

Leeds University Business School – Research and Innovation Podcast

Episode: Just Transitions – a global exploration: Poland

Speakers: Ursula Balderson and Olek Szpor

[00:00:00] **Ursula:** Hello. Welcome to the Research and Innovation Podcast. I'm Ursula Balderson, a research fellow at the Centre for Employment Relations, Innovation and Change at Leeds University Business School. Today I'm going to be speaking with Olek Szpor who's a lead expert on energy and climate change issues at Ecorys Poland.

[00:00:22] **Olek:** Hello. Thank you very much for inviting me to this podcast. I'm really glad to be with you today, Ursula, and to talk about our topic.

[00:00:30] **Ursula:** Great. Yeah, it's gonna be lovely to speak with you. This is part of our project on "Just Transitions - a global exploration" which is funded by the Hans Böckler Foundation.

So you may have listened to our colleagues, Vera and Dennis, introduce this project, which is a 12-country case comparison of just transition activities and climate change-related activities undertaken by unions. And we're in the very early stages of research.

And Olek is leading on Poland and has quite a good understanding of some of the changes that are taking place in the Polish economy around climate change. So it's gonna be really interesting to hear his early thoughts on how workers might be affected by those.

So Olek, can you start by telling me a bit about how climate change mitigation policies are likely to affect Poland and what sort of things might be implemented first?

[00:01:25] **Olek:** Well I think what is important to say at the beginning is that climate policies of the EU, which shaped the last decade of energy transition in Poland has affected in many ways the economy. But what is important to say in Polish context is that the very important role of coal production, coal sector and, and jobs in coal sector, makes the Polish case quite different from other cases around the EU.

And I think this, the past history, the history of transition, teaches us one thing - that the economic approach or technological approach to the transition to energy transition to coal phase out is insufficient.

It is, and it always has been, about the human aspect, which was too often forgotten in the whole story.

So what I think is important to say is that Polish economy is quite resilient. And starting from 2008 crisis, but also looking at the recent crisis of Covid and the war in Ukraine, the Polish economy is in relatively good shape.

However, what makes the challenge such a big topic, in the European debate, is the reliance on coal, and just to give figures to give an idea how strong the reliance on coal is in Poland it's probably important to say that around 70% of electricity production is based on coal, and the second figure – there are currently over 80,000 coal, coal and lignite miners in Poland.

And given the fact that these jobs are usually very much concentrated in particular areas of Poland, these numbers are quite substantial.

So, yeah, this is this is the challenge we have. Obviously, the European Union, with its ambitious targets of net zero in 2050, makes it very difficult for Poland to adjust, given the specificity that dates back to way before the accession to the EU.

And I would say that probably the important thing to know, is that the coal sector dates back to early 19th century in Poland. Which makes the history, the social economic development organization processes, which make it all very complex and difficult setup, which is now to be somehow transformed into new patterns of development for Poland.

[00:04:28] **Ursula:** Interesting. Yeah. So a lot of jobs in coal mining, a lot of jobs in coal fire energy production. And bearing this in mind, has the topic of a Just Transition started to emerge in political discourse yet?

[00:04:40] **Olek:** Yes. And of course, this topic as probably in many other EU member states, begun to be discussed in somewhere around 2018, just after the creation of the platform for coal regions in transition which was launched in December 2017.

And this, I think, was a trigger both at the European and Polish level to discuss not very new issues, but to have an opportunity to put together, once again, the different issues of transition of coal sector, of regional development, of justice, which in Poland would be rather Solidarity probably.

Given the historical background of trade unions and the name of the main Polish Trade Union - Solidarność - which was created in 1918 and in early, late eighties and early nineties, was at the forefront of democratic changes in Poland.

So, again, this complex history makes the concept of Just Transition in a sense new, but at the same time the experience and knowledge about this process and about this concept is somehow is already there. Some parts of this concept were implemented already for last, over three decades.

[00:06:10] **Ursula:** So the process is already underway. Can you just explain a little bit more what you mean by that please?

[00:06:15] **Olek:** Yes. So probably it's important to say that Just Transition as such is now associated mainly with the Just Transition Fund or Just Transition mechanism, of which Just Transition fund is a part of. And there are different sorts of debate probably in different forum, but starting from the academia and experts to which, probably at the very early stage started to work on the topic, and many articles and papers started to be written in 2018, 2019, were considering mostly the concept, the Just Transition as a concept.

Now, along that process of course, and probably more importantly, the community of practitioners. So both from the local governments, central governments, but also private company representatives and trade unions started to work on practical implementation of this new concept for the first time put by the European Commission.

And one novelty that occurred in that process was the new setup of discussion, which enabled some actors, as for instance, NGOs, academia, but also local government representatives, to appear in those discussions on a more equal footing.

And this is mainly due to the fact that prior to the Just Transition platform, the discussion in Poland was happening mostly between trade unions and the government with participation of course, of private sectors of the coal sector. But even not that much important.

So, this domination of trade unions and government in this discussion was somehow interrupted by the new European platform for coal regions. And this was an amazing opportunity to, new idea to appear to conduct a real dialogue. And probably this will be more important than any other attempt to reform the coal sector in Poland that that has taken place in the last 30 years.

[00:08:37] **Ursula:** Interesting. So how did this inclusion of a wider variety of stakeholders and discussions affect the type of policies that were being proposed or the way in which the discussion was conducted?

[00:08:49] **Olek:** Well, I think it, this is not even the debate, but I would say more important was the fact that the Just Transition fund, which is the backbone of the Just Transition mechanism, was to be distributed based on the territorial Just Transition plans.

And I think the need to prepare individually by each region - such a plan was a trigger to collaboration between different stakeholders and, I think this was a great opportunity for different stakeholders to take part in it. There is the sense of success is greater among, and shared among different stakeholders.

In other regions this process was more harsh and not as many stakeholders felt successful with the final results, but regardless of the quality of the dialogue, which I think is still something to be evaluated, and maybe improved in the future.

[00:09:55] **Ursula:** Mmm interesting. So you can just tell me a little bit more about exactly what's happening in maybe one or two of the coal-affected regions, or the regions where the coal industry really dominates?

[00:10:05] **Olek:** So I mean there's six coal regions in Poland, where coal production takes place, and which were initially, treated as eligible for the just transition mechanism. Now not all of them, not all of those six regions were chosen, and so two of them were rejected given the fact that their ambition in terms of phase-out of coal and replacement of the coal sector by other economic activities was not sufficient.

But generally, I mean that the mechanism enforced somehow a more open dialogue and dialogue on a more equal footing amongst stakeholders.

[00:10:58] **Ursula:** And so do populations who are gonna be affected Just Transition, or Just Transition policies feel sufficiently supported, in terms of what is currently being proposed or are you not quite at the level of having concrete proposals to make to populations yet?

[00:11:22] **Olek:** It's a difficult question, as there are six regions and in each coal region, the setup of stakeholders is different. There is no one also overarching study yet on this topic. So my knowledge here is fragmented, let's say, and rather based on discussions with different stakeholders.

But I would say that involvement in TJTP's elaboration helped to channel this energy of stakeholders in the right direction. So this was something that stakeholders were working hard and until now, I think this creates a sense of satisfaction.

Now, the negative side of the whole process is that, something I heard from the trade union members in one of the coal regions in Poland, was that after five, over five years of the EU and the government working on Just Transition, of the Polish government and of course regional governments as well, still there is no real money put into real projects. Which is kind of, if you put it this way, this is kind of frustrating.

But at the same time, I think that the number of processes that was initiated over last years, also thanks to the technical assistance provided by the European Commissions and its different bodies and the money that is on the horizon, are creating an opportunity for stakeholders to involve with a positive result and sense of success in the further processes.

Now, I think what is important to say is that there is a sort of stalemate between the Polish government and the European Commission, and this is not very much related to coal transition, to just transition process.

It is in the, in other area of the reforms of the legal system in Poland and doubts of the European Commission about the rule of law during the process in Poland, withheld the money that was assigned to Poland as a recovery fund, including the Just Transition Fund.

And this, the stalemate is in this year, is particularly painful as the projects which were to be implemented as a way forward with the Just Transition process are now on hold and this is unclear yet which regions would risk and start to implement those projects without clear guarantee from the Polish government, and the European Commission, that this money will be back on the table and as planned earlier.

So this is quite interesting moment. I hope, and I'm sure all the stakeholders hope, that this stalemate will end shortly and coal regions will be able to implement different projects to keep the pace of transition.

[00:15:01] **Ursula:** Wow, that's so interesting. That's just a part Just Transition policy making that you don't really expect to have such a key influence, do you? The relationships between these, you know, the Polish government and the exact shade of political party that's in power and you know, what's happening at the EU?

And yeah, I think that's very interesting to hear that the funds are being withheld and that one of the factors stopping Just Transition rollout is this conflict between these parties that doesn't even have anything to do with climate change.

That sounds like a really interesting note to end on. Thank you so much for your time, Olek. It's been really great speaking to you. Hope to catch up with you again soon.

[00:15:37] **Olek:** Thank you very much.

[00:15:38] **Ursula:** Later in this series, we'll be speaking to all of our different country case partners about what's happening in their countries. So I really hope you'll be able to tune in and hear more about what's happening in this project and some Just Transition activities that are going on across the world.