



Just transition to a Climate-Neutral Europe

State of Play and Current Developments

ERCST-EPC Workshop

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EIB at a glance

- World's largest multilateral lender owned by EU Member States
- EUR 73.5bn in new signatures in 2019 → 4 priority areas:

INNOVATION



€ **14.44**
billion

ENVIRONMENT



€ **16.52**
billion

INFRASTRUCTURE



€ **15.74**
billion

SMALL AND MEDIUM ENTERPRISES



€ **25.52**
billion

- Horizontal policy objectives:
 - Climate Action (≥25% of total lending)
 - Economic and social cohesion (≥25% of total lending in Europe)



Just Transition = Multiple Transitions

- Energy transition
- Socioeconomic transition
- Environmental transition
- Infrastructure transition



Wider regional
development
dimension



Just Transition: wider regional dimension



Addressing affected regions' challenges:

- **Place-specific and multi-sector:** address specific economic, social and environmental challenges in vulnerable communities
- **Plan-led:** need a Just Transition Masterplan that coordinates the sectoral needs under a sound governance structure
- Build on **existing strengths**
- Avoid pitfalls of historic transition experiences

The EIB response will:

- Be Paris-aligned & in line with new EIB Energy Lending Policy
- Build on experiences in the affected regions supporting economic diversification/restructuring

The 3 pillars of the Just Transition Mechanism (JTM)



Source: Sustainable Europe Investment Plan, 14 January 2020, COM(2020)21 final, Figure 4



Examples from past EIB operations

- **Multi-sector Framework Loans:**
 - Long track record in (Upper) Silesia, several loans to Katowice
 - Recently loans with towns of Legnica, Zabrze, Czestochowa and Walbrzych (urban revitalization)
 - Co-financing of EU funds in Castilla-y-Leon, Moravskoslesko in support of restructuring & diversification
- **EIB in large environmental remediation projects:**
 - Rehabilitation of brownfield areas in East Germany (Braunkohlesanierung Lausitz)
 - Renaturation of the Emscher river (Ruhr area, DE), one of Europe's largest environment remediation projects restoring an entire river and its surroundings



Summing up

- Just transition = multiple transitions
- Successful transition: place-specific, plan-led, multi-faceted, building on existing strengths, learning from earlier transitions elsewhere
- EIB will support all 3 pillars of the JTM through lending, blending and advising
- EIB has track-record in remediation and revitalisation projects