

## **Just transition to a Climate-Neutral Europe** *State of Play and Current Developments*

ERCST-EPC Workshop

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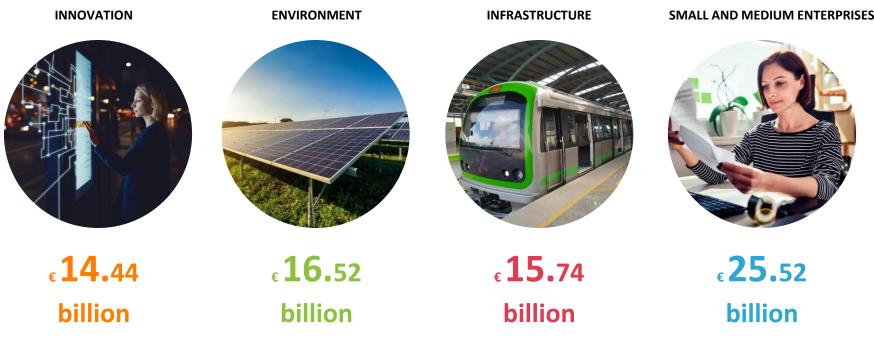
European Investment Bank

Brussels, 4 February 2020

European Investment Bank

## 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:



- 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

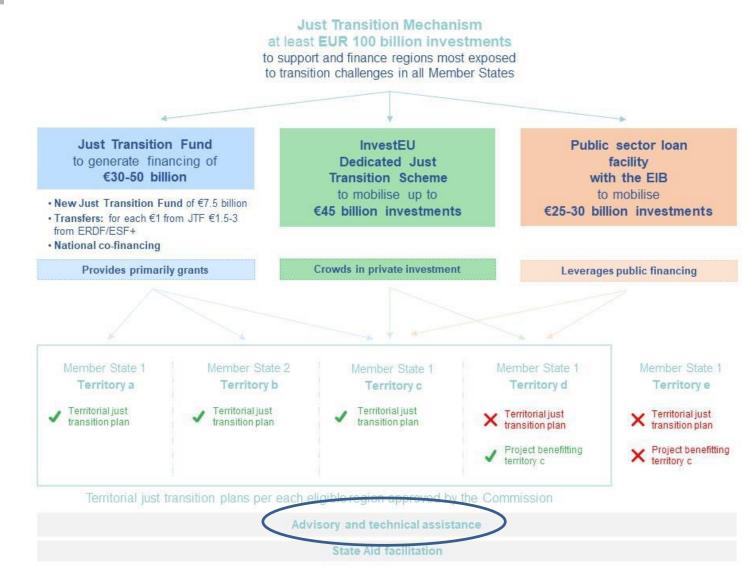
Addressing affected regions' challenges:

- 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

- 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



- 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