy structures and platforms will serve as the framework to implement the Just Transition Agenda in the three coal regions. They rely on a stable regulatory environment with long established processes. The RPCs are a part of the Transformation Platform at the national level and are expected to play a key role in the implementation of the JTM in regions. They serve as platforms for stakeholder engagement in regions.

ITIs in the three coal regions support a coordinated approach to planning and project implementation in urban areas. Lessons learned from ITI planning are related to synergies and challenges of coordination among different interests and actors at the local level.

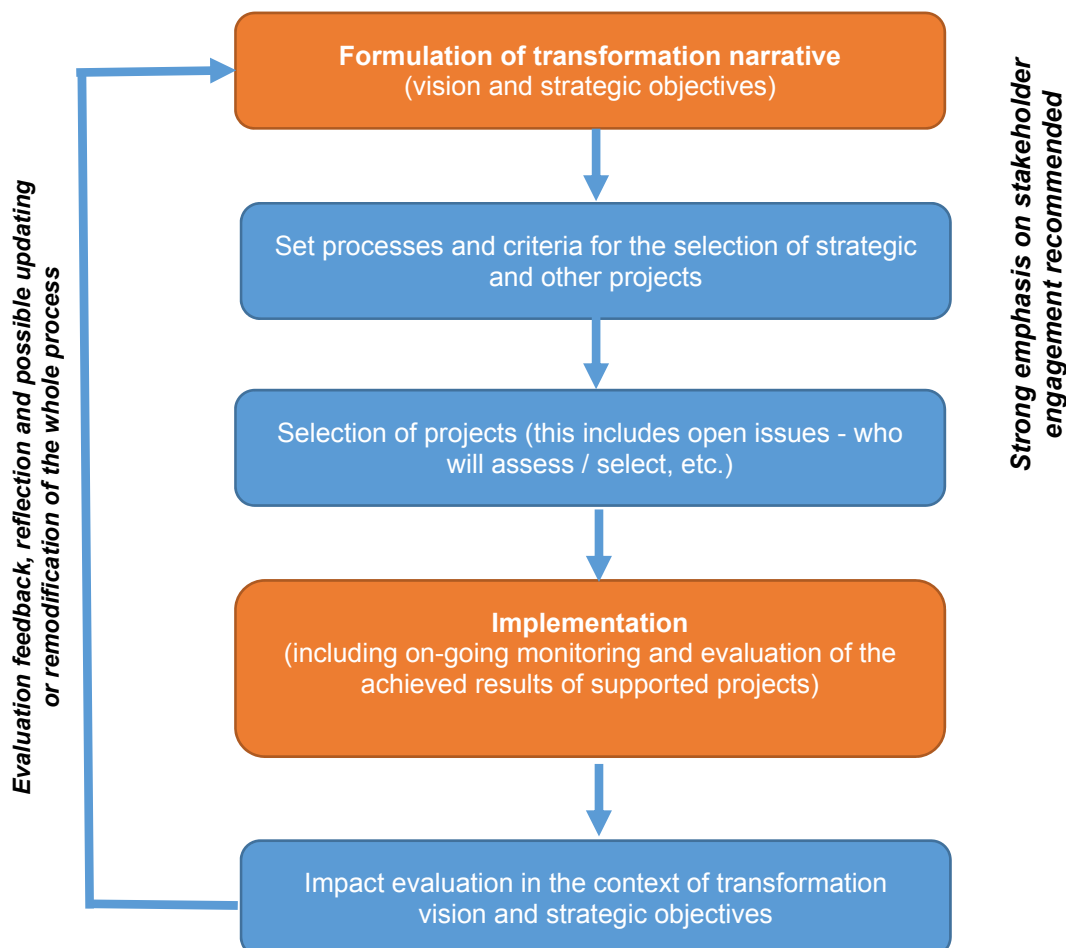
The RE:START governance framework is legally based on the governmental resolution, which determines its legal status as weaker in comparison with the overall regulatory framework of the regional policy of the Czech Republic. **The RE:START strategy** can be seen as a pilot scheme demonstrating the potential and challenges of a multilevel and flexible governance structure, while relying on new channels of horizontal and vertical coordination to restructure the coal regions. This innovative scheme may serve as an example of social innovation. However, because the programme was not “carved in stone” by law, it remains dependent on political support, which diminished after 2018 and has made the traditional regional policy management structures dominant again.

For JTM, the Transformation Platform can be considered as a new governance structure with innovative elements that bring together a wide range of actors. Table 3 shows that in Czech regional policy, either shared (e.g. RE:START) or regionalised approaches (e.g. ITI) were applied. Considering the

implementation of EU programmes, a centralised approach would also be possible. In this context, the Transformation Platform would operate at the central level and be supported at the governmental level (MoRD), which would provide the organisational service for the meetings of the Transformation Platform. In the three regions, a working governance structure was designed according to the legislative framework of the regional policy of the Czech Republic and the ITI. In this context, the Transformation Platform offers a good basis to achieve the necessary coordination and a comprehensive approach to key regional stakeholders. At the same time, however, it should be emphasised that this platform should also act as an important element in the review process in selecting strategic transformation projects. Therefore, it should place emphasis on high quality argumentation of projects that follow a clearly defined transformation story, especially during the TJTP preparation. From a governance perspective, it is also appropriate to purposefully set communication links with implementing entities (e.g. the State Environmental Fund).

The TA team created a model to illustrate the ideal process of creating a transformation story for coal regions (see Figure 6). The chronological and factual sequence is very important. The concerned regions should clearly set a transformational long-term vision and strategic objectives that systematise the envisaged transformation story. Only once the narrative is established should a phase follow to set relevant criteria for selected projects. These criteria must clearly correspond to the set of strategic goals and construction of the transformation story of the region. The selection process has to follow a very careful preparation of the selection criteria, and even in this phase it is still important to maintain a strong emphasis on stakeholder engagement, through which possible implementation deviations from the transformation trajectory will be balanced.

Figure 6: Recommended process of building and implementation of a JTM transformation story



In the selection phase of relevant projects, it is appropriate to consider the use of more flexible and innovative methods for the selection of strategic projects, such as the application of auctioning principles (regulation of target fulfillment in case of renewable energy) or setting financial limits of eligible expenditure for supported projects (regulation of acceptable price). In general, it is necessary to use open calls and the standard transparent open approach in connection with the transformation story to

the maximum extent possible (see the mentioned necessity of stakeholder engagement supporting the transparency). In addition to setting up the selection of strategic projects, it will be necessary to set processes and criteria for the selection of other projects, which also includes open issues related to the determination of responsibilities for monitoring and evaluation.

Based on the set system of the transformation story, it is possible to start the implementation of specific activities and projects that must be continuously evaluated according to the achieved results. The overall reflection of the degree of fulfillment of the transformation story can be done only through impact evaluation, on the basis of which it will be possible to update and modify the transformation process in relation to the next programming period.

2.3 Assessment of the governance mechanism as set for the Just Transition Mechanism

2.3.1 Pillar 1: Just Transition Fund

2.3.1.1 Governance structure of the Just Transition Fund

The role of governance in the JTF (drafting/implementation)

Although EU legislation on the JTF has not yet been finalised, the basic framework for setting the governance model for the TJTP in the Czech Republic has already been pre-set during intensive political discussions between key actors, i.e. the Czech Government, MoRD and MoE. According to the interviews with the representatives of MoRD and MoE, it turned out that the proposal for the basic governance model of the JTF (see Section 2.1.2 of this report) will not change. It is not simply the result of an ad-hoc political decision. The reasoning behind this decision is the continuity and build-up of the governance model from the previous period of cohesion policy (presented as a basic guiding principle by MoRD to the Czech Government in October 2020).

The planned governance of Pillar 1, which will no longer change (i.e. MoRD leadership of the TJTP; MoE as managing authority; SEF as intermediate body), will correspond to the grant nature of the JTF. It is evident that this implementation system and the relevant links between the above-mentioned entities will be functional, as it will be based as much as possible on the existing institutional experience of the implementation of the OPE and the RE:START strategy.

However, interviews with representatives of the above institutions revealed that delays at the EU level in approving the relevant legislation puts great pressure on the stakeholders involved in creating the relevant strategic and programming documentation. At the same time, it is evident that a significant part of content formulation for the relevant documents will occur in Spring 2021. In this sense, the role of MoRD in coordinating the relevant activities is growing significantly. At the same time, MoRD will have to manage the preparation of all functional components of the governance of the JTF model, i.e. not only ensuring strategic documentation of the JTF but also institutional coordination of key actors (e.g. launch of the Transformation Platform, coordination of activities with coal regions). The time pressure is inappropriate in this regard, especially if we consider the need for a quality long-term strategy of the coal regions. Based on the experience from the preparations of previous programming periods, it can be assumed that the above-mentioned governance model will manage not only the preparation of JTF settings, but also the subsequent implementation. However, some issues need to be given more attention (e.g. in the form of expert judgment) in order for the JTF to be successful.

Different governance levels (national/regional) are currently represented in one body, i.e. the Transformation Platform at the national level. This platform includes representatives of ministries and regional stakeholders (NGOs, private sector, local governments, regional representatives). According to the findings of the TA team in the first half of February 2021, there is a risk that the governance of the JTF may not include sufficient representation of all relevant regional actors, such as the non-profit sector. In February 2021, intensive online workshops with representatives of municipalities and SMEs took place, but these are related to information webinars on the funding possibilities of the JTF. Active involvement of actors is expected through the collection of ideas and documents in the regions. In this state of governance, we consider the activities of regional working groups and the involvement of regional actors to be more important. However, the Transformation Platform should be the entity that defines the expectations from the transformation process, defines the activities leading to the fulfillment of these goals, and activate the territory and monitor the development of type activities during the implementation of the JTF. In this context, the TA team assumes that the proper use of the potential of the Transformation Platform is a challenge for the further formation of the JTF governance process.

Regarding the status of underlying documents, the distribution of responsibilities has not been clearly defined to date, but as mentioned above, the competencies of the relevant entities will be set in connection with the experience of the OPE implementation within the ERDF. Decision-making mechanisms will be shared between the Transformation Platform and the classic model of managing the operational programme through the Managing Authority (MoE), the Intermediate Body (SEF) and other beneficiaries. The only point of conflict may be the selection and approval process of large strategic projects that will be included in the TJTP and approved by the EC, while implementing bodies (SEFs) will then administer these projects. This means that the selection of these types of projects will not be entirely within the direct competence of key implementing entities (i.e. Managing Authority and Intermediate Body).

The following sections briefly identify some specific issues related to the governance process (ongoing process of designing the arrangement of power sharing and decision making). The issue of governance is examined in the broader context of Just Transition, not by only taking the programming documents into account (e.g. reflection of previous experience with the implementation of regional operational programmes in the Czech Republic).

Coordination of diverse interests at different levels: national vs. regional vs. local

The concern by project stakeholders is that OPJT funding will effectively be redistributed within the three priority regions, who may consider the interest of strong interest groups (e.g. large regional stakeholders) instead of the real development needs of the regions. The regions are perceived by stakeholders as the bodies that will take decisions about the project selection. In this case, the JTF implementation would be shared by complex multilevel governance structures of bodies with different responsibilities. Monitoring and evaluation will be necessary to keep leadership and balance in power and influence.

This balance of power in favour of regional authorities (decentralised governance model) was indicated in the recommendation of the coal commission from 4 December 2020: The coal commission “...*(5) recommends to the Government of the Czech Republic to keep the territorial designation of the Just Transition Fund for Coal Regions (Moravskoslezský, Karlovarský and Ústecký regions), where approximately CZK 42 billion are to be allocated, and that there should be preferential treatment within the Modernisation Fund for coal regions (the overall allocation in the Modernisation Fund is more than CZK 120 billion) and at the same time that investments in public infrastructure from the IROP, RRF and OP TAK²⁸, business support should amount to at least CZK 40 billion in the territory of coal regions.*”

At MoE working group meetings in December 2020, the regions presented their project pools. The estimated financial need is more than 500 billion CZK:

- Moravia-Silesia (270 bn. CZK)
- Ústí (177 bn. CZK)
- Karlovy Vary (70 bn. CZK)

This may indicate strategic behaviour of the regions resulting from the uncertainty about the allocation mechanism of funding among priorities/regions.

Details on the balance between the national and regional level of the decision-making process can be assessed based on analysis of the OPJT. The preparation of the philosophy of a Just Transition is the responsibility of the Transformation Platform. MoRD and MoE retain leadership and responsibility for the implementation of the overall philosophy of the Just Transition, and proactively manage the transition, which means that MoRD in particular should manage the coordination of the Transformation Platform and the interests of regional actors very well. They must retain control over the lay-out of decision-making processes across diverse agencies. This model of **distributed administration** may be effective for strategic management and leadership. The government's role is indispensable in the design of innovation and industrial policy, and for the next period, the government has a key role in the use of the funding sources as complementary and coordinated system.

Another important task of the central governmental institutions is the promotion of regional networking and access to technical assistance. Shifting decision power only to regional authorities has two warning examples in the context of coal regions, where the risk of political corruption or regional clientelism is still perceived as very high.

²⁸ IROP – Integrated Regional Operational Programme (Integrovaný regionální operační program), RRF – Recovery and Resilience Facility (Nástroj na podporu oživení a odolnosti), TAK – Technologies and applications for competitiveness (Technologie a aplikace pro konkurenceschopnost)

- The **Nupharo Park** near the city of Ústí nad Labem was presented as a modern innovative technology centre. Funding of 300 million CZK was provided by the Ministry of Industry and Trade. However, the story ended with insolvency, investigating politicians and the indictment of former representatives of the Nupharo Park.
- **Regional Operational Programme North-West** (Severozápad) from 2007-2013 is another example of a poorly managed programme on the regional level (in the Czech Republic, ROP Central Bohemia and ROP Southwest also had corruption problems and regional clientelism). The system was purposefully set up so that, if necessary, the order of the winning projects could be manipulated and thus the funds drawn from the European Union could be unfairly distributed. This case concerned the politicisation of management and auditing bodies of the Regional Operational Programme in the programming period 2007-2013. The consequences were dire: provision of subsidies and granting of public procurement contracts to a narrow circle of people who were probably members of local clientele groups. The grants and public procurements significantly exceeded CZK 1 bn. The case illustrates the politicization of public administration, conflicts of interest, non-transparent assessment of project applications and other misconduct.

Decision-making process

The coordinating role of MoRD and MoE is displayed through the meetings (and protocols) of the transformation platform and MoE working groups. The four working groups include members of other ministries. During autumn 2020 and early 2021, a process of co-operation and consultation took place, focusing in particular on the exchange of information on the preparation of other ESIF-funded operational programmes and discussions on potential overlaps with other JT operational programme. The decision-making process in this phase was technically oriented on the coordination among operational programs, which, however, corresponded and corresponds to the state of negotiation of the relevant EU legislation. It is therefore to be expected that key strategic activities will be launched once EU legislation is fully adopted. The TA team evaluates the setting up of decision-making processes and the division of competences at the JTF level as corresponding to the requirements of the proposal of "Regulation establishing the JTF".

In the current planning phase, the role of the regional authorities is focused on coordination and information at the regional level and the collection of project ideas, which are presented to MoE working groups for discussion about their eligibility and alignment with the JTF regulation. However, it should be emphasized that at the beginning of February 2021, the first draft of the selection criteria for JTF projects was presented by the MoRD for the TA team, and discussions and comments were subsequently held on it. This agenda will require a very careful approach in preparation, because the criteria are generally based on the assumptions for JTF funding, however, the specification of partial parameters for individual criteria are not fully resolved.

Representation of different sectors, balancing of different interests

In the current stage of strategic document design, conflict between sectors has not manifested. The coordination between operational programmes is not connected with clear financial limitations in the context of project funding needs. However, potential conflicts might emerge, such as:

- **Small vs. large enterprises:** according to findings from the semi-structured interviews with representatives of MoE and MoRD, the interests of small enterprises are not endangered in the JTF programming process because the list of large projects for funding is a condition for TJTP approval by the EC. The needs of small companies will be ensured by direct financing according to the set allocation for the given priorities. However, the TA team still perceives as a risk a matter of the process of pre-selection of large projects, which, according to the documents submitted by the coal regions, are not yet well argued in connection with the transformation story.
- **Innovation and digitalisation:** in this potential conflict, the problem concerns the understanding of the key priorities of the JTF in practice and their fulfilment by specific projects. JTF regulation distinguishes on the one hand investment in innovation activities, on the other hand it also mentions in a separate section digital innovation in the section digitization. These issues will make partial complications in the final setting of programme documents for the JTF, including the definition of possibilities and limits of evaluation of supported projects in the given topics.

Priorities of the economic policy and the coordination among funding sources

In the next years, the Czech economy may absorb a huge amount of public funding via various streams (RFF, Modernisation Fund, Just Transition Fund, etc.). The estimated amount will reach hundreds of

billions CZK. For coal regions, it may be the last opportunity to use public funding for their restructuring. In particular, the grant elements of the transition process will most likely not be repeated on such a financial scale, not only from the EU but also from national sources. In the long run, an emphasis on financial instruments can be expected in public expenditure programs, i.e. repayable forms of financing, which may combine subsidy elements, however, the level of availability of public resources for grant financing will rather decrease in subsequent programming periods.

The priority of economic policy at the national level in this regard should be to significantly strengthen the strategic approach to the economic reforms. It is crucial to develop those abilities, evaluation capacities and deploy rigorous data and analytical tools such as cost-benefit analysis, systematic reviews and spending reviews in institutions of public administration at both the national and regional level.

Project development capacity and access to technical assistance

The experience of Slovakia and the first observations from interviews with representatives of SMEs indicate the necessity of specific support for capacity development in SMEs (via TA) and dedicated calls for SMEs with less requirements due to the smaller project sizes. According to information of MoRD representatives, it is possible to expect that SMEs could be supported through grant schemes with simplified requirements and other adjustments that would make managing easier. In addition, MoRD cooperates with International Sustainable Finance Centre (ISFC). One of their aims is to provide SMEs with a simple overview on the JTM. This approach can be assessed positively within the framework of governance as it creates the basis for easier access of SMEs to JTF funding, and thus opens the potential to achieve the set objectives.

The findings from interviews of the TA team with NGOs and SMEs indicate a lack of basic knowledge about the Just Transition Fund. The problem of project development capacity by small actors was observable in the structure of project ideas presented by regional authorities at the working group meetings of MoE in December 2020 – the share of SMEs in the pool of project ideas was very low. This situation is expected to change significantly during February and March 2021, when informational webinars are held for these regional actors, and there is also an emphasis on the part of coal region representatives to gather ideas for shaping the transformation story.

The role of stakeholders in governance

Stakeholders play a key role in effective governance. This requires the following principles:

- **Transparency:** full disclosure of financial and non-financial information. This principle is especially important in the process of selecting strategic projects, which must be approved by the EC, and also by setting transparent criteria for the selection of other projects in individual priorities.
- **Accountability:** ensuring that governing bodies are effectively overseen and, where necessary, replaced by appointing a different independent and competent governing body. This principle is key to the proper functioning of the links between the national and regional levels in the JTF governance model. The Managing Authority of the OPJT should have the competence to influence not only the administration of the program, but also strategic issues and especially potential conflicts of interest (see above - national vs. regional vs. local).
- **Fairness:** equitable treatment of all impacted citizens. In this context, it is necessary to emphasize in particular the weaker involvement of the non-profit sector in the Transformation Platform, and thus the weaker degree of reflection of citizens' interests.
- **Responsibility:** ensuring the government fulfils its proper role in society. This principle applies not only to the national government, but also to regional governments (councils), which directly decide on the setting of the transformation story, which can be compiled responsibly only if the interests of all regional stakeholders are adequately represented.
- **(Monitoring of) Effectiveness:** ensuring that progress toward the objectives and targets of the Just Transition Process is measured, reported and made available to stakeholders in an accessible format to enable their critical review. The basic framework for evaluations is set out in the JTF Regulation and its annex. However, evaluation is a complex process that requires a very well-set intervention logic from the beginning so that it is possible to verify the course of implementation and evaluate effectiveness.

2.3.1.2 Preparation: Territorial Just Transition Plan

The TJTP preparatory process continues in connection with the already submitted interim versions of this document (see the version v 1.4). In January and February 2021, there is an ongoing collection of suggestions and documents in the regions. The main contact point is the RPCs while suggestions can

also be sent directly to MoRD. This process is accompanied by the already mentioned cycle of webinars for municipalities and SMEs. MoRD has also prepared a single information point on TJTP issues, i.e. www.dotaceeu.cz/uhehneregiony. Representatives of MoRD also continuously consult the process of preparation of the TJTP with the representatives of the EC in connection with the specification of the scope of the information provided in the prescribed structure of the given regulation to the JTF.

In terms of the preparation of documents in the interviews, it turned out that the Moravian-Silesian region is very well prepared and has an advantage in the preparation of key documents. In the case of the Karlovy Vary region, there was a certain delay in the preparation of key documents in the third quarter of 2020. This was due to regional elections, as a result of which the leadership of the Karlovy Vary region changed completely. Consequently, it took some time before the new political representation became more involved and gave a more concrete idea of the way forward to its officials at the regional office.

From the documents of particular coal regions, which they presented on the Transformation Platform in December 2020, some findings emerged, which are reflected in this section. Representatives of the affected regions presented the current situation and the process of collecting project plans. In terms of clarity of key pillars and individual projects, the Ústí Region had the best presentation. However, after further in-depth study, the documents did not show a clear definition of pre-selected investment projects. As a result, the context of the region's transformation story also vanished.

The Karlovy Vary region presented project proposals (fiches) in 11 thematic areas, which are accompanied by a group of so-called unclassified projects. From the perspective of the TA team, this approach seems fragmented and insufficiently argued. The composition of the addressed subjects is satisfactory, although the list may lack a larger representation of the non-profit sector.

The Moravian-Silesian region presented its idea of a transformation story, which can be understood, but it is not possible to clearly link some points of the transformation story to the Strategy of the Moravian-Silesian region and to the RE:START programme. In principle, a more detailed description is missing, for example in the topic of Green Industry, the topic "Innovation engine can be combined with entrepreneurship according to the region's strategy of land use " although there is a clear community and business concept in land use change.

With these issues in mind, the TA team will have to monitor some issues very carefully in the coming weeks and months and evaluate them on an ongoing basis. It is mainly a selection of strategic projects – i.e. balancing the TJTP in the setting of supported activities and especially the corresponding support for SMEs and other areas. From a governance perspective, this mainly concerns the evaluation of processes that are connected with the functioning of thematic working groups (delegates of ministries and regions) and further according to regional working groups and regional platforms. Based on the results of their work, the final materials for the conceptualisation of the transformation story at the level of the Transformation Platform will be formed.

2.3.1.3 Implementation: Operational Programme Just Transition

According to the information provided by the MoE working group meeting on 14 December 2020, the OPJT will have probably three priorities represented by the three coal regions. Each coal region will have its own allocation to limit the risk that other coal regions will deduct the financial allocation for a given coal region. In February-March 2021, MoRD will specify the criteria on the basis of which the JTF allocation will be divided into individual coal regions in the Czech Republic. It is appropriate to use a multi-criteria approach in the calculation, which will include not only the population but also other criteria relating to employment in the coal sector, the chemical industry, GDP per capita, research investment rates, etc. A multi-criteria approach will ensure a fair distribution of the financial allocation between the coal regions.

In the case of OPJT, the implementation of the governance model is based on the experience of MoE with OPE. Both programmes (i.e. OPE and the new OPJT) can use synergies and share cross-cutting agendas (e.g. monitoring system, methodological management, etc.) in their implementation structure, which should lead to significant savings. However, a number of agendas are non-transferable and the main challenge in terms of administrative capacity therefore remains to ensure sufficient administrative capacity for the new programme.

In addition to this central structure, it is necessary to involve representatives from the affected regions as well as the managers of the individual supported areas. The second important challenge is therefore to set up a functional mechanism for the involvement of relevant actors from the state and public administration in the administration of the programme. In this respect, it is possible to build on the

experience of the implementation of the Integrated Regional Operational Program, which also has a broad focus.

The management of the new programme will need to be based on both the long-term know-how of MoE, which has managed EU funds since 2004, and the experience of other institutions that implemented coordination activities between individual ministries (horizontal forms of management) and at the regional level (vertical forms of management).

The TA team considers this experience to be important to achieve success in the implementation of the OPJT. Where priorities fall outside the responsibility of MoE, it will be necessary to agree on the institutional participation of other suitable government agencies, which will administer the framework allocations in the role of beneficiary. In the case of soft skills and its support within the labor market, it seems to be the best possible cooperation with regional labor offices. During an interview with MoE representatives, it emerged that regions that would operate on a similar principle could also be a suitable "beneficiary." At this stage, however, it is not possible to provide a clear conclusion on the possible institutional set-up of the JTF with regard to the unclear thematic focus of the OPJT. Given that MoRD plans to finalise the TJTP by end of April – mid-May 2021, a more specific institutional structure of OPJT governance will be formed around the end of April or in the first half of May 2021.

As part of the monitoring and evaluation settings, the Managing Authority will be strictly based on the JTF Regulation and its Annexes, which include the relevant indicators. According to the findings in the structured interviews, it turned out that the Managing Authority will not have the ambition to expand the significantly defined list of output and result indicators. The impact indicators are not addressed in any way by the JTF draft regulation. Output indicators are calculated according to financial allocation. If similar measures were implemented in previous programming periods, it is easy to calculate the expected scope of the output indicator (e.g. number of enterprises, tonnes per year, etc.). A similar approach can be applied to result indicators. However, here it will be necessary to perform more detailed analysis of the potential fulfillment of the given indicators. For result indicators, there is a problem with their unclear definition (e.g. while the indicator "patent applications submitted to the European Patent Office" has a clear and verifiable measurement - number of applications, the indicator "users of new digital products, services and applications developed by enterprises" measured by number of users needs clarification since it is not clear how such an indicator will be measured at the project level and preferably aggregated at the programme level). It is not clear who will be accepted in the given indicator as a user, i.e. whether the user will use the given output once, how often, etc. In any case, it will be necessary to make an in-depth analysis of the current practice for similar indicators in the given operational programmes so that it is clear what can be achieved for a given financial allocation.

2.3.2 Pillar 2: Dedicated Scheme under Invest EU

In the D2 first draft report, the TA Team further elaborated the basic options for Pillar 2 governance, which were proposed by MoRD in October 2020. The elaboration was based on a proposal to use combinations of these options and the possibility of applying standard InvestEU conditions where without further restrictive rules it will be possible to support preferred activities across regions, including the three coal regions. These contexts and issues were further discussed with a representative of the CMZRB and the EIB in February 2021.

An assessment from the point of view of CMZRB, EIB and the project TA team is presented below for individual implementation options:

- 1. The EIB or ČMZRB will directly finance the Czech private sector** and large enterprise projects contributing to a Just Transformation in the concerned regions. In this case, the EIB or ČMZRB may directly select projects to provide low-interest loans and similar financing favoured by the InvestEU funding scheme guarantee.

Assessment of governance option 1 (for Pillar 2):

In essence, ČMZRB is moving towards this variant, and therefore the above-mentioned pillar assessment for this institution is ongoing. However, it was clear from the discussions that the financial amount of guarantees for other implementing partners will be low (with the exception of EIB). In this model, the EIB will administer 75% of the range of guarantees with the remaining 25% provided by other actors. The first call will be about CZK 120 bn. (e.g. EUR 4.5 bn.). However, there are 130 implementing partners in the EU (e.g. EBRD, national banks in Germany and other countries). Therefore, it can be expected that CMZRB could play the role of implementing partner and administer an estimated maximum of CZK 1-2 bn. (e.g. EUR 77 mn.).

It is necessary to emphasise that CMZRB does not use any of its free resources and is therefore able to connect only to the mentioned funds in InvestEU. This is a capacity problem for the needs of supported coal regions. For example, the Moravian-Silesian region identified projects worth CZK 100 bn., but CMZRB would be able to offer a maximum of CZK 1-2 billion in this scheme. This option could be focused on several types of projects, i.e. brownfields, modern spaces, green energy - which represent just a typical EU project for EU-Green Investment Facility. Although this option is still at an early stage, it can be assumed that CMZRB will be active in this governance option. However, the overall scope and impact of the loan guarantees provided will be rather small.

- 2. The EIB will finance the Czech private sector indirectly, through facilitated financing.** In this case, it will choose financial intermediaries in the concerned regions, such as ČMZRB or commercial banks. These institutions will create a portfolio of new loans for SMEs that will contribute to a Just Transition.

Assessment of governance option 2 (for Pillar 2):

Given that the EIB will provide 75% of the total amount of guarantees, the available credit facilities for the relevant financial products will be many times higher in this option. However, other commercial banks could also operate in this variant, i.e. any bank can be a potential financial intermediary. In this sense, CMZRB has a good starting position as it cooperates within the COSME²⁹ programme. In this option, the EIB would have a strong position, which would depend on how EIB ultimately chooses to work with financial intermediaries. This option seems very likely for implementation but will depend on what the EIB offers to financial intermediaries. Following a semi-structured interview with EIB representatives in February 2021, it emerged that the potential envelope that the CMZRB could potentially acquire in this option was not specified. The EIB's usual approach is to provide multi-beneficiary brokered loans to SMEs. In the opinion of the TA team, however, the potential of CMZRB in this option is substantial given their previous experience and the degree of development of the financial instruments used.

- 3. The EIB or ČMZRB (after granting the pillar assessment) will enable risk-sharing** (through the provided guarantee by InvestEU) to increase the capacity of the national support programme managed by an entity other than commercial banks. It can be an existing or newly created programme. The relevant national programme must be financed from national resources. The guarantee from InvestEU will mobilise additional private and public resources and increase the available amount of funds in the national support programme.

Assessment of governance option 3 (for Pillar 2):

CMZRB has also dealt with this governance option for a long time, and according to the regulation, they would be obliged to select financial intermediaries in an open and transparent manner (i.e. it must be an open call to commercial banks for instance). However, how the final rules and conditions of InvestEU will be set remains open to debate. According to interviews with EIB representatives, this option is possible and will primarily depend on the readiness of the relevant programmes and in particular the specific projects (including their quantity and financial scope). Nevertheless, this option is feasible and can be considered realistic. However, the TA team states that the willingness of other operational programmes or other national programmes to support Pillar 3 projects will be minimal, and for this reason it cannot be assumed that this option will actually be implemented.

- 4. Governance option of widespread application of InvestEU conditions in the Czech Republic**

Assessment of governance option 4 (for Pillar 2):

This option assumes the possibility to set InvestEU conditions across the board for all regions in the Czech Republic without further restrictive rules, including the three coal regions. According to an interview with EIB representatives in February 2021, it turned out that this option is the only one they envisage for implementation so far, i.e. no restrictions on Just Transition territories (NUTS 3) to benefit from investment. In such a variant, the TA team assumes that implementation problems would be significantly reduced and time delays would be eliminated. However, it is still valid that according to a proposal Regulation COM (2020) 403 final, establishing the InvestEU Programme, page 7 states the following: *“The InvestEU Fund will also provide for a dedicated*

²⁹ COSME is a multi-annual programme for the competitiveness of enterprises and small and medium-sized enterprises 2014 - 2020 is a European Community programme aimed at supporting the competitiveness of European enterprises.

scheme to generate additional investment to the benefit of Just Transition regions (pillar 2 of the Just Transition Mechanism) in complementarity with the Just Transition Fund (pillar 1) and the public sector loan facility (pillar 3)." Thus, a special dedicated scheme for coal regions is still possible to implement.

This option would have two key advantages: simplicity of setup and the inclusion of companies that have their headquarters in regions other than the affected ones. Even from the point of view of CMZRB, this is a better general approach that would solve the regeneration of brownfields. Although it would be easier for CMZRB, they perceive this as a problem of potential disadvantage. In addition, CMZRB does not have the capacity to examine, for example, investment opportunities in the concerned coal regions.

Thematic governance issues

In terms of the thematic involvement of CMZRB in the InvestEU programme, all four policy areas of the programme were discussed, i.e. sustainable infrastructure; research, innovation and digitisation; SMEs; and social investment and skills. CMZRB will not engage in the policy area "research, innovation and digitisation" because in the Czech Republic this is sufficiently addressed by funding applied research projects from programmes of the TACR - Technology Agency of the Czech Republic. Moreover, these activities are not financed by a repayable form of support. In the case of SMEs, products that show high added value would have to be very well specified. The CMZRB business model is highly conservative. Therefore, CMZRB assumes an active approach to infrastructure financing and also for SMEs, for which financial products must be clearly specified. Other thematic issues (sustainable infrastructure, social investments and skills) of InvestEU are also feasible for CMZRB. However, CMZRB has less experience with financing such products. Nevertheless, CMZRB is ready to fully address these topics within InvestEU in the new programming period 2021-2027.

2.3.3 Pillar 3: Public Sector Loan facility

As follows from the description of state of play (see Section 2.1.4), the governance model for the grant part of Pillar 3 will most likely include a strong position of the EC and its agency INEA. Although the TA team will continue to pay attention to this part of Pillar 3 in guided interviews, at this stage we do not anticipate a stronger involvement in the implementation of any Czech public administration institution.

For this reason, in this section, the TA team focuses on the assessment of possible governance options in the loan part of Pillar 3. However, this assessment must be perceived in the context of existing knowledge and ambiguities, which will only be resolved after the approval of the necessary legislation (tentatively in the second half of 2021). In this version of the report, the TA team therefore offers a basic evaluation of the four possible forms of setting up the credit part of Pillar 3, which is based, inter alia, on the document MoRD (2020, p. 10):

1. EIB - Ministry of Finance

Assessment of governance option 1 (the loan part of Pillar 3):

The centralisation of the provision of loans through the Ministry of Finance (MoF) and their redistribution to the concerned regions is neither necessary nor considered. Instead, MoF will play a coordinating and informational role. MoF will also actively participate in the discussion on the EIB Board of Directors, in the preparation and approval of the relevant implementation document. Of course, the acceptance of a loan directly by the state through MoF is also not ruled out in the event that the state budget directly contributes to the support through subsidy programmes and the loan conditions would be more favourable compared to the government bond market.

2. EIB - CMZRB

Assessment of governance option 2 (the loan part of Pillar 3):

Although CMZRB has experience with specific financial products for municipalities, it is not to the same extent as with SMEs. According to an interview with a representative of CMZRB, it turned out that the public sector does not yet clearly fit into their main activities. However, in the long run, they aim to assume a stronger focus on the relevant public sector entities. From this point of view, the governance option of the CMZRB for the loan part of Pillar 3 seems less feasible in the short term. From a long-term perspective, it would be appropriate to consider a more intensive involvement of CMZRB in lending activities for the public sector, so that, for example, the implementation structure of financial instruments in the Czech Republic can be simplified overall.

It would be a so-called “**one-stop-shop approach**,” in which CMZRB would operate as the main actor. According to the CMZRB representative on this concept, it has long been trying to direct its activities so that in the future this institution will become the center of financial instruments in the Czech Republic. However, there is a problem related to the overall scope of the relevant activities and the need for a more significant expansion of human capacity in the administrative process. This would require the consent of the institution's three key shareholders, which are MoRD, MoF and the Ministry of Industry and Trade. However, in the opinion of the TA team, it is clear that in the long run, institutional fragmentation will require additional demands on coordination and implementation clarity.

3. EIB – State Fund (e.g. SEF)

Assessment of governance option 3 (the loan part of Pillar 3):

In the current constellation and readiness of potential relevant institutions, this option appears to be the best possible in the short-term. SEF has long-term experience with the administration of not only grants but also loans for the public sector and has also focused on financial instruments in the past. Specifically, it has experience with the application of a financial instrument under the Operational Programme Environment 2014-2020, which was a loan from European funds that could be combined with a subsidy from SEF funds. However, these were only a couple of supported projects. Therefore, one disadvantage of this option is the level of experience with these SEF tools. It should also be emphasised that SEF has not cooperated with instruments administered by the EIB, which could also limit the success of the implementation of this option. It is therefore evident that when choosing this option, it will be necessary to significantly support the administrative capacity of SEF within the TA assignment to address the implementation of the loan part facility of the Pillar 3.

4. EIB - regions (territorial administrative unit)

Assessment of governance option 4 (the loan part of Pillar 3):

This option can clearly be considered only as a theoretical option. In the case of the coal regions, only the Moravian-Silesian region is prepared for this option. In the past, this region was active in the preparation of the conditions of the JESSICA initiative, and therefore it can be assumed that the employees of the regional office have experience issuing financial instruments. By contrast, in Karlovy Vary and Ústí, such experience does not exist, and therefore this option is out of the question in their case.

In the Pillar 3 of the JTM, the preferred form of contracting modalities is unknown by the EIB at present. For example, credit lines with individual affected regions, a national scheme with a state fund or CMZRB are possible. Lending the EIB to the public sector will be a standard banking administration procedure. In terms of implementation settings, the involvement of CMZRB or SEF in the role of an intermediate body is being considered. The previous OP Environment used SEF to provide the ESIF financial instruments. A semi-structured interview with EIB representatives in February 2021 revealed only a general assumption that contractual conditions would most likely be the same as for normal EIB lending, and that the grant would be provided separately from the loan by the EC. EIB representatives also emphasised that Pillar 3 is still very unclear at this stage. In their view, the crucial role will be to prepare the relevant projects that meet the eligibility criteria of this pillar. The EIB's internal view is that Pillar 3 is more attractive for municipalities with good governance that lack access to EU structural funding.

Risk factor for setting governance Pillar 3 - lack of experience with the combination of grant and credit elements

A major institutional risk to effectively set Pillar 3 governance is the lack of experience in the Czech public administration with the model of financing, comprised by a combination of a grant and soft loan. The combination of a grant and a soft loan was too complicated in the previous programming period, and therefore this approach was not widely applied in the Czech Republic (only a few units of projects by SEF). For this reason, there is no experience with it in the Czech Republic (disregarding the option of paying interest on loans, which does not represent the above combination of subsidy and loan). In the 2014-2020 programming period, the problem was mainly in the complex reporting of combined financing. The question is therefore to what extent the newly prepared system will be simpler on the part of the EC so that these are two separate operations and that the grant element is not subject to strict administrative processes, including no retrospective controls, which are common in ESIF grant management.

Whichever option for Pillar 3 governance is chosen, there is some risk of a significant time lag in preparing such a system and aligning with the institutional part of the Pillar 3 grant element. According to the experience of the TA Team, it takes approximately 12 to 18 months to set up a new financial instrument. This applies to institutions that have sufficient experience with such instruments. According to the findings in an interview with a representative of CMZRB, this finding and potential risk was confirmed, so the selected institution should have sufficient experience and be prepared for an intensive preparation of this tool and its implementation.

2.4 Review of best practice examples regarding governance

2.4.1 Slovakia – Upper Nitra

The Just Transition Plan for Upper Nitra (official name - Transformation Action Plan of the coal region Upper Nitra) was approved on 3 July 2019. It was prepared by a consulting company for the office of the Slovak Deputy Prime Minister. It has already been approved by the regional parliament of Upper Nitra.

The newly established MoRD is now coordinating the work on the TJTP for Slovakia, which will include Upper Nitra and three other regions.

Lessons learned from the governance and stakeholder engagement in the Upper Nitra region:

The governance process of the preparation of the Transformation Action Plan for the coal region Upper Nitra was developed using a bottom-up approach and direct involvement of citizens from the region:

- The mayor of Prievidza (the central town in Upper Nitra) published a call for participation in the consultation process for the design of the Action Plan on the town website (the call was accompanied by material about the Just Transition Agenda in the context of the region). Sixty people responded to the call and later became members of the four working groups that have contributed to the draft of the Action Plan.
- The process and updates were continuously published on the website for the wider public to follow.
- A series of on-site public hearings followed with all relevant information published in advance on the website and the hearings were streamed live.
- The analytical work was supported by the Slovak academy of Science – Institute for Forecasting (expert R. Filčák). Using the analytical outcomes of a study by the Slovak Academy of Science, the Slovak Ministry of Economy launched a specific call to support SMEs.³⁰
- The local initiative in Upper Nitra started against the will of the government and large mining companies (who captured public subsidies for coal mining). “The government at the time supported mining, and the mining company claimed that talking about the end of mining in the region was ‘false and demagogic and threatening 11,000 coal-related jobs’. HBP went so far as to urge politicians to ‘stop this discrediting campaign against the company’.”³¹

The driving forces of this bottom-up process were local politicians (e.g. mayors) supported by local NGOs. They became active months before the public authorities (on regional and national level) got involved in the process. The above described governance model of cooperating municipalities, NGOs, consulting company and academia and the active inclusion of citizens was perceived as very successful.

In 2018, the Office of the Deputy Prime Minister for Investment set up its own Working Group for the Preparation and Implementation of the Upper Nitra Region Transformation Action Plan.

The two structures developing Action Plans – the local working groups in Upper Nitra and the regional one – worked separately until April 2018, when the government finally acknowledged the locally-developed Action Plan as the basis for the final plan, to be completed under the auspices of the Deputy Prime Minister’s Office. The two parallel initiatives started to cooperate.

The main achievements and lessons learned that apply to the Czech Republic include:

³⁰ REGIO INTERNAL update 20/11/2020.

³¹ [From local initiative to national strategy: how citizens in Upper Nitra took control of their region's post-coal future : Just Transition \(just-transition.info\)](https://just-transition.info/)

- The participatory process involving citizens in the elaboration of transformation vision has been accepted and incorporated into the elaboration process of the regional Just Transition Plan,
- The first calls for SMEs have been announced.

2.4.2 Germany

The German parliament adopted the country's coal exit law in July 2020, 18 month after the multi-stakeholder coal exit commission recommended an end to coal-fired power generation in the country by 2038 at the very latest.

The coal exit law sets out the roadmap for shutting down the country's remaining coal power capacity, distinguishing between the pathways for lignite and hard coal.

It also settles compensation claims by coal plant operators and paves the way for economic support programmes in coal regions worth 40 billion euros.

The restructuring process in coal regions in Germany is governed by the processes and instruments of the regional policy, which is historically characterised by a top-down approach, with the national-level governments acting as initiators and thus responding to their obligations under the Paris Climate Agreement.

However, the regional governments are aware of the importance of bottom-up inputs providing new insights and place-based solutions for the restructuring process.

There are two inspiring examples of new governance modes in designing the strategic vision of regions using the participatory processes on the regional and local level:

Lusatia: the task of a project of the Leibniz Institute of Ecological Urban and Regional Development in Dresden (www.ioer.de) is to coordinate the analytical work to characterise the socio-cultural, respectively socio-political conditions and challenges at this early stage in the process. Using a qualitative research approach that includes participatory observation, interviews and a stakeholder workshop, the project team of IÖR institute investigates the functions of guiding principles in the political process. New ideas for the future development should provide input into the political decision process.³²

Rhine region: The regional agency (Zukunftsagentur) collects ideas for the further development of the economy and restructuring programme of the region from the citizens and aims to establish a participatory structure for the next future.³³

Lessons learned regarding governance from the region of Lusatia and Rhine region

- Established networks, identities and values are closely linked to the coal industry and seem to hinder new visions and a change of course in the regions by creating a lock-in situation. Instead, some regional actors are calling for a top-down structural change in the sense that federal and state governments should come up with a solution and press for the rapid resettlement of industrial jobs by external investors.
- Structural change in the coal regions requires regional development based on coherent strategies that go beyond the managerial approaches practised to date. The forms of governance need to be adapted to the requirements of a sustainable transformation. Strategic planning processes in the regions can both develop new visions and offer orientation in regional formation processes if they are able to create new networks and mobilise regional (niche) actors for sustainable transformation. Especially institutions responsible for regional development should create a dialogue-based framework, which offers orientation for generating creative impulses and act as territorially oriented initiators or supporters of endogenous innovation
- Regional authorities are aware of the pitfalls and challenges of the traditional models of regional planning. They have initiated processed (and provided funding) for participatory dialogue on the visions for future development.
- The outcomes of the participatory dialogue may set the priorities for the public funding and determine the criteria for the selection of projects.

³² Wissenschaftliche Unterstützung und Begleitung der Transformation in der Lausitz. <http://transformation-lausitz.ioer.eu/>

³³ Beteiligungsverfahren zum Wirtschafts- und Strukturprogramm. <https://www.unser-zukunftsrevier.de/>

- Regional actors are now participating in the strategic planning for a common understanding of the challenges and requirements, with the aim to have a shared vision for the future.

2.4.3 Toolkit Governance of Transition as guiding document

The European Commission Toolkit³⁴ provides a guide and recommendations for governance and stakeholder engagement. The messages are presented in a visually comfortable and educational way. The main messages include:

1. Governance of regional transition is multi-level and multi-actor.
2. The views of different actors are important.
3. The governance model is defined as "The arrangement put in place by a national or regional authority to deliver its coal transition strategy in a way that is effective within the broader governance context prevailing in the region." It must be closely interlinked with the policy cycle.
4. Stakeholder engagement is an ongoing process and should be derived from an active communication strategy.
5. Social dialogue and the involvement of civil society are key elements.

The Toolkit offers clearly articulated guidance on good governance and stakeholder engagement. Examples of good practice from Czech Republic are presented in the Toolkit and the underlying sources: RE:START strategy and South Moravia region.

2.5 Proposals and recommendations for the governance mechanism

2.5.1 Proposals for the Governance of the Just Transition Mechanism

2.5.1.1 Pillar 1 - Just Transition Fund

From the description of state of play (see Section 2.1.2) and from further assessment of Pillar 1 - JTF (see Section 2.3.1), the creation of the basic model of JTF governance structure is already prepared in the Czech Republic and is essentially just awaiting official approval from the relevant EU legislation in order to finalise the necessary strategic documents (especially the TJTP). For this reason, the TA Team focused on the sub-aspects of the governance mechanism in this section to ensure its proper functioning in the following areas of topics, which are defined in the Terms of Reference of this supporting evaluation project:

- Suggestions for roles and responsibilities of the main actors at the national, regional and local level established inter-regional networking;
- Decision-making processes;
- Arrangements for the monitoring and evaluation of the planned measures;
- Governance issues related to current project development capacity; and,
- Access of the technical assistance and finance.

Suggestions for roles and responsibilities of the main actors at the national, regional and local level established inter-regional networking

Although the basic model of governance for JTF has already been created, one of the **unresolved issues is the precise definition of the competencies of the bodies involved**. A system of competencies for implementing bodies inspired by the Operational Programme Environment (OPE) is likely to be applied (i.e. linking funding through the Ministry of Finance, MoRD coordination role, MoE management role, SEF administrative role). As of February 2021, in this standard ESIF model, it is not yet clear only the entities that will administer the framework grants in the role of Beneficiary. Some of these bodies will not completely fall within the competences of MoE/SEF. These are types of projects that focus, for example, on innovations in the corporate sector (e.g. the potential role of the CzechInvest agency) or soft projects related to the knowledge and qualifications of human resources (e.g. the potential role of regional labor offices). According to the conducted interviews, these ambiguities will be resolved during March and April 2021 at the latest. In addition, it should be emphasised that in the programming period 2021-2027, several funding programmes will provide support for incentivising development and restructuring in the three coal regions. The funding of the regions concerned will be comprehensive.

³⁴ Toolkit Governance of transitions. Design of governance structures and stakeholder engagement processes for coal regions in transition. Link: https://ec.europa.eu/energy/sites/ener/files/documents/governance_of_transitions_toolkit_-_platform_for_coal_regions_in_transition.pdf

Proposal: We propose to use the same model of OPJT sub-topics governance according to previous experience in IROP 2014-2020

Given that the individual supported areas of the JTF are not entirely within the competence of the MoE/SEF, it will be necessary to use the existing experience with the implementation of the IROP, in which the relevant public administration institutions were responsible for policies and implementation tools that fall within their material scope. As soon as the structure of individual priorities for coal regions is clearly determined, it will then be possible to determine specific material guarantors (respectively their departments or units), eg the Ministry of Labor and Social Affairs, the Ministry of Education, the Ministry of Industry and Trade, regions. In these cases, the guarantor will directly participate in setting the schedule of calls, guarantee their content, technical parameters, cooperate in OPJT evaluations.

In relation to regional/local and inter-regional networking, it plays a key role in the Transformation Platform, which should be transformed into the OPJT Monitoring Committee. While the competencies, importance and role of this platform are more or less clear, the TA team considers **the potential risk and problem in the structure of representation of key regional stakeholders in the Transformation Platform**. According to the interviews, the non-profit sector is not yet sufficiently covered and some details related to the functioning of this platform are not clearly defined.

Proposal: It is necessary to clearly define open questions regarding the functioning of the governance of the Transformation Platform during the spring of 2021

One of the important open questions is the need to verify the adequacy of the representation structure of relevant regional stakeholders so as to sufficiently ensure a participatory approach of these actors. Furthermore, it will be necessary to specify some elements of the system of operation of this platform, e.g. the form of participation will be clarified in the statute of the Transformation Platform. There is also a lack of an active participatory approach to the application of the partnership principle, e.g. through activation workshops in which it would be possible to verify the proposed variants of transformation stories of coal regions (not just information webinars for regional stakeholders).

Another bottleneck in relations at the national, regional and local levels is **the degree of reflection of different types of interest groups at the regional and local level in coal regions**. If this interest is not sufficiently reflected, it is possible to express a legitimate concern that the preparation and possible revisions of JTF and umbrella TJTP strategic documents will not be set correctly and thus the long-term trajectory of the transformation story may not be entirely appropriate and ultimately successful for the coal region.

Proposal: Establish mechanisms and incentives to support the cooperation of academia/research institutions, SMEs, NGOs and local authorities in the micro-regions in the setting the strategic priorities in regions (defining the "transformation stories")

Here, an approach using the experience of the Upper Nitra region and Germany (Lusatia) could be implemented that specifically integrates the views of locally affected municipalities, e.g. launching a call of expression of interest for local stakeholders to participate in shaping the Just Transition Agenda, especially for (1) the process of preparing the Just Transition Plan/regional action plan (for locally relevant activities), and (2) the implementation of the Just Transition Fund in the three coal regions.

Decision-making processes

According to the current activities of MoRD and MoE, maximum efforts are being made to make decision-making processes transparent at the national level. This can be easily demonstrated by the creation of a separate web section for coal regions on the national subsidy web portal. However, discussions with relevant actors have shown that **it is appropriate to further strengthen the agenda of transparency of decision-making processes in some sub-details** in order to optimally set the administrative capacity for effective programme management.

Proposal: Ensure conditions for efficient use and transfer of information, including maximum transparency of the functioning of the Transformation Platform

It is necessary to open up the process of functioning of the Transformation Platform so that it is as transparent as possible. For example, not only the minutes of the meeting should be published, but also other important information and documents discussed, which the

representatives of the platform work with. The process of publishing further outputs and conclusions of the negotiations should also be clearly set out. It is also not clear to what extent or how overall it can be understood that membership in the Transformation Platform is "open." These aspects should be clearly defined, together with the voting rules and anti-corruption mechanisms, in the statute and the Rules of Procedure of the Transformation Platform, which were to be approved (follows from the minutes of the TP meeting in December 2020). At the level of coal regions, there is also a need to strengthen transparency through a similar approach as mentioned above, i.e. the use of regional websites and the publication of relevant information from meetings of relevant regional platforms or working groups. TP activities in regional and national media could also be given more emphasis.

Setting up decision-making processes that relate to the selection of strategic and other projects from the OPJT, is one of the biggest challenges in the governance of Pillar 1. This topic includes two dimensions of issues. First, there are the envisaged framework criteria, which should be based on the draft JTF regulation and implementing regulations (top down influence). Second, the need to fulfill the transformation story of the coal region (bottom up basis) should be significantly reflected. At the beginning of 2021, MoRD already created the first working version of the *Methodology for data collection and the approach to the creation of TJTP*, which is the subject of the following proposal for improving governance issues.

Proposal: In the "Methodology for data collection and approach to the creation of TJTP," we propose to clearly specify in greater detail and test the criteria for selecting strategic and other projects financed from the OPJT in connection with a clearly defined transformation story. We also propose to develop a specification of selection procedures and structures.

The working version of the above methodology defines four basic areas of criteria through which the project plans will be evaluated (readiness, transformation potential, contribution to the fulfillment of energy and climate goals and the impact on employment). Partial details of these criteria are the subject of analysis by the TA team in D3 of this project. However, in order to ensure the proper functioning of JTF governance, it will be necessary to place more emphasis not only on the "transformation potential" of the project, but also on its contribution to the fulfillment of the transformation story. In this sense, the sub-criteria will have to be regionalized according to the OPJT priority (i.e. according to the coal region concerned). It will also be necessary to specify the selection process, which in the above methodology is only schematically represented according to the individual coal regions. However, it is not clear how the individual steps will be implemented. It will be necessary to test the evaluation process on pilot projects before launching the selection process.

Arrangements for the monitoring and evaluation of the planned measures

To ensure effective monitoring of OPJT progress, the Managing Authority (MoE) is prepared to use monitoring indicators, which are defined in the draft JTF regulation in the relevant Annex. As of February 2021, however, this issue has not yet been significantly addressed at the level of implementing bodies, which is logical, as the specific thematic areas that the OPJT will address are not precisely determined.

Proposal: As soon as there are clear supported topics in coal regions, which will be defined in the TJTP and then some of them will be reflected in the OPJT, we propose that the MA conducts its own internal analysis of these topics in terms of sufficiency to monitor specific progress of coal regions.

Although the JTF Regulation defines specific output and result monitoring indicators that the Managing Authority will make full use of, it will nevertheless be appropriate to consider the creation of other internal indicators, through which it will be possible to monitor in more detail the specifics of the transformation of Czech coal regions. These internal indicators will then help to interpret the achievement of results in specific matters concerning individual coal regions. Specific attention should also be paid to defining long-term impact monitoring indicators.

The planning process of setting governance of **monitoring and evaluation also includes the topic of ways to set milestones for monitoring indicators**. In the case of output indicators, the financial allocation and calculation of the expected scope of the output indicator (e.g. number of enterprises, tonnes per year) will be followed, as well as the result indicators, for which, however, it will be necessary to prepare additional input analyzes.

Proposal: In order to set the values of monitoring indicators, it will be necessary to conduct an analysis of the initial state and also current trends in the given topics

The initial detailed analyzes of the relevant indicators will be very important for setting milestones, the fulfillment of which will be assessed by the European Commission. In this sense, it will be appropriate to proceed according to similar measures in the previous programming period, analysis of the situation and potential demand in the given supported topics. These analyzes should also include clarification of any ambiguities regarding unclear definitions of monitoring indicators. The involvement of regional and local stakeholders in setting the transformation vision could contribute to the definition of targets of the interventions and drafting of selection criteria to for projects they have to contribute to the fulfillment of the targets set.

Advisory on the inclusion of smart dashboards: A central element of a sound governance is the information system. Here, our AI/ML experts could advise on the design of smart dashboards to **monitor and evaluate the planned measures** with the presentation of some representative use cases/best practices and in case a need appears advise on its design.

Proposal: For effective monitoring of projects and their impacts in coal regions, we propose the use of the SMART DASHBOARD FOR TJTP. A detailed description is given in Annex 9 to this report. It is summarised in Textbox 5.

The smart dashboard will be a key tool to effectively monitor the project and its impact in the regions. By tracking data from specific impact indicators, their progression and their consolidation, it will be possible to highlight critical situation, predict programme results, and understand the relative estimated impact of selected projects for the Just Transition.

Textbox 5: Smart Dashboards

Use of dashboards for supporting Just Transition

Dashboards can be a critical tool to monitor and report on progress and implementation of the transition to low-carbon scenarios. All information collected and centrally stored can support the continuous revision of policies, not only by drawing lessons from the status, but also by providing predictive progression based on status and, eventually, prescriptive analytics where data are used to determine near-term outcomes.

Another relevant value of smart dashboards is their ability to present descriptive information to several audiences, from central to regional government, to specific stakeholders to the public. This will ensure a transparent debate regarding the plan and the achievement of its goals, and foster engagement of all the stakeholders involved.

Integrating several indicators/plans

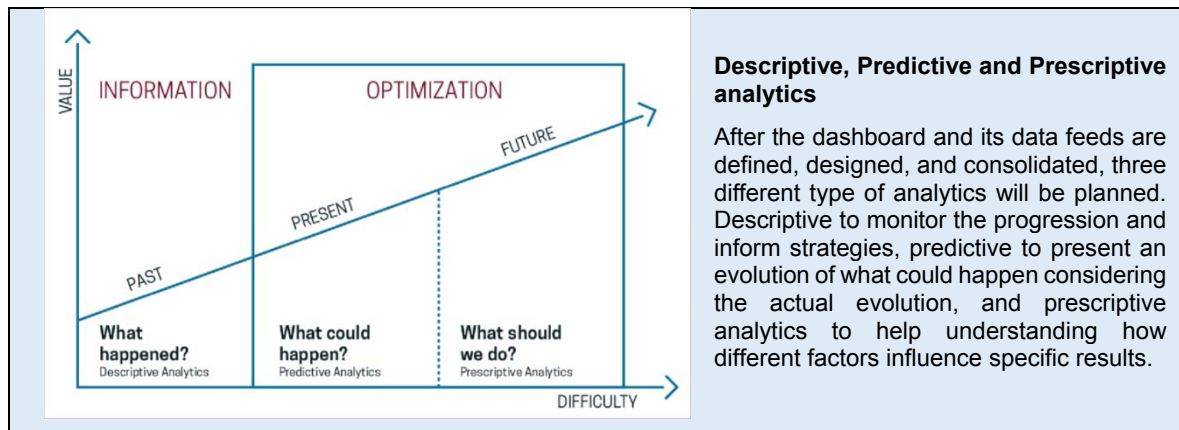
To effectively design the dashboard, **KPIs** that will be high-level or flagship indicators must be developed, such as GHG Emissions in specific regions, CO₂ per capita or renewal energy share in gross domestic consumption.

Next, operating areas of the dashboard need to be established: Energy, Transports, Industry, Agriculture, Employments and Forests could all be areas of the dashboard, but there could be other areas like Plan Sentiment to monitor and track reactions to the transition development in each region.

To structure and support the effectiveness of the information consolidated in the dashboard, analysis of existing data stocks or data feeds need to be considered and the integration of specific data streams should be carried out.

Data streams could come from several plans/measures and be consolidated in a single central dashboard that would allow understanding of the dynamics of each plan or specific measure.

Lastly, audiences will need to be engaged, and define which information to share, the level of interaction allowed, and data granularity or details.



Governance issues related to current project development capacity

Project development capacity has two dimensions. The first dimension concerns the absorption capacity of coal regions in selected topics, which can be financed from the OPJT. The second dimension concerns the readiness and ability of the project level to prepare and implement relevant projects corresponding to the transformation story of a given coal region.

The first dimension (i.e. absorption capacity) appears to be generally problem-free, which resulted from previous analysis carried out by MoRD, which were presented at the Transformation Platform in December 2020. This finding was also confirmed during semi-structured interviews with representatives of implementing bodies in January and February 2021. For this reason, the above-mentioned second dimension becomes more important, i.e. the readiness and ability of the project level for OPJT interventions, which will need to be supported.

Proposal: To ensure the improvement of project development capacity, it will be appropriate to implement the following activities, which will strengthen governance at the JTF project level:

- Emphasise intensive information promotion about the possibilities and provide specific details for the preparation of projects, including the compilation and updating of proven tools (e.g. frequently asked questions, sharing good and bad practice in the preparation of project applications).
- Announcement of calls, timely informing about their preparation (e.g. plan of announced calls for the next months/year, including indication of basic elements of expected requirements of calls).
- Advise on basic issues of project preparation and incorporation of financial limits for eligible costs associated with the documentation of the project application and its annexes;
- Support project development capacity of SMEs, NGOs, municipalities and other actors;
- Create a special task force/working group within the governance of the Transformation Platform's supporting entities to facilitate the strategic steps related to the OPJT implementation management at the project level.
- The TJTP preparation team and structure should intensify information sharing and mutual recognition in particular with Working Group 3 of the Coal Commission regarding the analysis of potential social impacts of the climate transition in the three regions, the design of effective measure promoting upskilling and reskilling in the overall strategy towards diversification of the economy.
- Involve civil society within the support of higher level of public awareness of EU funds and the JTM and OPJT.
- Provide specific financial and administrative support (Technical Assistance) for small actors to incentivize them towards development of project ideas.

Given that the JTF will have a small financial allocation compared to the needs of the coal regions, it will be necessary to map and identify the potential of other relevant resources for building the necessary project development capacity to meet the transformation trajectory of regions.

Proposal: The TA team proposes to map and identify the overall comprehensive potential of all available resources to fulfill the transformation story in order to use and develop project capacity in coal regions (especially the Modernisation Fund, RRF, ESIF and also a comprehensive analysis of the potential use of all three pillars of JTM)

For example, the Modernisation Fund focuses primarily on energy projects, and SEF has addressed the interest of applicants with potential projects. During Autumn 2020, approximately 10,000 applications were submitted, many of which are, of course, also from the coal regions. It is therefore appropriate to use this mapping and evaluate the relevant data in relation to their transformation potential in the regions concerned. The main advantage of the Modernisation Fund is that it enables the support of facilities in the emissions trading system without additional restrictions. At the same time, according to the law, the Modernisation Fund provides benefits for applicants from coal regions. Therefore, the Modernisation fund will play an important role in the coal regions. Similarly, it is appropriate to carry out a detailed analysis of the absorption capacity in the relevant ESIF priorities, which will be supported in the period 2021-2027 and will have a potential impact on the transformation of the coal regions.

Access to technical assistance and finance

To access and use funds for Technical Assistance, we propose direct support to strengthen project development capacity (see the relevant activities above) and to standard issues, which strengthen the functioning of the proper programme. These include the support of administrative capacities, the remuneration of employees involved in the preparation and implementation of the programme, education of the implementation structure, trainings, seminars, workshops, foreign exchanges of experience and also the activities of external experts.

2.5.1.2 Pillar 2 - Dedicated Scheme under Invest EU

Following the analyses, interviews and discussions between the Technical Assistance team and other stakeholders so far, **proposals for addressing Pillar 2 governance are ongoing**. However, the TA team can provide the prospect that any unresolved issue, as the legal environment is not clear, will be updated in D4 (e.g. for financing options) or in D5 (final report) as information becomes more specific.

For the implementation of Pillar 2 that targets projects for energy and transport infrastructure (with implementing partners other than EIB) and district heating networks, as well as projects on decarbonisation, economic diversification and social infrastructure, **we suggest a combination of options**. As the Czech banking sector is very strong, certain projects can be financed through the banks with CMZRB or EIB (for larger volumes) as second tier. Given other projects - larger, longer-term or complex projects that require blending could go through CMZRB and/or EIB in cooperation with other national programmes. **The combination of individual options also follows from the logic of their possible financial scope.**

The TA Team proposes a focus on deepening the following options in the next phase of preparations for the governance of Pillar 2 of the JTM:

- 1. The EIB will finance the Czech private sector indirectly, through facilitated financing (ideally by CMZRB).**

Proposal: Prepare and specify the main flow settings of Pillar 2 guarantees provided by the EIB

The InvestEU funding scheme does provide guarantees. Therefore the financial scope of the most important option will be where the EIB will finance the Czech private sector indirectly through facilitated financing. In addition to the EIB as the primary implementing partner (it will manage 75% of the budget from the InvestEU scheme), national development banks in all EU Member States will play a key role in the implementation (financial intermediaries). In the case of the Czech Republic, CMZRB is best prepared for this role. This option will also provide the largest funding under the guarantees provided.

- 2. The EIB or ČMZRB will directly finance the Czech private sector**

Proposal: CMZRB should start with the relevant actors the preparation and specification of products for the option of direct financing from InvestEU

The second most important option, which will certainly be implemented in the Czech Republic, is direct financing of the Czech private sector and large enterprise projects by CMZRB. With regard to the InvestEU conditions in terms of the share in the implementation of total guarantees in the EU, the financial volume of this option will be very low. However, experience with this form of financing will be very beneficial for the Czech Republic in the long run.

CMZRB should, in cooperation with MoRD, MoE and the regions concerned, start specifying products for direct financing from InvestEU (an option with an overall smaller financial scope).

3. Governance of widespread application of InvestEU conditions in the Czech Republic

Proposal: Consider a widespread application of InvestEU conditions in the Czech Republic

For the purpose of simplicity, we would suggest the widespread application of InvestEU conditions in the Czech Republic where, without further restrictive rules, it will be possible to support preferred activities across regions, including the three coal regions, especially in the initial phase of the programming period 2021-2027.

We estimate that all mentioned options under discussion should be feasible to implement depending on the type of projects and with the potential addition of other options.

2.5.1.3 Pillar 3: Public Sector Loan facility

So far, the TA team has focused primarily on evaluating the possibility of setting up a governance model in the loan part of Pillar 3. The grant part of Pillar 3 will be coordinated exclusively by the EC.

At this stage, it is possible to summarise some starting points for further discussion and the expected proposal **for Pillar 3**. Given the time constraints to prepare Pillar 3's implementation structure, one **option will be to use the SEF for the loan part of Pillar 3**. This conclusion follows from an interview with a representative of CMZRB, in which it was confirmed that it does not apply in the long term (e.g. use of SEF for the loan part of Pillar 3). This reflects **the long-term recommendation to consider CMZRB as a one-stop-shop- institution** (see Section 2.5.3 Long-term recommendations).

However, it should be emphasised that the institutional setting of the governance of Pillar 3 in the loan facility will depend on the readiness of quality projects that are eligible for funding in this pillar. This finding emerged from a semi-structured interview with EIB representatives in February 2021 and is important in considering potential institutions that could provide access to beneficiaries for the EIB in the Czech Republic as an intermediary. Given that SEF has had the greatest experience with the public sector so far and is also very well known in terms of the implementation environment and requirements, this option seems to be the best in the short term. On the contrary, in the long run, it is appropriate to consider a more intensive involvement of CMZRB, as mentioned above.

2.5.2 Short-term recommendations throughout the duration of the technical assistance project

2.5.2.1 Linked with the proposals for the pillars of the Just Transition Mechanism

Based on preliminary findings from the Inception Report and interviews conducted in the period from November 2020 to February 2021, the TA Team has the following recommendations to strengthen the proposed governance mechanisms for the duration of the Technical Assistance project (recommendations are clearly arranged according to particular pillars of JTM):

Pillar 1 - Short-term recommendations (by mid-2021)

- **During March and April 2021, the TA Team recommends verifying the adequacy of the representation of all key regional stakeholders in the Transformation Platform with the representatives of the coal regions.**

Given that the TJTP will be completed during March and April 2021, including the definition and specification of funding directions in Pillar 1 JTM, it will be necessary to verify the level of representation of relevant actors in relation to the supported topics. According to surveys conducted so far, the relevant entities and institutions are well represented at the national level. However, at the regional level there may be a lack of greater representation of the non-profit sector, or it is appropriate to revise a possible wider representation of municipalities and SMEs. Also, the TA team recommends the inclusion of one to two representatives of relevant youth organisations in the Transformation Platform and the RPCs in all three coal regions.

- **By mid 2021, after the finalisation of the first comprehensive proposal of the project evaluation methodology, the TA team recommends to carry out a pilot verification on selected types of projects in all coal regions.**

As follows from the proposals for setting the governance of Pillar 1 (see the previous section), the prepared methodology for project evaluation should reflect not only the general transformation potential for the region, but also a direct link to the formation of the region's

transformation story. It will be necessary to distinguish this with regard to the need to define the expected impacts of OPJT implementation.

- **Focus attention on supporting the preparation of innovative and progressive projects by small actors in the concerned regions**

The TA team recommends identifying sources from technical assistance (or other capacity building efforts) to help provide support for the preparation of projects, especially by small actors (e.g. SMEs, NGOs). For SMEs, the measures should be coordinated with CzechInvest. The support of start-ups, creation of new firms, business incubators and consulting services, identifying and developing innovative projects (including new branches like creative industry) is of key importance.

- **Structuring and scheming previous findings from the collection of ideas and suggestions in coal regions in connection with the completion of TJTP**

Given that the inter-ministerial comment procedure on the TJTP proposal is expected during March and subsequent approval by the Government of the Czech Republic in September 2021, it will be necessary to quickly structure and schematise all collected initiatives that have been identified in coal regions. This schematisation should support the line of arguments for shaping the presumed transformation story.

- **Incorporate a section into the TJTP for mentioning the evaluation of the contribution of the process of transition to the structural reforms of the Czech Republic**

Achieving a structural transition in the affected coal regions cannot be implemented in isolation from the long-term macroeconomic approaches applied at the level of the Government of the Czech Republic. For this reason, the TA team recommends that MoRD, in cooperation with MoE, regularly monitor the development of the regulatory policy, innovation policy and the overall priorities of economic recovery after covid pandemic including the RRF.

- **Incorporate broader aspects of the expected transformation into the Strategic Environmental Assessment (SEA)**

For the planned SEA, the TA team recommends to include a requirement for a broader assessment of the TJTP's expected impact on the transformation towards sustainability in relation to the EU Green Deal and specific environmental traits of the coal regions. The standard SEA focuses on the potential impacts / influences of the evaluated strategy on the environment. However, ideally, the TJTP should kick-start long-term complex trends and should refer to the growing importance of sustainable finance and related EU taxonomy to be applied.

Pillar 2 - Short-term recommendations (by mid-2021)

- **Complete the pillar assessment of CMZRB**

For the successful start of Pillar 2, it will be necessary for CMZRB to complete a pillar assessment with the EC by mid-2021. With regard to the current delay, an active approach of CMZRB will be necessary, which should put more intense pressure on the EC to complete the pillar assessment.

- **CMZRB must prepare for the product specifications in the planned InvestEU call**

In April 2021, a call will be issued by InvestEU in the period from May to September, and therefore the CMZRB should specify its idea regarding specific products (e.g. brownfields, decarbonisation), target beneficiaries, and sectors by the end of June at the latest. This discussion should take place not only within CMZRB, but also with relevant market stakeholders, as well as with regional authorities and other stakeholders.

- **Specify the agreement on the European Investment Advisory Hub (CMZRB and EIB)**

In the coming months, it will be necessary to identify the forms and possibilities of cooperation between the EIB and the CMZRB within the framework of the concluded memorandum of cooperation on the European Investment Advisory Hub. This agreement was signed in November 2020 and represented a clear expression of interest in further cooperation. In the coming months, it will be necessary to specify the content of activities.

Pillar 3 - Short-term recommendations (by mid-2021)

- **Map the potential readiness of SEF and CMZRB for future active involvement in the implementation structure of Pillar 3**

Given that Pillar 3 Regulation will not be definitively approved until the second half of this year, it is necessary to base the determination of the expected governance setting on existing preliminary legislative proposals and further discussions at the EU level. According to the performed assessment and compiled proposals, it follows that SEF and CMZRB can be involved in the implementation structure of Pillar 3. In the case of SEF, immediately after the launch of Pillar 3 and CMZRB in the long term. However, there are some ambiguities and potential problems in the readiness of both institutions, and therefore a partial analysis of their readiness by mid-2021 is needed.

2.5.2.2 Others – summary of other recommendations

Based on the analysis above, the short-term recommendation of the TA team is to continue with the set-up of the governance mechanism by MoRD and MoE as described above in combination with the Regional Permanent Conferences, in coordination with ITI structures.

Leadership will stay shared between MoRD and MoE. MoRD will remain responsible for the strategic planning (elaboration of the TJTP) while MoE will be responsible for the elaboration of the OPJT, together with the State Environmental Fund for the implementation of the JTF.

Different governance levels (national–regional) are currently (in the process of preparation of the documents) represented in one body: the Transformation Platform.

The details of governance for the selection of strategic projects and their future implementation are still open. Some detail of the structure are indicated in the working versions of the methodological guidelines for the data collection and strategic approach to the elaboration of the Just Transition Plan (*Metodika pro sběr dat a přístup k tvorbě PSUT*).

Table 4 summarises the key contexts of the existing state of governance of the individual parts of Pillar 1 of the JTM. As part of the proposal of the governance mechanism, the TA team recommends setting up a special task force/working group that would focus on the inclusion of smaller groups and local actors, whose role can be considered important. The specific structure of the design is given in the table. The preparation of Pillars 2 and 3 takes place simultaneously with the preparation of the relevant EU legislation. It can be emphasised that, in the Czech Republic, the solution of the institutional governance of both pillars and the preparation of conditions for the respective absorption capacity in the affected coal regions will be fundamental. Recommendations in Sections 2.5.2 and 2.5.3 are identified for this, as well as proposals for institutional governance in Section 2.5.1.

Table 4: Proposal for Governance Mechanism for the duration of the Technical Assistance Project

Existing		NEW / PROPOSED Via “Task Force / Working Group”	
MoRD	MoE		
Preparation of the TJTP	Preparation of the OP JT for the three Coal Regions (Priority Axes)	Just Transition Fund	Inclusion of smaller groups and local actors
<p>Main actors: Coordinating entity: MoRD Steering Committee Preparatory team Transformation Platform (TP) Thematic working groups (WG)</p> <p>Decision-making processes: Two-stage discussions at the level of TP and the WG Followed by bilateral negotiations of MoRD with MAs and other partners Active inclusion of regional authorities and regional stakeholders to TP</p> <p>Monitoring and evaluation Steering Committee for the DG REFORM technical support MoRD on a day-to-day basis</p> <p>Challenges Inclusion in the process of small players, local actors, SMEs Procedures of how national and regional bodies interact/distribution of responsibilities not yet defined Coordination of it is on the level of urban agglomerations (<i>Note: State of play of preparation of TJTP and related legislation is continuously discussed or ITI are informed. Further involvement of ITI depends on development and approval of legislation to Pillar 2 and Pillar 3 of JTM.</i>)</p>	<p>Main actors: Coordinating Entity: MoE and SEF Preparation: Four WGs (part of the Transformation Platform) WG 1 – Entrepreneurship, research, digitalisation WG 2 – Energy savings, renewables, transport WG 3 – Circular economy, remediation WG 4 – Employment</p> <p>Decision-making processes For OP JT by the standard programming process of CZ Eligibility and alignment of strategic project proposals with JT regulation Selection process of strategic projects</p> <p>Monitoring and evaluation For OP JT by the standard programming process of CZ</p> <p>Challenges Not finalized JT regulation at EU level delays the preparation of strategic documents and the start of implementation Specification of “transformation story” in regions” needed Stakeholder concerns about effective allocation of the OP JT, who may consider the interest of biased interest groups instead of the real development needs of the regions Shift of decision power to regional level Competition and complementarity of funds from other programmes (other ESIF OPs, RFF, MF, etc.) for the 3 Pillars according to the transformation story</p>	<p>Main actors: Managing Authority: MoE Intermediary: SEF Payment and certification authority: Ministry of Finance (MF) Direct/indirect beneficiaries Other ministries (e.g. MIT, Ministry of Education)</p> <p>Decision-making processes According to the overall principles of EU funding (i.e. the responsibility of the MA and IB) Necessary specification of links with the regional level in the decision-making process in OPJT (see proposals above) Establishment of additionality principle White spaces / Absence of overlap Strategic projects Determination of initial shares for the three coal regions (in progress) Project selection criteria (part of survey to establish further criteria)</p> <p>Monitoring and evaluation Monitoring/Evaluation (after the approval of the TJTP): MoRD through the TP and the NCA Auditing Authority: MF</p> <p>Challenges Lack of allocation Comprehensive solutions (through the OP JT and other two pillars) Absorption capacity for grants/subsidies Complex multilevel governance in a decentralised governance model (Lack of) transparency of decisions</p>	<p>Objective: Set mechanism and incentives supporting the cooperation of academia / research institution, SMEs and local authorities in the coal regions Coordinating bodies: MoRD (for TJTP) and MoE (for OP JT and JTF) with support from CzechInvest and NGOs</p> <p>RPCs</p> <p>How? Call of Expression of Interest for local stakeholders to participate in: - Preparation (for the locally relevant activities) - Implementation of the JTF Providing support of the project development capacity of SMEs, NGOs, municipalities and other actors Opening/Setting of less bureaucratic tender procedures for smaller project amounts</p> <p>Participation via: - Working groups - Roundtables - Webinars - Online survey</p>
Preparation of Pillar 2 and Pillar 3 Design and Governance			

2.5.3 Long-term recommendations – after completion of the TA project

2.5.3.1 Linked with the proposals for the pillars of the Just Transition Mechanism

Pillar 1 - Long-term recommendations (til the end of 2021, 2022 and beyond)

- **Transformation story - a strong narrative approach is needed - ongoing and final evaluation**
In the long run, it will be necessary to be very sensitive to the need to demonstrate the results and impacts achieved, especially within the grant system of financial support (ie Pillar 1). Interest in these evaluation findings and conclusions is not and must not only be related to institutions involved in EU funds (ie the European Commission and the Government of the Czech Republic), but it is also necessary to be aware of the responsibility towards current taxpayers and future generations. The coal region (especially Ústí region and Karlovy Vary region in the North-west) may sometimes be identified with the image of “lost region”, they have no chance to improve despite massive support from public sources. Therefore, it is necessary to identify the key elements of the transformation stories of all three coal regions at the beginning of the TJTP formation and then continuously evaluate, revise and gradually form the final “transformation image” of supported coal regions in the form of ongoing “puzzle” findings.
- **Shared responsibility – interim process assessment of national vs. regional achievements**
From the set governance of the Pillar 1 system, it is evident that this is a certain unique implementation structure, which on the one hand is based on the previous experience of the OPE, but also includes an equally important level and role of coal regions. This shared form of system governance is essential for successful financial management (ie securing funding according to previous experience in ESIF), but on the other hand it creates space for potential conflict situations during the implementation of OPJT. For this reason, the TA team recommends conducting a process evaluation of OPJT in Pillar 1 in the first half of 2022, which will focus on the functionality of the set structures and interlinkages and the identification of potential risks in the governance of the OPJT model.
- **Special focus on strategic projects – on-going and impact evaluation**
Large strategic projects must be part of the TJTP and approved by the European Commission. With regard to this aspect, it will be necessary to place specific emphasis on these projects in their ongoing evaluation. Not only their financial performance but also the achievement of the predefined monitoring indicators should be assessed separately. As part of the impact analysis after their implementation, it will be necessary to carry out a specific assessment of their impact on the transformation process, which means that it will be necessary to quantify their impact on the formation of the region's transformation story.
- **Monitoring and evaluation of the importance of small actors in shaping the transformation story**
The TA team recommends establishing a system for monitoring and evaluation of the support for small innovative actors (SMEs, NGOs, innovative start-ups, etc.) in the sense that they contribute to the process of diversification of the regional economy and the formation of transformation story. We recommend paying specific attention to this agenda in the forthcoming evaluations of the implementation of the OP JT (on-going and ex-post view is desirable).

Pillar 2 - Long-term recommendations (till the end of 2021, 2022 and beyond)

- **CMZRB will have to prepare the start of the option concerning the direct provision of guarantees from InvestEU**
In terms of long-term activities, the key year will clearly be 2022, when CMZRB will have to manage the launch of direct loan guarantees from InvestEU (i.e. after the completion of the pillar assessment). Within this recommendation, it is necessary to emphasize the timely preparation of activities that relate to the overall setting of this type of funding.
- **If CMZRB succeeds in the spring call of InvestEU, it will be necessary to prepare the conditions for the activities of a financial intermediary by the end of 2021**
In 2022, it will also be necessary to fully launch activities related to the role of CMZRB as a financial intermediary. If the CMZRB is successful in the forthcoming InvestEU call, it will be

necessary to prepare all necessary matters concerning, for example, support for projects for financing and to implement all necessary steps gradually so that they can start financing. According to the findings from the interview with the representative of CMZRB, the years 2022 and 2023 will be crucial, because it will be necessary to approve as many projects as possible for funding. Therefore, the relevant projects must be as well prepared as possible in time.

- **In the second half of 2021, the TA team recommends intensifying the use of EIB technical assistance in the preparation of Pillar 2 projects**

Interviews with EIB representatives have shown that although Pillar 2 legislation will be approved around the middle of this year, comprehensive preparation of suitable projects is crucial. It is therefore desirable for the Ministry of Regional Development, the Ministry of the Environment and the regions concerned to finalize a set of suitable projects for Pillar 2 within the Transformation Platform and relevant working groups and to use technical assistance for their further preparation. According to EIB representatives, it is clear that preference will be given to mature projects and not to weakly prepared and argued projects.

Pillar 3 - Long-term recommendations (till the end of 2021, 2022 and beyond)

- **In the course of 2022, prepare the conditions for the involvement of the SEF or CMZRB in the implementation governance model of Pillar 3**

Following the results of the implementation of the short-term recommendation for Pillar 3 (see the previous section), the TA team recommends intensive negotiations with EIB representatives for the relevant chosen governance option to involve the institution in the Pillar 3 governance implementation model. financing of Pillar 3 for the public sector in the coal regions concerned.

- **Identify assessing advisory needs for the preparation of relevant projects by the public sector**

According to interviews with EIB representatives, it turned out that although the legislation for Pillar 3 will be approved at the turn of 2021 and 2022, the comprehensive preparation of suitable projects is absolutely essential. It is therefore desirable for the Ministry of Regional Development, the Ministry of the Environment and the regions concerned to finalize a set of suitable projects for Pillar 3 within the Transformation Platform and relevant working groups and to use technical assistance for their further preparation. However, the public sector often faces a number of challenges in preparing suitable projects. Therefore, it is also necessary to map specific requirements for advisory services by the end of 2022.

Pillar 2 & Pillar 3 - Long-term recommendations (till the end of 2021, 2022 and beyond)

For the long-term, the governance structure of Pillars 2 and 3 need to be decided upon. Given the strong positioning of CMZRB as the first and second tier financial intermediary and experience with financial instruments of EU Funds, and counting on the necessary Pillar assessment to become the implementing partner of InvestEU, we would recommend that for both pillars, **CMZRB would be the main actor at the national level in the long-term**. This would provide a simpler implementation structure as EIB transfers funds in both pillars.

This long-term recommendation basically means that **the TA team proposes the application of a one-stop-shop approach for CMZRB**. According to the results of an interview with a representative of CMZRB, **this option is rather unfeasible in the short term**, as CMZRB in the past focused exclusively on investment lending for SMEs, while it has only begun to focus on the public sector in recent years. **However, their long-term strategy is to include public sector** products more significantly in their portfolio of activities. Nevertheless, this option would require greater staffing requirements and the need to fully integrate these activities into CMZRB's internal processes. This institution has long had the most significant experience in the Czech Republic with the application of financial instruments. As the European Commission will continue to promote this form of funding, so the importance of these products will grow, it is appropriate to have a broader discussion with relevant stakeholders on the coverage of this issue by one institution. This would provide a simpler implementation structure as EIB transfers funds in both pillars.

According to previous analyses and the results of interviews or discussions within the meeting of the TA team with the client and other actors, it is possible to summarize the following strengths and weaknesses of this form of governance, which could be implemented only in the long run:

Strengths:

- CZMRB has experience in grant management and is a financial intermediary with all important department set up;
- CMZRB is less susceptible to political pressures than a state fund and can be more effective;
- A simpler and clearer overall system for the implementation of financial instruments, with CMZRB becoming the Czech financial center for both the private and public sectors.

Weaknesses:

- CMZRB has not yet supported many municipalities and public sector entities, most of its support targets SMEs. On the other hand, public sector recipients will demand primarily JTF grants which will be administered by State Environmental Fund under OP JT. More synergies could be achieved by engaging SEF (which has also experience with loan support for the public sector) also in the third pillar;
- CMZRB currently does not have sufficient staff capacity to provide both pillars of JTM. This matter would have to be agreed across the board by the main shareholders, which are the Ministry of Regional Development, the Ministry of Finance and the Ministry of Industry and Trade. Therefore, this option requires a strong political consensus;
- Given that third pillar consists of EIB loans with EC grant component (there is a preference that the EC prefer to administer the grants themselves via INEA), CMZRB could only engage as financial intermediary of these EIB loans.

2.5.3.2 Others

Other recommended strategic action is the development of a monitoring and evaluation system, which should include:

- **The monitoring of social impacts of the transition for specific groups (e.g. employees 50+, employees in the coal mining, socially excluded groups, young (qualified) people).**

The social impacts of public interventions are among the more complex evaluation agenda, as their quantification is possible through common labor market and employment indicators. However, proving the causality of the implemented intervention with impacts has so far been almost impossible in the Czech Republic. The main reason was the inappropriate setting up of the monitoring system in relation to the results and impacts of ESF programmes on the labor market, which did not provide the basis for adequate evaluation. The TA team recommends setting up a specific monitoring system so that it is possible to retrospectively verify the situation of supported persons from disadvantaged target groups on the labor market. To do this, it will be necessary to set up the collection of necessary data (i.e. not only the name and surname of the person, but also other personal data, such as personal identification number). During the implementation of the OPJT, it will be possible to verify the level of representation of these persons among the unemployed, employed or self-employed. For such a monitoring model, it will be necessary to ensure the conditions of monitoring according to the GDPR, and to prepare an evaluation system so that it is possible to verify the current situation of supported persons on the labor market in an anonymized form in the central database of the Czech Social Security Administration (CSSA). For example, it may be a verification according to milestones in 2024 and 2029. It is not important for OPJT what state on the labor market a particular supported person has, relevant is only aggregated information on the percentage of people among employees, unemployed or self-employed.

This verification model has already been piloted several times by the Ministry of Labor and Social Affairs of the Czech Republic in previous programming periods. However, the problem arose in the degree of willingness and readiness of the CSSA to cooperate on this agenda, because they themselves are overwhelmed by their own work agenda.

- **Based on the monitoring system of programme and project implementation to establish an analytically strong interim and ex-post evaluation scheme focused on the factors and effects of the transition in three coal regions.**

As part of this agenda, the TA team recommends setting up a separate evaluation unit at the level of the Ministry of the Environment only for OPJT and separate evaluation units at the level of coal regions, which should be interconnected to share experiences in applied monitoring and evaluation approaches. Experience in the Czech Republic shows that functional strong

evaluation units within individual operational programmes can significantly contribute internally to the success of the implementation of a given operational programme. However, in order to build an evaluation unit, it is necessary to employ evaluation specialists who have experience with qualitative and quantitative evaluation methods, as well as impact evaluations. Such specialists will then be able to competently prepare the content and focus of quality OPJT evaluations, they will also be able to adequately manage and evaluate the findings, results and recommendations of larger evaluation projects.

3 STAKEHOLDER ENGAGEMENT STRATEGY FOR THE TERRITORIAL JUST TRANSITION PLANNING PROCESS

3.1 Overview

During the initial stage of the engagement process for the TJTP, the potential roles of various stakeholders and future beneficiaries of the JTF investments (including local communities, private enterprises, and civil society organisations) have been identified. Since stakeholders are not homogeneous groups, communication and engagement should reflect the diversity of stakeholder roles in designing and implementing the TJTP in the Czech Republic. The objective is to identify tailored ways to inform key stakeholders and engage them effectively and meaningfully as required by the Just Transition Agenda.

This process cannot be orchestrated from the central level alone. It requires clear communication to raise awareness and understanding of the climate challenges and the urgency to find options for transition at local and regional levels. This could motivate stakeholders to become interested and engaged on their own, rather than relying on top-down instructions.

Stakeholders are the people, groups, and organisations either affected by the Just Transition Agenda or in a position to influence its outcome. The stakeholder engagement approach must be understood as a process that receives support through this current Technical Assistance project but is owned by the Ministry of Regional Development (MoRD), the members of the Transition Platform, the Ministry of Environment (MoE) and regional bodies. It should continue throughout the preparation and implementation of the TJTP. This process, which has already started, should be sustained over time and requires proactive leadership and facilitation.

The stakeholders in the Just Transition Process have a crucial role in contributing to and shaping the transition planning. This initiative enables local communities to lead or participate in the design and development of local projects to support the transition. As an integral part of this process, which requires comprehensive preparation and development, the EU Commission has requested that stakeholders are engaged via a series of public meetings, covering significant areas of the plan to inform and gather views from all interested parties on how to make the most of the funding and how assistance could be made available to each of the three selected regions in the Czech Republic. This will lead to the preparation of more relevant plans and more ownership at the regional level.

Identifying the key stakeholder groups is the first step in this process. These groups will be better specified and expanded while the process is ongoing. It is essential to start this process as early as possible and make it inclusive in all phases of the planning of the Territorial Just Transition.

This chapter outlines a practical and comprehensive Stakeholder Communication and Engagement Plan, which provides guidance and focus on how to inform and engage stakeholders in the transition process. It is also aligned with findings and recommendations from the Just Transition Governance System described in Chapter 2. The Stakeholder Communication and Engagement Strategy consists of five components:

- I. Stakeholder inventory and analysis, including a prioritisation of how direct and indirect stakeholders are related to the different phases and the overall strategic approach to engaging them;
- II. The state of play of stakeholder engagement for the Just Transition Agenda as implemented by MoRD and MoE;
- III. Guidance on the content creation of main messages in the different phases and an overview of channels, tools, and activities to be used for stakeholder communication and engagement;
- IV. Examples of other experiences of relevance to the TJTP stakeholder communication and engagement in the Czech Republic; and
- V. A recommended stakeholder engagement roadmap.

3.2 Stakeholder inventory and analysis

3.2.1 Stakeholder inventory

As described in Chapter 2, a wide range of stakeholders will be affected by the preparation and implementation of the Just Transition Agenda. An initial stakeholder map (more details in Annex 3) identified:

- 18 ministries and institutions at the national level;
- 4 institutions at EU-level;
- 28 regional and local bodies and authorities (including the 3 Regional Permanent Conferences (RPCs), a range of local administrative units, decentralised units of national authorities, and other local bodies);
- 82 enterprises and private sector organisations;
- 17 industry and trade unions and associations;
- 2 associations of municipalities;
- 2 Czech financial institutions;
- 15 NGOs;
- 11 research and academia institutes; and
- the wider public.

The relationship between these groups and the development of the TJTP varies. Some stakeholder groups are involved at the national level while others are included through decentralised units at the regional or local levels. The TA team continues to research and update the list of identified stakeholders, aiming to answer the following questions:

- Which specific groups will be most impacted by the TJTP and the transition process?
- Which groups are already engaged in climate activities and the transition process? Which are currently disengaged?
- With which groups does the Technical Assistance Team or MoRD already have relationships? Which groups should be contacted by MoRD or us to begin developing connections? Which groups are interconnected?
- Which groups have a high influence on TJTP outcomes? Which groups should be empowered by the national or local authorities implementing the Just Transition Agenda?
- Which groups are accessible and which are more challenging to reach?
- Which government departments and external partner organisations should be involved and engaged for community engagement efforts to succeed?

Stakeholder categories

In total, the TA team has identified and categorised 180 unique stakeholders across the three target regions and at the national level. The numbers will increase while the TA team works on “The report on the transition process (D3)” and “The report on the challenges, needs and action plans of the most affected territories (D4).”

Table 5: Summary table of identified stakeholders as of 28 February 2021

Attribute	National level	Ústí Region	Karlovy-Vary Region	Moravia-Silesia Region
Transformation Platform	25	3	2	2
MoE Working Groups for OPJT	7	1	1	1
Regional Permanent Conferences (RPCs)	27	6	7	8
Others	77	9	10	16
Total	136	19	20	27
National government (18) and EU bodies (4)	22	-	-	-
Regional and local bodies and authorities (28)	7	6	7	8
Enterprise Sector (82)	56	7	9	10
Industry and trade unions associations (17)	15	-	1	1
Association of municipalities (2)	2	-	-	-
Czech financial institutions (2)	2	-	-	-
NGOs (15)	13	1	1	-
Research and academia, vocational training and adult learning institutions (11)	3	2	1	5
Citizens and Others (1)	1	-	-	-
Total	121	16	19	24

Note: The two total numbers differ as there is an overlap of stakeholders between the Transformation Platform and the MoE Working Groups for OPJT for example. Some stakeholders from the umbrella national-level groups are also present in all three regions. The full list of all mapped stakeholders can be found in Annex 3.

Stakeholder Relations Database - “Stakeholder register”

For stakeholders who are not enlisted within the key consultation platforms, e.g. the Transformation Platform, the working groups of MoE and the RPCs, but are related to the transition process, the TA team is keeping record in a stakeholder relations database called “Stakeholder Register”. The TA team records minimum information about those stakeholders as shown in Textbox 6, in order to remain compliant with GDPR regulation. A stakeholder relations database or register is a good tool to manage stakeholder communication and engagement and to monitor its progress and outcomes.

Textbox 6: The Stakeholder Register template

- Name and Surname
- Organisation
- Title/Position in the organisation
- Category of the stakeholder
- Region
- Attribute(s) of the stakeholder
- Email*

- Phone*

*Note: *subject to GDPR consent to be signed or information from public sources*

During the preparation and development of the TJTPs, more stakeholders will become interested in becoming informed and engaged. All new stakeholders will be added to the register including their category and region. This will make it possible to do selections based on criteria such as the regions or type of stakeholder and send relevant information on meetings, studies, or other outputs of the TJTP process in a focused and segmented manner.

The Stakeholder Register can also be used to launch online surveys (Survey Monkey) to gain additional insights on awareness, perceptions, ranking of issues and other issues for socioeconomically disadvantaged populations, community members with disabilities, youth, the elderly concerning transportation, language, technological, institutional and physical barriers that might limit access to information and active engagement.

During the next months of the TA project, and particularly as the TA team continues to conduct stakeholder interviews, the stakeholder matrix, as well as the Stakeholder Register will be further refined and adjusted. Both files will be included in the final report at the end of this assignment.

3.2.2 Key consultation platforms

The stakeholders participating in the critical consultation platforms – the Transformation Platform, the four Working Groups of the Ministry of Environment at the national level and the Regional Permanent Conferences at the regional level represent a broad range of stakeholders (44% of all identified stakeholders). The institutions participating in these platforms are the key stakeholders for the engagement process. Detailed information about the represented stakeholders is available in Annex 3.

The representatives participating in the different platforms have the following tasks (based on the good practice of stakeholder engagement in the cohesion policy and other advisory bodies):

- Ensure communication and information flow on the transition agenda and process to their members;
- Collect and process information and data from their members; and,
- Organise and facilitate instruments of information flow within their network.

The **Transformation Platform**³⁵ is a mechanism with consultation and cooperation legitimacy at a national level. Currently, it has 31 institutional members that represent a broad range of actors. Membership is open for new members and can be expanded. Access to information is only feasible for members of the platform and is not publicly available at present. This issue of information (in)transparency will be determined by the Statute and Rules of Procedures of the Transformation Platform, which according to MoRD are under preparation and will soon be presented for public consultation. Every institution nominates an individual representative who participates in meetings and organizes the flow of information between the platform and their institution. The Transformation Platform has been established by Decree of Government of the Czech Republic No. 815 and will become operational from 27 July 2021.

The **four working groups of the MoE** include representatives from 11 institutional members of the Transformation Platform and cover the following topics:

- Working Group 1 – Entrepreneurship, research, digitalization;
- Working Group 2 – Energy savings, renewables, transport;
- Working Group 3 – Circular economy, remediation;
- Working Group 4 – Employment.

Stakeholder engagement at the regional level is implemented via **Regional Permanent Conferences**³⁶ (*Regionální stálá konference*) in all three coal regions, including a total of 46 institutional stakeholders. The size and membership of the RPCs is effectively closed (although it could be expanded with essential stakeholder representatives which have been missed) and no new members have yet been nominated. These bodies include institutional members from the national, regional and local levels. A revised Statute and Rules of Procedures is in the process of approval.

³⁵ The description of members indicating the size of representation is presented in Annex 4.

³⁶ The list of members of Regional Permanent Conferences with their description is included in Annexes 5 – a, b and c.

3.2.3 Other structures and relevant groups

Based on the initial stakeholder mapping along with interviews and feedback of different actors, the TA team recommends involving the following groups in the engagement process, either directly in the key consultation platforms or indirectly through focused communication activities:

- Innovative SMEs and start-ups in and outside the three regions, with interest and potential to develop new business in the coal regions;
- Local actors, e.g. municipalities, local NGOs, basic schools and colleges;
- Actors with climate transition and innovative activities and expertise (including IT and Artificial Intelligence);
- Broaden the spectrum of representatives from academia and research institutions;
- Key operators in the energy and mining sectors (companies under the EU ETS) in the regions;
- Environmental NGOs and NGOs working in the field of social inclusion/reskilling;
- Current and former members of national and European Parliament special committees of both chambers of the Czech parliament on regions in transition³⁷; and,
- Youth organisations and institutions educating young people (technical schools, colleges, universities).

3.2.4 Stakeholder analysis

Stakeholder mapping and analysis will allow us to develop an initial understanding of the relationship between the level of impact, the stakeholders' experience from the transition and their current level of engagement (awareness and involvement) with the TJTP or climate activities more generally. In addition, we analyse the relationship between the influence of the impacted community stakeholders on the planning and outcomes of the TJTP, and their current engagement level with the process.

Various ways to cluster and organise stakeholder groups include:

- **According to their relationship to the phases of the TJTP process.** In the early phases of the TJTP process, it is important to announce the process widely, explain why it is being launched, how the process is organised and how people can stay informed and express their opinions. While the TA team is doing interviews to collect data for the report on the transition process towards climate neutrality (D3), it continues to identify new stakeholders relevant to the process.
- **According to their interest in the climate transition.** Some may have a particular interest in climate aspects such as: environmental, economic and social causes or impacts of climate change.
- **According to their regional position.** Are they present in more than one region? Are they present in one of the regions that will be directly impacted by the transition process or in a neighbouring region that will experience indirect impacts?
- **According to the influence-interest matrix,** which is based on discussions the TA team has had with MoRD and MoE and interviews with other stakeholders.

In Figure 7, we provide an overview of the stakeholder categories identified to date. Based on the interviews and feedback on project activities, new actors were added to our initial stakeholder analysis matrix. This process is likely to continue during the coming years and should be managed by MoRD, MoE and the RPCs. Over the course of the transition process, stakeholders are likely to shift from one quadrant to another, based on their interactions with and perceptions of the Just Transition Agenda.

³⁷ Podvýbor pro regiony v transformaci: <https://www.psp.cz/sqw/hp.sqw?k=4428>, Podvýbor pro regiony v transformaci Výboru pro územní rozvoj, veřejnou správu a životní prostředí: https://www.senat.cz/organy/index.php?lng=cz&ke_dni=12.12.2020&O=13&par_2=478

Figure 7: Profiling stakeholders in the influence – interest stakeholder matrix

INFLUENCE	HIGH	<p>Involve: Keep these stakeholders adequately informed and maintain regular contact to ensure no major issues arise.</p> <ul style="list-style-type: none"> Managing authorities of operational programmes or other sources of funding Chamber of commerce (regional) Representatives of trade/labour unions Czech National Coal Commission, regional Coal platforms in all three coal regions, regional Economic and Social Councils (Ustecký kraj) Regional Association of the National Network of Local Action Groups Association of non-governmental & non-profit activities 	<p>Collaborate: These stakeholders are essential to the Project and must be fully engaged. Enlist their full help, create partnerships, galvanise support of the Project, and make the greatest effort to keep them satisfied.</p> <ul style="list-style-type: none"> Policy makers, politicians (EP and National Parliament) Ministries: Ministry of Regional Development (RE:START) Ministry of Industry and Trade, Ministry of Social Affairs, Ministry of Environment) Innovative SMEs and start-ups in and outside the three regions Regional authorities – political and administrative leaders (three regions) Municipalities and towns potentially highly affected Representatives of key operators (energy and mining sectors - companies under the EU ETS) Other competent EU, national & regional authorities CMZRB (Czech-Moravian Guarantee & Development Bank) European Investment Bank (EIB)
	LOW	<p>Inform: Monitor these stakeholders and keep them adequately updated as and when required, tailoring communications to meet stakeholder needs.</p> <ul style="list-style-type: none"> Citizens Media, especially regional media Retail banks, insurance companies EU Member States that implement JTPs, etc. Tourism working groups Religious groups/Counsels 	<p>Consult: Provide these stakeholders with enough information and interaction to keep them updated and to address their concerns, but do not overwhelm them with too much information.</p> <ul style="list-style-type: none"> Companies affected in the regions, outside the region affected by the coal-phase out and engaged with environmental technologies, projects Environmental NGOs, e.g. CDE, Greenpeace, Hnutí DUHA (Friends of the Earth – Czech Republic). CEE Bankwatch Universities in the regions – Jan Evangelista Purkyně University (UJEP), Technical University in Ostrava and other relevant Czech Universities and research centres Public/government institutions in the region (in relation to regional development, rural renewal, labour market, social affairs, entrepreneurship and innovation etc.) Other municipalities in the region + their association (ITI programming bodies Local Action Groups, Euro-regions, etc.), etc. Consulting companies operating in multiple regions across the country
		LOW	HIGH
		INTEREST	

The stakeholders marked in bold in Figure 7 are members of the Transformation Platform and / or the Regional Permanent Conferences. The full lists of members in each of those groups can be found in Annexes 2, 3 and 4 respectively.

3.3 State of play of stakeholder communication and engagement for the Just Transition Agenda as implemented by MoRD and MoE

Stakeholder engagement related to the Just Transition Agenda has been embedded in the information flow related to the cohesion policy since early 2019.

The main website www.dotaceeu.cz (only in Czech) provides detailed information about the past and future projects under the cohesion policy in the Czech Republic. However, in 2017, MoRD began organising roundtable discussions about the future of cohesion policy in the Czech Republic. Since the

European Commission has put more emphasis on the climate transition in the 2021+ cohesion policy, the climate and coal transition agenda will be part of more programmes and sector-specific measures and there should be synergy and complementarity between them.

Currently, there is no common communication strategy for the European Structural and Investment Funds (ESIF) for the period 2021+. The website of the National Communication Authority presents a common communication strategy for ESIF in the Czech Republic only for the period 2014–2020. According to interviews conducted by the TA team, MoRD is working on an ESIF communication strategy for the period 2021–2027; the publication date of this strategy is to be confirmed.

We have explored the current stakeholder engagement activities related to the Just Transition Agenda in the Czech Republic, which are structured under the following three tracks:

- (1) Elaboration of the Territorial Just Transition Plan (TJTP) by MoRD,
- (2) Elaboration of the Operational Programme Just Transition (OPJT) by MoE, and
- (3) Work on the regional level by the Regional Permanent Conferences (RPCs) and the regional authorities

Track 1 - Elaboration of the Territorial Just Transition Plan

MoRD is responsible for the preparation of the TJTP and manages the overall coordination of the cohesion policy. It is currently coordinating the preparation of cohesion policy 2021+.

The **public consultation process for the elaboration of the TJTP (track 1)** started with the creation of the **Transformation Platform**³⁸ in October 2020. To date, two meetings have been held under the platform (6 October 2020 and 4 December 2020). The meeting in October was an introductory session where participants received basic information about the JTM, territorial eligibility, the legislative issues, and the schedule of the preparation of the TJTP. The December meeting provided an update on the status of the preparation of the TJTP and OPJT programming documents and supporting activities in the three coal regions. The meeting minutes and accompanying documents are accessible for all members of the Transformation Platform and invited guests on the internal cloud (SharePoint) of MoRD. The Transformation Platform meetings are chaired by Mr. David Koppitz, the Vice-minister of MoRD.

In addition, **MoRD operates the RE:START website**, which is very comprehensive and provides well-structured information about the RE:START strategy and the restructuring of the three coal regions with a broader spectrum of measures since 2014. Information about the Just Transition is part of the frequently asked questions section: [FAQ: Restart.cz \(restartregionu.cz\)](https://restartregionu.cz). According to MoRD, a website update to include information about the JTF has already started.

Another webpage dedicated to the JTM was recently opened under the title Coal regions³⁹ on the main website www.dotaceeu.cz, which provides detailed information about the past and future projects under the cohesion policy in the Czech Republic. This new webpage was launched on the website: <https://dotaceeu.cz/cs/uvod> in December 2020. The exact page is hyperlinked [here](#).

MoRD also organised and implemented six online workshops in February 2021 at the regional level targeting various stakeholder groups. There were two thematic workshops offered in each region - one for SMEs and another one for representatives of cities and municipalities. Individual invitations were sent one week before each event. The invitation list contained participants from previous events organized by MoRD and an open registration link was published on the dotaceeu.cz website, where anyone could register for the workshops by a specific date. In terms of content, each session contained the following topics:

- The regional representative in the respective webinar informed about the possibilities of obtaining funding from various programmes in the respective region.
- Speakers (from MoRD and the region) also explained where prospective applicants would find all relevant information related to the JTF.
- A representative from EIB presented the mechanism of Pillars 2 and 3 of the JTM.
- The number of participants in each webinar was very high – it showed a high interest in the topic and desire to receive up-to-date information. However, the large audience did not allow for an open online discussion, as moderation would have been challenging. Instead, a few participants asked

³⁸ Refer to Annex 3 for the members of the Transformation Platform

³⁹ <https://dotaceeu.cz/cs/evropske-fondy-v-nbsp;cr/programove-obdobi-2021-2027/uhelne-regiony>

technical questions about grant applications and more information about the various individual funding programmes.

- Members of the TA team attended all six webinars and were available to support the moderator and speakers with any specific questions related to the JMT pillars.

In total, 1,000 participants were invited and 400 participants attended all six sessions. The full structure and detailed agenda of each session can be found in Annex 10. The materials presented during all six workshops have been made available for both the registered participants and other interested parties on the new dedicated webpage [here](#) (the information is only available in Czech).

Track 2 - Elaboration of the Operational Programme Just Transition (OPJT)

The **consultation process on the OPJT (track 2)** runs in parallel to the Transformation Platform activities via **four working groups at MoE**. The four MoE working groups are considered as interim bodies that focus on coordination among operational programmes at the national level and consultation and coordination with regional authorities.

The working groups' meetings were held virtually on 16-17 September 2020 and 14-15 December 2020. The members of the working groups are mostly executive officials of the institutional members of the Transformation Platform. Working group meetings are chaired by the vice-minister of MoE, Mr. Jan Kříž.

Since there is a considerable overlap (the members of the two groups are identical), the Transformation Platform and the MoE working groups share many synergies but also face some challenges. Both groups are part of the governance structure of the JTM in the Czech Republic. The agendas and minutes from the meetings of the Transformation Platform have been made available for interested non-members on this webpage: [DotaceEU - Transformační platforma](#). During the stakeholder interviews conducted by the TA team it was often mentioned that more information from the work of those two groups should be provided to the general public via selected communication channels (websites, social media, media, etc.).

MoE has a webpage dedicated to the OPJT⁴⁰ with basic information (one page) about the OPJT; it does not explain the overall context, philosophy and challenges of the transition. There is an FAQ section in Czech, which is updated periodically.

Finally, MoE has established a simple but informative website about the Modernisation Fund: https://www.mzp.cz/cz/modernizacni_fond.

Track 3 – Work on the regional level by the Regional Permanent Conferences (RPCs) and the regional authorities

Stakeholder engagement at the regional level is implemented via the **format of Regional Permanent Conferences** (in Czech - *Regionální stálá konference*) in all three coal regions. The legal basis for the operation of the RPCs is Act No 248/2000 Collection about regional development support. The RPCs have been intensively activated in preparation of the cohesion policy 2014-2020. This can be considered as a third track for stakeholder engagement. The RPCs are established on the principles of a partnership with territorial competence in individual regions of the Czech Republic. They can be considered as multi-stakeholder platforms connecting national, regional, and local stakeholders. The minutes of RPC meetings are publicly available on their websites.⁴¹

Related to the **dissemination of information, the three RPCs vary considerably**:

- (1) The RPC of the **Karlovy Vary** region provides information on the JTF and presents the priority topics of the JTF. Interested parties can then fill-in project proposal documents. Emphasis is placed on project readiness, access to funding and the focal areas not covered by other operational programmes: [Fond pro spravedlivou transformaci | Regionální stálá konference Karlovarského kraje \(rskkvk.cz\)](#)
- (2) **Ústí region**: the website of PRC of the Ústí region is the most advanced, providing complex and updated information about the JTF: [Fond pro spravedlivou transformaci | RSKÚK.cz \(rskuk.cz\)](#)

⁴⁰ https://www.mzp.cz/cz/opst_2021_2027

⁴¹ RSK meeting minutes – Ústí Region, 2021: <https://rskuk.cz/2021>; RSK meeting minutes - KV Region, 2020: <https://www.rskkvk.cz/zasedani-regionalni-stale-konference>; RSK meeting minutes – MSK Region, 2020: https://www.msk.cz/cs/temata/cestovni_ruch/regionalni-stala-konference-moravskoslezskeho-kraje-1457/

- (3) The RPC of the **Moravian-Silesian** region provides brief information related to the JTF on its page: [Zprávy - Moravskoslezský kraj \(msk.cz\)](https://www.msk.cz/zpravy-moravskoslezsky-kraj)

The TA team has also conducted interviews with representatives from each of the three coal regions. In the Moravian-Silesian region, regional authorities started organising several engagement and communication activities in March 2020. To date, they have successfully implemented 30 events in various formats (e.g. in-person workshops, lectures, conferences, negotiation meetings, webinars and video conferences) for a variety of (larger) municipalities and firms. Thus far, groups that were less engaged include media representatives, SMEs, disadvantaged groups (e.g. youth, elderly, etc.) and the general public. In the Ústí and Karlovy Vary regions, the local authorities began organising activities later, in June and November 2020 respectively, and thus have organised fewer events. More detailed information about all stakeholder engagement activities conducted in each region is available in Annex 7.

Additional structures and institutions, identified during the development of the governance mechanism and the report on the transition process (D3), relevant for the engagement process at the regional level and as possible multipliers of key messages include:

- **CzechInvest**, which is developing activities with national coverage that focus on the engagement of SMEs and start-ups, as well as large companies interested in expanding their production. Regional offices offer a broad scale of knowledge through a one-stop-shop concept with a broad range of interactions with stakeholders and consultants.
- **ITIs** (Integrated Territorial Investment programmes) with their strategic planning for the regions of Ústí-Chomutov, Karlovy Vary and Ostrava are under preparation. Complementarity and synergy with the JTP implementation is a core topic.
- **Working Group 3** of the Coal Commission analyses the impacts of the coal phase-out in the three coal regions and proposes effective measures to mitigate the negative effects.

3.3.1 *Review of current (known) positions/statements of stakeholders vis-a-vis the JTP process*

The TA team has gathered some anecdotes and reflections about the status of stakeholder engagement (via **targeted interviews** and communication within its professional network). These reflections do not include the views of members of the Transformation Platform and/or RPCs, but rather offer the views of stakeholders that fall outside these structures. The following preliminary reflections were identified:

- The level of general awareness is quite high;
- Information is not tailored to the specific stakeholder interests; some will need detailed technical information, others more general background and context (*"Not everybody has time and interest to read the detailed European regulation proposals"*);
- There is a concern among some stakeholders that the information they receive is not independent and unbiased but filtered according to the preferences of regional authorities. In some cases, they lack any information at all, which leads to fear that they might be excluded from the project selection stage and would not be able to contribute to the Just Transition Agenda (*"The regions want to shape the project selection on their own and would favour larger projects"*);
- There is a lack of trust with the regional authorities implementing the plans among some stakeholders (*"Large business will take all the money"*), and
- Although they have a higher interest in climate change issues and policy, the youth population is engaged in the JTM process in some of the regions (e.g. MSK), however plans by MoRD are in development to strengthen the engagement of this group, too.

Environmental groups called on the government to reject the Coal Commission's recommendation and opt for a more ambitious 2030 phase-out (instead of the recommended 2038). They say that with the measures proposed, the country will not meet its Paris Agreement objectives.

CEE Bankwatch published a study on the “Status of the Just Transition Plans in central and eastern Europe”⁴² in 2020, which was updated in 2021.⁴³ The updated study points out as critical elements that not all stakeholder groups are proportionally represented in the Transformation Platform (e.g. regional authorities from the three coal regions occupy only four seats and the interests of mayors are represented by only two seats) and suggests that it is unclear for the wider public how the input of some important stakeholders – mayors, local civil sector representatives and the business sector – will be included in the consultation process of the design and scope of the TJTP. The TA team notes that although there is room for improvement in the representation of stakeholders in the key stakeholder platforms, many regional stakeholders are represented through so called umbrella institutions, thus the study does not accurately portray the situation in the Czech Republic.

3.3.2 *Assessment of the current engagement process*

The current status of **stakeholder engagement related to the Just Transition Agenda** in the Czech Republic is at an **advanced stage**. It builds on lessons learned during the programming of cohesion policy with a strong focus on participatory principles. Valuable experience and active structures for stakeholder engagement have already been established for the RE:START strategy. The RE:START team is the core staff of the TJTP preparation activities at MoRD. As a result, stakeholder engagement builds upon a collaborative process of regional planning focusing on innovation in all regions of the Czech Republic (the legal basis is the law on the support or regional development: No. 248/2000 Collection). Also, the Ministry of Environment is responsible for managing the JTF. It has set-up an additional track of stakeholder engagement in the form of working groups for the OPJT.

Most of these structures and institutions have their own networks and facilitate networking. After a preliminary stakeholder mapping, the TA Team concluded that there are various stakeholder umbrella structures and institutions representing a broad range of actors, including the private sector (consulting firms), municipalities, public authorities, innovation centres, social partners, civil society (NGOs), and academia (refer to Annex 3).

Currently, the **prevailing stakeholder engagement model is based on the umbrella principle** (membership of institutions with multilevel structures). The predominant stakeholder engagement format is participation in meetings and webinars and disseminating information in the form of presentations and meeting minutes. The representatives of member/participating institutions are expected to share relevant information and feedback to their members. The participatory consultation process involves national and regional stakeholders. In practice, this does not always function very well and additional flow of information to the stakeholders, who are not part of the working groups is necessary to enhance their interest and engagement, leading to requests for more information to their representatives.

The TA team finds that the **Transformation Platform structures (including the MoE working groups) and the RPCs⁴⁴ as permanent consultation and communication bodies** for the Just Transition Plan in particular and the Just Transition Agenda overall, fulfil the expectations and needs. They are an essential component of the more formal governance structure of the Just Transition Agenda and must be fully utilised. The TA team’s findings suggest that further identification of key stakeholders will be continued; they can be included in the stakeholder register with contacts and areas of interests. This will facilitate the provision of general information or more tailored messages to specific groups in the coming months and years.

EIB as a relevant stakeholder is neither represented in the Transformation Platform nor in the RPCs, but has been included in the regional stakeholder workshops organised by MoRD and will also be invited to any activities organised by the TA team. Banks and private companies are represented by their umbrella organisations (e.g. Association of Industry and Trade, Chamber of Commerce and by social dialogue bodies – Economic and Social Councils). NGOs are only represented by the Centre for Transport and Energy – for Greenpeace – at the national level and by the Association of Local Action Groups at the regional level.

⁴² Status of the Territorial Just Transition Plans in central and eastern Europe, 14 October 2020 - https://bankwatch.org/wp-content/uploads/2020/10/2020-10-14_Status-TJTTPs_final3.pdf

⁴³ Status of the Territorial Just Transition Plans in central and eastern Europe, 3 March 2021 - https://bankwatch.org/wp-content/uploads/2021/03/2021-03-03_Status-TJTTPs_update3March_FINAL-1.pdf

⁴⁴ In the proposed Statute of Regional Permanent Conferences is (in the Art. 1) the communication, planning and coordination role mentioned: “The RSC – RSK is a communication, planning a coordination platform, which in the format of Regional Action Plan defines the joint vision about needs and orientation of EU funds”.

Based on desk research and interviews conducted with stakeholders at the national, regional and local levels, the TA team has identified **the following pain points and possibilities for improvement in the current state of stakeholder communication and engagement on the JTM at all levels:**

- The inception phase analysis confirmed a relatively **low level of information about the JTF among broad groups of stakeholders**. The potential project developers have rather vague information about the Just Transition priorities and other potential funding sources. This can be partially attributed to the many uncertainties in the JTF regulation.
- **There is a low level of information about Pillars 2 and 3 of the JTM.**
- **Analysis is needed at the regional level on what type of investments fall under which available funding programme;** there is confusion over existing funding instruments and eligibilities, and local actors fear that the many funding opportunities available, including JTF, might compete with each other (particularly SME development, digitalisation, reskilling, etc.). This could be mitigated through additional information on the regional websites and through the SME Helpdesk operated by CzechInvest. More focused and tailored information should be made available for **small players** (municipalities, small business, NGOs) and academia. **Intensive education and awareness on the JTM and the Just Transition in general, in an accessible and attractive language and format,** must be developed.
- Except for energy efficiency programmes, **there seems to be little capacity at the local level on climate projects** and climate-related investments/development planning. However, large enterprises that are important stakeholders in the regions are able to prepare such projects. In addition, there is a special measure in RE:START strategy dedicated to building up capacity for development of such projects.
- Stakeholder engagement on the national (Tracks 1 and 2) and regional levels **relies on traditional formats** such as platform consultations, webinars, and information shared on webpages, which are not always easy to find on the official institutional websites. To a lesser extent, stakeholder communication is done via broadcasting and TV spots, which have higher reach but less opportunity for feedback and dialogue;
- There are **no concrete plans to use other attractive formats**, especially for the younger generation, which can offer a broader reach to stakeholders who are not yet informed of the transition process (e.g. social media platforms, podcasts, etc.);
- There are currently **no plans to develop participatory formats** for special purposes (e.g. design of strategic vision for the region).

3.3.3 *Recommendations to the current engagement process*

General recommendations, already presented in the Inception Report, have been further developed in this chapter to provide a coherent and comprehensive guide to stakeholder engagement:

- **Implement a broad, open, and fluid flow of information related to the Just Transition**, which can provide inputs and ensure feedback during the drafting of strategic documents (TJTP and OPJT) and the implementation of the Operational Programme Just Transition. The TA team recommends that this process is directly managed by the regional authorities in all three coal regions and coordinated by MoRD at the national level via a **specialised JTM Communications working group**, where specialists from the national, three regional and other relevant municipal actors are involved. In part, this is already being done by the RPCs. However, the channel can be strengthened via tailored activities such as workshops and webinars, podcasts, public meetings in areas with high relevance, open calls for feedback published on websites, and other means, some of which the TA team explores in more detail in the following sections.
- Strengthen the information flow about the Just Transition Agenda and the JTF **via social media and mainstream national, regional and local media (radio, television)**. It should provide interesting and up-to-date information about the process of the transition and the current developments, highlighting the primary messages about opportunities, risks and chances of the transition. MoRD and MoE could provide more general information and regulation, while the regional authorities could focus on more tailored information to each region; some communication materials can be developed at the national level to ensure accuracy and tailored regionally if needed.

- **Engage new actors** focusing on the skilled population, innovative small and medium-sized enterprises outside the coal regions and motivate them to establish and develop their operations in coal regions with the Just Transition Fund's support. This can be done via targeted activities led by CzechInvest and/or the Technology Agency of the Czech Republic.
- Develop a **particular focus on universities and academia's engagement** based in the Ústí and Moravia-Silesia regions and direct information flows to researchers and teams where necessary. These efforts could be supported by the Ministry of Education.
- Develop new relationships with **disengaged and underrepresented groups with a particular focus on young people** through collaboration with NGOs and other partners at the local level to discuss the Just Transition Agenda, its specific risks and challenges related to the communities endangered by potential social impacts. In particular, the TA team suggests establishing a flow of information via channels better suited to reach young people, such as social media platforms, podcasts, blogs and email blasts. Official profiles can be set-up by MoRD and the content shared would be produced in collaboration with the regional authorities.

Specific recommendations regarding the role of different actors in various stages of the TJTP process:

Key Consultation Platforms:

- **Further develop the well-structured process of stakeholder engagement** based on the (formal) umbrella structures of the Transformation Platform, MoE working groups and RPCs. The TA team also suggests including representatives from NGOs and youth organisations in these structures to intensify the information exchange with those groups and promote meaningful engagement.
- The TA team recommends keeping the **national level open to other stakeholders** (who are not formal members of the Transformation Platform) for feedback, consultation and engagement. MoRD has already done some consultations with the International Sustainable Finance Centre (ISFC) and could further steer this process. Participation should be encouraged via diverse communication channels to ensure a wider reach and a comprehensive communication strategy (more recommendations are elaborated in Section 3.4.4).
- Transpose the knowledge, information and decisions made in umbrella structures to the continuous flow of information and consultation **in an open format using social media**. The TA team suggests RPCs and MoRD take the lead in setting-up dedicated profiles where the information will be shared.
- MoRD and the regional authorities should continue to develop the ongoing **mobilisation activities** in alignment via radio broadcasting and television on local and national media platforms.

Small players (SMEs and NGOs):

- Further **mobilise SMEs and NGOs inside and outside the coal regions** to promote activities towards the migration of active innovation players into the coal regions from regions with more developed social capital.
- **Design a plan to provide targeted assistance to “small players”** (this assistance could be provided directly by the regional authorities or CzechInvest, who are already in the process of preparing targeted assistance for SMEs) in the three coal regions to enable an equal playing field and overcome the lack of capacities in terms of information and project design.
- We will provide some **further analysis at micro-regional level regarding specific groups** that will experience the social impacts of the transition and mobilise projects at the local level using local data in the final draft of the document.
- **Smaller actors** have limited personal recourses and capacities to participate in any structured consultation process. The TA team recommends a special focus on developing information instruments and materials tailored to the needs of smaller actors (online via websites, through webinars, etc. that are available on-demand) and the establishment of comfortable and easily accessible formats to elicit feedback from these groups (e.g. online form or email). In addition, their engagement and participation in the process should be further enhanced through simplified administrative procedures (e.g. calls for EoI) and the offer of Technical Assistance and specialised consultations, which could be offered by the regional authorities or CzechInvest.

Information and communication with other actors:

- It is important to **raise a general awareness and understanding on the JTM and the Just Transition Agenda with the wider public**. The rationale and urgency for the transition and the process by which this is being done should be explained in an accessible and attractive language, using illustrative examples to demonstrate the causal links and problems resulting from the transition, i.e. the measures/projects that are resolving/contributing to the elimination of the problem. The TA team suggests that MoRD hire specialised graphic design and marketing experts to help produce those materials at a national level, which can then be distributed locally.
- The decision makers from executive bodies are sufficiently involved; the involvement of **members of the European and national parliaments** (especially those with previous experience on the topics addressed by the Just Transition Agenda) could further enrich the debate and provide new inputs and incentives. The TA team recommends that the Czech members of the European Economic and Social Committee as well as the Committee of the Regions are invited as guests to the meetings of the key governance platforms and other future workshops and online events.

3.4 Stakeholder communication and engagement strategy for the Just Transition Agenda

3.4.1 Objective

The **overall objective** of the strategy is highlighted in Textbox 7 and further elaborated in this section.

Textbox 7: Overall objective of the stakeholder engagement strategy

To engage all relevant stakeholders in efforts to promote the Just Transition Agenda within the Czech society and take into account the perspectives of various stakeholders on the drafting process of the Territorial Just Transition Plan and the Operational Programme Just Transition, as well as mobilise active use of the funding by a broad group of relevant actors.

The development and implementation of the TJTP needs to be a **participatory and inclusive process** that builds trust and consensus, mediates different stakeholder viewpoints, ensures ownership, and strengthens the transition's legitimacy. The objective of proactive stakeholder engagement is to include the public and all affected stakeholders in the Just Transition debate and identify local challenges and concerns. Most importantly, using a participatory approach to **debate** and **identify viable solutions** and **projects** leads to successful outcomes.

3.4.2 Outcomes

To meet the overall objective of the stakeholder communication and engagement strategy, there are several outcomes to aim for:

- **Coordination of key stakeholders/using synergies/sustainability:** the use of the existing platforms (e.g. the new JTP dedicated page developed by MoRD and the websites of each region/RPC) will improve coordination between institutions and enhance the overall effectiveness and communication regarding the Just Transition Agenda. MoRD and MoE can use those channels to increase engagement among all stakeholders and promote ownership, which is especially important for the future when the Operational Programme Just Transition and the JTM investments will occur.
- Building a **strong and shared territorial economic vision** and a **mechanism** for communities to cooperate and link local natural capital, resources, and skills. The engagement of communities affected by the climate transition (e.g., the local municipalities of Ostrava and Karvina in the Moravian-Silesian region or the municipalities of Měrunice, Malé Žernoseky, Chodouny, and Radovesice from the Ústí region) needs to be reinforced to enable them to be aware of their critical role for the success in the transition process and help to achieve community wellbeing.
- Building **consensus, 'buy-in' and 'ownership'** on the transition strategies and actions included in the TJTP; address all key aspects with relevance for the final outcomes of this project and identify the core issues on which stakeholders have different views.
- Facilitating **alignment** across governance levels so that national, regional, and local actors can agree on a shared assessment of transition challenges, objectives, and priority actions, especially when it comes to local participation and influence on the processes.

- Encouraging the **sharing of ideas and experiences** among sectors, stakeholders and local actors to build an **evidence-based overview** that can help stakeholders understand the sectoral dimensions of transition challenges, impacts and opportunities.
- Ensuring local participation and involvement of NGOs, SMEs and other smaller players (outside of the established Transition Platform and the RPCs) are an effective strategy for **conflict prevention**. By fostering a participatory approach at all stages of the technical assignment, the TA team will develop relationships with stakeholders that are based on trust, are equitable, and contribute to the goals of the TJTP and OPJT.

3.4.3 Participation models

The TA team proposes to determine the engagement activity depending on the specific topic, the profile of the stakeholders and the stage of project.

Local authorities and NGOs have a better understanding of the perceptions on the ground and should be consulted to provide guidance, especially for announcing engagement activities in line with the profile and interests of the involved stakeholders. The participation models described below can be applied by MoRD, MoE, and the regional authorities depending on the context, scope of activity, and stakeholder profile. In addition, structures like the Transformation Platform and the RPCs should be utilized to support the sustainability of the project objectives beyond the end of this Technical Assistance assignment. The models are classified as follows:

- **Collaborative participation:** the organiser aims to develop a partnership with the relevant stakeholders to reach mutually agreed-upon decisions and jointly implement the project measures.
- **Consultative participation:** seeks the views of stakeholders on specific issue/s related to the project. Consultations should be used to gather information, identify challenges and needs, and understand the impact of the climate transition on particular groups. This can be achieved via interviews, workshops and thematic focus groups with separate categories of stakeholders, as well as with several groups working together. Public authorities should also be engaged, together with representatives of the civil society/NGOs, in gathering consensus on important issues.
- **Informative participation:** open, transparent and participatory approaches to processes contribute to the successful adoption and implementation across economic, social, and environmental dimensions. Informing and engaging the affected communities and decision-makers during the strategy formulation process increased public approval and 'buy-in,' while reducing resistance to the imminent changes.

These participation models rely on open and transparent modes of communication using digital instruments such as websites accessible for the wider public, social networks, and local and national media.

Additional activities led by the TA team over the duration of this assignment will adopt a variety of the above-mentioned models. These include the organisation of national and regional workshops to inform different stakeholder groups of the status and progress of the TA team's work, planned interviews adopting a consultative approach, as well as ad-hoc communication with stakeholders on an ongoing basis to build a collaborative network at the local and national levels.

3.4.4 Communication channels for stakeholder engagement

To facilitate vertical and horizontal communication flows between national, regional, and local levels, the TA team suggests using the following communication channels and content materials.

The channels can be owned and managed at different levels. Nevertheless, the TA team recommends **coordinating vertical and horizontal communication in a specialised JTM Communications working group**, where specialists from the national, three regional and other relevant municipal actors can take part.

To ensure consistency and accuracy, materials should be developed at the national level, with the possibility of regional level adjustment and contextualisation.

Dedicated webpage at the national level

While the information on JTF regulation is further developed, **the new webpage dedicated to the JTM launched on the www.dotaceeu.cz website could be strengthened by:**

- Providing not only technical information about the Just Transition Fund, but also explaining the underlying rationale and urgency, as well as the challenges and potential of a Just Transition.
- Presenting successful and less successful experiences from other regions and countries that have gone through the process of decarbonisation.
- Mobilising stakeholders (especially groups who might feel underrepresented) to actively participate in the consultation and cooperation processes related to the preparation of programming documents such as the Just Transition Plan itself by establishing a dedicated channel for a two-way communication to also serve as a channel for submitting grievances and complaints from stakeholders at all levels (i.e. "Have your say" format).
- In terms of communication, the Czech experience during the COVID-19 pandemic has shown that transparent and open online formats of communication by the government towards Czech citizens were an important factor to build trust and transparency. Applying this experience to the Just Transition Agenda will be very beneficial. For example, **the Transformation Platform meetings and the RPCs can be recorded from now on and the videos and materials used could be made available as on-demand webinars, which can be accessed by interested stakeholders at any time.** This could be developed into an effective channel to provide information to stakeholders, which has not yet been utilised. Currently, MoRD shares programmes, minutes and presentations from Transformation platform on their website [DotaceEU - Transformační platforma](https://dotace.eu).

Traditional media (newsprint, radio and TV)

Traditional media such as television, radio and print ads in newspapers and magazines have long been the primary channels for advertising and awareness raising campaigns and are still the most credible news sources, accessible to people from all ages and backgrounds.

Generally, **newsprint** ranks very high for believability as a channel, especially with older audiences. In addition, it offers a good local coverage and reach to the mass public. The TA team sees this channel as the perfect medium to **share exposes on the progress of the development and implementation of the TJTPs**, as well as generally outlining the transition process in other European states and the similarities and lessons applicable for the Czech context.

According to an Oxford University's Reuters Institute 2019 report on media trends⁴⁵ – **public radio is the most trusted media channel in the Czech Republic**. Some of the benefits of using specifically local and regional radio broadcasts are that messages can be delivered immediately to a local audience at a relatively low cost for production and transfer. In addition, the audience has the chance to connect in real-time if the format allows (via phone) and contribute with their views and opinions. The TA team recommends using this channel to **spread overall awareness of the transition process in the regions** (e.g. via interviews with representatives from the organisations directly involved in the process), as well as to **engage interested stakeholders from the wider public in a dialogue** about their vision and opinions on a Just Transition.

TV offers the highest reach in the Czech Republic⁴⁶ coupled with immediate delivery and high frequency of the messages. It has high mass audience coverage via national TV stations, but messages could also be transferred via selected local cable channels when suitable. Similar to radio, this channel can be utilised to spread overall awareness of the transition process, from the perspective of different stakeholders in the three regions, as well as updates related to the TJTP.

Social media platforms

The TA team recommends the use of more advanced social media channels (e.g. **Facebook** (the most social media platform for news in CZ⁴⁷), **LinkedIn, Instagram and Twitter**, and **optionally an Open Communication Platform**) to reach a wider array of stakeholders in real-time. Considering that internet penetration in the Czech Republic was 88% in 2019⁴⁸, utilising social media platforms to transfer important messages about the Just Transition in the regions will ensure a very wide reach.

⁴⁵ Reuters Institute Digital News Report 2019: https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2019-06/DNR_2019_FINAL_0.pdf

⁴⁶ Idem.

⁴⁷ Idem.

⁴⁸ Reuters Institute Digital News Report 2019: https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2019-06/DNR_2019_FINAL_0.pdf

While accessing the information about the Just Transition Agenda and its implementation in the Czech Republic via a website is an easy and familiar channel for many stakeholders, to achieve a real interaction and foster engagement, especially among younger people, using social media channels is recommended. Social media platforms allow for an exchange of views (via comments) and can be a great source to disseminate project related news quickly, as well as to collect feedback on specific aspects of the project.

There are no dedicated social media accounts on any platform for information transfer on the Just Transition Agenda in the Czech Republic. We recommend such accounts to be established and managed only on a national level by MoRD (in close cooperation with appointed representatives in each region in the already proposed JTM Communications working group) to ensure consistency of the messages, which will come from a trusted source. This will also help to combat fake news and disinformation.

3.4.5 Communication activities for stakeholder engagement

Interviews/podcast

This format is already in use by the TA team and it works well as an example of a consultative participation model. The results of the already conducted interviews are included in this report, as well as Deliverable 3 (Transition process towards climate neutrality). The TA team surveyed target groups comprised of businesses (EU ETS, non-EU ETS, and SMEs), academia, NGOs, as well as national, regional and local government. Refer to Annex 5 for the interview guide template, which was used by the TA team.

This communication channel can be further utilised to gather information from specific stakeholders, who may not be represented in one of the umbrella organisations. However, their views and opinions are important for the success and support of the transformation process, or they are directly affected by it. This channel is more labour-intensive than others as each interview has to be scheduled and conducted in real-time, as well as transcribed after. Nonetheless, it allows for a more direct and consultative approach, as well as for the collection of grievances or best practices. This communication channel can be further strengthened and converted into a channel for mass engagement by publishing some of the interviews, which do not contain sensitive information (with the prior knowledge and consent of the interviewees) in a podcast series, accessible on-demand for all interested listeners online.

Public hearings/webinars

Public hearings are “open gatherings of officials and citizens, in which citizens are permitted to ask questions and comment, but officials are not obliged to respond or act on them publicly.” The hearing is organised and held by a government agency or organisation in the location affected by the issue to have the greatest effect. For the Just Transition Agenda, it is an appropriate format.

Unfortunately, it cannot be used during the ongoing COVID-19 pandemic, and all estimates indicate that most EU countries will still be in lockdown during the first and second quarter of 2021. The format can be partly replaced by online webinars scheduled for specific issues and interest groups at the national or regional level. The webinar structure can be standardised to include an introduction to the Just Transition Agenda and the JTP followed by an opportunity for participants to pose questions and provide comments. The sessions can be recorded and made available for other interested stakeholders to be watched on-demand and available on the dedicated web page at the national level, cross-linked on the regional authorities' websites.

As explored in the previous chapters, MoRD and the authorities of the three regions have already successfully utilised this type of activity and are planning to continue organising more webinars in 2021. According to the terms of this TA project, the TA team will also contribute to stakeholder engagement by organising six stakeholder workshops (in addition to the other measures such as bilateral interviews, group discussion, and participation in events and meetings organised by other stakeholders). Unfortunately, due to the current COVID-19 situation in the Czech Republic, the TA team will organise all six events online. Three events will be organised at the national level and three at the regional level). The aim would be to ensure that the Just Transition funding mechanisms are understood and utilised by various stakeholders, including representatives from marginalised and excluded communities in lignite and coal mining areas. The TA team will approach the organisation and set-up of these events in close collaboration with local and national actors (MoRD, local authorities, academia and NGOs).

The Technical Assistance team has the following preliminary plan for the online workshops outlined in Textbox 8:

Textbox 8: Proposed stakeholder workshops

National workshops

1. An online workshop on the **modelling of impacts** (output from D3) will allow participants to debate key assumptions behind the E3ME modelling of impacts of the Just Transition and the implications of the results for JTM (*tentative timing: March/April 2021*).
2. An online workshop on **criteria for the selection of projects** will enhance and support the debate on the criteria for selection of projects to be funded under JTF. (*tentative timing: March/April 2021*)
3. An online **final workshop** will summarise the achievements of the TA assignment, provide lessons learnt and recommendations that are relevant to different stakeholder groups (*tentative timing: July 2021*)

Regional workshops

4. An interactive online workshop **on opportunities and challenges of the Just Transition** will be organised **for NGOs** for the TA team to gain insights on the level of awareness on the Just Transition and the perception of the impacts with a focus on NGOs in environmental, social, and youth fields from the 3 regions. (*tentative timing: March/April 2021*)
5. An interactive online workshop **on opportunities and challenges of the Just Transition** will be organised **for SMEs** for the TA team to gain insights on the level of awareness on the Just Transition and the perception of the impacts with a focus on SMEs in the 3 regions. (*tentative timing: March/April 2021*)
6. An interactive online workshop **on opportunities and challenges of the Just Transition** will be organised **for municipalities** for the TA team to gain insights on the level of awareness on the Just Transition and the perception of the impacts with a focus on smaller municipalities in the 3 regions. (*tentative timing: March/April 2021*)

Note: Annex 8 contains the specific workshop proposals

The workshops will be conducted via Zoom, which allows for better moderation of the events as it gives each speaker/facilitator co-host rights. In addition, there are features such as break-out rooms, polls, and others which will make the event more interactive, facilitate networking and would help collect the opinions or preferences of the audience.

The workshops will be divided into two groups: three at the national level and three at the regional level. To achieve maximum results at the national level, the TA team will focus on smaller groups of participants (20-30 people per workshop), including experts in the field who could actively contribute with insights and inputs to the presented themes.

For the regional workshops, the TA Team plans to tailor the session content according to the character and interests of the participating stakeholders. Based on needs identified during the inception phase and the stakeholder assessment outlined in this report, as well as interviews conducted by our experts, the regional-level webinars will target the following groups: one for SMEs (with a focus on innovative SMEs), one for municipalities, and one for NGOs (with an emphasis on youth representation). These workshops will have the same topic but a diverse target group. To facilitate the discussion and increase the effectiveness of the regional workshops, the TA team will likely use the breakout rooms feature in Zoom and explore other online tools to ensure active debates in small focus groups.

The planned timeline for the implementation of these online workshops is between March and July. The exact dates of each event will be coordinated with MoRD, who plans to organise more webinars in this period. More details about the content and structure for the planned sessions can be found in Annex 8.

Focus groups and (online) surveys

A focus group is a small group of specifically selected participants who can contribute to an open discussion. The hosting organisation carefully selects participants for the study to represent the larger population they're attempting to target. The task of the moderator is to ensure legitimate results and reduce bias in the discussions.

Focus groups possess a distinct advantage over other analytical methods. They capitalise on the moderator's communication with participants and the flexibility to move the discussion. The format allows to extract meaningful insights and opinions.

The purpose of the group is not to arrive at a consensus or agreement on the topic. Instead, it seeks to identify and understand stakeholder perceptions on specific issues, including controversial ones.

The TA team suggests using the focus group format in both phases of the JTP:

- **Preparatory phase:** to collect views and feedback on the specific challenges, gaps and risks of transition related to specific group and micro-regions in the three coal areas.
- **Implementation phase:** the focus groups can provide structured and evidence-based feedback on the implementation of the operational programme Just Transition.

The TA team is prepared to support MoRD with the design of future focus groups in its moderator function within the project's timeframe.

Targeted engagement of youth

The TA team recommends taking specific measures to engage youth more intently into the Just Transition Agenda. We see young people as critical stakeholders in the project as they are the coal regions' future. It is impossible to have a future-proof economy without involving those who will lead and shape the future.⁴⁹

The TA team has approached NGOs with strong youth participation and a special focus on climate change, who would also be interested in the Just Transition Agenda, such as the Czech Council of Children and Youth, the Friday's for Future local chapters and the Center of Transport & Energy/Greenpeace. The TA team will conduct interviews with representatives from those organisations in March, and the insights gained will be included either in the final version of this report or in the subsequent reports – D3, D4 and D5.

The Czech Council of Children and Youth (CRDM⁵⁰) is an umbrella organisation for more than 100 institutional members (e.g. NGOs) representing around 200 individual members. It has nine regional subsidiaries. CRDM fulfills its mission by supporting extracurricular education and the activities of its members, especially the effort to create legal, economic, social, and cultural conditions suitable for their activities. CRDM defends the interests of its members vis-à-vis domestic and foreign bodies, organisations, and institutions. One of CRDMs flagship projects is called Youthwiki.⁵¹ It analyses public youth policies in Europe from the perspective of the European Youth Strategy. The content was based on the eight key themes of the Renewed Framework for European Cooperation in the Youth Sector 2010-2018 and deals with the analysis of the youth field as such and its structure.

As proposed in Chapter 2 on the governance mechanism, the TA team would like to reiterate that youth representatives should have at least two seats in the Transformation Platform. The contribution of these representatives would be to provide innovative insights and ideas for the design of a “transformation story” from the perspective of young people.

To further engage young people, the TA team suggests that MoRD utilises some of these instruments: hackathons, co-created workshops, deliberative discussions etc. In addition, as mentioned in Section 3.4.4, content shared over social media platforms (e.g. Instagram, Twitter, YouTube, LinkedIn etc.) is especially relevant to reach out to younger Czechs. In addition, on-demand access to webinars, podcasts, and video blogs (Vlogs) can also be effective communication tools.

At the regional level, the TA team suggests that local authorities take the following actions to stimulate youth engagement:

- Provide small scale financing (e.g. mini-grants) for youth projects and start-ups, and proactively look for external sources of additional financial support.
- Consider reimbursing the cost incurred by youth representatives involved in policy advisory.

⁴⁹ Youth for a Just Transition A toolkit for Youth Participation in the Just Transition Fund: https://ec.europa.eu/regional_policy/en/information/publications/guides/2021/youth-for-a-just-transition-a-toolkit-for-youth-participation-in-the-just-transition-fund

⁵⁰ <http://crdm.cz/>

⁵¹ <https://national-policies.eacea.ec.europa.eu/>

3.5 Other relevant experience to the TJTP stakeholder communication and engagement in the Czech Republic

3.5.1 Experience from Romania

The lessons and experience from the Romanian context within the JTP, and in particular experience from the Jui Valley projects currently implemented within the DG REFORM programme, show that:

- **Engagement works best when stakeholders are familiar with and understand the topic and its implications.** In this respect, a challenge to consultations and engagement on the Just Transition is to overcome the relatively low awareness on the rationale and aims of this process.
- It is important to consider both **formal and informal informational avenues** and identify influential stakeholders that can impede or facilitate the process.
- **Effective engagement is time-intensive** and the timeline of this TA assignment is relatively short. It takes time to establish communication channels and gain visibility in target regions. Effective communication and engagement requires several feedback loops. However, this will be difficult to implement in a timeframe of just a few months and we will provide recommendations for continuation in our final report.
- **Effective engagement also depends on trust between authorities and stakeholder groups.** Previous experience of the experts involved in this project showed that Romania, and in particular the areas hardest hit by economic restructuring such as the periphery of larger urban areas, are affected by low trust in institutions and a high degree of scepticism toward top-down policy. Policy aims such as a carbon-neutral economy may not be immediately identified as beneficial for these poverty-stricken communities that have relied on coal exploitation and other fossil-fuel-related activities for generations.
- **Online interaction doesn't always work.** For example, at the level of local authorities (mayors), it has been proven that this type of interaction is not an accepted channel and face-to-face contact remains important. However, within the current COVID-19 situation it is unlikely that any in-person events can be organised in the first half of the year in the Czech Republic.
- The **private sector is not always interested/responsive** in consultation, nor does it always provide project ideas. The limiting barrier is the high administrative burden.

Applicable take-aways for the Czech JTP experience are that effective engagement is time-intensive. A key success factor is to engage local actors in leadership roles (mayors of cities/towns in the coal regions) who can become ambassadors for the project.

3.5.2 Experience from the Upper Nitra region in Slovakia

The main lessons learned from the transformation process include:

- **Clear and stable information about future funding** supports trust in the programme and authorities.
- Effective management, including the **design of project ideas and project proposals**, is essential to ensure that projects will align with the criteria of the JTF.
- Through an open call with more simplified administrative procedures, **SMEs could access funds in a less bureaucratic way** to support business development and increase their competitiveness in transforming the coal region of Upper Nitra. The supporting projects aim to launch a new or innovative product of the applicant on the market or spur innovation in the production process.
- **The representatives from municipalities** became key actors in the design of the transition process

Applicable take-aways for the Czech JTP experience show that technical support and a simplification of the process for small players are vital. Additionally, municipalities can become important actors to engage local communities with the Just Transition Agenda.

3.5.3 Other START projects

A highly relevant best practice is the experience from the START projects in several European countries: specifically the Midlands in Ireland, the Karlovy Vary in the Czech Republic and the Jiu Valley in Romania. The START project in the **Midlands** in particular, which was finished in October 2020,

can provide lessons and experience, especially for **stakeholder engagement at the regional and local levels**⁵². The START project in the Midlands was kicked off with an on-site visit in December 2019, during which the implementing team met with a broad cross-section of public and private actors, including community groups, that provided a good understanding of the institutional relationships and key actors. There already were structures in place to communicate with national- and regional-level stakeholders, so the implementing team planned to organise eight on-site workshops across a number of the counties in the Midlands to reach and engage local stakeholders. However, due to the COVID-19 outbreak, instead of the workshops, an **online engagement programme for consultations** was developed and launched in the summer of 2020. The platform contained the following materials, which were published on the regional website of the Midlands and were accessible for all interested parties:

- A package of consultation materials was prepared including a **concept note related to the drivers of change in rural communities**, as well as **40 examples of good bottom-up examples of projects** from across Europe.
- Two versions of a **project proposal template**: one for community groups and a more detailed one for public authorities and businesses. The website also offered advice of how the project proposal template can be filled out. The templates included the following required fields:
 - a general outline of the project idea;
 - investment needs over all financial years;
 - main benefits for the region/community, in line with the funding programme;
 - capacity and resources required;
 - main challenges in terms of planning and regulation; and,
 - area for general feedback to the transition process.

The **goal of the online engagement programme for consultations** was on the one hand to collect stakeholders' views and opinions on the transition, while also gathering viable project ideas and proposal from the local level. To promote the programme further, local authorities sent emails to local community groups to announce the start of the campaign and press releases about the START programme and the specific initiative were published in local newspapers and mentioned in local radio talk shows.

The online engagement programme for consultations was very **successful**, with more than 150 project proposals submitted via the established channel. The factors that made this initiative successful and which can be applied in the Czech context of the Just Transition are:

- The **high capacity for engagement and dialogue at the local administrative level** in Ireland, based on numerous previous experience in consultations and community meetings.
- All stakeholders who submitted project proposals had a **transparent channel to communicate** their views on the transition.
- There was a **clear timeline to submit responses** to the campaign and everyone interested had **access and the means** to do so.
- The process facilitated by this online engagement programme was very **well structured** and **produced a lot of project ideas**. According to the implementing team, this structure and wider access were the key reasons for success, as in comparison live workshops can stimulate discussions and peer-exchange but do not necessarily lead to the generation of tangible ideas and do not have the same wider reach.
- The **promotion of this campaign via local media channels** helped reach and involve more stakeholders.

The projects in Karlovy Vary and in Jiu Valley are still ongoing and lessons will be shared in the final report (D5).

⁵² Based on an interview with the START team, who implemented the project in the Midlands and the report on the engagement process, published here: https://ec.europa.eu/energy/sites/default/files/documents/midlands_engagement_process_document_-_start.pdf

3.6 Recommended Stakeholder Engagement Roadmap

The TA team's proposal for the Stakeholder Engagement Roadmap attempts to balance the provision of meaningful and relevant information with active involvement, as well as ensuring transparency about the level of participation and providing clear channels for feedback.

Stakeholder communication and engagement enhances the quality and local ownership of the TJTP process, which will facilitate its implementation and sustainability. As a result, stakeholder communication and engagement need to adjust to the TJTP phases and link stakeholders to the planning process effectively.

Specific goals related to the TA team recommendations (presented in the subsequent chapters) are briefly summarised here:

- The inputs from this report should help MoRD implement a broad, **open and fluid flow of information and feedback** related to the Just Transition that can provide inputs and ensure feedback during the stage of drafting of strategic documents (TJTP and OPJT).
- The Stakeholder Engagement Roadmap outlined below should be the foundation for a **comprehensive long-term stakeholder engagement concept** within the Just Transition Process and Agenda, based on the analysis of needs and clearly defined priorities. MoE should drive the process in the implementation stage of the Operational Just Transition Programme. During the TA assignment, the ministries will be supported by the TA team. In the final report, the stakeholder communication and engagement strategy will be updated for the post-TA period, based on recent experiences and the institutional arrangements and governance as it evolves in the coming months.

Our proposed Stakeholder Engagement Roadmap is structured in two phases:

1. Preparation of the strategic documents TJTP and OPJT (March-April 2021)
2. Implementation of the Operational Just Transition Programme (2021-2027)

With respect to stakeholder engagement, both phases partly overlap. For each phase, the existing and proposed instruments and activities of cooperation–consultation–information are specified.

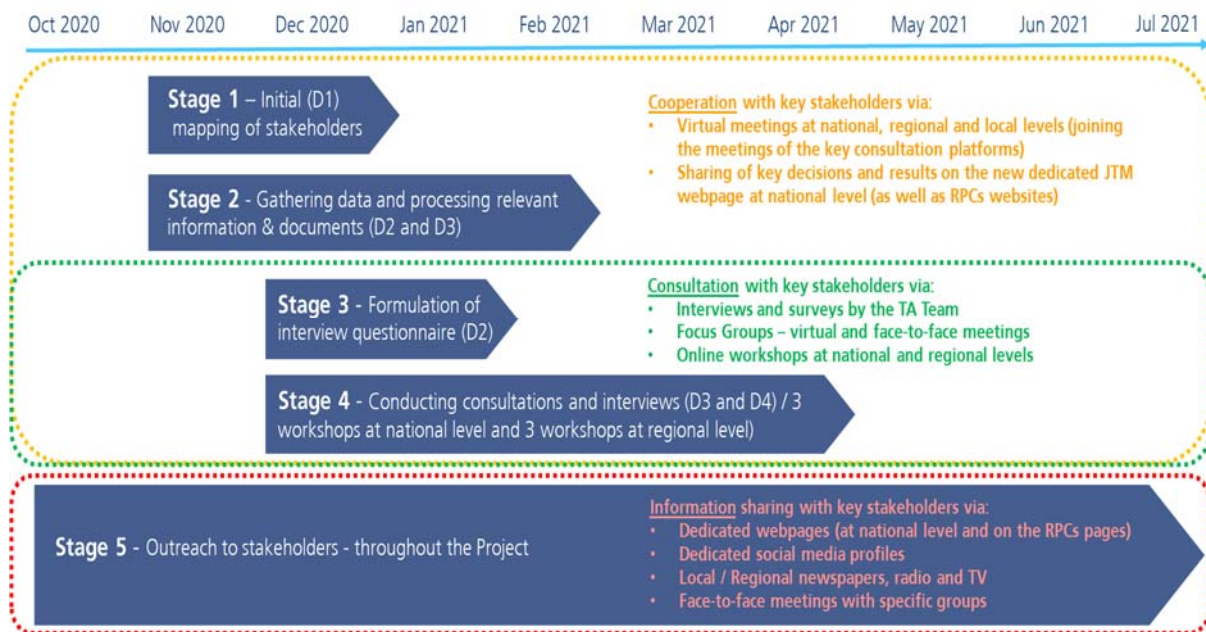
The Stakeholder Engagement Strategy and Roadmap present the type and frequency of communication with stakeholders. The proposed roadmap considers the steps and actions, including the timing of the engagement throughout the planning and implementation cycle, to achieve meaningful consultation and inclusive participation, as well as information dissemination. The proposed engagement strategies seek to be dynamic, adaptive and responsive. **There is no simple solution or one-size-fits-all approach to identify an effective engagement method.** Thus, to achieve a higher level of effectiveness, the Technical Assistance team suggests combining a range of complementary methods.

3.6.1 Stakeholder engagement roadmap – Phase 1 (Preparation)

Figure 8 outlines the engagement roadmap for Phase 1 of the transition process in the Czech Republic, namely during the preparation of the strategic documents TJTP and OP JT.

As this phase largely overlaps with the duration and deliverables of this TA assignment, the TA team has structured the roadmap according to the stages of the assignment from October 2020 till July 2021. The proposed (or already implemented) activities are further clustered according to the three participation models outlined in Section 3.4.3, namely cooperation, consultation and information.

Figure 8: Stakeholder Engagement Roadmap during Phase 1



- **Stage 1 refers to the initial prospecting of relevant stakeholders** based on desk research and scoping interviews with key partners in this process (i.e. MoRD, MoE, regional authorities) conducted by the TA team during the inception phase (D1) and the preparation of the first draft of this report (D2).
- **Stage 2 relates to data collection and processing of documents** (e.g. from the sharepoint of MoRD), and attendance of meetings of the key engagement platforms (e.g. meetings of the Transformation Platform, MoE working groups) and other official sources. The insights from this process are used for the analysis of the current state of play of the governance mechanisms and stakeholder engagement in this report, as well as for the report on the transition process (D3).
- **Stage 3 concerns the formulation of interview questions and the design of effective consultation activities.** Given the technical assignment requirements and the identified stakeholder groups, the TA team has elaborated an interview questionnaire (refer to Annex 5) used during structured interviews with different categories of stakeholders. The inputs from those interviews have informed the design and selection of best-fitted consultation methods to gather inputs – e.g. individual interviews or online workshops for the preparation and presentation of D3, D4, and D5. In parallel, MoRD and the regional authorities in the three coal regions have also been implementing various consultation activities, outlined in Chapter 3.
- **Stage 4 is the core of the stakeholder engagement and refers to the implementation of the stakeholder engagement strategy via interviews, focus groups and online workshops.** Structured interviews with stakeholders conducted by the TA team kicked off in December 2020 (refer to Textbox 8 above for the proposal). As the project progresses, engagement activities conducted by the TA team will allow stakeholders to take part in agenda setting exercises, building ownership and awareness on the transition process. This will be complemented by the ongoing activities by the permanent consultation platforms at national and regional levels where the Deliverable 4 will be presented.
- **Stage 5 concerns outreach to stakeholders throughout the duration of the TA assignment.** To date all information sharing has been steered by MoRD at the national and by the RPCs at the regional levels. Information has been shared on the dedicated national webpage and on the RPCs websites. The TA team recommends that more channels are utilized to reach more stakeholders (who are not part of the key consultation platforms) and the wider public, such as social media, local newspapers, radio and TV, as well as targeted meetings with specific groups (e.g. SMEs, youth representatives, academia representatives, and other vulnerable groups).

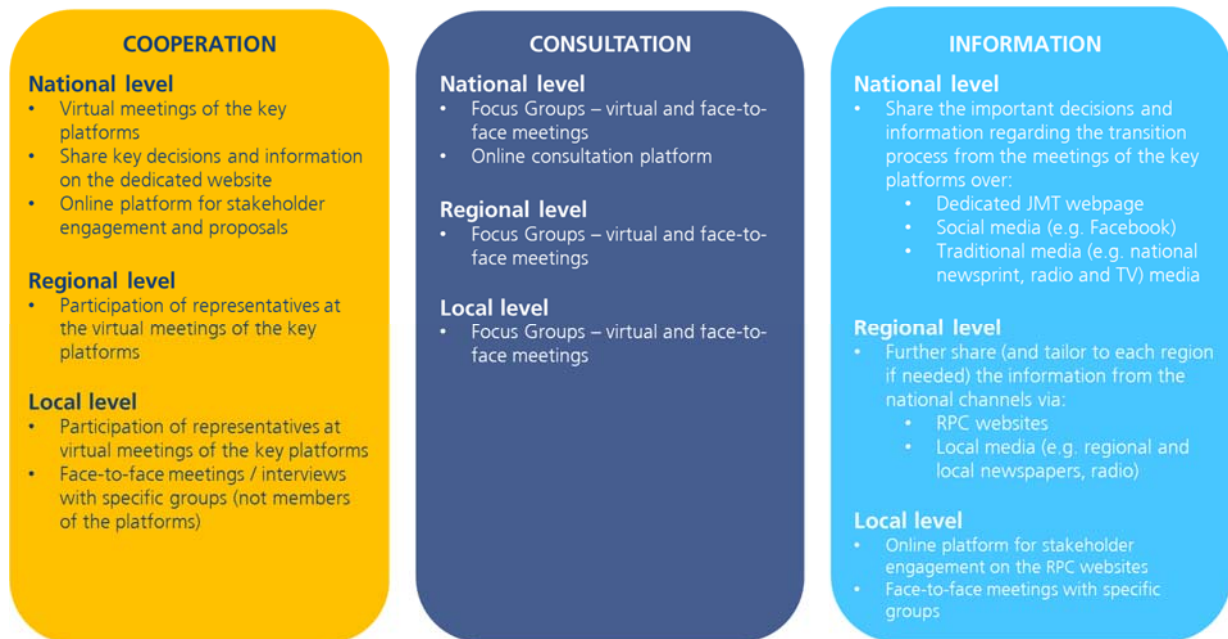
Annex 11 provides a more detailed roadmap for Phase 1, outlining how various stakeholders are connected and how they should be engaged at the national, regional and local level. The annex also provides an overview of the channels and activities already in use, as well as the new measures

recommended by the TA team for further implementation.

3.6.2 Stakeholder engagement roadmap – Phase 2 (Implementation)

Figure 9 outlines the engagement roadmap for Phase 2 of the transition process in the Czech Republic, which spans a longer-term and covers the implementation of the Operational Just Transition Programme, past July 2021. The proposed channels and activities are clustered according to the three participation models outlined in Section 3.4.3, namely cooperation, consultation and information, and further at national, regional and local levels.

Figure 9: Stakeholder Engagement Roadmap during Phase 2



Annex 11 provides a more detailed roadmap for Phase 2, outlining how various stakeholders are connected and how they should be engaged at the national, regional and local level. The annex also provides an overview of the channels and activities already in use, as well as the new measures recommended by the TA team for further implementation.

In the final report, the Stakeholder Communication and Engagement Strategy will be updated based on the experience of the TA team in the coming months and the way the different programmes and institutions have optimised their working arrangements.

3.7 Potential risks and mitigation

At the time of the report submission, the international and local experts of the TA team are working remotely and only participating in online meetings due to the continued COVID-19 crisis. This also applies to meetings with stakeholders (e.g. Commission, Czech and other local contacts). To date, there has not been any delay of activities due to the health crisis.

However, the Technical Assistance team has identified the following potential risks (see Table 6) for the future implementation of stakeholder engagement activities. Risks are characterised by with likelihood (L) and impact (I) and have a ratings of low (L), moderate (M), or high (H).

Table 6: Risk management concerning stakeholder engagement

Risk	L/I	Preventive measures	Mitigation measures
Delays due to the COVID-19 pandemic	H/M	We will provide a flexible project plan, which will identify tasks that can be moved and priority tasks that should take precedence. Should it be necessary, we can also adjust to the	a) Regular tracking and recast of the project plan if necessary; b) Ad-hoc consultation and exchange with the Czech counterparts;

Risk	L/I	Preventive measures	Mitigation measures
		services' remote strategy as indicated by the Request for Services.	c) Backup dates and enabling remote participation for key events such as meetings and workshops. d) Converting face-to-face workshops (e.g. the workshops at the regional and national level) into video meetings with the possibility to use break-out rooms and other facilitation methods that ensure high levels of interaction online.
Low stakeholder participation	L/M	We will rely on the dedication of MoRD, MoE and the local Technical Assistance team to drive participation. We will also make sure that future events will be strongly marketed via various channels.	a) Stakeholders will be contacted in advance via emails and follow-up by phone calls. b) Every channel of contact available will be activated (emails, interviews, videoconferences, web surveys, etc.) to facilitate higher involvement.
Speedy and top-down development of the JTP	M/M	To avoid the TST presenting its findings and action plans in a reactive manner, a direct contact between the Team Leader and the MoRD has been established in addition to the coordination of the Project Management.	The proposed stakeholder engagement strategy (D2) ensures that stakeholders at the local and regional level are heard and involved according to their roles. This adds value to a potential top down approach in drafting the JTP and provides strong legitimacy.

3.8 Monitoring stakeholder engagement

The TA team will apply and monitor basic engagement indicators (Table 7) to measure the value and depth of stakeholder engagement activities. The TA team understands the limitations of the data and suggests the measures be used as a soft proxy. However, the data should help indicate if engagement is taking place and guide the adjustment of future activities and communication platforms. The indicators will help assess our efforts during the TA assignment and can be utilised after the TA project is completed by MoRD and MoE.

Table 7: Monitoring and evaluation indicators

Tool	Results indicator
Leaflets	Number of Leaflets Distributed
Surveys	Number of Responses
Polls	Number of Received Poll Responses
Interviews	Number of completed interviews
Workshops / Presentations / Webinars	Number of Participants attending
	Number of Comments submitted
Public Hearings	Number of Stakeholders attending
	Number of Comments Made
Stakeholder Registrations through Website	Number Registrations
Website	Unique page Views
Facebook / Instagram	Number of Followers, Number of postings / re-posts

Tool	Results indicator
Twitter	Number of Followers

The TA team will track these monitoring and evaluation indicators and include the results in the final D5 report. The TA team can also provide intermediate results in the status reports or during the tripartite calls upon request by DG REFORM or MoRD.

3.9 Complaint management mechanisms

It is crucial to identify the financial, technical and human resources necessary **to develop and maintain an effective complaint mechanism**. This demonstrates responsibility and accountability by the governance institutions leading the effort. A complaint management mechanism is a formal process to channel and resolve legitimate issues, concerns or problems that an individual or group of stakeholders have in relation to the engagement process, policy or project.

The goal of a complain mechanism is to provide an alternative to legal procedures through collaboration between parties to resolve issues in a more efficient and collaborative way that builds local community ownership of solutions. One of the aims and benefits of a functional complaint mechanism is that people are aware that it exists and use it at early signs of discontent, which will enhance trust. If necessary, in the case of escalation of disputes, independent mediators (for example other representatives of non-partisan local organisations) could be engaged to investigate the situation, meet with parties individually, analyse possible courses of actions with other stakeholders, and propose mutually agreeable solutions.

The complaint mechanism provides a necessary means of recording and responding to whether, when and how to implement proposed solutions. A channel to lodge anonymous complaints that is open to the public (e.g. email or a form online) should be set-up by MoRD when drafting the JTP. It can be managed later by MoE during the implementation of the OPJT. If a resolution to the community members' liking is not possible, the reasons should be made clear wherever possible.

4 Annexes

Index

Annex 1: Status Quo of the JTM as of February 2021

Annex 2: Members of the Transformation Platform

Annex 3: Unified list of stakeholders

Annex 4: Members of the Regional Permanent Conferences (RPCs)

- a. Members of the RPC in the Karlovy Vary region
- b. Members of the RPC in the Ústí region
- c. Members of the RPC in the Moravia-Silesia region

Annex 5: Outline for the structured and semi-structured interviews with stakeholders (for D2 and D3)

Annex 6: Events organised by the Ministry of Regional Development (related to the JTF)

Annex 7: Events organised by the regional authorities in the Moravia-Silesia, Ústí and Karlovy Vary regions (related to the JTF)

Annex 8: Concept note for the design of workshops to be organised by the Technical Assistance team

Annex 9: Smart dashboard proposal

Annex 10: Six online workshops conducted by MoRD – invitations and workshop programmes

Annex 11: Detailed Engagement and Communication Roadmaps - Phase 1 (Preparation) and Phase 2 (Implementaton)

Annex 1: Status Quo of the JTM as of February 2021

Status Quo of the JTM as of February 2021

Pillar 1: Just Transition Fund

JTF subject to the *trilogue*⁵³ negotiations took place on the 9 December 2020 and an agreement was reached for EUR 17.5 bn⁵⁴ as follows: *“EU institutions agreed to broaden its scope to also fund micro-enterprises, universities and public research institutions, digital innovation and activities in the areas of education and social inclusion. Investments in renewable energy and energy storage technologies, investments in energy efficiency and heat production for renewables-based district heating, smart and sustainable local mobility will also be financed. The decommissioning or construction of nuclear power stations, activities linked to tobacco products and investment related to the production, processing, transport, distribution, storage or combustion of fossil fuels cannot be funded through the JTF.”* Political compromise on Pillar 1 has been reached in December 2020, and no significant changes in the setting are expected. In the first months of 2021, only partial minor adjustments are underway and the approval and publication of legislation is expected in the second quarter of 2021.

Pillar 2: dedicated scheme under InvestEU

Under Pillar 2 of the Just Transition Mechanism, a dedicated just transition scheme will be set up under InvestEU. Support under this scheme will be embedded in all financial products developed and implemented under InvestEU, across all policy windows, and will be available for all implementing partners (25% will be open to other implementing partners than the EIB, in line with the InvestEU Regulation).

According to a proposal Regulation COM(2020)403 final, establishing the InvestEU Programme, page 7, is stated the following: *“The InvestEU Fund will also provide for a dedicated scheme to generate additional investment to the benefit of just transition regions (pillar 2 of the Just Transition Mechanism) in complementarity with the Just Transition Fund (pillar 1) and the public sector loan facility (pillar 3).”* The regulation establishing the InvestEU Programme is expected to be approved and published in mid-2021, or in the third quarter of this year. Open issues regarding the eligibility are still being addressed.

Pillar 3: public sector loan facility

Under Pillar 3, a new public sector loan facility with the EIB will support increased public sector investment in the regions undergoing climate transition. Loans would provide public sector entities (for example municipal or regional authorities) with resources to implement measures to facilitate the transition to climate neutrality. Supported investments will range from energy and transport infrastructure, district heating networks, energy efficiency measures including renovation of buildings, as well as social infrastructure, and can include other sectors as well.

The EU support will take the form of an investment grant, financed from the EU budget, which will be blended with loans from the EIB's own resources. The grant component will be on average 15% of the EIB loan, but can reach 20% in less developed regions. Beneficiaries will include municipal, regional and other public authorities. Support will be complementary to the products offered by the InvestEU dedicated just transition scheme, given that it will target projects that do not generate sufficient market streams of revenue and would not have been financed without the support. It will also include advisory support in order to help generate project pipeline.

Support from Pillar 3 of the JTM will be provided to EU member states that will have at least one Territorial Just Transition Plan. Member States should have a national envelope for the grant component, to be determined on the basis of the allocation methodology described in the Annex to the JTF Regulation. The credit component should have no national limits and will therefore depend mainly on demand and the quality of the projects and its assessment and approval by the EIB.

Under Pillar 3, intensive discussions on setting legislation now began in February 2021. According to the EIB, it is unlikely that a compromise will be reached by mid-2021. The legislation will most likely not be adopted by the end of 2021. Therefore, the first projects financed from this pillar can be expected by the end of 2022 or later.

Pillar 3 (and also Pillar 2) will have a wider geographical scope. It will cover projects in the regions with an approved territorial just transition plan but also projects outside these regions when they benefit just transition regions and are key to the transition in those territories as justified in the territorial just transition plans.

Sources: From the European Commission Websites and Documentation

⁵³ Between the European Commission, the European Council and the European Parliament.

⁵⁴ <https://www.europarl.europa.eu/news/en/press-room/20201207IPR93210/deal-on-financing-a-just-energy-transition-in-eu-regions>

Annex 2: Members of the Transformation Platform

Members of the Transformation Platform

NAME OF INSTITUTION	WEBSITE AND DESCRIPTION
Ústecký kraj – Ústí region	www.kr-ustecky.cz <p>The Ústí Region as a higher territorial self-governing unit was created in accordance with Constitutional Act No. 347/1997 Coll., on the creation of higher territorial self-governing units and on the amendment of the Constitutional Act of the Czech National Council No. 1/1993 Coll., from the Constitution of the Czech Republic. It is delimited by the districts of Děčín, Chomutov, Litoměřice, Louny, Most, Teplice and Ústí nad Labem. The position of the region and its bodies is defined by Act No. 129/2000 Coll., on Regions (regional establishment), as amended (Act on Regions, amendment to the Act on Regions). The region is a territorial community of citizens; it has the right to self-government, which is exercised to the extent provided by law and in accordance with the needs of the region. The region is a public corporation; acts in legal relations on its own behalf and bears the responsibility arising from these relations.</p>
Moravskoslezský kraj – Moravia-Silesia region	www.msk.cz <p>The Moravian-Silesian Region was created under the name "Ostrava Region" on 1 January 2000 by Constitutional Act No. 347/1997 Coll., on the creation of higher territorial self-governing units and on the amendment of the Constitutional Act of the Czech National Council No. 1/1993 Coll., from the Constitution of the Czech Republic. On May 31, 2001, the name of the region was changed to "Moravian-Silesian Region".</p>
Karlovarský kraj – Karlovy Vary region	www.kr-karlovarsky.cz <p>The region is administered, to the extent stipulated by law. The regional bodies are the regional council, the regional governor and the Regional Authority. The region may perform its tasks and independently establish legal entities and organizational units such as facilities without legal personality. The region ensures the performance of financial control in accordance with budgetary rules of territorial budgets and according to a special legislation.</p>
RHSD Ústeckého kraje – Council of Economic and Social Accord of Ústí Region /Economic and Social Council	www.tripartita.cz http://www.hsr-uk.cz <p>The Economic and Social Council of the Ústí Region is established a coordination and conciliation body for negotiations with the Government of the Czech Republic, ministries, central administrative authorities and bodies of the Ústí Region on issues of economic and social development of the region. The goal of the Economic and Social Council of the Ústí Region is the balanced economic and social development of the Ústí Region and increasing the living standards of its inhabitants in accordance with the principles of sustainable development.</p>

<p>RHSD Moravskoslezského kraje - Council of Economic and Social Accord of Moravia-Silesia Region</p>	<p>www.tripartita.cz http://zmocnenecvladymuskukvkv.cz</p> <p>The Council of the Economic and Social Agreement of the Moravian-Silesian Region is a joint voluntary negotiating and initiative body of public administration, employers and trade unions for tripartite negotiations. Its main goal is to reach agreement on fundamental issues of economic and social development of the Moravian-Silesian region. The Council of the Economic and Social Agreement of the Moravian-Silesian Region discusses, consults, proposes and promotes solutions for the development of the economy and raising the living standards of citizens. At the same time, it focuses mainly on the most important issues that are of common interest to individual partners.</p>
<p>RHSD Karlovarského kraje - Council of Economic and Social Accord of Karlovy Vary Region</p>	<p>www.tripartita.cz http://www.kr-karlovarsky.cz</p> <p>The Council of the Economic and Social Agreement of the Karlovy Vary Region is a joint voluntary conciliation and initiative body of employers, public administration departments and acceding non-profit entities for tripartite negotiations with the aim of reaching agreement on fundamental issues of economic and social development. The Council of the Economic and Social Agreement of the Karlovy Vary Region enables a mutually respected form of dialogue to maintain social peace as a basic precondition for the positive development of the economy and the living standards of the region's citizens.</p>
<p>Centrum pro dopravu a energetiku – Center for Transport and Energy (CDE)</p>	<p>www.cde-org.cz</p> <p>At the national level, the CDE is a member of the Green Circle network of environmental NGOs and a founding member of the Climate Coalition Platform of Environmental and Development NGOs. At the international level, it is a member of the CEE Bankwatch Network, a network of environmental organizations in Central and Eastern Europe dealing with the activities of international financial institutions, and a member of the Climate Action Network Europe, the European Climate Change Network. We follow the Green Circle Code of Ethics.</p>
<p>Svaz průmyslu a dopravy ČR – Confederation of Industry of the Czech Republic</p>	<p>www.spcr.cz</p> <p>Confederation of Industry of the Czech Republic a non-governmental, voluntary, non-political organization, association for employers and entrepreneurs in the Czech Republic. It is the largest employers' association, which represents a decisive part of Czech industry and transport. It can exercise a so-called mandatory comment point on drafts of many pieces of legislation and its mission is to influence the economic and social policy of the government of the Czech Republic in order to create optimal conditions for the dynamic development of business in the Czech Republic and to defend the common interests of its members. It also defends and promotes the interests of employers and entrepreneurs of the Czech Republic in European and international organizations.</p>

<p>Svaz měst a obcí ČR – Union of Towns and Municipalities of the Czech Republic</p>	<p>www.smocr.cz</p> <p>The Council directs and controls the activities of the Association in the period between assemblies. The Council meets at least twice a year and acts and decides in accordance with the Rules of Procedure of the Council. The Council is one of its activities responsible. Council next door Parliament. Other matters specified in the Articles of Association: (1) approve the budget, the rules for managing the appropriations and the annual final account, (2) decides on secondary economic activities, (3) decides on the establishment, establishment and dissolution of legal entities and on the ownership participation of the Association in legal entities.</p> <p>The Council also decides on the management of real estate, unless it entrusts this to decision-making assigns tasks to the Bureau.</p>
<p>Ministerstvo dopravy – Ministry of Transport (MoT)</p>	<p>www.mdcr.cz</p> <p>The Ministry of Transport of the Czech Republic is the central body of state administration in matters of transport. It is responsible for the creation of state policy in this area and, within the scope of its competence, also for its implementation.</p> <p><i>Representative: doc. Ing. Karel Havlíček, Ph.D., MBA</i></p>
<p>Ministerstvo životního prostředí – Ministry of Environment (MoE)</p>	<p>www.mzp.cz</p> <p>The Ministry of the Environment was established on 19 December 1989 by Act of the Czech National Council No. 173/1989 Coll. on 1 January 1990 as the central body of state administration and the body of supreme supervision in environmental matters. The Ministry of the Environment is the central state administration body for the following areas: (1) protection of natural water accumulation, protection of water resources and protection of groundwater and surface water quality, (2) air protection, and (3) nature and landscape protection.</p> <p><i>Representative: Mgr. Richard Brabec</i></p>
<p>Ministerstvo průmyslu a obchodu – Ministry of Industry and Trade (MIT)</p>	<p>www.mpo.cz</p> <p>The Ministry of Industry and Trade is the central body of state administration, the competence of which is defined by Act No. 2/1969 Coll., On the Establishment of Ministries and Other Central Bodies of State Administration of the Czech Republic, as amended. In its activities, it is governed by the Constitution and legal regulation of the Czech Republic.</p> <p><i>Representative: doc. Ing. Karel Havlíček, Ph.D., MBA</i></p>
<p>Ministerstvo školství, mládeže a tělovýchovy – Ministry of Education, Youth and Sport (MoEYS)</p>	<p>www.msmt.cz</p> <p>The Ministry of Education, Youth and Sports of the Czech Republic is the central state administration body for preschool facilities, school facilities, primary schools, secondary schools and universities, for science policy, research and development, including international cooperation in this field, and for scientific degrees, for state care for children, youth, physical education, sport, tourism and sports representation of the state. It is often</p>

	<p>abbreviated only as the Ministry of Education. It is located in Karmelitská Street in Prague 1 - Malá Strana.</p> <p><i>Representative: Ing. Robert Plaga, Ph.D.</i></p>
Ministerstvo financí – Ministry of Finance (MoF)	<p>www.mfcr.cz</p> <p>The Ministry of Finance is the central state administration body for the state budget of the republic, the state final account of the republic, the state treasury of the Czech Republic, the financial market with the exception of capital market supervision within the scope of the Securities Commission, taxes, fees and customs accounting, auditing and tax consultancy, foreign exchange affairs, including claims and liabilities of the state to foreign countries, protection of foreign investments, for raffles, lotteries and other similar games, management of state property, privatization of state property, for affairs of insurance companies, pension funds, prices and activities against money laundering.</p> <p><i>Representative: JUDr. Alena Schillerová, Ph.D.</i></p>
Ministerstvo práce a sociálních věcí – Ministry of Labour and Social Affairs (MoLSA)	<p>www.mpsv.cz</p> <p>The competence of the Ministry of Labour and Social Affairs includes social policy (issues of the disabled, social services, social benefits, family policy, etc.), social insurance (pensions, sickness, etc.), employment (labor market, employment support, foreign employment, etc.), labor legislation, safety and health at work, equal opportunities for women and men (gender issues), as well as European integration and the area of drawing financial assistance from European Union (EU) funds. Organizations subordinate to the Ministry of Labor and Social Affairs include the Labor Office of the Czech Republic (ÚP ČR), the Czech Social Security Administration (ČSSZ), the State Labor Inspection Office (SÚIP) and the Office for the International Legal Protection of Children (ÚMPOD).</p> <p><i>Representative: Dipl.-Pol. Jana Maláčová, MSc.</i></p>
Ministerstvo kultury – Ministry of Culture (MoC)	<p>www.mkcr.cz</p> <p>The Ministry of Culture is the central body of state administration for (1) art, (2) cultural and educational activities, and (3) cultural monuments, for the affairs of churches and religious societies, etc.</p> <p><i>Representative: PhDr. Lubomír Zaorálek</i></p>
Ministerstvo pro místní rozvoj – Ministry of Regional Development (MoRD)	<p>www.mmr.cz</p> <p>The Ministry of Regional Development (MRD) is the central body of state administration in matters of regional policy, housing policy and other defined sections of the administration. The Ministry was established with effect from 1 November 1996 by Act No. 272/1996 Coll., Which amended Act No. 2/1969 Coll., On the Establishment of Ministries and Other Central Bodies of the State Administration of the Czech Republic. This competence law (as amended) defines the basic competence of the ministry. MMR is housed in three buildings: Staroměstské náměstí 6, Na Příkopě 3 and Letenská 3.</p>

	<i>Representative: Ing. Klára Dostálová</i>
MMR – RE:START (Ministerstvo pro místní rozvoj) – Ministry for Local Development of the Czech Republic	www.mmr.cz <p>The project helps to completely organize all activities of the RESTART team, the aim of which is to set up processes and fulfill binding government resolutions for the Coal Regions of the Czech Republic. The project provides technical and organizational support for administrative capacity on the part of the Czech Republic in connection with the development of the Platform for Coal Regions in Transformation and in fact contributes to the intensification of economic restructuring processes at the level of structurally affected regions - Ústí, Moravia-Silesia and Karlovy Vary regions.</p> <p>The project technically and organizationally supports all activities of the implementation team, which will ensure all the necessary activities for the successful preparation and implementation of activities that will be developed in relation to the government strategy RE: START.</p>
Úřad vlády – Office of the Government	www.vlada.cz <p>The Office of the Government of the Czech Republic is the central body of state administration. The competence of the Office of the Government of the Czech Republic is determined by Act No. 2/1969 Coll., On the Establishment of Ministries and Other Central Bodies of the State Administration of the Czech Republic, as amended (often referred to as the so-called Competence Act). Pursuant to this Act, the Office of the Government of the Czech Republic performs tasks connected with the professional, organizational and technical support of the activities of the Government of the Czech Republic and its bodies.</p>
Sdružení místních samospráv – Association of Local Selfgovernments	www.smscr.cz <p>The Association of Local Self-Governments of the Czech Republic is a non-governmental apolitical organization with nationwide competence, which unites and defends the interests of municipalities and cities in the Czech Republic. From the wide range of activities in favor of local governments, it is possible to mention above all the promotion of a fair distribution of tax revenues between municipalities and cities in the Czech Republic (budgetary determination of taxes). The agenda of the SMS ČR today includes commenting on various legislative proposals, presenting and promoting the needs of smaller municipalities and cities, defending the interests of the countryside and its inhabitants and cooperation in the fight against corruption in public administration. SMS ČR is a strong partner of the government, parliament and regions in the Czech Republic.</p>
Komora obnovitelných zdrojů energie – Chamber of Renewable Energy Sources	www.komoraoze.cz <p>The Chamber of Renewable Energy Sources (Komora obnovitelných zdrojů energie) is a Czech association incorporating all professional associations focused on different types of renewable energy, including manufacturers of technology and scientists. We support the sustainable increase of renewable energy</p>

	consumption, unify and stand up for our members' interests, and are dedicated to raising awareness about renewable energy.
Svaz moderní energetiky – Association of Modern Energy	www.modernienergetika.cz <p>We combine smart solutions for the growth of the Czech economy. We create an overarching platform that opens up opportunities for innovative technologies and new approaches. We offer a common voice to professional associations in the field of modern energy.</p> <p>The founding members are the Alliance for Energy Self-Sufficiency, the Association for Accumulation and Batteries AKU-BAT CZ, the Association for Combined Heat and Power Production COGEN Czech, the Czech Technology Platform for Smart Grid and the Solar Association, the largest Czech association of photovoltaic power plant operators. The academic members of the association are the University Center for Effective Buildings of the Czech Technical University in Prague, the Faculty of Electrical Engineering of the Brno University of Technology or the Technical University of Ostrava.</p>
Národní síť Místních akčních skupin České republiky - National Network of Local Action Groups	www.nsmascr.cz <p>The National Network of Local Action Groups of the Czech Republic, z. s. is a community uniting organizationally independent legal entities - local action groups - working in the form of community-led local development - LEADER method for the benefit of the countryside in the Czech Republic.</p> <p>The main mission of NS LAG is mainly: (1) to bring together Local Action Groups working according to the basic criteria issued for the functioning of the LAG, (2) to develop cooperation with other actors working for the benefit of the countryside and its people.</p>
Státní fond životního prostředí ČR – State Environmental Fund of the Czech Republic	www.sfzp.cz <p>SFZP a state institution of the Ministry of the Environment, which since 1992 has been mediating investments in the protection and improvement of the environment in the Czech Republic. In the form of subsidies and loans, we co-finance projects contributing to the improvement of water quality, air quality, waste management and nature and landscape protection. We also support environmental education, training and awareness, the use of renewable energy sources and energy saving.</p> <p>We ensure the drawing of financial resources from the structural funds of the European Union for the environment sector in the Operational Programme Environment. We are responsible for the administration of the New Green Savings program, which is financially covered by the sale of emission allowances, and we are now an intermediary for environmental finance from the EEA Funds and Norway. We provide financial support from our own resources for projects in the National Environment Program.</p>
CzechInvest - CzechInvest	www.czechinvest.org <p>CzechInvest plays a key role in supporting business and investment in its comprehensive form. The unique</p>

	<p>combination of regional, central and international operations ensures the integrity of services and the ability to connect global trends with regional conditions in the Czech Republic. One of the main goals of CzechInvest is to transform the Czech Republic into an innovation leader in Europe. CzechInvest is a state-subsidized organization subordinate to the Ministry of Industry and Trade of the Czech Republic. It was founded in 1992.</p>
<p>Hospodářská komora ČR – Czech Chamber of Commerce</p>	<p>https://www.komora.cz/en/about-us/</p> <p>The Czech Chamber of Commerce is the largest and the most representative business association in the Czech Republic. It has more than 15,000 members organized in 62 regional chambers and in 110 branch associations.</p> <p>The Czech Chamber of Commerce is the only legal representative of Czech entrepreneurs. Its activity is set by law – in Act No. 301/1992 Coll. on the Czech Chamber of Commerce and the Agrarian Chamber of the Czech Republic. The aforementioned legal standard states that the Czech Chamber of Commerce protects the interests of Czech entrepreneurs from all regions and from all sectors except agriculture, food and forestry (this activity is performed by the Agrarian Chamber of the Czech Republic).</p> <p>The Czech Chamber of Commerce's mission is to create opportunities for entrepreneurship, to promote and support measures that contribute to the development of business environment in the Czech Republic and thus to the overall economic stability of the state.</p>
<p>Český svaz zaměstnavatelů v energetice – The Czech Association of Energy Sector Employers</p>	<p>www.csze.cz</p> <p>The Czech Association of Energy Employers is a voluntary, independent and open interest organization associating employers in the field of production and distribution of electricity and heat and related fields, as well as other legal entities doing business in the energy sector, and vocational schools focused on energy. ČSZE is an association in the sense of the relevant legal regulations. The Association develops its activities and operations in the Czech Republic and cooperates with similar organizations outside the Czech Republic.</p> <p>The main goal of the Association's activities is to contribute to the good name of the Czech energy sector, protect them, as well as protect the interests and reputation of the Union and its members, represent, promote and defend the common business and employer interests of its members in dialogue with the Parliament, the Czech Government parties and movements and other national ones and international institutions. The union represents its members in collective bargaining and concludes higher-level collective agreements on their behalf with the relevant trade unions ECHO and ČOSE.</p>
<p>Zaměstnavatelský svaz důlního a naftového průmyslu – Employer Association of Mining and Oil Industry</p>	<p>www.zsdnp.cz</p> <p>The Employers' Association of the Mining and Petroleum Industry (hereinafter referred to as the ZSDNP) is an independent voluntary organization that represents the</p>

	<p>mining business and employer public in the Czech Republic.</p> <p>When the union was established at the inaugural meeting in Ostrava in May 1990, 8 organizations became its members. At present (2018), it unites 23 organizations with approximately 33,300 employees.</p> <p>These are major joint-stock companies and state-owned enterprises in the coal, ore, non-metallurgical and oil industries, including a wide range of organizations that are closely related to or linked to mining. They are construction, engineering, reclamation and other organizations related to consulting, exploration, design, treatment and recovery of minerals.</p> <p>During the process of restructuring heavy industry accompanied by gradual phases of decline in mining - ie throughout the existence of the union - its main mission is to defend the interests of its members, formulate and promote their goals in negotiations with government, trade unions and other entities and institutions.</p>
ICUK (Inovační centrum Ústeckého kraje) – Innovation center of the Ústí region	<p>www.icuk.cz</p> <p>ICUK is the innovation platform of Ústí region, established by the regional government, the regional university UJEP and the regional Chamber of Commerce. Its task is to establish a functional innovation ecosystem in the region, to create and implement new solutions supporting entrepreneurship, and to boost business and cooperation of active people in the region.</p>
Konfederace zaměstnavatelských a podnikatelských svazů ČR – Confederation of Employers and Entrepreneurs Unions of the Czech Republic	<p>http://www.kzps.cz</p> <p>KZPS ČR is an association established pursuant to Act 89/2012 Coll., Which represents the eight dominant employers' associations from the area construction textile industry small and medium business production and consumer cooperatives agriculture mining and oil industry wood processing industry education healthcare culture and social services represents more than 22,000 member entities with more than 1,300,000 employees promotes the specific interests of its members in the field of legislation and other areas</p>
ČMKOS (Českomoravská konfederace odborových svazů) – Czech-Moravian Confederation of Trade Unions	<p>www.cmkos.cz</p> <p>Czech-Moravian Confederation of Trade Unions</p> <p>is the largest trade union headquarters in the Czech Republic. The CMKOS is a voluntary, open and independent democratic association of 30 trade unions, whose mission is to protect wages, working and living conditions and the rights of employees. As one of the social partners, it actively participates in tripartite negotiations with the government and employers within the Council of the Economic and Social Agreement of the Czech Republic. The CMKOS is also a member of the European Trade Union Confederation (ETUC), the International Trade Union Confederation (ITUC) and the OECD Trade Union Advisory Committee (TUAC).</p>

Annex 3: Unified list of stakeholders (28.02.2021)⁵⁵

⁵⁵ Will be updated in the Deliverable 5 (Final Report).

Unified list of stakeholders (28.02.2021)	TJTP preparatory team	Transformation Platform	Working groups of MoE	Regional Permanent Conferences (RPCs)	Relevance	Activities involved
National government and EU bodies						
Ministry of Industry and Trade	X	X	X		National	<ul style="list-style-type: none"> All deliverables: <ul style="list-style-type: none"> Providing key strategic documents Deliverable 1 <ul style="list-style-type: none"> Status quo description Revision of the RE:START strategy Deliverable 2: <ul style="list-style-type: none"> Governance analysis Institutional analysis Deliverable 3 <ul style="list-style-type: none"> Structured interviews Deliverable 4 <ul style="list-style-type: none"> Online surveys Stakeholder workshops
Ministry of Regional Development (RE:START)	X	X	X	X	National	
Ministry of Environment	X	X	X		National	
Ministry of Labour and Social Affairs	X	X	X		National	
Ministry of Finance		X			National	
Ministry of Education, Youth and Sports	X	X	X		National	
Ministry of Transport	X	X	X		National	
Ministry of Culture	X	X			National	
Czech members of European and Czech parliaments				X	National	
Coal Commission of the Government of Czech Republic [<i>Uhelná Komise</i>]		X			National	
CzechInvest		X		X (KV)	National	
Office of the Government of the Czech Republic	X	X		X (U)	National	
State Environmental Fund		X			National	
Economic and Social Council of the Central Office	X	X	X		National	
Agency for Social Inclusion				X (KV)	National	
Agency for Entrepreneurship and Innovation				X (KV)	National	
Centre for Regional Development of the Czech Republic (IROP programme)				X (KV, MS)	National	
Czech Statistical Office		X			National	
European Commission (DG REFORM, DG REGIO, DG EMPL, DG CLIMA, DG ENER)					EU	
Just Transition Fund					EU	
EIB					EU	
EBRD					EU	

Regional and local bodies and authorities						<ul style="list-style-type: none"> All deliverables: <ul style="list-style-type: none"> Providing key strategic documents Deliverable 2: institutional analysis <ul style="list-style-type: none"> Institutional analysis (regional authorities) Governance mechanism Deliverable 3 <ul style="list-style-type: none"> Structured interviews Deliverable 4 <ul style="list-style-type: none"> Online surveys Informal stakeholder interviews, focus groups (at local level) Stakeholder workshops Field visits to understand key local challenges
Regional Authority of Karlovy Vary Region (Department of project activities and methodology)	X	X	X	X	Karlovy Vary (KV)	
Regional Authority of Ústí Region (Department of project preparation and implementation and department of regional development)	X	X	X	X	Ústí (U)	
Regional Authority of Moravia-Silesia Region (Department of European Projects)	X	X	X	X	Moravia-Silesia (MS)	
Representatives from each Council of Economic and Social Accord of the three regions (Regional Tripartite)				X	National	
Representative for the local municipalities of Havířov, Opava, Bruntál, Kunín, Stará Ves nad Ondřejnicí, Trinec and Vítkov					MS	
Representative for the local municipalities of Horní Jiřetín, Mariánské Radčice, Litvínov (<i>relevant for CSA mine</i>); Braňany, Bílina (<i>relevant for Bílina mine</i>), Postoloprty and Vejprty				X	U	
Representative for the local municipalities of Měrunice, Malé Žernoseky, Chodouny, Ledvice, Lom and Radovesice				X	U	
Representative for the local municipalities of Zbyslavice, Stonava, Horní Suchá, Paskov, Těšín, Orlová, Dětmárovice, Paskov and Staříč				X	MS	
Representative for the local municipalities of Chodov, Lomnice, Dolní Nivy, Vintířov, Nové Sedlo, Královské Poříčí, Vřesová, Drmoul and Habartov				X	KV	
Representative for the town of Horní				X	KV	
Representative for the town of Sokolov				X	KV	
Representative for the town of Cheb				X	KV	
Representative for the town of Karlovy Vary				X	KV	
Representative for the town of Most				X	U	
Representative for the town of Ostrava				X	MS	
Representative for the town of Karviná				X	MS	

Moravian-Silesian Energy Centre					MS	
Regional Economic and Social Council of Ustecky Region		X			U	
Regional Economic and Social Council of Sokolov Region		X			KV	
Regional S3 manager				X (KV, MS)	National	
Regional network of LAGs (National network of local action groups)				X (KV, MS)	National	
Economic and Social Dialogue Council of Moravia-Silesia Region		X			MS	
Coal Platform of Ustecky Region					U	
Coal Platform of Moravia-Silesia Region					MS	
Association for Rural Renewal of the Czech Republic (SPOV)				X	National	
Integrated territorial investments representatives [Statutarni mesta nositelem ITI]				X	National	
Regional action plans				X	National	
Regional Association of the National Network of Local Action Groups				X	National	
Enterprise sector						<ul style="list-style-type: none"> • Deliverable 3: <ul style="list-style-type: none"> ○ Large industrial companies are expected to provide key strategic documents ○ Structured interviews • Deliverable 4 <ul style="list-style-type: none"> ○ Stakeholder workshops ○ Field visits to understand key local challenges
OKD					MS	
CEZ - Severočeské doly a.s.					U	
Sev.en Energy (includes Severní energetická a.s, Vršanská uhelná a.s)					U	
Sokolovská uhelná a.s					KV	
Unipetrol – refinery Litvínov					U	
Steel industry – Vítkovice Steel					MS	
CEZ					National	
52 other companies with ETS installations					National	
Třinec ironworks (steelmaking company)				X	MS	
BeePartners (consulting)				X	National	
Berman Group (consulting)				X	National	
SPF group (consulting)				X	National	
Varroc Lighting Systems					MS	
TINT					MS	

SKF Lubrication Systems					KV	
Euro Support Manufacturing Czechia					U	
Witte Nejdek					KV	
UniCRE					U	
Lovochemie					U	
FERRIT s.r.o.					MS	
Lias Vintřov					KV	
Euro Support Manufacturing Czechia s.r.o.					U	
Czech Porcelain					KV	
SKF Lubrication Systems CZ					KV	
Svatavské strojírny					KV	
Sedlecký kaolin (porcelain)					KV	
Thun 1794 (porcelain)					KV	
Hyunday Moror Manufacturing Czech					MS	
Invira (medical service)					MS	
BOCHEMIE					MS	
TATRA TRUCKS (automotive and machinery)					MS	
Industry and trade unions associations						
Confederation of Industry of the Czech Republic [Svaz průmyslu a dopravy]		X		X (KV)	National	<ul style="list-style-type: none">• Deliverable 3:<ul style="list-style-type: none">◦ Structured interviews◦ Involvement in regional and national stakeholder workshops• Deliverable 4<ul style="list-style-type: none">◦ Online survey◦ Stakeholder workshops
Trade unions association [Česko-moravská konfederace odborových svazů]				X (KV)	National	
Czech Association of Employers in the Energy Sectors [Český svaz zaměstnavatelů v energetice]		X			National	
Employer Association of mining and oil industry [Zaměstnavatelský svaz důlního a naftového průmyslu]		X			National	
Confederation of employer and entrepreneur associations of the Czech Republic [Konfederace zaměstnavatelských a podnikatelských svazů ČR]		X			National	
Czech-Moravian association of trade unions [ČMKOS – Českomoravská konfederace odborových svazů]		X			National	
Heating industry association [Teplárenský svaz]					National	

Chamber of renewable energy sources		X			National	
Chamber of Commerce [<i>Hospodářská komora</i>]; Regional Chambers of Commerce		X		X	National	
Hytep – hydrogen technology platform					National	
Union for Modern Energy [<i>Svaz moderní energetiky</i>]		X			National	
Energy Cluster					National	
Technology platform for sustainable energy sector [<i>Technologická platforma „Udržitelná energetika ČR“ (TPUE)</i>]					National	
Labour Office				X	National	
Association of Medical Spas of the Czech Republic				X (KV)	National	
Tourism working group				X	U	
Moravian-Silesian Employment Pact				X	MS	
Association of municipalities						
Association of cities and municipalities in the Czech Republic		X		X	National	<ul style="list-style-type: none">• Deliverable 3:<ul style="list-style-type: none">◦ Structured interviews• Deliverable 4<ul style="list-style-type: none">◦ Online survey
Association of local self-governments		X		X	National	
CZ Financial institutions						
Banks					National	<ul style="list-style-type: none">• Deliverable 3:<ul style="list-style-type: none">◦ Structured interviews• Deliverable 4<ul style="list-style-type: none">◦ Online survey
Czech-Moravian Guarantee & Development Bank (CMZRB)					National	
NGOs						
Greenpeace					National	<ul style="list-style-type: none">• Deliverable 3:<ul style="list-style-type: none">◦ Structured interviews
Friends of the Earth CZ [<i>Hnutí DUHA</i>]					National	
Limits are Us [<i>Limity jsme my</i>]					National	
Czech Environmental Partnership Foundation / Environmental Partnership [<i>Nadace Partnerství</i>]					National	
Green Circle [<i>Zelený kruh</i>]					National	
Arnika					National	

Czech Association of Nature Protectors – [Český svaz ochránců přírody (CSOP)]					National	<ul style="list-style-type: none"> ○ Involvement in regional and national stakeholder workshops • Deliverable 4 <ul style="list-style-type: none"> ○ Online surveys ○ Stakeholder workshops
Czech Alliance against Coal Mining – [Česká aliance proti těžbě uhlí (CAPTU)]					National	
National network of Local Action Groups		X			National	
Association of non-governmental & non-profit activities				X	National	
CEE Bankwatch					National	
ANNA KK					National	
Association of non-governmental non-profit organizations of the Ústí Region [Asociace nestátních neziskových organizací Ústeckého kraje]					KV	
Center for Transport and Energy [Centrum pro dopravu a energetiku]		X			U	
Fridays for Future					National	<ul style="list-style-type: none"> • Deliverable 3: <ul style="list-style-type: none"> ○ Structured interviews ○ Involvement in regional and national stakeholder workshops • Deliverable 4 <ul style="list-style-type: none"> ○ Online surveys ○ Stakeholder workshops
Research and academia						
Czech Academy of Sciences (and its Commission for Environment)					National	
Glopolis					National	
Jan Evangelista Purkyně University in Ústí nad Labem				X	U	
University of Mining - Technical University of Ostrava				X	MS	
University of Ostrava					MS	
Silesian University in Opava					MS	
The University of West Bohemia				X	KV	
Masaryk University in Brno					MS	
Charles University in Prague (Environment Centre)					National	
ICUK (Innovation centre of the Ústí region)		X			U	
SINEC - Cluster of social innovations and enterprises				X	MS	
Citizens						
Wide public interested in participation in the stakeholder consultation					National	<ul style="list-style-type: none"> • Deliverable 3:

						<ul style="list-style-type: none"> ○ Involvement in regional and national stakeholder workshops
Others						
Czech Bishops' Conference				X	National	
Ecumenical Church Council				X (KV, MS)	National	
Czech Council of Children and Youth					National	

Annex 4a: Members of the RSK in the Karlovy Vary Region

Members of the RSK in the Karlovy Vary Region

Name of institution	Website and description
Karlovarský kraj - Karlovy Vary Region	<p>https://www.kr-karlovarsky.cz/krajsky-urad/Stranky/KUKK.aspx</p> <p>The region is administered, to the extent stipulated by law, regional council¹) (hereinafter referred to as the "council"). Others The regional bodies are the regional council (hereinafter referred to as the "council"), the regional governor (hereinafter referred to as the "Governor") and the Regional Authority. The regional authority is also special regional authority (hereinafter referred to as the "special authority") established by law.</p> <p>The region may perform its tasks independently establish and establish legal entities and organizational units such as facilities without legal personality, unless otherwise provided by this Act otherwise.</p> <p>Regions shall ensure the performance of financial control in accordance with budgetary rules of territorial budgets and according to a special legislation.</p>
Statutární město nositelem ITI - Statutory city governing ITI (after 2021)	<p>https://mmkv.cz/cs</p>
Středně velká města - Medium-sized cities	<p>https://www.czso.cz/documents/11244/17816755/330083192610.pdf/cd092bcb-d749-4591-b68d-e9ad41ad940e?version=1.1</p> <p>The Karlovy Vary region has 38 small towns. The Karlovy Vary Region as a higher territorial self-governing unit was created in 2000 on the territory of the northern part of the West Bohemian Region. The seat of the region is Karlovy Vary.</p>
Město Horní Slavkov - The town of Horní Slavkov	<p>https://www.hornislavkov.cz/</p>
Malá města - Small towns	<p>https://www.czso.cz/documents/11244/17894638/ciselnik_obci.pdf/28e9cf02-d145-4fde-bcc2-349330b4a0b8?version=1.1</p> <p>The Karlovy Vary region has 134 small towns. Due to its size, number of municipalities and inhabitants, it belongs to the small regions of the Czech Republic. Its area (3,314 km²) occupies 4.25% of the territory of the Czech Republic.</p>
Obec Drmoul - The Drmoul municipality	<p>https://www.obecdrmoul.cz/</p>
SMS ČR: Sdružení místních samospráv ČR Association of Local Selfgovernments	<p>https://www.smscr.cz/cz/o-sms-cr</p> <p>The Association of Local Authorities of the Czech Republic is a non-governmental apolitical organization with nationwide competence, which unites and defends the interests of municipalities and cities in the Czech Republic. From the wide range of activities in favor of local governments, it is possible to mention above all the promotion of a fair distribution of tax</p>

	<p>revenues between municipalities and cities in the Czech Republic (budgetary determination of taxes). The agenda of the SMS CR today includes commenting on various legislative proposals, presenting and promoting the needs of smaller municipalities and cities, defending the interests of the countryside and its inhabitants and cooperation in the fight against corruption in public administration. SMS ČR is a strong partner of the government, parliament and regions in the Czech Republic.</p>
<p>SPOV: Spolek pro obnovu venkova České republiky - Association for Rural Renewal of the Czech Republic</p>	<p>http://www.s pov.org/aktuality/default.aspx</p> <p>The mission of the Association is to contribute to the rehabilitation of the countryside, to the renewal and deepening of social and spiritual life in the countryside, to the strengthening of economic stability and prosperity of the countryside. To motivate citizens living in the countryside to voluntary activity, to encourage them to participate in the successful development of the village, to help the establishment and activities of local and regional associations.</p>
<p>Regionální S3 manažer – Regional S3 manager</p>	<p>https://www.kr-karlovarsky.cz/region/Stranky/EU2014-2020/RIS.aspx</p> <p>The National Research and Innovation Strategy for Intelligent Specialization of the Czech Republic is a strategic document, the purpose of which is to create a conceptual basis and implementation resources for increasing the competitiveness of the economy, especially the development of the knowledge economy. It is based on the objectives of the Europe 2020 strategy, which builds the development of the European Union on a "smart, sustainable and inclusive economy".</p>
<p>Krajská síť MAS (Národní síť místních akčních skupin) - regional network of LAGs (National network of local action groups)</p>	<p>http://karlovarsky.nsmas.cz/</p> <p>It is a matter of political decision-making by an independent community of citizens, non-profit organizations, the private business community and public administration (municipalities, associations of municipalities and public authorities) working together on rural development, agriculture and financial support from the EU and national programmes for their region, LEADER method. The basic goal of the LAG is to improve the quality of life and the environment in rural areas. One of the tools is also the active acquisition and distribution of grant funds.</p>
<p>Krajská hospodářská komora - Regional Chamber of Commerce</p>	<p>https://www.khk.kk.cz/</p> <p>They are the only legal representative of entrepreneurs in the Czech Republic, they represent entrepreneurs in negotiations with the state administration, local self-government and foreign organizations. They offer extensive consulting and information services, organize a wide range of educational events, and connect members with our partners. They help members find human resources in the labor market, organize meetings of HR professionals, and connect schools and employers.</p>
<p>NNO ANNA (Nezisková organizace Asociace nevládních)</p>	<p>http://www.annakk.cz</p>

neziskových aktivit) - Non-Governmental Organization, Association of non - governmental non - profit activities	<p>The Association of Non-Governmental Non-Profit Activities of the Karlovy Vary Region (ANNA KK) is an open association of non-profit organizations operating in the Karlovy Vary Region. The long-term goal of the Association is to support mutual cooperation, exchange of experience and help in the development of non-profit organizations. ANNA KK was established in 2001. In 2010, it signed a Partnership Agreement with the Karlovy Vary Region. He is a member of the nationwide and all-disciplinary umbrella organization ANNO CR. In 2011, ANNA KK underwent a strategic master process and subsequent restructuring. ANNA KK's mission is to support non-governmental non-profit organizations and promote their interests so that they can provide quality services to the public. ANNA KK is a stable association of NGOs, which is attractive to its members and is a sought-after and strong partner for other sectors.</p>
Západočeská univerzita - The University of West Bohemia	<p>https://www.zcu.cz/cs/index.html</p> <p>The University of West Bohemia is one of the most successful schools in the Czech Republic. They can prove everything with statistics and awarded international prestigious awards. However, they have a more visible scale. The achievements of their students in various fields of technology, humanities and medical disciplines and the arts are admirable.</p>
Agentura pro sociální začleňování - Agency for Social Inclusion	<p>https://www.socialni-zaclenovani.cz/</p> <p>The Agency for Social Inclusion has been established by the Ministry of the Regional Development of the Czech Republic to provide support to local Governments in the process of social inclusion.</p> <p>The Agency for Social Inclusion supports local Governments to pursue their role and to ensure or help to ensure equal access to education, housing, healthcare, employment, social services and security for all citizens.</p>
Úřad práce v KV - Labour Office in KV region	<p>https://www.uradprace.cz/karlovy-vary</p> <p>The Labor Office of the Czech Republic is an administrative office with nationwide competence and is an organizational unit of the state. The Ministry of Labor and Social Affairs is managed by the Labor Office of the Czech Republic and is its superior administrative office.</p> <p>The Labor Office of the Czech Republic consists of the General Directorate, regional branches and the branch for the capital city of Prague. The regional branches include contact workplaces.</p>
Svaz léčebných lázní ČR - Association of Medical Spas of the Czech Republic	<p>http://www.lecebnelazne.cz/svaz-lecebnych-lazni</p> <p>The Association of Medical Spas of the Czech Republic (SLL) was established as an interest professional association of medical spas in 1995 with the aim of maintaining and guaranteeing the therapeutic level of these spa companies. The mission of the Association is to cultivate the environment and create conditions for the maintenance and development of medical spas in the Czech Republic and to defend the common and individual interests of members. At home, SLL</p>

	is a valid partner and opponent of the Ministry of Health of the Czech Republic.
Regionální rada OS ČMKOS: Regionální rada Odborových svazů Českomoravská konfederace odborových svazů - Regional Council of Trade Unions Czech-Moravian Confederation of Trade Unions	https://www.cmkos.cz/cs/obsah/229/regionalni-rady-odborovych-svazu Regional councils of trade unions associated in the CMKOS (hereinafter referred to as RROS) are CMKOS bodies that represent trade unions operating in the given region and are at the same time partners to all regional bodies and institutions of the state, municipal and employer sectors.
MMR: Ministerstvo pro místní rozvoj – Ministry of Regional Development (MoRD)	https://mmr.cz/cs/uvod It manages funds intended for the provision of housing policy and regional policy of the state, coordinates the activities of ministries and other central state administration bodies in ensuring housing policy and regional state policy, including the coordination of financing of these activities, if it does not directly manage these funds provides information methodological assistance to higher territorial self-governing units, cities, municipalities and their associations, provides activities related to the process of involving local and regional authorities in European regional structures manages the Czech Tourist Board.
Zastupitelstvo KK - KK council	http://www.kr-karlovarsky.cz/samosprava/Stranky/zastupitelstvo.aspx The council decides on matters independently. It decides in matters of delegated competence only if expressly provided by law. The council can validly pass a resolution in the presence of an absolute majority of all members, and an absolute majority of all members of the council is also required for a valid adoption of a resolution, decision or election, ie only a majority of present members (elected, incoming alternates) is not enough, ie only a majority present or voting.
Svaz průmyslu a dopravy ČR – Confederation of Industry of the Czech Republic	https://www.spcr.cz/en/about-us The Confederation of Industry is the premier business lobbying organisation in the Czech Republic providing a voice for employers at a national and international level. We are here to assert the interest of our members. We speak for companies and associations of every size and of all kinds of industries, including many in the sector of SMEs. Our main mission is to promote the conditions in which businesses of all sizes and sectors in the Czech Republic can flourish and stay competitive. We believe what we do is finally for the benefit of the whole country. To achieve this we work hard at home, in the EU and internationally
Česká biskupská konference - Czech Bishops' Conference	https://www.cirkev.cz/cs/cbk The Czech Bishops' Conference (ČBK), established by the Apostolic See, is a congregation of bishops of the Czech Republic who jointly perform certain pastoral tasks for

	<p>Christians in their territory to achieve the higher good that the Church provides to people according to the rule of law, especially through various forms and methods adapted to the spirit of the time and local conditions.</p>
<p>Centrum pro regionální rozvoj ČR - Center for Regional Development of the Czech Republic</p>	<p>https://www.crr.cz/</p> <p>The Center for Regional Development of the Czech Republic (Centrum) is a state-subsidized organization established by Act No. 248/2000 Coll., On the Support of Regional Development, and managed by the Ministry of Regional Development of the Czech Republic. It was established at the end of 1996 under the name Regional Development Agency of the Czech Republic, in 1997-2015 it operated under the name Center for Regional Development of the Czech Republic (CRD CR), since June 1, 2015 still under the name Center for Regional Development of the Czech Republic (Center).</p>
<p>Ekumenická rada církevní - Ecumenical Church Council</p>	<p>http://www.ekumenickarada.cz/</p> <p>The Ecumenical Council of Churches in the Czech Republic is a community of Christian churches that confess the Lord Jesus Christ as God and Savior according to the Scriptures of the Old and New Testaments and strive to carry out their mission together to the glory of one God, Father and Son and Holy Spirit. Christian churches in the Czech Republic are aware of the gift and commitment of the unity of Christ's disciples, follow the tradition of religious freedom present in Czech history, especially in the tradition of Cyril and Methodius, the Czech society strive to be an example and witness to tolerance and mutual respect, and therefore decided to create Ecumenical Council of Churches in the Czech Republic</p>
<p>CzechInvest KK</p>	<p>http://www.czechinvest.org/cz</p> <p>CzechInvest plays a key role in supporting business and investment in its comprehensive form. The unique combination of regional, central and international operations ensures the integrity of services and the ability to connect global trends with regional conditions in the Czech Republic. One of the main goals of CzechInvest is to transform the Czech Republic into an innovation leader in Europe. CzechInvest is a state-subsidized organization subordinate to the Ministry of Industry and Trade of the Czech Republic. It was founded in 1992.</p>
<p>API KK: agentura pro podnikání a inovace - Agency for Entrepreneurship and Innovation</p>	<p>https://www.agentura-api.org/cs/</p> <p>It is a state-subsidized organization with nationwide operations subordinated to the Ministry of Industry and Trade of the Czech Republic. It is an intermediary entity for subsidy programmes to support the Operational Programme Enterprise and Innovation for Competitiveness. API was established by Act No. 149/2016 Coll., Amending Act No. 47/2002 Coll., On the support of small and medium-sized</p>

	enterprises and amending Act No. 2/1969 Coll., On the establishment of ministries and other central state administration bodies Of the Czech Republic, as amended, with effect from 1 June 2016.
RE:START	https://restartregionu.cz/ The action plans for Karlovy Vary region are coordinated with the plan of Ústí region.
RHSD Karlovarského kraje - Council of Economic and Social Accord of Karlovy Vary Region	http://www.kr-karlovarsky.cz/samosprava/rhsd/Stranky/RHSD-KK.aspx The Council of the Economic and Social Agreement of the Karlovy Vary Region (RHSD KK), also known as the Regional Tripartite, was established by the inaugural plenary meeting on September 3, 2009 as a voluntary conciliation and initiative body of employers' representatives, trade unions and public administration representatives for tripartite negotiations. The aim of the RHSD KK is to reach an agreement on fundamental issues of economic and social development of the region and to maintain social peace, as a basic precondition for the positive development of the economy and the associated standard of living of citizens
KAP: Krajský akční plán - regional action plan	http://www.kvkskoly.cz/manazer/projekty/Stranky/KAP_KK.aspx The aim of the project is to set up functional partnerships and mutual cooperation between schools, employers and their founders, which will help improve the quality of management in schools in the KK. The content of the project is the setting up and pilot testing of a strategic planning model. During the project, two regional action plans for the development of education will be prepared, including an evaluation of the effectiveness of the proposed measures and their impact on increasing the quality of education in selected topics. The project will be implemented in two stages.
Oddělení projektové činnosti a metodiky - Department of project activities and methodology	https://www.kr-karlovarsky.cz/krajsky-urad/odbory/Stranky/rizeni-projektu/rizeni-projektu.aspx Their activities include: assessment and analysis of the possibility of using funds from the European Union structural funds, methodological management and coordination of the budgetary process for intermediate bodies and final recipients of European Union funds, preparation of the material part of the grant application, control of application documents, possible additions.

Annex 4b: Members of the RSK in the Ústí region

Members of the RSK in the Ústí region

Name of institution	Website and description
Ústecký kraj – Ústí region	www.kr-ustecky.cz <p>The Ústí Region as a higher territorial self-governing unit. It is delimited by the districts of Děčín, Chomutov, Litoměřice, Louny, Most, Teplice and Ústí nad Labem. The region is a territorial community of citizens; it has the right to self-government, which is exercised to the extent provided by law and in accordance with the needs of the region. The region is a public corporation; acts in legal relations on its own behalf and bears the responsibility arising from these relations.</p>
Rada ústeckého kraje - Ústí Region Council	http://www.kr-ustecky.cz <p>The Ústí Regional Council is the executive body of the region in the area of independent competence. In exercising its powers, the council is accountable to the council. The Board consists of the Governor, Deputy Governors and other members of the Board. The number of board members is determined by the Act on Regions and is derived from the number of inhabitants - there are eleven board members in the Ústí Region.</p>
Odbor SPRP (Odbor strategie přípravy a realizace projektů) - Project Preparation and Implementation Strategy Department	www.kr-ustecky.cz
Odbor RR (Odbor regionálního rozvoje) - Department of Regional Development	www.kr-ustecky.cz
Statutární města nositelem ITI (Integrovaná územní investice) - Statutory cities governing ITI	http://www.iti-ucha.cz <p>The basis and support for the ITI tool of the Integrated Strategy of the Ústí-Chomutov agglomeration, on which the cities cooperated with MEPCO, sro, SPF Group, sro and EUFC CZ, sro Based on analyzes, identified territorial needs and possibilities of operational programs, transport, environment, sustainable economy and social cohesion), which were subsequently further developed through the activities of working groups and sought opportunities for comprehensive solutions to partial problems. As the whole process of preparation and implementation of ITI is based on the principle of partnership, a wide range of representatives of cities and experts on the topics addressed participated in the working groups.</p>
Středně velká města - Medium-sized cities	www. regiony.kurzy.cz
Město Postoloprty - The town of Postoloprty	www.m.postoloprty.cz
Město Vejprty - The town of Vejprty	www.vejprty.cz

Malé města - Small towns	www.regiony.kurzy.cz
Obec Radovesice - The municipality of Radovesice	www.radovesice.cz
Obec Chodouny - The municipality of Chodouny	www.obecchodouny.cz
SMS ČR (sdružení místních samospráv) – Association/Assembly of local governments	www.smscr.cz Regional Assembly of the SMS CR of the Ústí Region. Mountainous borderland with considerable industrial potential in the North Bohemian basin areas. From this region we can find 92 (updated to 24 February 2020) municipalities and towns in the ranks of SMS ČR. This is an area that generally suffers from a number of structural problems. Of these, the issue of unemployment is in the foreground, which is intensively addressed by the representatives of the SMS CR of the Ústí Region at the national level. Proposals for changes in the active employment policy, from which the SMS CR draws, are therefore formulated on the basis of excellent knowledge of specific problems.
Obec Malé Žernoseky - The municipality of Malé Žernoseky	www.malezernoseky.cz
SPOV (Spolek pro obnovu venkova) - Association for Rural Renewal	www.s pov.org The mission of the Association is to contribute to the rehabilitation of the countryside, to the renewal and deepening of social and spiritual life in the countryside, to the strengthening of economic stability and prosperity of the countryside. To motivate citizens living in the countryside to voluntary activity, to encourage them to participate in the successful development of the village, to help the establishment and activities of local and regional associations. Participate in European cooperation in rural renewal. Last but not least, to overcome narrowly departmental approaches to solving the problems of village renewal and rural development and to support and implement the Rural Renewal Program.
Obec Měrunice – The municipality of Měrunice	www.merunice.cz
RIS3 (Regionální inovační strategie) – Regional innovation strategies	www.kr-ustecky.cz In the EU Cohesion Policy programming period since 2014, great emphasis has been placed on research and innovation, but the absorption of funds is conditional on the existence of a concept paper that will ensure that the funds are used effectively. This document at the regional level is the Regional Innovation Strategy of the Ústí Region. A key role set up for this purpose in the preparation of the document was the established steering group, which managed the entire process, set goals, priorities and measures, as well as the implementation system. The Berman Group was selected as the developer of the Regional Innovation Strategy. The steering group defined three priority areas: A. Human resources to increase the innovative and technological performance of the region's economy B. Technology transfer and cooperation between research organizations and the

	business sector C. Innovation in the public sphere Working groups composed of relevant experts have been set up for each priority area.
Krajská síť MAS (Krajské sdružení národní sítě Místních akčních skupin) - Regional Association of the National Network of Local Action Groups	www.ustecky.nsmas.cz Regional Association of the National Network of Local Action Groups of the Czech Republic, o.s. (hereinafter referred to as KS NS MAS ČR) is an association of members of NS MAS ČR with an independent legal personality. The Regional Association NS MAS in the Ústí Region (hereinafter also KS NS MAS ÚK) has a Registration Form issued by the NS MAS ČR Committee. The seat of the KS NS MAS ÚK is the seat of the LAG, whose representative was elected chairman of the KS NS MAS ÚK. KS NS MAS ÚK operates in the Ústí Region and all members of NS can operate in it LAG CR, whose regions are wholly or partly on the territory of the Ústí Region. The bodies of KS NS MAS ÚK cooperate with all LAGs in the region. This means that at the same level they support the principles of LEADER in the territory and LAGs, which are members of NS LAG CR, and LAGs, which are not members of NS MAS CR.
Krajská hospodářská komora - Regional Chamber of Commerce	www.khk-usti.cz The Regional Chamber of Commerce of the Ústí Region operates as an association of 7 chambers of commerce, through which it registers the membership of approximately 700 business entities, which represents 80% of employees from the total employment of the region's private sector. Therefore, the Regional Chamber of Commerce of the Ústí Region is an entity that can play one in this rebirth of key roles. Within the meaning of the Act on the Economic Chamber of the Czech Republic and the Agrarian Chamber of the Czech Republic No. 301/1992 Coll. as the only legal representative of all entrepreneurs in the Czech Republic will be even in the upcoming election period, the Regional Chamber of Commerce of the Ústí Region to look for possible solutions to the economic growth of our region, which includes areas of education, schooling, research, exports, labor market, business, industry, etc.
NNO (Nestátní neziskové organizace) – Non - governmental non - profit organizations	www.annouk.cz Association of Non-Governmental Non-Profit Organizations of the Ústí Region z.s. (hereinafter referred to as "ANNOÚK") has its registered office at Ladova 2532/2, 400 11 Ústí and is the successor organization of the original Association of Non-Profit Organizations of the Ústí Region z.s. (hereinafter referred to as "ANOÚK), IČ: 265 38 661. ANNOÚK brings together natural and legal persons from the non-profit sector on the basis of democracy and voluntariness, independently of political parties and movements. ANNOÚK fully respects the sovereignty and independence of all its members in accordance with their statutes and is in no way superior to it. The activity of ANNOÚK is aimed at fulfilling the purpose described in Art. II., What would be the common interest of its members. This purpose is fulfilled mainly by these main activities are to associate on the basis of their sovereignty and equality and provided that full respect for their rights and interests of natural and legal

	persons from the non-profit sector who operate or have their registered office in the Ústí region.
UJEP	www.ujep.cz <p>The Academic Senate of UJEP (hereinafter referred to as "AS UJEP") is in accordance with § 8 of Act No. 111/1998 Coll. as amended (hereinafter referred to as the "Act") by a self-governing representative academic body of a public higher education institution. It is governed by the Election Rules of the Academic Senate of UJEP in Ústí nad Labem (latest valid version of 18 October 2016) and the Rules of Procedure of the Academic Senate of UJEP in Ústí nad Labem (last valid version of 22 December 2016). The Academic Senate of UJEP consists of three academic staff and two students for each faculty. At full capacity, AS UJEP consists of 40 members.</p>
Úřad vlády ČR - Office of the Government of the Czech Republic	www.vlada.cz <p>As for the Office itself, the Head of the Office of the Government of the Czech Republic performs activities related to the organizational and personnel management of the Office (directly manages departments falling within its competences, coordinates and manages the material management of the Office) . The competencies of the Head of the Office of the Government of the Czech Republic also include the possibility of creating and submitting materials intended for government meetings. However, he cannot vote on his materials, as this competence belongs exclusively to members of the government.</p>
Úřadu práce ČR - Labor Office of the Czech Republic	www.uradprace.cz <p>The Labor Office of the Czech Republic (hereinafter referred to as the "Labor Office of the Czech Republic") is an administrative office with nationwide competence and is an organizational unit of the state. The Labor Office of the Czech Republic was established on 1 April 2011 by Act No. 73/2011 Coll., On the Labor Office of the Czech Republic and on amendments to related acts. The Ministry of Labor and Social Affairs is managed by the Labor Office of the Czech Republic and is its superior administrative office. The Labor Office of the Czech Republic consists of the General Directorate, regional branches and the branch for the capital city of Prague (hereinafter referred to as "regional branches"). The regional branches include contact workplaces. The Labor Office of the Czech Republic is headed by the Director General. The regional branch is headed by a director. The contact workplace of the regional branch is headed by a director or manager. Administrative proceedings within the competence of the Labor Office of the Czech Republic are governed by Act No. 73/2011 Coll., On the Labor Office of the Czech Republic and on Amendments to Related Acts, and Act No. 500/2004 Coll., The Administrative Procedure Code, as amended. The Labor Office of the Czech Republic decides in administrative proceedings in the first instance. The Ministry decides on appeals against decisions of the Labor Office of the Czech Republic.</p>
RHSD Ústeckého kraje – Council of Economic and Social Accord of	www.tripartita.cz and http://www.hsr-uk.cz

Ústí Region /Economic and Social Council	The Economic and Social Council of the Ústí Region is established as an initiative, coordination and conciliation body for negotiations with the Government of the Czech Republic, ministries, central administrative authorities and bodies of the Ústí Region on issues of economic and social development of the region. The goal of the Economic and Social Council of the Ústí Region is the balanced economic and social development of the Ústí Region and increasing the living standards of its inhabitants in accordance with the principles of sustainable development.
Pracovní skupina Cestovní ruch - Tourism working group	www.rskuk.cz The Tourism working group cooperates in mapping the situation in the Ústí region from the point of view of supporting the development of tourism. The head of the Tourism working group is Ing. Jiří Válka.
MMR (ministerstvo pro místní rozvoj) – Ministry for Regional Development	www.mmr.cz The territorial dimension is understood as the possibility to concentrate resources from ESI funds in specific types of territories supporting both the competitiveness (depending on the development potential) of the Czech Republic and also taking into account the requirement to balance territorial disparities (in relation to internal territorial differentiation and concentration of economic, social or environmental problems character). The territorial focus of interventions in programmes financed by the ESI Funds will respect specific aspects.
Česká biskupská konference - Czech Bishops' Conference	www.cirkev.cz The Czech Bishops' Conference (ČBK), established by the Apostolic See, is a congregation of bishops of the Czech Republic who jointly perform certain pastoral tasks for Christians in their territory to achieve the higher good that the Church provides to people according to the rule of law, especially through various forms and methods adapted to the spirit of the time and local conditions. Episcopal Conference on the basis of the law enshrined in can. 449, § 2 CIC is a legal entity. The seat is in Prague.
RE:START	www.restartregionu.cz The specific measure for every region are formulated in the so-called action plans. These programmes will emerge from the strategic framework and relevant discussions and will already include specific measures proposed in specific localities. The draft Action Plans have to be approved by the Regional Supervisory Boards (joint meeting of the regional tripartite + Regional Permanent Conference) and are subsequently be submitted to the Ministry of Regional Development and the Ministry of Industry and Trade.

Annex 4c: Members of the RSK in the Moravia-Silesia Region

Members of the RSK in the Moravia-Silesia Region

Name of institution	Website and description
Moravskoslezský kraj- Moravia-Silesia Region	https://www.msk.cz/ The Moravian-Silesian Region was created under the name "Ostrava Region" on 1 January 2000.
Statutární město nositelem ITI - Statutory city governing ITI	https://www.ostrava.cz/cs
Středně velká města - Medium-sized cities	https://www.czso.cz/csu/xt/charakteristika_moravskoslezskeho_kraje The Moravian-Silesian Region has 42 cities. With its area of 5,431 km ² , the region occupies 6.9% of the entire territory of the Czech Republic and thus ranks 6th among all regions. More than half of the region's territory is occupied by agricultural land, the other more than 35% is covered by forest land.
Město Havířov - The town Havířov	https://www.havirov-city.cz/
Město Opava - The town Opava	https://www.opava-city.cz/cz/
Město Vítkov - The town Vítkov	https://www.vitkov.info/
Malá města - Small towns	https://www.msk.cz/kontakty/kontakty_obce/index.html The Moravian-Silesian Region is 1,201 thousand. the third most populous population in the Czech Republic, but with its 300 municipalities it belongs to the regions with the smallest number of settlements. This corresponds to the population density of 221 inhabitants per km ² , while the same figure for the whole of the Czech Republic is 136 inhabitants per km ² .
Město Bruntál - The town Bruntál	https://www.mubruntal.cz
Město Kunín - The town Kunín	http://www.kunin.cz/
Město Stará Ves nad Ondřejnicí - The town Stará Ves nad Ondřejnicí	https://www.staraves.cz/
SMS ČR: Sdružení místních samospráv ČR - Association of Local Selfgovernments	https://www.smscr.cz/cz/o-sms-cr The Association of Local Authorities of the Czech Republic is a non-governmental apolitical organization with nationwide competence, which unites and defends the interests of municipalities and cities in the Czech Republic. From the wide range of activities in favor of local governments, it is possible to mention above all the promotion of a fair distribution of tax revenues between municipalities and cities in the Czech Republic (budgetary determination of taxes). The agenda of the SMS CR today includes commenting on various legislative proposals, presenting and promoting the needs of smaller municipalities and cities, defending the interests of the countryside and its inhabitants and cooperation in the fight against corruption in public administration. SMS ČR is a strong partner of the government, parliament and regions in the

	Czech Republic.
Obec Zbyslavice- The Zbyslavice municipality	https://www.zbyslavice.cz/
SPOV MSK: Spolek pro obnovu venkova Moravskoslezského kraje - Association for Rural Renewal of the Czech Republic	http://www.s pov.org/krajske-organizace-s pov/s pov-moravskoslezskeho-kraje/default.aspx The mission of the Association is to contribute to the rehabilitation of the countryside, to the renewal and deepening of social and spiritual life in the countryside, to the strengthening of economic stability and prosperity of the countryside. To motivate citizens living in the countryside to voluntary activity, to encourage them to participate in the successful development of the village, to help the establishment and activities of local and regional associations.
Regionální S3 manažer – Regional S3 manager	https://www.ms-ic.cz/ The Moravian-Silesian Innovation Center provides programmes and services that will help you start, run and maintain your business in the long term.
Krajská síť MAS - Regional network MAS	http://moravskoslezsky.nsmas.cz/ It is a matter of political decision-making by an independent community of citizens, non-profit organizations, the private business community and public administration (municipalities, associations of municipalities and public authorities) working together on rural development, agriculture and financial support from the EU and national programmes for their region, LEADER method. The basic goal of the LAG is to improve the quality of life and the environment in rural areas. One of the tools is also the active acquisition and distribution of grant funds.
Krajská hospodářská komora - Regional Chamber of Commerce	https://www.khkmsk.cz/ Through their activities, they help small and medium-sized enterprises in particular to gain a foothold in the market, outgrow their competition, educate their employees and, together with other member companies, enjoy a number of benefits. In the region, we represent the Czech Chamber of Commerce, which brings together 15,000 members organized in 68 chambers in the regions and 107 professional associations.
NNO: ANNO MSK - Asociace nestátních neziskových organizací Moravskoslezského kraje (Association of non-governmental non-profit organizations of the Moravian-Silesian region)	https://anno-msk.webnode.cz/ An association that unites non-profit organizations of all types across individual fields in the Moravian-Silesian Region and is a member of the Association of Non-Governmental Non-Profit Organizations in the Czech Republic.
VŠB-TUO: Vysoká škola báňská – Technická univerzita Ostrava - University of Mining - Technical University of Ostrava	https://www.vsb.cz/cs/ VSB - Technical University of Ostrava draws on 170 years of research and academic excellence to provide world class education in 7 Faculties offering Bachelor's, Master's, PhD, and exchange programmes to students from six continents. State of the art research facilities, cooperation with leading

	companies, and partnerships with universities and research institutions the world over provide excellent opportunities for student, teachers, and researchers alike.
MMR: Ministerstvo pro místní rozvoj – Ministry of Regional Development (MoRD)	https://mmr.cz/cs/uvod It manages funds intended for the provision of housing policy and regional policy of the state, coordinates the activities of ministries and other central state administration bodies in ensuring housing policy and regional state policy, including the coordination of financing of these activities, if it does not directly manage these funds provides information methodological assistance to higher territorial self-governing units, cities, municipalities and their associations, provides activities related to the process of involving local and regional authorities in European regional structures manages the Czech Tourist Board.
Úřad práce ČR - Labour Office of the Czech Republic	https://www.uradprace.cz/web/cz The Labor Office of the Czech Republic is an administrative office with nationwide competence and is an organizational unit of the state. The Ministry of Labor and Social Affairs is managed by the Labor Office of the Czech Republic and is its superior administrative office. The Labor Office of the Czech Republic consists of the General Directorate, regional branches and the branch for the capital city of Prague. The regional branches include contact workplaces.
Třinecké železářny - Třinec ironworks	https://www.trz.cz/hlavni-stranka/1/uvod Třinecké železářny is a significant steelmaking company and important element of the region and the town of Třinec, which has changed from a small agricultural village to a considerable town, especially thanks to Třinecké železářny. The company supports the Czech Extra-league Ice-hockey team HC Oceláři Třinec and numerous other cultural, sport, and educational activities, in this region as well as outside of it.
ZS IROP - Integrovaný regionální operační program	https://www.crr.cz/kontakty/uzemni-pracoviste/uo-irop-moravskoslezsky-kraj/ IROP strives for balanced territorial development, improvement of infrastructure, improvement of public administration and public services and ensuring sustainable development in municipalities, cities and regions. The aim of the IROP is to strengthen regional competitiveness and the quality of life of all the Czech population. The financial allocation of the IROP is EUR 5.4 billion. The support is territorially directed to all regions of the Czech Republic except the capital city of Prague. An exception is e-Government, ie information systems for state administration, which have an impact on the entire territory of the Czech Republic.
Česká biskupská konference - Czech Bishops' Conference	https://www.cirkev.cz/cs/cbk The Czech Bishops' Conference (ČBK), established by the Apostolic See, is a congregation of bishops of the Czech Republic who jointly perform certain pastoral tasks for Christians in their territory to achieve the higher good that the Church provides to people according to the rule of law,

	especially through various forms and methods adapted to the spirit of the time and local conditions.
Ekumenická rada církevní - Ecumenical Church Council	http://www.ekumenickarada.cz/ <p>The Ecumenical Council of Churches in the Czech Republic is a community of Christian churches that confess the Lord Jesus Christ as God and Savior according to the Scriptures of the Old and New Testaments and strive to carry out their mission together to the glory of one God, Father and Son and Holy Spirit. Christian churches in the Czech Republic are aware of the gift and commitment of the unity of Christ's disciples, follow the tradition of religious freedom present in Czech history, especially in the tradition of Cyril and Methodius, the Czech society strive to be an example and witness to tolerance and mutual respect, and therefore decided to create Ecumenical Council of Churches in the Czech Republic</p>
SINEC: Klastř sociálních inovací a podniků - Cluster of social innovations and enterprises	https://www.klastir-socialnich-podniku.cz/ <p>The SINEC cluster of social enterprises and innovations brings together social enterprises and other actors of the social economy and social entrepreneurship in the Moravian-Silesian Region. The main goal of the Cluster is to help the growth of the social economy in the Moravian-Silesian Region through the development of social enterprises, increasing the employment of socially and medically disadvantaged groups and stimulating social innovations based on their needs.</p>
RE:START	https://restartregionu.cz/
RHSD Moravskoslezského kraje - Council of Economic and Social Accord of Moravia-Silesia Region	www.tripartita.cz http://zmocnenecvladymskukkvk.cz <p>The Council of the Economic and Social Agreement of the Moravian-Silesian Region is a joint voluntary negotiating and initiative body of public administration, employers and trade unions for tripartite negotiations. Its main goal is to reach agreement on fundamental issues of economic and social development of the Moravian-Silesian region. The Council of the Economic and Social Agreement of the Moravian-Silesian Region discusses, consults, proposes and promotes solutions for the development of the economy and raising the living standards of citizens. At the same time, it focuses mainly on the most important issues that are of common interest to individual partners.</p>
Odbor evropských projektů KÚ - Department of European Projects	https://www.msk.cz/urad/odbor_14.html <p>The Project Preparation and Implementation Department ensures the preparation, implementation and sustainability of projects co-financed from the Structural Funds and national grant programs. During the preparation, it ensures that the conditions of the relevant call are met. During the project sustainability period, in cooperation with the relevant departments, the monitoring ensures the sustainability of the project outputs and the settlement of any changes to the grant provider.</p>
P-KAP - Krajský akční plán rozvoje vzdělávání v Moravskoslezském	http://www.nuv.cz/p-kap/moravskoslezsky

kraji (Regional Action Plan for the Development of Education in the Moravian-Silesian Region)	Through its regional action plan, the Moravian-Silesian Region wants to support the entrepreneurship, initiative and creativity of pupils, which they see in a relatively close connection with the development of polytechnic and vocational education. KAP highlights research elements in teaching and supports the use of important regionally specific technical monuments and interactive exhibits in teaching.
RPC MSK - Regionální stálá konference Moravskoslezského kraje (Regional Permanent Conference of the Moravian-Silesian Region) 2 experts	https://www.mmr.cz/cs/microsites/uzemni-dimenze/rsk/rsk-msk The RPC is established on the principles of partnership with territorial competence in individual regions of the Czech Republic. In relation to the territorial dimension, it participates, among other things, in its implementation through the Regional Action Plans of the CFR 2014-2020, including the part related to financing from the ESI Funds, initiates, monitors and supports the absorption capacity of the region.
Pakt zaměstnanosti - Employment Pact	https://mspakt.cz/ It helps people prepare, enter and orientate themselves in the local labor market. Develops and deepens cooperation with employers. It connects all actors to each other.

Annex 5: Outline for the structured and semi-structured interviews (for D2 and D3) with stakeholders

Interview Outline and Structure (D2 and D3)

1. Purpose:

- » assess the design process of the governance of the JTF in the Czech Republic and the readiness to follow the priorities of the JTM;
- » assess the economic context and impacts of the transition to climate neutrality.

2. Organisation:

- » The TA team Leader will establish first contact with all interviewees;
- » All interviews will be organised and held virtually, using the MS Teams platform;
- » An attendance list and meeting notes will be compiled for each interview (if agreed by all parties, possible to record some interviews);
- » A detailed interview transcript will be prepared in CZ for each interview and a shorter summary version in EN in a JTP template;

Number of Interviewees (updated on 28.02.2021)

Stakeholder type	Number
Enterprises	106
of which:	
Industry (EU ETS)	85
Mining companies	4
Industry (non-EU ETS)	14
Services	3
NGOs	15
Municipalities	38
Government bodies and regional representatives	46
Regional representatives	26
Bodies of social dialogue in the regions (Hospodářská a sociální rada)	1
Innovation centres/advisory bodies in the regions	5
Ministries: Ministry of Environment, Ministry of Industry and Trade, Ministry of Social Affairs, Ministry of Education	9
Others	5
TOTAL	205

Evaluation of the interviews

Basic statistics, qualitative and mixed research methods (optional - use MAXQDA, <https://www.maxqda.com/#>)

Introduction to the Interview

- Introduction to the project based on the approved 1-pager summary;
- Request informed consent and provide an option to record the interview - written by email or verbal during the interview;
- Assure the interviewee of the confidentiality of the results, in addition mention that all insights will only be used for the purposes of the report and will be anonymized.

Outline for the structured interviews with stakeholders

1. Companies under EU ETS

Data to be collected in advance by the interviewer:

- Annual turnover, number of employees;
- Main strategic documents;
- Value chain;
- Price of the EU ETS.

Awareness about the Just Transition Mechanisms (“warm-up” question)

- 1.1. How are you involved in/prepared for the transformation/decarbonisation process?
- 1.2. Do you feel that you have enough information on the processes of the Just Transition and related instruments/funding options (e.g. the Just Transition Fund, etc.)?
- 1.3. In which areas do you feel that you would benefit from more insights with respect to Just Transition and your company?
- 1.4. What is your view on the JT programme coordination and flow of information with respect to your activities?

Economic context

- 1.5. Value chain: What is the value chain in your company? Who are your 3/5 major suppliers and who are your 3/5 major customers in terms of country/region (“kraj”) and in terms of NACE?
- 1.6. Do you expect any major changes in the structure of your suppliers and customers with respect to the decarbonisation transition?
- 1.7. When selecting your suppliers, do you evaluate the suppliers towards the sustainability criteria (EU Taxonomy on sustainable finance and corporate disclosure on climate-related information)? Or do your customers require such assessment?

Impact of the current regulatory framework

- What regulatory intervention impacts you the most in the current framework?
- How do you perceive changes in the price of EU ETS? How does this affect your company?
- What do you expect will be the development of electricity price (also with respect to EU ETS), and how do you react to this expectation in your strategies?
- Other factors – open questions

Impact of climate neutrality

Changes in the business of the company

- 1.8. What changes do you expect to the functioning of your company/sector with regard to decarbonisation (e.g. organisational changes, change in production, changes in company orientation, turnover and profit)?

- 1.9. Have you considered moving your business or part of your business to third countries due to the climate neutrality transition?
- 1.10. Do you plan to use digitalisation to support your adaptation to the low-carbon economy?

Jobs and employment

- 1.11. Do you expect any changes in the employment structure in your company with respect to decarbonisation (e.g. significant changes in numbers or structure of employees)?
- 1.12. If expecting a decrease in the number of employees, have you considered the social and economic impacts of those changes on your employees?
- 1.13. In relation to these changes, have you prepared or do you plan to prepare some social programmes? Do you plan to use external programmes to fund the reskilling?
- 1.14. Would you need additional education/training/skills in order to be prepared for future challenges? If yes, in which areas?
- 1.15. In your transformation plan, do you expect to find/have sufficient number of skilled employees in the region?

Other impacts

- 1.16. Do you expect any additional impacts of decarbonisation on your company?

Strategy of the company

- 1.17. What has been driving your strategic decisions?
- 1.18. What strategies and measures of diversification (and decarbonisation) do you plan to implement in the future?
- 1.19. General governance of the decisions about strategy: When developing strategies for your company, who is responsible for the development, adoption, and implementation of strategies in your company (how vertical is the decision-making process)?
- 1.20. Have you prepared any strategic documents in your company with respect to the transition to a low-carbon economy? How else are you preparing for the end of coal and transition to a low-carbon economy?
- 1.21. What role does digitalisation play in your strategic vision? Do you expect to use AI/ML in reacting to the diversification processes?

Investment and financial instruments

Investment

- 1.22. Type of investment

Type of investment	Have you implemented projects that would contribute to any of the aspects below in the last 3 years? <i>If yes, please elaborate</i> (details, total volume, results, challenges, related documents?)	Do you plan to invest in projects that would contribute to any of the aspects below? <i>If yes, please elaborate</i> (details, total volume, results, challenges, related documents?)
Diversification of your business		
Upskilling and/or reskilling of your employees		
Digitalisation and digital connectivity		

Research and innovation activities and fostering the transfer of advanced technologies		
Regeneration and decontamination of sites, land restoration and repurposing projects		
Other relevant		

- 1.23. Have you evaluated/assessed the investment from a sustainability point of view, i.e. to what extent it complies with the sustainable investment criteria⁵⁶. How will you incorporate this requirement in your future investment plans?

Financial support

- 1.24. Have you used any financial support (grants, soft loans, etc.) to finance the investment above? What types of instruments and under what programmes?
- 1.25. Do you plan to use such instruments to finance the upcoming transformational activities?
- 1.26. If you have used investment grants, how have you co-financed the investment (own sources, loans, etc.)? Barriers to using the instruments?
- 1.27. Have the existing programmes and instruments been motivational for your company? If not, what have you seen as major obstacles and challenges?

Technical assistance

- 1.28. Do you need technical assistance to develop the above projects?
- 1.29. What kind of technical assistance is most needed (feasibility study, etc.), and in what field?
- 1.30. Who should provide this technical assistance?

Other

- 1.31. What documents related to the above questions would you share with us?

Non-EU ETS companies

The same as the questionnaire for the EU ETS, but without the EU ETS questions.

2. NGOs

- 2.1. How do you see your role in the just transition?

Awareness

- 2.2. Do you feel you have sufficient level of information on the Just Transition and decarbonisation pathway?
- 2.3. Do you see the level of public consultation as sufficient? If not, what are your recommendations to improve it?

⁵⁶ Regulation 2020/852 from 18 July 2020 on the establishment of a framework to facilitate sustainable investment

Climate neutrality transition

- 2.4. What do you see as major **risks** of the Just Transition in your region/in your area of expertise? What are these risks specifically for small and medium actors (SMEs, municipalities, etc.)?
- 2.5. What do you see as major **challenges** to the Just Transition in your region/in your area of expertise?
- 2.6. Where do you see the main **opportunities** of Just Transition in your region/in your area of expertise?

Governance of the design process and future implementation of just transition mechanisms

- 2.7. What is your view on the coordination between central and regional level in terms of the Just Transition Mechanisms (JTM)?
- 2.8. What is your view on the coordination among responsible ministries in the JTM?
- 2.9. What is your view on the coordination among funding programmes in the JTM?

3. Government bodies and regional representatives

Awareness

- 3.1. Do you feel you have sufficient level of information on the just transition and decarbonisation pathway?
- 3.2. Do you see the level of public consultation as sufficient? If not, what are your recommendations to improve it?

Governance of the design process and future implementation of just transition mechanisms

- 3.3. What is your view on the coordination between central and regional level in terms of the Just Transition Mechanisms (JTM)?
- 3.4. What is your view on the coordination among responsible ministries in the JTM?
- 3.5. What is your view on the coordination among funding programmes in the JTM?
- 3.6. How do you think the above activities could be improved to better reflect your needs?
- 3.7. Do you see any problematic parts in the setting of JTF with respect to Modernisation fund?
- 3.8. Have you followed the European Semester and how do you incorporate its conclusion in your work?

Specific questions to each Ministry:

- 3.9. MoE: regarding the governance structure of the JTF, the Modernisation Fund and the MIT programme
- 3.10. MFin: regarding co-funding

Climate neutrality transition

- 3.11. What do you see as major **risks** of the just transition in your region/in your area of expertise?
- 3.12. What do you see as major **challenges** to the just transition in your region/in your area of expertise?
- 3.13. Where do you see the main **opportunities** of just transition in your region/in your area of expertise?

4. Municipalities

Economic context

- 4.1. What impacts to the municipal economics (budget, investment, other?) do you expect to occur due to the covid-19 pandemic (and the currently debated fiscal reform)?

Awareness

- 4.2. Do you feel you have sufficient level of information on the just transition and decarbonisation pathway?
4.3. Do you see the level of public consultation as sufficient? If not, what are your recommendations to improve it?

Climate neutrality transition

- 4.4. What do you see as major **risks** of the just transition in your region?
4.5. What do you see as major **challenges** to the just transition in your region?
4.6. Where do you see the main **opportunities** of just transition in your region?
4.7. Are there alternatives for employment/entrepreneurship in your municipality/region? (If yes, elaborate more in detail)
4.8. What would be your major needs to facilitate the decarbonisation for your municipality?

Investment and financial support

Investment

- 4.9. Type of investment

Type of investment	Have you implemented projects that would contribute to any of the aspects below in the last 3 years? <i>If yes, please elaborate (details, total volume, results, challenges, related documents?)</i>	Do you plan to invest in projects that would contribute to any of the aspects below? <i>If yes, please elaborate (details, total volume, results, challenges, related documents?)</i>
Diversification of the businesses in your area?		
Upskilling and/or reskilling of your employees/employees in your municipality?		
Digitalisation and digital connectivity		
Research and innovation activities and fostering the transfer of advanced technologies		
Regeneration and decontamination of sites, land restoration and repurposing projects		
Other relevant (e.g. information?)		

Financial support

- 4.10. Have you used any financial support (grants, soft loans, etc) to finance the investment above? What types of instruments and under what programmes?
- 4.11. Do you plan to use such financial support to finance the upcoming transformational activities?
- 4.12. If you have used investment grants, how have you co-financed the investment (own sources, loans, etc.)? Barriers to using the instruments?
- 4.13. Have the existing programmes and instruments been motivational for your company? If not, what have you seen as major obstacles and challenges?

Technical assistance

- 4.14. Do you need technical assistance to develop the above projects?
- 4.15. What kind of technical assistance is most needed (feasibility study, etc.), and in what field?
- 4.16. Who should provide this technical assistance?

NOTE:

Priorities of the Annex D: INVESTMENT GUIDANCE ON JUST TRANSITION FUND 2021-2027 FOR CZECHIA (European Semester Report for the Czech Republic, 2020)

Investments in the deployment of technology and infrastructures for affordable clean energy, in greenhouse gas emission reduction, energy efficiency and renewable energy;

- Investments in the creation of new firms, including through business incubators and consulting services;
- productive investments in SMEs, including start-ups, leading to economic diversification and reconversion;
- Upskilling and reskilling of workers;
- Investments in regeneration and decontamination of sites, land restoration and repurposing projects.

Related actions of the Just Transition Fund could target in particular:

- Investments in research and innovation activities and fostering the transfer of advanced technologies;
- Investments in digitalisation and digital connectivity;
- Technical assistance.

Investment needs have further been identified for alleviating the environmental and socio-economic costs of the transition. Related actions of the Just Transition Fund could target in particular:

- Investments in enhancing the circular economy, including through waste prevention, reduction, resource efficiency, reuse, repair and recycling;
- Job-search assistance to jobseekers;
- Active inclusion of jobseekers.

Scenario of a semi-structured interview (CMZRB)

Purpose of the interview

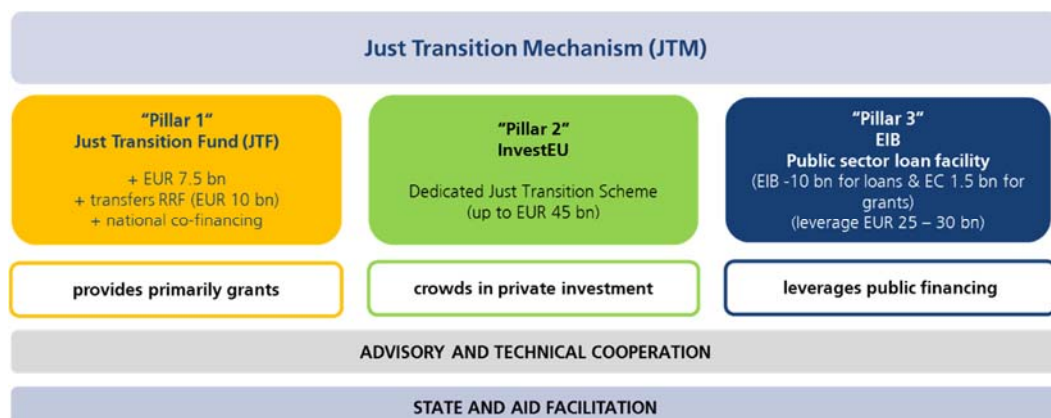
The European Commission has commissioned the implementation of a consultation project entitled *"Support to the preparation of Territorial Just Transition Plans in the Czech Republic"*, which is managed by the Frankfurt School of Finance & Management together with experts from the Czech Republic. One of the tasks of the project team is to prepare analytical material on the topic of governance, within which we deal with the institutional setting of the mechanism of all three pillars for Just Transition Mechanism. The questions in this interview are therefore focused on the governance design of Pillars 2 and 3 (JTM).

Set of questions is structured into 7 areas:

- 1) Status quo - starting points for the discussion
- 2) Anticipated institutional setting / governance
- 3) Cross - cutting institutional issues
- 4) Absorption capacity in the context of governance settings
- 5) Advice and technical assistance
- 6) Setting up monitoring and evaluation
- 7) Miscellaneous

1) Status quo - starting points for the discussion

1. To what extent are you familiar with the structure of the JTM and the individual pillars? Any details will be explained by the interviewer at the beginning of the interview, if necessary.



2. Please, could you explain in more detail the current status quo regarding discussions and considerations concerning the Just Transition Mechanism at national and EU level (especially with the EIB)?
3. How would you assess the results of the CMZRB achieved last year, which was affected by the Covid-19 crisis? According to the information available on the [website](#), there has been a sharp increase in interest in operational funding, with 2/3 of support coming from Covid programs.
4. Do you have information about the current status of *"Pillar assessment for accessing InvestEU"*? Is this evaluation already finalized or when will it be finalized?

2) Anticipated institutional setting / governance

Pillar 2 of the JTM

Background Pillar 2: Dedicated scheme under InvestEU

Under Pillar 2 of the Just Transition Mechanism, a dedicated just transition scheme will be

set up under InvestEU.

Support under this scheme will be embedded in all financial products developed and implemented under InvestEU, across all policy windows, and will be available for all implementing partners (25% will be open to other implementing partners than the EIB, in line with the InvestEU Regulation).

Compared to the JTF, it will also enable investments in a wider range of projects, in line with the broader eligibility of investments under InvestEU: projects for energy and transport infrastructure, including gas infrastructure (with implementing partners other than EIB) – to be confirmed - and district heating networks, but also decarbonisation projects, economic diversification of the regions and social infrastructure.

5. According to previous analyses, the following three options have emerged, which a combination of them we recommend to consider to ensure the governance of Pillar 2.

These options are:

- a) **EIB or ČMZRB respectively will directly finance the Czech private sector** and large enterprise projects contributing to a fair transformation in the regions concerned. In this case, the EIB or ČMZRB may directly select projects to provide low-interest loans and similar financing favored by the InvestEU funding scheme guarantee.
 - b) **The EIB will finance the private sector through intermediaries** (ČMZRB and / or other banks). In this case, it will choose financial intermediaries in the regions concerned, such as ČMZRB or commercial banks. These will create a portfolio of new loans for SMEs that will contribute to a fair transformation.
 - c) **EIB and / or ČMZRB (after granting the pillar assessment) will enable risk-sharing** (through the provided guarantee by InvestEU) to increase the capacity of the national support program managed by an entity other than commercial banks. It can be an existing or newly created program. The relevant national program must be financed from national resources. The guarantee from InvestEU will mobilize additional private and public resources and increase the available amount of funds in the national support program.
 - i. Which options you seem feasible for **ČMZRB to implement**; advantages of your institution? Feasibility means that it could be implemented within the current setting or institutional changes would be necessary (please specify)
 - ii. We welcome you to give us your opinion on the individual options and specify what kind of investments / projects each of the option does apply.
6. What is your opinion on the option, when the InvestEU conditions were set for Pillar 2. In this context, it would then be possible to support preferred activities across all Czech regions without further restrictive rules, including the three coal regions - Moravian-Silesian, Ústí and Karlovy Vary? It can be assumed that this would significantly reduce implementation problems and time delays.
7. How would you evaluate ČMZRB's previous experience and the potential for cooperation with commercial banks under Pillar 2, while reflecting on the experience of as first tier, second tier and

investor? What kind of options with the Commercial banks you see for the Pillar 2 governance setting.

Pillar 3 of the JTM

Background Pillar 3: public sector loan facility

Under Pillar 3, a new public sector loan facility with the EIB will support increased public sector investment in the regions undergoing climate transition. Loans would provide public sector entities (for example municipal or regional authorities) with resources to implement measures to facilitate the transition to climate neutrality. Supported investments will range from energy and transport infrastructure, district heating networks, energy efficiency measures including renovation of buildings, as well as social infrastructure, and can include other sectors as well.

The EU support will take the form of an investment grant, financed from the EU budget, which will be blended with loans from the EIB's own resources. The grant component will be on average 15% of the EIB loan, but can reach 20% in less developed regions. Beneficiaries will include municipal, regional and other public authorities. Support will be complementary to the products offered by the InvestEU dedicated just transition scheme, given that it will target projects that do not generate sufficient market streams of revenue and would not have been financed without the support. It will also include advisory support in order to help generate project pipeline.

8. The governance model in the Czech Republic for Pillar 3 is still open. **The subsidy part of this pillar** (i.e. investment grant) will be provided by the European Commission (EC) under a directly managed program, probably managed by INEA. We assume that although it is not necessary to involve any body at the level of the Czech Republic, there is a possibility of involving the Ministry of Finance and ČMZRB within the EFSI. Do you think that this model for the "subsidy part" of the 3rd pillar could be implemented? If so, what is the current state of negotiations in such a variant.
9. **The loan part of Pillar 3** will be provided by the EIB (including advice). Is it clearer in what form this part will be implemented? How will the contractual conditions be set - for example, the form of credit facilities/frameworks with particular coal regions, the national scheme or ČMZRB?
10. **Which variant** seems to you to be the most probable and why - **the institutional setting of the 3rd pillar?**
 - EIB - Ministry of Finance (NB: It already operates at central level in relation to EIB lending, but a coordination and information role is assumed rather than an active redistribution role)
 - EIB - ČMZRB
 - EIB - State Fund
 - EIB - regions (territorial administrative unit)

Note: ČMZRB vs. SEF - In the previous negotiations at the national level, the involvement of ČMZRB as an implementing partner of InvestEU was assumed. This would provide a simpler implementation structure. It can be assumed that SEF could pretend to act as financial intermediary. In the past OP Environment used SEF for providing the ESIF financial instruments. Do you think that the SEF could still act as an implementing partner?

11. According to previous experience, the setting of a financial instrument will take min. 12 - 18 months for institutions that already have experience with this. Therefore, if we choose the option of institutional fragmentation in the Czech Republic, it is quite possible that the 3rd pillar will have large implementation problems / delays, etc. What is your opinion on possible time delays in the preparation of the implementation system?
12. What is the current situation and situation in the third pillar regarding the setting of the minimum amount of loans for the public sector? At present, loans are provided from EUR 25 million (50% of project costs) and Framework Loans for investment programs from EUR 100 million.

Pillar 2 + Pillar 3: ČMZRB as “one-stop shop proposal” of the JTM

13. Could you evaluate the following positive and negative aspects of the proposed setting of ČMZRB as a "one-stop shop proposal"? We are proposing ČMZRB as an active player for both Pillar 2 and Pillar 3.

Strengths:

- ČMZRB has experience in grant management and is a financial intermediary with all important department set up.
- ČMZRB is less susceptible to political pressures than a state fund and can be more effective

Weaknesses:

- ČMZRB has not supported many municipalities (tbc), most of its support targets SMEs. On the other hand, public sector recipients will demand primarily JTF grants which will be administered by State Environmental Fund under OP JT. More synergies could be achieved by engaging SEF (which has also experience with loan support for the public sector) also in the third pillar.
- Given that third pillar consists of EIB loans with EC grant component, ČMZRB could only engage as financial intermediary of these EIB loans. How would you assess this possibility when the ČMZRB would act as a financial intermediary for the EIB?

3) Cross - cutting institutional issues
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14. From your point of view and experience, what activities must be implemented in the following months by the middle of 2021, so that the ČMZRB is fully prepared for the implementation of activities in the 2nd and possibly even 3rd pillars?
15. Furthermore, what activities need to be implemented in the longer term, i.e. in the horizon to the end of 2021 and during 2022.
16. Do you have an idea how to further use the potential of other institutions in public administration at the central and regional level in connection with the support of companies in 3 "coal" regions? (e.g. Getting feedback from SMEs with support from CzechInvest might be a good point as CzechInvest has a wide reach)
17. What is the precondition for cooperation and especially for sharing information in the implementation of potential financial instruments between ČMZRB and the managing authority of the Operational Program Just Transition (i.e. the Ministry of the Environment) and the JTF (Pillar 1)?

4) Absorption capacity in the context of governance settings

18. The EIB and the Ministry of Regional Development analysed potential absorption capacity during autumn 2020. The main risk for the second and third pillars is the availability of other instruments and financial resources at EU level. These can be, for example, operational programs, the Modernization Fund or the Recovery and Resilience Facility (RRF). How do you perceive this risk in terms of the current state of preparation for the implementation of both pillars? If this risk significantly prevails, do you think it should be reflected in the form of governance of both pillars? If so, in what way?
19. The Czech Republic does not have a dedicated national envelope in the second pillar of JTM. The final use of funds from the InvestEU Fund will be driven by demand and the absorption capacity and readiness of projects of the affected regions will be of key importance. In the case of the third pillar, projects that have already drawn, are drawing or will draw support from other EU programs cannot be supported, which may reduce any interest in the third pillar.
What is the current state in the assessment of absorption capacity?

5) Advice and technical assistance

20. In November 2020, the EIB and the CMZRB signed an agreement funded by the European Investment Advisory Hub, which will focus on identifying projects pipeline that need advisory support and will help promoters in the Czech Republic to prepare, finance and implement such projects. What steps have been taken in relation to the specific conditions of the three coal regions? (i.e. identification of potential projects in need of advice).
21. Do you have more information about the current state of preparation of specific projects with the support of JASPERS?
22. How do you plan to use the general experience with "The InvestEU Advisory Hub" in 3 coal regions?
23. What do you envisage using the existing experience with "The InvestEU Portal" to support 3 coal regions? Potential and limits?

6) Setting up monitoring and evaluation

24. How is the monitoring and evaluation of the second and third pillars prepared? I.e. reporting, data aggregation for indicators, evaluation.
25. How will the indicators set out in Annex 3 of the InvestEU Regulation be reported to the European Commission? Weblink to the Annex 3 - [here](#)
26. Have you already considered how the social impacts in Pillar 2 and 3 will be assessed? *Note: Investment projects that have such an impact should be subject to sustainability proofing in accordance with guidance that should be developed by the Commission in close cooperation with potential implementing partners under the InvestEU Program.*

7) Miscellaneous

27. When will ČMZRB have information on basic data concerning the number of provided loans, guarantees, the number of clients in 2020? The annual reports were not published in previous

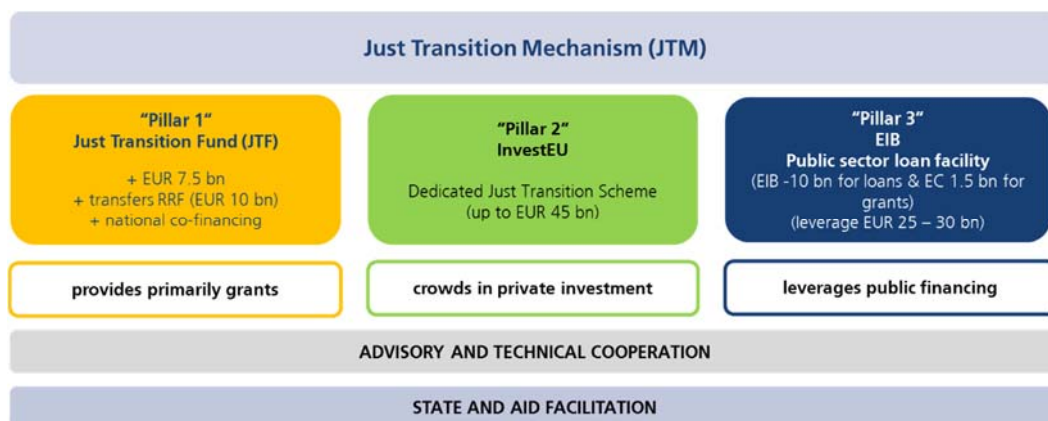
years until April, but we assume that ČMZRB can provide them for the purposes of this evaluation even earlier.

28. Do you assume that ČMZRB will have a role within the RRF (Recovery and Resilience Facility)? What will be the impact on your activities?

Scenario of a semi-structured interview (SEF)

1) Status quo - starting points for the discussion

29. To what extent are you familiar with the structure of the JTM and the individual pillars? Any details will be explained by the interviewer at the beginning of the interview, if necessary.



30. Please, could you explain in more detail the current status quo regarding discussions and considerations concerning the Just Transition Mechanism at national and EU level? We know that for the JTF, the SEF is the intermediate body.

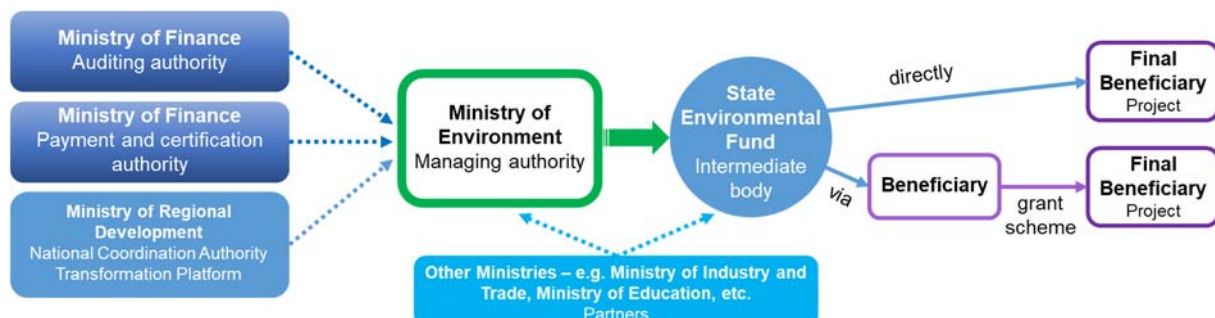
31. Do you see any problematic parts in the setting of Just Transition Fund (JTF), with respect to Modernisation fund?

32. How would you assess the results of the SEF achieved last year, which was affected by the Covid-19 crisis? What were the main activities, changes and contexts that affected the usual SEF agenda in 2020?

2) Anticipated institutional setting / governance

Pillar 1 of the JTM (JTF) and OP JT

Background: Implementation Structure of the JTF



33. What is the current state of negotiations on the implementation of JTM? Will the SEF participate in the implementation of the JTM in addition to be the intermediate body of Pillar 1 (i.e. the JTF Operational Program), also in Pillars 2 and 3?
34. How do you assess the expected institutional setting of the links between the national and regional levels? In the current planning phase, the role of the regional authorities is focused on coordination and information at the regional level and the collection of project ideas, which are presented to MoE working groups (their eligibility and alignment with the JTF).
35. How do you perceive and evaluate other governance issues and their potential settings in the OP JT, i.e. balancing smart versus large actors, arrangements for the monitoring and evaluation impact indicators, absorption capacity and access to technical assistance?
36. As for Pillar 1, the funding also targets priority investments in areas that are not the core competence of the SEF, i.e. employment, SME promotion, economic diversification, digitalisation, upskilling and reskilling of workers, job search assistance. How do you deal with these kinds of investments? What form of cooperation, or implementation arrangements, is planned for these types of investment priorities with the relevant ministries (i.e. in particular the Ministry of Labour and Social Affairs, the Ministry of Industry and Trade)

Pillar 3 of the JTM

Background Pillar 3: public sector loan facility

Under Pillar 3, a new public sector loan facility with the EIB will support increased public sector investment in the regions undergoing climate transition. Loans would provide public sector entities (for example municipal or regional authorities) with resources to implement measures to facilitate the transition to climate neutrality. Supported investments will range from energy and transport infrastructure, district heating networks, energy efficiency measures including renovation of buildings, as well as social infrastructure, and can include other sectors as well.

The EU support will take the form of an investment grant, financed from the EU budget, which will be blended with loans from the EIB's own resources. The grant component will be on average 15% of the EIB loan, but can reach 20% in less developed regions. Beneficiaries will include municipal, regional and other public authorities. Support will be complementary to the products offered by the InvestEU dedicated just transition scheme, given that it will target projects that do not generate sufficient market streams of revenue and would not have been financed without the support. It will also include advisory support in order to help generate project pipeline.

37. **Which variant** seems to you to be the most probable and why - **the institutional setting of the 3rd pillar?**

- EIB - Ministry of Finance (NB: It already operates at central level in relation to EIB lending, but a coordination and information role is assumed rather than an active redistribution role)
- EIB - ČMZRB

- EIB - State Fund
- EIB - regions (territorial administrative unit)

Note: Lending the EIB to the public sector will be a standard banking administration procedure. In terms of implementation settings, the involvement of e.g. ČMZRB or SEF in the role of an intermediate body is being considered. Alternatively, it is also possible to consider the involvement of a territorial administrative unit or another public institution. In the past OP Environment used SEF for providing the ESIF financial instruments. Do you think that the SEF could still act as an implementing partner?

38. The governance model in the Czech Republic for Pillar 3 is still open. **The subsidy part of this pillar** will be provided by the European Commission (EC) under a directly managed program, probably managed by the *INEA - Innovation and Networks Executive Agency* (INEA – see [weblink](#)). We assume that although it is not necessary to involve any body at the level of the Czech Republic, there is a possibility of involving the Ministry of Finance and ČMZRB within the EFSI. Do you think that this model for the "subsidy part" of the 3rd pillar could be implemented? **What would be the role of SEF?**

39. **The loan part of Pillar 3** will be provided by the EIB (including advice). Is it clearer in what form this part will be implemented? How will the contractual conditions be set - for example, the form of credit facilities/frameworks with particular coal regions (or other, e.g. neighbouring regions), the national scheme or ČMZRB / SEF?

Note: Pillars 2 and 3 of the MST(JTP) will have extended geographical coverage, which means that these pillars will invest in other (most likely neighbouring) regions, provided that the supported projects have a key impact on the transformation of the regions concerned. These will be, in particular, transport or energy infrastructure projects that improve the connectivity of the regions concerned.

40. According to previous experience with financial instruments setting, it usually takes at least 12 - 18 months for such instruments to be ready for implementation. In addition, in the Czech Republic we do not have enough experience with instruments that would combine a loan and a grant element. In this sense, we are concerned that there may be a significant time lag in Pillar 3 before the relevant institutions implementing this pillar have time to prepare. What is your opinion on possible time delays in the preparation of the implementation system?

41. What is the current situation and situation in the third pillar regarding the setting of the minimum amount of loans for the public sector – i.e. for projects and framework loans?

Note: The EIB generally lends to the public sector only for larger projects, usually loans from EUR 25 million for up to 50% of project costs, or it may be Public Sector Framework Loans - flexible loans to finance an investment program that usually starts from EUR 100 million worth of investment program and consists of smaller projects. According to the EIB, there is an interest in setting lower amounts for the minimum loans in the loan part of the third pillar of the MST (JTM), in order to be able to finance even smaller investment projects in the regions concerned. It is not yet clear whether the situation has shifted in this matter.

3) Cross - cutting institutional issues

42. From your point of view and experience, what activities must be implemented in the following months by the middle of 2021, so that the SEF would be fully prepared for the implementation of activities in the pillar 1 and possibly pillar 3?
43. Furthermore, what activities need to be implemented in the longer term, i.e. in the horizon to the end of 2021 and during 2022 / after 2022 till 2027?
44. Related to Pillar 1: Do you have an idea how to further use the potential of other institutions in public administration at the central and regional level in connection with the support of companies in 3 "coal" regions? (e.g. Getting feedback from SMEs with support from CzechInvest might be a good point as CzechInvest has a wide reach)

Note: The Pillar 3 provides for investment to climate neutrality. Pillar 1 provides support to other projects, related to SMEs.

4) Absorption capacity in the context of governance settings

45. The EIB and the Ministry of Regional Development analysed potential absorption capacity during autumn 2020. The main risk for the second and third pillars is the availability of other instruments and financial resources at EU level. These can be, for example, operational programs, the Modernization Fund or the Recovery and Resilience Facility (RRF). How do you perceive this risk in terms of the current state of preparation for the implementation of both pillars? If this risk significantly prevails, do you think it should be reflected in the form of governance of both pillars? If so, in what way?
46. The Czech Republic does not have a dedicated national envelope in the second pillar of JTM. The final use of funds from the InvestEU Fund will be driven by demand and the absorption capacity and readiness of projects of the affected regions will be of key importance. In the case of Pillar 3, setting a minimum loan amount and an overall assessment of the effective preparedness of the public sector in the regions concerned in the relevant types of projects is essential for sufficient absorption capacity. It is also necessary to mention that these projects in Pillar 3 will not be able to be further supported in any way from other EU programs.

What is the current state in the assessment of absorption capacity?

5) Advice and technical assistance

The role of JASPERS in relation to Pillar 1 and the other two pillars

47. Do you have more information about the current state of preparation of specific projects with the support of JASPERS?

Note: After the creation of the Territorial Just Transition Plan, JASPERS will help the Czech Republic, resp. the regions concerned, in the development of JTF projects and in their management and prioritization within the project pool. Given the desirable synergies and complementarities between all three pillars of the MST (JTM), it is possible that JASPERS will assist in the screening and development of projects that may ultimately be supported by the second or third pillar of the MST (JTM). In this regard, there might be close cooperation with the InvestEU Advisory Hub, responsible for project advice under these pillars.

The possible role of InvestEU Advisory Hub within all pillars of the JTM

48. The InvestEU Advisory hub is relevant for Pillar 2 (linked to InvestEU). However, following the note in the previous question, we would like to ask how the cooperation with the "InvestEU Advisory Hub" will or would take place, which would then be responsible for project consulting within these pillars in this sense? The question is whether this idea is still valid and relevant at all.
49. How do you plan to use the general experience with "The InvestEU Advisory Hub" in 3 coal regions?
50. What do you envisage using the existing experience with "The InvestEU Portal" to support 3 coal regions? Potential and limits?

6) Setting up monitoring and evaluation

51. How is the monitoring and evaluation of the first and third pillars prepared? I.e. reporting, data aggregation for indicators, evaluation. What is your experience and opinion on the potential role and responsibility of SEF in Pillar 1 (intermediate body) and Pillar 3 in monitoring, evaluation and impact assessments? Please, if necessary, you can also evaluate it with regard to experience in other programs.
52. Have you already considered how the social impacts in Pillars 1 and 3 will be assessed?

7) Miscellaneous

53. When will the SEF have information on basic data concerning the number of provided grants, loans, the number of beneficiaries/clients in 2020 according to OP Environment and other administered programmes? E.g. the last 2019 annual report was published in mid-March, but we assume that SEF can provide them for the purposes of this interview even earlier.

Annex 6: Events organised by the Ministry of Regional Development (related to the JTF)

Events conducted by the Ministry of Regional Development

DATE	EVENT	PLACE
24-01-20	EIB Consultation Day on Strategic Projects	Prague
30-01-20	Coordination meeting RE:START	Prague
11-02-20	Ústí R. seminar for the municipality	KÚ ÚK
3. - 4.3. 2020	Transformation workshop in MSK	Trojanovice
06-03-20	PS RPC	KÚ ÚK
11-03-20	Landscape after mining - ÚL conference	Ústí nad Labem
24-03-20	Joint meeting of the RPC and tripartite MSK	Ostrava
26-03-20	Coordination meeting RE: START	On-line
21-04-20	Working group for coal-free energy MSK	Ostrava
28-04-20	Coordination meeting RE: START	On-line
13-05-20	Meetings of the PSUT Preparatory Team	On-line
26-05-20	Working group for coal-free energy MSK	Ostrava
27-05-20	Coordination meeting RE: START	On-line
28-05-20	Meeting of three coal regions	Prague
08-06-20	Board of RHSD MSK	Ostrava
12-06-20	Negotiations with ITI on strategic projects	Ostrava City Hall
16-06-20	Transformation workshop	Ústí nad Labem
16-06-20	Board of ESC-CC	HSR-ÚK
19-06-20	Meetings of the PSUT Preparatory Team	Prague
25-06-20	Coordination meeting RE: START	Prague
30-06-20	Workshop with PS RPC guarantors	KÚ MSK, Ostrava
02-07-20	Plenary meeting of RHSD MSK	Ostrava
17-07-20	PS to strategic projects of the Ústí Region	KÚ ÚK

27-07-20	Negotiations on strategic projects in the field of R&D and innovative entrepreneurship with representatives of universities and MSICs	Ostrava - VŠB-TUO
30-07-20	Negotiations Hydrogen platform	UJEP
31-07-20	Meeting of the governor and large companies in MSK	KÚ MSK, Ostrava
05-08-20	Meetings of the RPC of the Ustecky Region	KÚ Ú region
27-08-20	5th meeting of the Working Group "Coal Platform of the Ústí Region"	KÚ Ú. Region
27-08-20	Negotiations with ITI on strategic projects	KÚ MSK, Ostrava
02-09-20	Board of RHSD MSK	Ostrava
03-09-20	visit of the Minister for Regional Development and the Minister of the Environment to the KVK	KV region
04-09-20	Coordination meeting RE: START	Prague
04-09-20	Meetings of the PSUT Preparatory Team	Prague
08-09-20	Meeting of K. Dostálová and R. Brabec to ÚK	Ústí nad Labem
08-09-20	Joint meeting of the RPC and the tripartite in the KVK	KÚ KVK
10-09-20	Workshop on OP ST with representatives of ministries and coal regions	Ostravice
11-09-20	Joint meeting of RPC and tripartite in MSK	KÚ MSK
21-09-20	external meeting of the steering committee of 5G networks for 5 cities	KÚ ÚK
5. - 9. 10. 2020	Cycle of lectures for municipalities in the Karviná region within POHO2030	Ostrava, MSID
02-10-20	Meetings of the PSUT Preparatory Team	On-line
06-10-20	Transformation platform	On-line
13-10-20	Restructuring conference	On-line
15-10-20	Meeting J. Starý - ITI - exchange of information	Most
21-10-20	Research and educational platform	On-line
03-11-20	Coordination meeting RE: START	On-line
04-11-20	Round table for energy projects POHO2030	On-line
05-11-20	PS ITI Environment and Public Space	On-line
05-11-20	PS ITI Economics	On-line

05-11-20	PS ITI Human Resources	On-line
06-11-20	PS ITI Transport and Transport Infrastructure	On-line
06-11-20	PS ITI Culture and Tourism	On-line
10-11-20	Webinar for companies within the MSK Industrialists Initiative	On-line
02-12-20	PT RHSD	On-line
04-12-20	Transformation platform	On-line
07-12-20	Coordination meeting RE: START	On-line
08-12-20	Conference MMR NOK	On-line
09-12-20	RPC conference in KV region	On-line
09-12-20	Webinar for municipalities in the MS region	On-line
10-12-20	Bureau of the ESC - Ústí region	On-line
11-12-20	Meetings of the PSUT Preparatory Team	On-line
14-12-20	HSRM Bureau	On-line
17-12-20	PS Théta TAČR	On-line
21-12-20	Meeting on the Methodology of project evaluation in FST	On-line

Note: the level of information on the JTF and the presentation methods used varied at the different events, e.g. in some events there was a detailed presentation dedicated to the JTF, in others only brief information was provided, and in yet others JTF was one of the topics for discussion.

**Annex 7: Events organised by the regional
authorities in the Moravia-Silesia, Ústí and Karlovy
Vary regions**

Date of event	Name of the event	Place (Aim Group)	note
Moravian-Silesian Region			
2020-03-03	Transformation workshop in MS region	Trojanovice	2 days
2020-02-15	Webinar for companies in MS region	On-line	
2020-05-28	Meeting of three coal regions	Prague	
2020-06-12	Negotiations with ITI on strategic projects	Ostrava municipal office	
2020-06-30	Workshop with guarantors of RPC working groups	Office of the government of MS region, Ostrava	
2020-07-27	Negotiations on strategic projects in the field of R&D and innovative entrepreneurship with representatives of universities and MSICs	Ostrava - VŠB-TUO (Technical university)	
2020-07-31	Meeting of the governor and large companies in MS region	Office of the government of MS region, Ostrava	
2020-08-27	Negotiations with ITI on strategic projects	Office of the government of MS region, Ostrava	
2020-09-10	Workshop on OP ST (Just Transition) with representatives of ministries and coal regions	Ostravice	
2020-09-11	Joint meeting of RPC and tripartite in MS region	Office of the government of MS region, Ostrava	
2020-10-05	Cycle of lectures for municipalities in the Karviná region within POHO2030 (platform for the strategic vision of the region)	Ostrava, MSID	5 days
2020-10-13	Restructuring conference	On-line	
2020-11-04	Round table for energy projects POHO2030	On-line	
2020-11-05	EU opportunities for universities	On-line	
2020-11-10	Webinar for companies within the MSK Industrialists Initiative	On-line	
2020-11-12	Meeting of the governor (head of the regional government) with members of the European Parliament	On-line	
2020-11-13	Videoconference with the Silesian Voivodeship	On-line	
2020-11-16	EU opportunities for Veolia	On-line	
2020-11-18	Speech by the Governor within the Platform for Coal Regions in Transformation	On-line	
2020-12-09	Webinar for municipalities in MSK	On-line	

2021-01-08	Opportunities for financing projects of the Lower Vítkovice area	On-line	
2021-01-12	Meetings of the MSK tripartite presidency (social dialogue platform)	On-line	
2021-01-13	Webinar for representatives	On-line	
2021-01-15	Negotiations with representatives of ČMZRB on financing projects within 2nd and 3rd pillar	On-line	
2021-01-18	Negotiations with ITI on strategic projects and FST	On-line	
2021-02-05	Webinar for companies - members of the MS region Industrialists Initiative	On-line	
2021-02-09	Negotiations on the strategic project SMARAGD with representatives of universities	On-line	
2021-02-10	Webinar for municipalities in MS region	On-line	
2021-02-16	JTF Webinar for the Steering Committee for Transformation (representatives of statutory cities)	On-line	
2021-02-17	Professional seminar on the development of hydrogen technologies in MS region (VŠB-TUO, MEC)	On-line	
2021-03-18	Joint meeting of RPC and tripartite in MS region	On-line	
Ústí Region			
2020-06	Transformation workshop	(Ústí region)	
2020-06	Call for project ideas	(Ústí region)	
2020-10	Information about the Just Transition Fund on the web portal	(Ústí region)	
2020-10	Workshops with teams that submitted project ideas – fiches	(Ústí region)	2020-11
2021-01	Hydrogen Platform meeting dedicated to just transition	(Ústí region)	
2021-02	PS RPC -PSÚT	(Ústí region)	
2021-02	PS Transformation KÚÚK	(Ústí region)	
2021-02	Workshop for SME/organized together with MRD	(Ústí region)	
2021-02	Workshop for SME/organized together with MRD	(Ústí region)	
2021-12	Radio broadcasting campaign Frekvence 1 a Evropa 2	(Ústí region)	
Karlovy Vary Region			
2020-11	Press conference for journalists	(KV Region)	
2020-12-09	Regional Permanent Conference	(KV Region)	
2021-02-10	Two webinars for municipalities and SMEs	(KV Region)	5 days

Moravian-Silesian Region

The Technical Assistance team has extracted the following information from e-mails, a telephone interview and an online interview with Mr. Zdeněk Karásek (assignee of the governor/head of the regional government for RESTART and coal regions in transformation) and Ms. Pavla Bazgierová (project manager, Department of Regional Development and Tourism, Office of the Regional Government) in the period 9 - 15 February, 2021.

Main information channel about the Just Transition in the Moravia-Silesia region is the website: hrajemskrajem.cz:

- dedicated to the Development strategy of the Moravia Silesia region
- new design of the website in preparation, should be open in March 2021, with special section transformation of the region
- it will be a place where all information about the just transition should be concentrated – Just Transition Plan, strategic projects, information about funding possibilities for main target groups

The title *hrajemskrajem* is a wordplay – in English: We play with the region, the *msk* sounds in the centre of the brand indicate Moravia-Silesia region.

Facebook containing information about Just Transition:

- official facebook of the Moravia Silesia region:
<https://www.facebook.com/nasemoravskoslezsko/>
- *hrajemskrajem*: <https://www.facebook.com/hrajeMSKrajem/>

Online platform stakeholder consultation: No online platform is planned. The regional government plans to open online database of project ideas including projects for the JTM (should be opened in March 2021). This database should be part of the *hrajemskrajem.cz* website.

Radio and TV broadcasting: Main instrument to spread information about the Just Transition are interviews with political representation who inform about the possibilities and challenges of the transformation in the region.

Events: detailed list of events is in the above table:

- The invitees cover broad range of institutions (public authorities, business, NGOs). There is no special focus on youth or vulnerable groups.
- The social issues and support of vulnerable groups are the focus of well-established system of social and employment policy (coordinated by the Ministry of Labour and Social Affairs at central level, by the Labour Offices at regional level).
- The social issues as relevant topic of just transition come up in last time, before that (within the RE:START process) the focus was on research, innovation, entrepreneurship and revitalization.
- The MS region implements the participatory principle via communication and consultation with representatives of various institutions.

Specific communication and consultations on projects: The regional government cooperates closely with four regional agencies (where the regional government is partly or full owner) on the preparation of projects. Together with four agencies meetings with project developers are being organized on regular basis. The regional government cooperates closely with the government of the Silesia region in Poland and the regional partners in Slovakia.

Regional agencies in Moravia-Silesia region supporting the development of projects:

- Moravskoslezské energetické centrum, p.o. (MEC) – Moravian-Silesian Energy Center (<https://www.mskec.cz/>); target groups: business, SMEs, municipalities
- Moravskoslezské inovační centrum Ostrava, a.s. (MSIC) – Moravian-Silesian Innovation Centre (<https://www.ms-ic.cz/>); target group: business, universities, research institutes

- Moravskoslezské investice a development, a.s. (MSID) – Moravian-Silesian investments and development (<https://www.msic.cz/>); target group: municipalities, brownfield owners, potential investors in post-mining places
- Moravskoslezský pakt zaměstnanosti (MSPAKT) – Pact on employment (<https://mspakt.cz/>); target group: employees and employers

Pact on employment is a platform established in most regions of the Czech Republic with the aim to promote cooperation and coordination of strategic activities related to the job market, employment and competitiveness in the region.

Ústí region – Stakeholder Engagement

The Technical Assistance team has extracted the following information from an online interview with Ms. Jana Nedrdová (Head of the Department Coal Regions, Office of the Regional Government), conducted on 15 February, 2021.

Main information channel: **Fond pro spravedlivou transformaci | RSKÚK.cz (rskuk.cz)** - open for the submission of project ideas.

- No Facebook presentation on JTF in place.
- Events a radio broadcasting see attachment
- The stakeholder engagement is focus on information, feedback is focused on project ideas. Main target groups are firms and larger municipalities.
- No specific information channels or measures for SMEs (with exception of the webinar in February), youth and vulnerable groups.
- The employment and job market issues are managed by the regional Labour offices (part of the Ministry of Labour and Social Affairs structures).
- The regional government is considering revising the strategic development vision of the regions. This task was delegated to the ICUK (Innovation Centre of Ústí region)."

Karlovy Vary region – Stakeholder Engagement

The Technical Assistance team has extracted the following information from an interview with Mr. Jiří Štěrbá and Ms. Věra Kořánová (Regional Permanent Conference), conducted on 15 February, 2021.

Main information channel: the website of the Regional Conference – Just Transition Fund <https://www.rskkvk.cz/dotace/fond-pro-spravedlivou-transformaci/?lang=cs>

- The basic concept is to have all relevant information on one place.
- They are considering active stakeholder engagement in next future, until now they focused on the development of project ideas.
- No Facebook presentation on JTF in place.
- Invitations were distributed to all towns in the Karlovy Vary region, to the regional Chamber of Commerce (300 members, to all SMEs in the CzechInvest database (1000 addressees), and the regional Agency for entrepreneurship development (500 addressees).
- Various information channels, where the presentation of JTM was part of the programme: meetings with representatives of municipalities and regular meetings of public with the regional government.
- Radio and television broadcasting not used, but had a press conference with journalists.
- No specific information channels or measures for SMEs (with exception of the webinar in February), youth and vulnerable groups.
- The employment and job market issues are managed by the regional Labour offices (part of the Ministry of Labour and Social Affairs structures).

**Annex 8: Concept note for the design of the
workshops to be organised by the Technical
Assistance team**

Concept note on the workshop design

D3	Workshop on the outputs of D3 - the modelling of impacts	
	Date	(March/April 2021)
	Level	NATIONAL LEVEL
	Goal	<ul style="list-style-type: none"> Discuss the key assumptions behind the E3ME modelling of impacts of the Just Transition Debate the implications of the results for the JTM
	Tentative programme	<ul style="list-style-type: none"> Presentation of key findings from D3 Presentation of the model by Cambridge Econometrics Moderated discussion on the assumptions and implications of the impacts
	Audience size	Target of 20 - 30 people to allow for meaningful discussion
	Audience structure	Modelling experts (VŠE, COŽP, other), policy makers, regional authorities, NGOs and expert public
	Output	<p>Powerpoint slides (in addition to the detailed D3 report) to be used by MoRD, MoE, MoLSA, Transformation Platform, Regional Authorities</p> <p>The outputs and conclusions of the workshop will feed in finalising the report on climate neutrality transition and JTP. It can feed in the debates of Transformation platform</p>
D4	Workshop on criteria for the selection of projects	
	Date	Tbd (March/April 2021)
	Level	NATIONAL LEVEL
	Goal	Enhance and support the debate on the criteria for selection of projects to be funded under the JTF
	Tentative programme	<ul style="list-style-type: none"> Presentation of D4 Presentation of the current status of definition of criteria for selection of projects (by representative of MoRD in cooperation with the consultant team) Case study of a project to evaluate criteria

		<ul style="list-style-type: none"> Moderated discussion
	Audience size	Target of 20 - 30 people to allow for meaningful discussion - People who worked on it before + some other experts
	Audience structure	Policy makers (representatives of the ministries, SEF), regional authorities, NGOs and expert public
	Output	<p>For MoRD, MoE, MoLSA, Transformation Platform, Regional Authorities</p> <p>Memo with outputs and conclusions of the workshop to feed in the discussion on the selection criteria</p>
D3/D4 3 regional workshops	3 workshops on opportunities and challenges of the just Transition in the regions	
	Date	Tbd (March/April 2021)
	Level	<p>1 workshop for SMEs</p> <p>1 workshop for municipalities</p> <p>1 workshop for NGOs</p>
	Goal	Gain insight on the awareness on Just Transition and the perception of the impacts of Just Transition among small stakeholders, especially small municipalities, SMEs, NGOs
	Tentative programme	<ul style="list-style-type: none"> Brief presentation of the aims of the workshop Moderated discussion on the perceived impacts (possibly using other means, such as Mentimeter, Mural, etc.), Moderated breakout rooms (potentially use an expert facilitator and structure as a focus group) Needs and wants?
	Audience size	Target 20 - 30 people per workshop to allow for meaningful discussion
	Audience structure	Small stakeholders (SMEs, Small municipalities, NGOs) from the three regions

	Output	For Transformation platform as an input to feed in the discussion for stakeholder engagement and participation Findings will also directly feed into D3 and D4
D5	Final workshop of the project	
	Date	Tbd (July 2021)
	Level	NATIONAL LEVEL
	Goal	Present the key findings from the D5 report
	Tentative program	<ul style="list-style-type: none"> • Implementation of the project by deliverable • Main outcomes of the project • Important lessons learnt • Recommendations • Outlook (next steps)
	Audience size	Target 20 - 30 people per workshop to allow for meaningful discussion
	Audience structure	For EC, MoRD, MoE, Transformation Platform, Regional Authorities
	Output	Memo with outputs and conclusions of the workshop to feed in the discussion on the TJTP and the two other pillars of the JTM

Annex 9: Smart dashboard proposal

SMART DASHBOARD FOR TJTP

1. Smart Dashboard definition

The smart dashboard will be a key tool to effectively monitor the project and its impact in the regions.

By tracking data from specific impact indicators⁵⁷, their progression and their consolidation, it will be possible to highlight critical situation, predict programme results, and understand the relative estimated impact of selected projects for the just transition.

A Smart Dashboard include 3 types of information

- Descriptive- telling you what happened in the past.
- Predictive- predicting what is most likely to happen in the future
- Prescriptive- recommending actions to take to affect the outcomes.

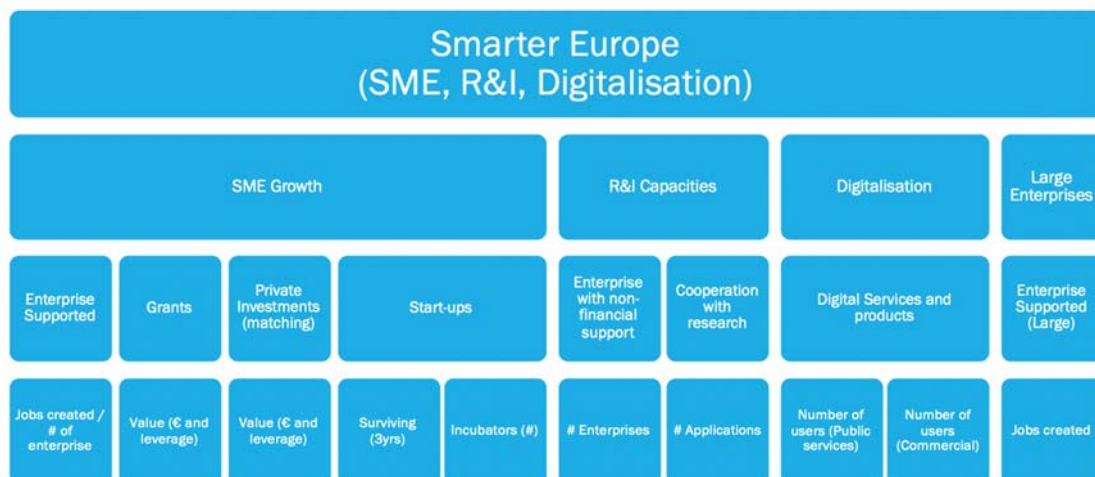
A Smart board requires to qualify and quantify the following

- Data stock -where data for KPI are present, their quality, granularity, time series
- Data Driven levers -key elements among the KPI (for ex. relations from decarbonization to quality of life)

1.1. Data Stock

- The proposed impact indicators, based on Annex III of the draft JTP Regulation are grouped into 3 categories:
- Smarter Europe
- Greener Europe
- Social and Smarter Europe
- For each category the figures below list the indicators

Fig.1 Smarter Europe



⁵⁷ Annex 12 contains the proposed Impact Indicators, which are based on Annex III of the draft JTF Regulation.

Fig 2. Greener Europe

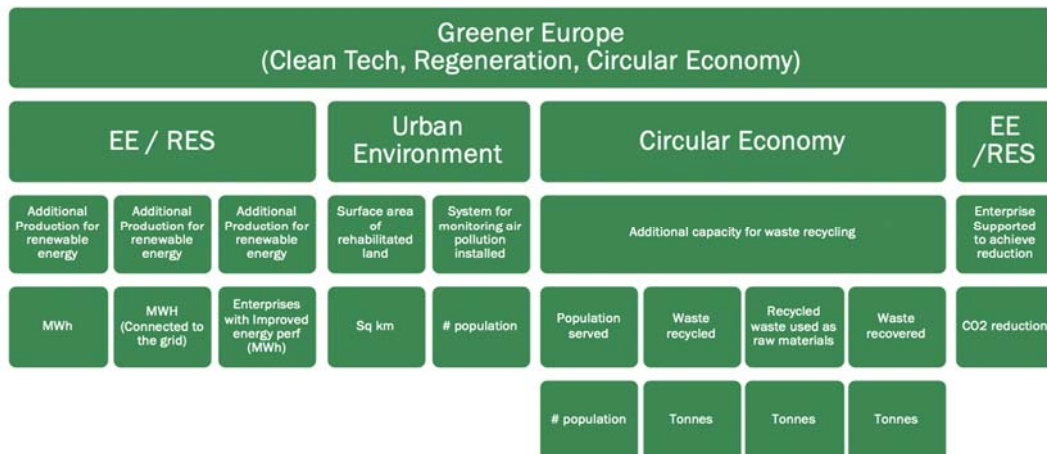


Fig. 3- Social and Smarter Europe



To build a SMART dashboard, the first thing to do is to define the data sources for each indicator. If data sources exist, it is necessary to define:

- Quality
- Variety
- Type of sources
- Times series
- Other (e.g sparsity, density, homogeneity)

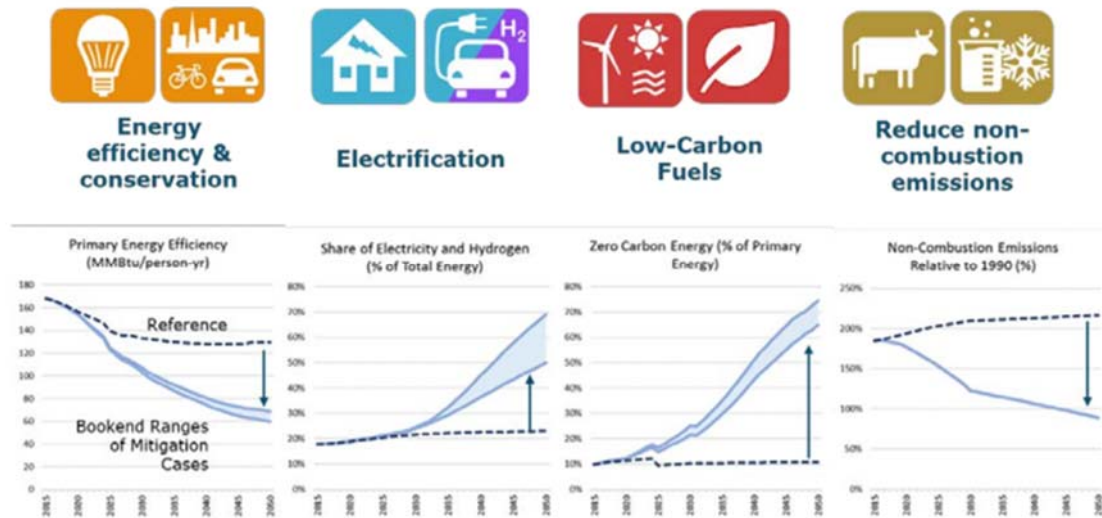
There exist some remediation techniques to use in case the data stock doesn't fulfil the above requirements such as usage of non traditional data (e.g satellite images), synthetic data, external sources (e.g. Google).

1.2. Optimization of the data stock

The better the data stock the greater the optimization that can be done. Information of what happened in the past (descriptive analytics) is easy to obtain, but has a relatively low value compared to what could be happening now (predictive analytics) or what should happen in the future (prescriptive analytics). It is easy to understand that the degree of difficulty, but also the value of the information increase as we move towards prescriptive analytics.

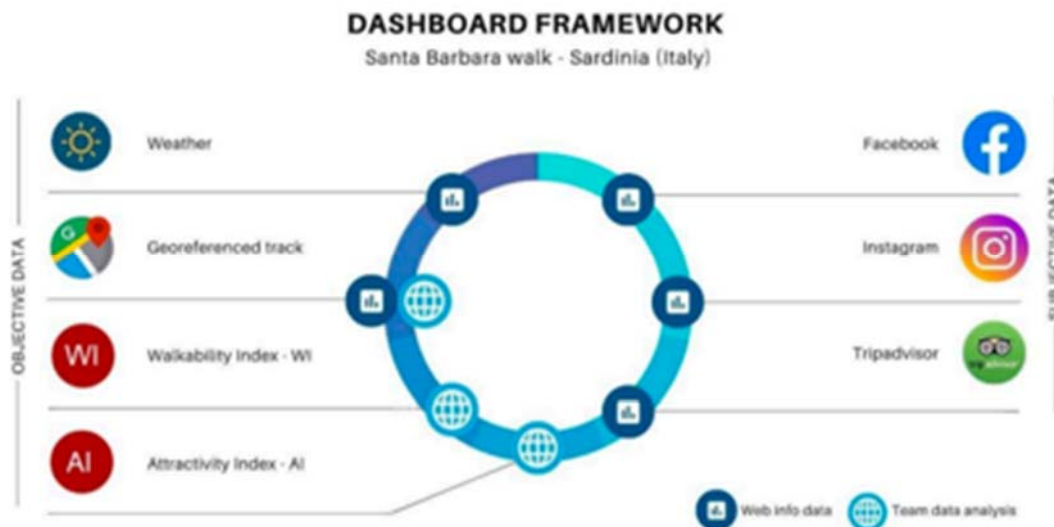
When we use prescriptive analytics, we can draft curves like the ones below that describe with a given interval of accuracy future scenario.

Fig.4 . Example of prescriptive analytics in the field of climate change



The example illustrated below is a dashboard created by the region of Sardinia to monitor ecotourism in the area of Sulcis Iglesiente (a region beneficiary of Just transition Fund).

Fig.5 Dashboard framework to monitor ecotourism in Sardinia region in Italy



The tool is capable of collecting, monitoring, and sharing dynamic data such as Walkability Index (WI), Attractiveness Index (AI), and Rating, by direct connections with the main social networks. Further data after a synthetic extraction through API from social network and media contents, can be assigned. A further level of data input comes from different websites linkable to the dashboard itself (e.g. weather forecast widgets, etc.). An extendable set of sources can be thought of in the further evolutions of the dashboards: further reports generated by experts, other social networks, and media contents and synthesis, links to external websites for information on tourism.

1.3. Main Challenges

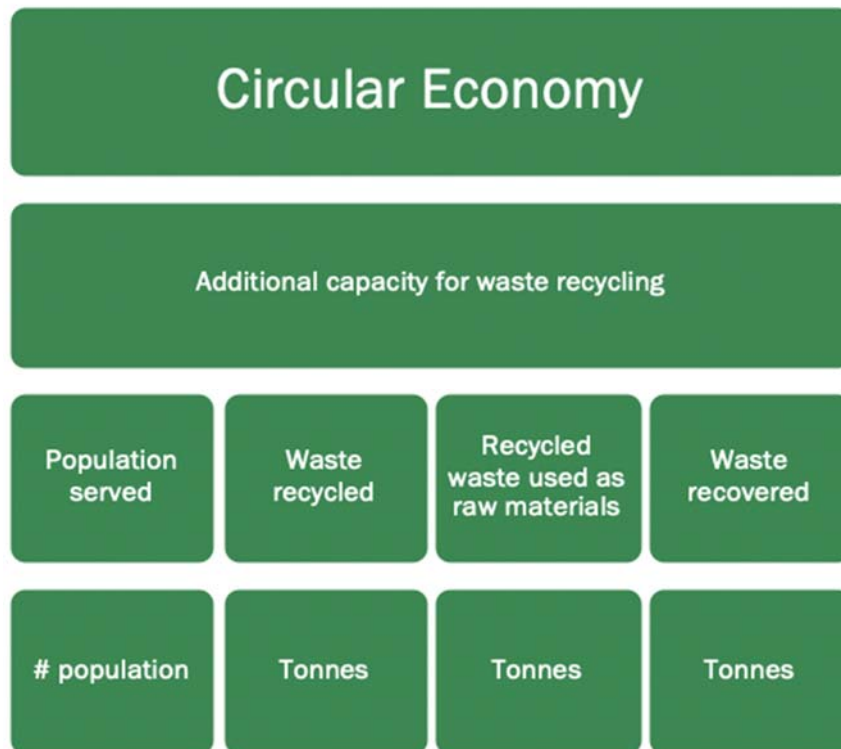
The main challenge of building a SMART dashboard work lies in the effective collaboration between the different stakeholders involved in the dashboard construction process. Institutions, associations,

cooperatives, economic operators, and users are the main players involved in the collection of data from the territory and, consequently, in the definition of the development policies, in line with a sustainable strategic vision of the territory and the local communities' needs.

2. Creating a dashboard in the area of Greener Europe

In this example we will consider the area defined under the Greener Europe policy objective. Let us consider the investment area of the circular economy that could be highlighted as in the following figure.

Fig.6. Greener Europe Circular Economy indicators.



There are 4 result indicators under the Output of “Additional capacity for waste recycling”

- Population served by waste recycling facilities and small waste management systems - # Population
- Waste recycled - Tonnes
- Recycled waste used as raw materials – Tonnes
- Waste recovered – Tonnes

Each of those result indicators has to be measured with a specific frequency (weekly/monthly/quarterly), and will come from each Region and consolidated in a global result.

2.1. An example of dashboard for JTTP in Czech Republic

In order to give an example of how a dashboard would look like, we designed a very simple and basic dashboard using public available EUROSTAT data. The software used to generate the dashboard is PowerBi.

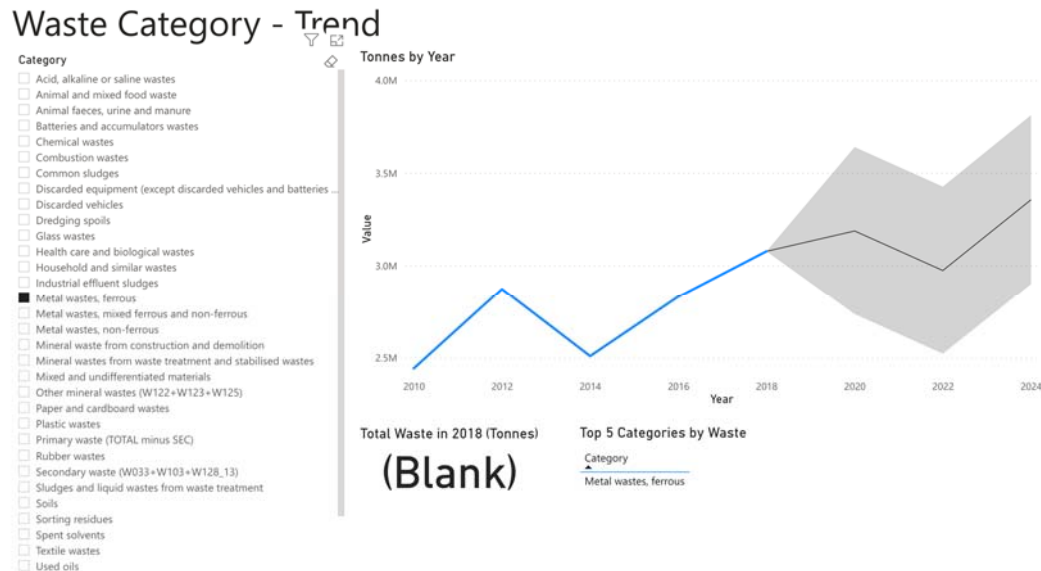
The example can be seen following this link

<https://app.powerbi.com/view?r=eyJrIjoiazGUzMzYzYjYtNGFIYi00MmJILWJhNzQtMjA0M2M5ZmE1NjI2liwidCI6IjYmYjU1YmI3LTZkZDktNDM2Ni1iMGNmLTlxY2RjNjdiZWZhMiIsImMiOiN9>

In the example we have mapped the following indicators

- Waste category over the years | Split of Waste by category | Waste by activity
- Recycling rate by category over the years
- Facility type and geographical area

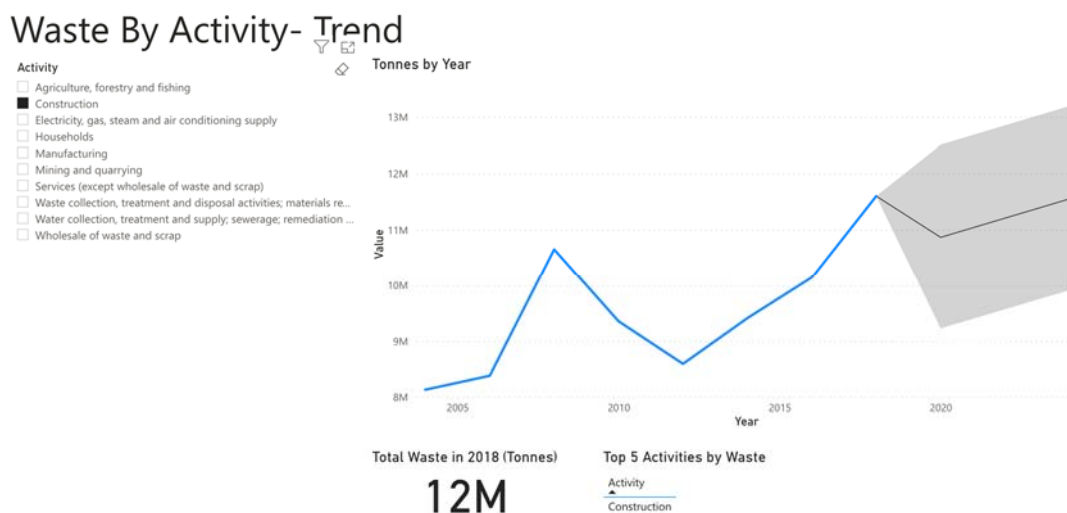
Fig. 7- Waste category trends in Czech Republic



Source: Example running on Eurostat data

By analysing the evolution of these data, it will be possible to estimate the predicted result at the end of the program, the actual gap from the target in 2029, and the eventual positive / negative variation to the target.

Fig.8 - Waste by activity trend in Czech Republic



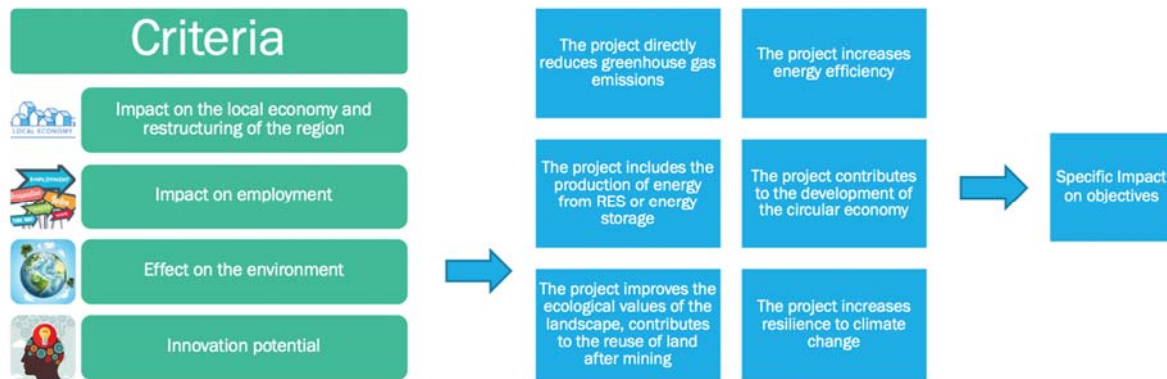
Source: Example running on Eurostat data

Also, with the presence of existing data in any of these areas (i.e.: Waste Recycled), there will be the measurement of the specific impact (variance) of the programme compared to the historical progression of the area.

Finally, by defining the predicted outcome on these indicators for each project that will be selected for each region, the dashboard could make an estimation of how much the selected projects will contribute to the result indicator towards reaching the target for 2029.

The fig. below illustrate how given some criteria for project selection it is possible to define indicators and trace their contribution to reach the JTTP objectives.

Fig.9 - Waste by activity trend in Czech Republic



As an example for this, we could take the project “Recyklace odpadní vody z bazénů a městského koupaliště” which will reasonably impact many of these 4 indicators (it will serve population with recycled water, it will recycle a specific amount of waste and those waste will be recovered).

By adding this project to the list of the selected one, the dashboard will calculate the contribution of the project towards reaching the goal for the Region (KVK in this case) and for the global programme for Czech Republic.

The design of the dashboard should take into account also other data like benchmarking from different regions, analysing correlations between results indicators, generating scores for selected projects (overperformance / underperformance).

Annex 10: Six online workshops conducted by MoRD – invitations and workshop programmes

Workshops in the Karlovy Vary Region

INVITATION to a Workshop for Cities and Municipalities

We cordially invite you to a workshop designed for cities and municipalities, which will take place on **Wednesday, February 10, 2021 from 10:00 to 12:00** online via the MS Teams tool.

The aim of the workshop is to acquaint those present with the Fund for Just Transition and the preparations for the Plan of Fair Territorial Transformation. Furthermore, representatives of towns and municipalities will get acquainted with the current subsidy opportunities in the field of brownfield regeneration for non-business use. The possibility of solving issues related to new financial resources, their availability, the state of preparation and also a discussion on the nature of supported projects.

Program:

10:00 - 10:05 Introductory word
10:05 - 10:15 Context: RE: START link to the Plan of Fair Territorial Transformation
10:15 - 10:30 Subsidy opportunities for cities and municipalities Regeneration of brownfields for non-business use
10:30 - 10:40 FST - context and current status, schedule of preparation, negotiation of legislation on FST and operational programmes
10:40 - 10:55 Current state of negotiations on III. pillars of MST
10:55 - 11:05 Basic overview of topics addressed in the region
11:05 - 11:15 Structure and flow of projects in individual regions, approach to strategic projects
11:15 - 11:30 Status of preparation and structure of the Operational Programme Just Transition
11:30 - 11:35 Break
11:35 - 11:50 Discussion: Benefits and risks in the preparation of PSÚT and OP JT
11:50 - 12:00 Summary of findings and suggestions schedule of other activities

INVITATION to a Workshop for Small and Medium Enterprises (SMEs)

We cordially invite you to a webinar designed for the MSK business sphere, which will take place **on Monday, February 15, 2021 from 13:00 to 15:00** online via the MS Teams tool.

The aim is to acquaint you with the new Operational Programme Just Transition (OP JT) and to inform you about the preparation of the regional Plan of Fair Territorial Transformation. You will learn about current opportunities in the field of investment incentives and a loan instrument for the private sector. MSK representatives will present existing and planned projects in the field of business support, in which you will be able to participate. Finally, we will answer your questions about new financial resources and how to use them for your projects.

Program:

13:00 - 13:05 Opening
13:05 - 13:15 Programme RE: START, its link to the Plan of Fair Territorial Transformation and the Mechanism of Just Transition (MST) as a source of funding (MMR) 1
13:15 - 13:30 Current opportunities in the field of investment incentives (CI)
13:30 - 13:45 Operational Programme Just Transition and other operational programmes for the period 2021+ - preparation, areas of support (MoE, NCA)
13:45 - 14:00 How to use EIB loans from II. MST pillars for the private sector (EIB)
14:00 - 14:25 Specific opportunities for enterprises and entrepreneurs from the OP JT in the region - (representatives of MSK)
14:25 - 14:30 Break
14:30 - 14:50 Discussion: barriers and risks in the preparation of PSÚT and OP JT, answers to questions
14:50 - 15:00 Conclusion - summary of findings and suggestions

Workshops in the Ústí Region

INVITATION to a Workshop for Cities and Municipalities

We cordially invite you to a workshop for cities and municipalities, which will take place on Tuesday, **February 16, 2021 from 10:00 to 12:00** online via the MS Teams tool (connection will be sent after registration)

We will acquaint the participants with the newly prepared Operational Programme Just Transition (OP JT) and inform about the preparation of the Plan of Fair Territorial Transformation (PSÚT). We will present current opportunities for municipalities related to the regeneration of brownfields or a loan instrument for the public sector.

Finally, we will answer questions about the newly prepared financial resources and how to use them for projects.

Programme:

10:00 - 10:05 Introductory word 10:05 - 10:15 Strategy RE: START - link to the Plan of Fair Territorial Transformation

10:15 - 10:30 Subsidy opportunities for cities and municipalities Regeneration of brownfields for non-business use

10:30 - 10:40 FST - context and current status, schedule of preparation, negotiation of legislation on FST and operational programmes 10:40 - 10:55 Current state of negotiations on III. pillars of MST

10:55 - 11:05 Basic overview of topics addressed in the Ústí region 11:05 - 11:15 Structure and flow of projects in the Ústí Region, access to strategic projects

11:15 - 11:30 Status of preparation and structure of the Operational Programme Just Transition

11:30 - 11:35 Break

11:35 - 11:50 Discussion: Benefits and risks in the preparation of PSÚT and OP JT

11:50 - 12:00 Summary of findings and suggestions

INVITATION to a Workshop for Small and Medium Enterprises (SMEs)

We cordially invite you to a workshop for small and medium-sized enterprises, which will take place on **Tuesday, February 16, 2021 from 2:00 pm to 4:00 pm** online via the MS Teams tool (connection will be sent after registration)

We will acquaint the participants with the newly prepared Operational Programme Just Transition (OP JT) and inform about the preparation of the Plan of Fair Territorial Transformation (PSÚT). We will also briefly present other subsidy opportunities for SMEs for the period 2021+. Finally, we will answer questions about the new ones

Programme:

14:00 - 14:05 Introduction

14:05 - 14:15 Strategy RE: START - link to the Plan of Fair Territorial Transformation

14:15 - 14:25 FST - context and current state, schedule of preparation, negotiation of legislation on FST and operational programmes 1

4:25 - 14:40 The current state of negotiations on II. pillars of MST

14:40 - 14:50 Basic overview of topics addressed in the Ústí region

14:50 - 15:00 Structure and flow of projects in the Ústí Region, access to strategic projects 1

5:00 - 15:15 Status of preparation and structure of the Operational Programme Just Transition

15:15 - 15:20 Break 15:20 - 15:30 Subsidy opportunities for SMEs for the period 2021+

15:30 - 15:50 Discussion: Benefits and risks in the preparation of PSÚT and OP JT

15:50 - 16:00 Summary of findings and suggestions

Workshops in the Moravian-Silesian Region

INVITATION to a Workshop for Cities and Municipalities

We cordially invite you to a webinar designed for cities and municipalities, which will take place on **Wednesday, February 10, 2021 from 13:00 to 15:00** online via the MS Teams tool

The aim is to acquaint you with the new Operational Programme Just Transition (OP JT) and to inform you about the preparation of the regional Plan of Fair Territorial Transformation. You will learn about current opportunities for municipalities related to the regeneration of brownfields or a loan instrument for the public sector. Representatives of MSK will present upcoming projects in the field of land regeneration or energy, in which you will be able to participate.

Finally, we will answer your questions about new financial resources and how to use them for your projects.

Programme:

13:00 - 13:05 Opening

13:05 - 13:15 Programme RE: START, its link to the Plan of Fair Territorial Transformation (MST) as a source of funding (MRD)

13:15 - 13:30 Current grant opportunities for cities and municipalities Regeneration of brownfields for non-business utilization (MMR)

13:30 - 13:45 Operational Programme Just Transition and other operational programmes for the period 2021+; preparation, areas of support (MoE, NCA)

13:45 - 14:00 How to use EIB loans from III. pillars of MST for public sector (EIB)

14:00 - 14:25 Specific opportunities for municipalities from OP JT to territory of the region - regeneration of the territory, energy (representatives of MSK)

14:25 - 14:30 Break

14:30 - 14:50 Discussion: barriers and risks in the preparation of PSÚT and OP JT, answers to questions

14:50 - 15:00 Conclusion - summary of findings and suggestions

INVITATION to a Workshop for Small and Medium Enterprises (SMEs)

We cordially invite you to a workshop designed for small and medium-sized enterprises, which will take place on **Monday, February 15, 2021 from 10:00 to 12:00** online via the MS Teams tool

The aim of the workshop is to acquaint those present with the Fund for Just Transition and the preparations for the Plan of Fair Territorial Transformation. Furthermore, representatives of the business sector will get acquainted with current subsidy opportunities in the field of regeneration of brownfields for business use. The possibility of solving issues related to new financial resources, their availability, the state of preparation and also a discussion on the nature of supported projects.

Programme:

10:00 - 10:05 Introductory word

10:05 - 10:15 Context: RE: START link to Schedule fair territorial transformation 10:15 –

10:30 Subsidy opportunities for SMEs Brownfield regeneration for business use 10:30 –

10:40 FST - context and current state, preparation schedule, negotiating legislation on FST and operational programmes

10:40 - 10:55 Current state of negotiations on III. pillars of MST

10:55 - 11:05 Basic overview of topics addressed in the area regions

11:05 - 11:15 The structure and flow of projects in individual regions, access to strategic projects

11:15 - 11:30 State of preparation and structure of the Operational Just Transition programme

11:30 - 11:35 Break

11:35 - 11:50 Discussion: Benefits and risks of preparation PSUT and OP JT

11:50 - 12:00 Summary of findings

Note: All workshop descriptions are done in a free translation into English

Annex 11: Detailed Stakeholder Engagement Roadmaps – Phase 1 (Preparation) and Phase 2 (Implementation)⁵⁸

⁵⁸ These roadmaps include recommendations and are not yet the final roadmaps that will be implemented.

Elements of Stakeholder Engagement – Phase 1 – Preparation

Phase 1	Participation model	Level	Key Stakeholders to engage	Channels and Activities		
				Already in place	New channels	New Activities
Preparation	Cooperation	National	<ul style="list-style-type: none"> Policy makers, politicians (EP and National Parliament) Ministries: Ministry of Regional Development (+ RE:START), Ministry of Industry and Trade, Ministry of Social Affairs, Ministry of Environment Competent EU and national authorities, including EIB CMZRB (Czech-Moravian Guarantee and Development Bank) NGOs 	Virtual meetings of the Transformation Platform and the MoE Working Groups	<ul style="list-style-type: none"> Social media (e.g. dedicated profiles on LinkedIn, Facebook, and Instagram, etc.) National dedicated JMT webpage National radio, newsprint, and TV 	<ul style="list-style-type: none"> Share ongoing decisions and results from the work of the key platforms and the TJTP preparatory team PPTs and video recordings from the meetings of the key platforms
		Regional	<ul style="list-style-type: none"> Innovative SMEs and start-ups in and outside the three regions. Regional authorities - political and administrative leaders (three regions) Representatives of key operators (energy and mining sectors - companies under the EU ETS) Representatives of regional youth organisations 		<ul style="list-style-type: none"> Updates from the national JMT page linked on the pages of the RPCs and other regional websites Regional media (newsprint and radio) 	<ul style="list-style-type: none"> Share (and tailor to each region if needed) ongoing decisions and results from the work of the key platforms and the TJTP preparatory team PPTs and video recordings from the meetings of the key platforms
		Local	<ul style="list-style-type: none"> Highly affected municipalities Companies operating in the highly affected municipalities 		<ul style="list-style-type: none"> Local media (newsprint and radio) 	<ul style="list-style-type: none"> Share (and tailor to each region if needed) ongoing decisions and results from the work of the key platforms and the TJTP preparatory team PPTs and video recordings from the meetings of the key platforms Face-to-face (online) meetings with specific stakeholders
	Consultation	National	<ul style="list-style-type: none"> CzechInvest 	Interviews and surveys conducted by the	<ul style="list-style-type: none"> Online (registration links on the national JMT webpage, shared on all regional pages) 	<ul style="list-style-type: none"> Focus Groups – virtual and face-to-face meetings Online workshops

		Regional	<ul style="list-style-type: none"> Companies in or outside of the three regions, working with environmental technologies / projects Universities and research centres in the regions or the rest of the country Public/government institutions in the region (in relation to regional development, rural renewal, labour market, social affairs, entrepreneurship and innovation etc.) Municipalities in the region + their association (ITI programming bodies, local action groups, Euro-regions, etc.) 	Technical Assistance team	<ul style="list-style-type: none"> Email invites for closed activities 	
		Local	<ul style="list-style-type: none"> Consulting companies (BeePartners, Berman Group, SPF group) 			
	Information	National	<ul style="list-style-type: none"> Other EU Member States that implement the JTPs Ecumenical Church Council Czech Bishops' Conference 	<ul style="list-style-type: none"> Dedicated website, Social media and media (<i>in preparation</i>) 	<ul style="list-style-type: none"> National TV, radio & press National dedicated JMT webpage Social media accounts (managed at national level) 	<ul style="list-style-type: none"> Concept note on reasons for and the potential effects from the transition in the Czech Republic Online flyer / brochure (printable locally) Podcast on the just transition (from recorded interviews)
		Regional	<ul style="list-style-type: none"> Media (regional) Banks Insurance companies Tourism working groups 	<ul style="list-style-type: none"> RCP websites, Social media and media 	<ul style="list-style-type: none"> Regional TV, radio & press 	<ul style="list-style-type: none"> Online flyer / brochure (printable locally) Interviews with key stakeholders providing updates on the TJTP preparation and specific impacts to the respective region
		Local	<ul style="list-style-type: none"> Citizens 	<ul style="list-style-type: none"> RCP websites, Social media and media 	<ul style="list-style-type: none"> Local newspapers and radio 	<ul style="list-style-type: none"> Online flyer / brochure (printable locally) Interviews with key stakeholders providing updates on the TJTP preparation and specific impacts to the respective region Face-to-face meetings with groups

Elements of Stakeholder engagement – Phase 2 – Implementation (an update will be included in D5 at the end of the TA assignment)

Phase 2	Participation model	Level	Key Stakeholders to engage	Proposed Channels	Proposed Activities
Implementation	Cooperation	National	<ul style="list-style-type: none"> Policy makers, politicians (EP and National Parliament) Ministries: Ministry of Regional Development (+ RE:START), Ministry of Industry and Trade, Ministry of Social affairs, Ministry of Environment) Competent EU and national authorities CMZRB (Czech-Moravian Guarantee and Development Bank) NGOs 	<ul style="list-style-type: none"> Social media (e.g. dedicated profiles on LinkedIn, Facebook, and Instagram, etc.) National dedicated JMT webpage National radio, newsprint, and TV 	<ul style="list-style-type: none"> Virtual meetings of the key consultation platforms and the OPJT implementation team PPTs and video recordings from the meetings of the key platforms Online platform for stakeholder engagement - for monitoring the implementation of JTF
		Regional	<ul style="list-style-type: none"> Innovative SMEs and start-ups in and outside the three regions Regional authorities - political and administrative leaders (three regions) Representatives of key operators (energy and mining sectors - companies under the EU ETS) Representatives of regional youth organisations 	<ul style="list-style-type: none"> Updates from the national JMT page linked on the pages of the RPCs and other regional websites Regional media (newsprint and radio) 	<ul style="list-style-type: none"> Virtual meetings of the key consultation platforms PPTs and video recordings from the meetings of the key platforms
		Local	<ul style="list-style-type: none"> Highly affected municipalities Companies operating in the highly affected municipalities 	<ul style="list-style-type: none"> Online 	<ul style="list-style-type: none"> Virtual meetings of the key consultation platforms Face-to-face meetings with specific groups
	Consultation	National	<ul style="list-style-type: none"> CzechInvest 		

		Regional	<ul style="list-style-type: none"> Companies in or outside of the three regions, working with environmental technologies / projects Universities and research centres in the regions or the rest of the country Public/government institutions in the region (in relation to regional development, rural renewal, labour market, social affairs, entrepreneurship and innovation etc.) Municipalities in the region + their association (ITI programming bodies, local action groups, Euro-regions, etc.) 	<ul style="list-style-type: none"> Online (registration links on the national JMT webpage, shared on all regional pages) Email invites for closed activities 	<ul style="list-style-type: none"> Focus Groups – virtual and face-to-face meetings
		Local	<ul style="list-style-type: none"> Consulting companies (BeePartners, Berman Group, SPF group) 		
	Information	National	<ul style="list-style-type: none"> Other EU Member States that implement the JTPs Ecumenical Church Council Czech Bishops' Conference 	<ul style="list-style-type: none"> National dedicated website Social media Media (TV, radio, newsprint) Online platform for stakeholder engagement 	<ul style="list-style-type: none"> Updates on the implementation of the OPJT
		Regional	<ul style="list-style-type: none"> Media (regional) Banks Insurance companies Tourism working groups 	<ul style="list-style-type: none"> RCP websites Regional media (newspapers and radio) 	<ul style="list-style-type: none"> Updates on the implementation of the OPJT
		Local	<ul style="list-style-type: none"> Citizens 	<ul style="list-style-type: none"> Local newspapers and radio Face-to-face meetings with specific groups 	<ul style="list-style-type: none"> Updates on the implementation of the OPJT