

Deliverable Proof – Reports resulting from the finalisation of a project task, work package, project stage, project as a whole - EIT-BP2020

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| Name of KIC project the report results from that contributed to/ resulted in the deliverable | A BOOST FOR RURAL LIGNITE REGIONS WP1: developing a mutual understanding of regional ecosystems Case study: Lusatia |
| Name of report | Policy Briefs for Lusatia (Germany) |
| Summary/brief description of report | In Lusatia, 17.2 billion euros are made available to strengthen projects and initiatives as well as municipalities and improve the infrastructure. Barriers such as the lack of immigration and workers should improve the attractiveness of the region through image changes and numerous implementations to improve the quality of life. |
| Date of report | 25.05.2020 |

Policy Brief, May 2021 Lusatia, Germany

Key messages

- Germany aspires to achieve coal phase out by 2038 and the transition is set in motion.
- For a successful transition, Lusatia needs strong and transparent leadership that encourages public participation and swift visible successes.
- Whilst the energy transition advances, strengths of the region are identified which can be used to capitalize potential opportunities.¹

Perceived strengths and opportunities:

- The beauty of nature and the (economic) development potential of the tourism sector.
- The local population is culturally diverse (e.g., the sorbs) and has a strong connection to the region.
- Stakeholders feel heard, recognized, and partly valued for their opinion.
- The potential of universities and research centers to expand and support the transition.
- A just transition for coal workers is emphasized as critical and facilitated.

Perceived challenges:

- Strenuous cooperation between the Brandenburg and Saxony further hampered by a high level of bureaucracy.
- Lack of basic capital, poor infrastructure, and poor medical care
- Lowest wages in all of Germany ²
- Mental reservation through bad experiences when socialism was left behind
- Involvement is significantly lower amongst youth and women and opportunities lack for youths.
- Evident climate changes

Introduction

“A Boost for Rural Lignite Regions” aims to empower stakeholders in the design and exploration of alternative future pathways in three European energy transition areas: Lusatia in Germany, Eastern Greater Poland in Poland, and Gorj in Romania. In this policy brief, we report on the mental landscape of stakeholders in Lusatia, Germany.

Lusatia is a region located in two states of east Germany, Brandenburg and Saxony, on the border to Poland and Czech Republic. Lusatia is one of the three coal mining regions of Germany. At present, 8.116 people work directly in the mining sector. In total, over 13.000 jobs are dependent on the coal mining industry³

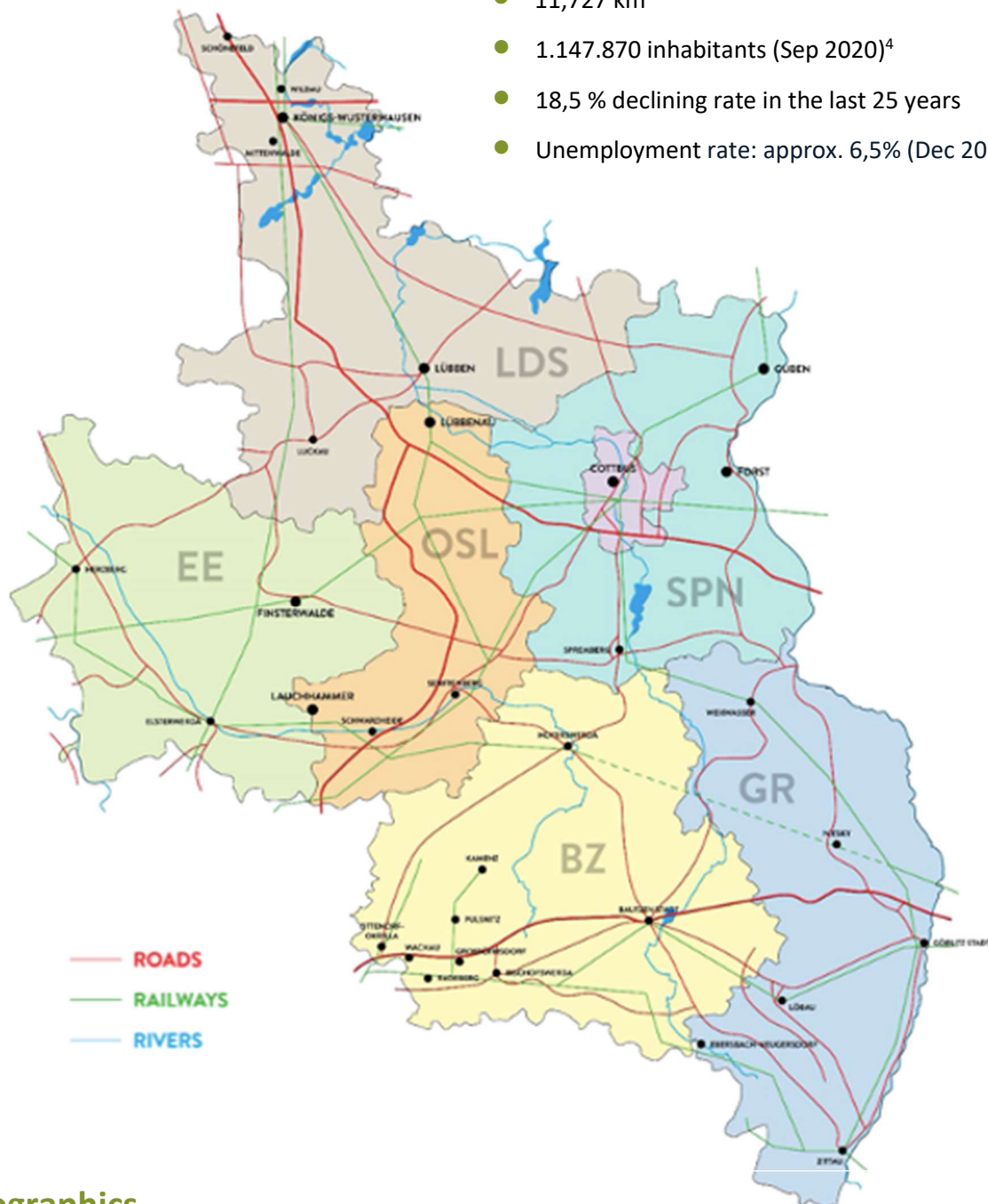
In 2020, it was decided the coal phase out should be finalised in 2038. In this regard, the federal and state governments are responsible for supporting the region with money and sharing them fairly.

Research conducted as part of the REBOOST project shows that after several years of discussions, stakeholders would like more transparency, younger and more feminine leadership, more cooperation between states and concrete action implementation. The following policy brief describes the region in more detail and shows the results of our research.

Figure 1: Lusatia, Germany

Key facts

- 11,727 km²
- 1.147.870 inhabitants (Sep 2020)⁴
- 18,5 % declining rate in the last 25 years
- Unemployment rate: approx. 6,5% (Dec 2020)⁵



Demographics

Since the reunion of Germany, Lusatia steadily lost population. In 1995 the region had 1.432.730 habitants, 20 years later in 2015 only 1.165.246 inhabitants remained. After the political reunion, more than 25% of employed workers lost their jobs. Next to the job losses many, especially young, citizens migrated to the western parts of Germany⁶. The number of people older than 45 years is significantly higher than the people younger than 45 years; In 1995, the average age in the Lusatia regions was between 38 and 41 years, in 2010, the average was 7 years higher up to 45 to 48 years⁷. These demographic changes have far-reaching consequences for the mental landscapes in the region.



“The structural change is degenerating into a mere distribution of money by the federal and state governments (...). So far it has been completely unclear how investment decisions will affect the region, what they cost, what jobs they bring and what ecological benefits they have⁸”

Lusatia as an Energy Region

Lusatia’s coal supply is owned by LEAG (Lausitz Energie Kraftwerke AG/Lausitz Energie Bergbau AG). LEAG employs over 7,500 employees, of which around 600 young professionals in eight different fields. Furthermore, 3,300 partner companies work for the coal giant.

In 2019, the mining department of the LEAG mined 52 million tons of lignite. The power plants converted this into approx. 49 billion kilowatt hours of electricity. This was enough for 14 million households. Thereby, LEAG is responsible for the extraction of one-third of the total amount of lignite in Germany⁴.

From 2025 onwards the power plants will be phased out of operation. In the coming years it will be verified whether all plants can be closed by the end of 2035. Below, an overview of the productivity of the mines and plants can be found.

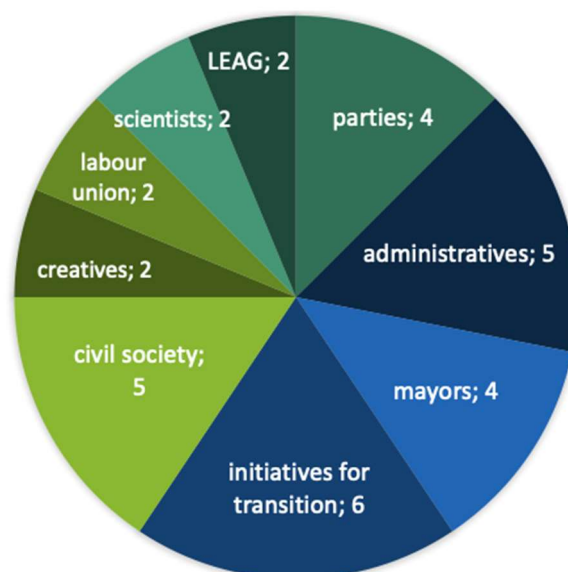
| Open mine cast | Coal production 2019 in mil tonns |
|----------------|--------------------------------------|
| Jänschwalde | 7,4 |
| Welzow-Süd | 17,4 |
| Nochten | 14,6 |
| Reichwalde | 12,6 |

| Plant | Power (MW) | Energy production (kWh) |
|----------------|---------------|----------------------------|
| Jänschwalde | 3.000 | 15,4 billion |
| Schwarze Pumpe | 1.600 | 9,8 billion |
| Boxberg | 2.575 | 17,4 billion |

The LEAG endeavors to further develop the region and to secure the jobs of its employees. The recultivation of the opencast mines is agreed from the start and is subject to precise guidelines. In collaboration with the environmental service provider VEOLIA they started working on an energy and recycling plant⁹. Furthermore, research is being undertaken into electricity storage batteries and the expansion of electricity generation from renewable energies.

Optimism prevails, but nevertheless after 200 years of coal mining in Lusatia the region, people will lose the most important industry and identity. Since 1927, more than 25,000 citizens have been resettled for the advancement coal mining¹⁰. In the next section, we will go into the mental landscapes prevailing in Lusatia. To reach conclusions, stakeholders in the energy transition were interviewed.

Figure 2: Interviewed Stakeholders in Lusatia



Stakeholders' Mental Landscapes

In Lusatia there are many ways to shape structural change. Numerous initiatives and projects can benefit from more than 17 billion euros in funding over the next 18 years. The implementation of the first projects has already started. However, inclusion of civil society appears to be challenging. Stakeholders, especially women and young people would like to be more engaged. In addition, the transition processes and activities lack transparency particularly to funding criteria underlying the start of initiatives.

In order to guarantee a fair transition for all those involved (including the environment) more cooperation, realistic ideas and patience are required. Involvement and interest can be enhanced, when the image of Lusatia is improved. The aging population and the strong conservatism in combination with the prevalence of right-wing parties is a deterrent example for newcomers. Lusatian players aspire the region to become young and alternative, as well as progressive and family friendly. The expansion of research and development at universities, new infrastructural measures and the start of numerous other projects are supporting this aspiration.

When it comes to development options, tourism alone cannot generate enough economic development to compensate the losses in the billion-euro coal industry. Consideration can also be given to the natural and cultural aspects of the region.

It is important to continue to develop and focus on the strengths of Lusatia to achieve realistic goals that are needed by 2038. In addition, one must not forget that a coal phase-out is a structural change that takes time and long-term planning and preventive policies to smoothen the transition effects after 2050 are critical.

Endnotes

1. Law for Structural strengthening (Strukturstärkungsgesetz der Kohleregionen) from 08.08.2020
2. Leipziger Volkszeitung from the 04th of August 2019 <https://www.lvz.de/Region/Mitteldeutschland/Arbeitnehmer-in-Goerlitz-verdienen-bundesweit-am-wenigsten>
3. Staatskanzlei & Lausitz-Beauftragter des Ministerpräsidenten. (2020). Das Lausitzprogramm 2038 -Prozesspapier zum Aufbau von Entscheidungs- und Begleitstrukturen im Transformationsprozess.
4. Federal Office of Statistics; Inhabitants by district <https://www.destatis.de/DE/Themen/Laender-Regionen/Regionales/Gemeindeverzeichnis/Administrativ/04-kreise.html>
5. Federal Employment Agency Statistics; Unemployment figures by district <https://statistik.arbeitsagentur.de/DE/Navigation/Statistiken/Statistiken-nach-Regionen/Politische-Gebietsstruktur-Nav.html>
6. IAB; 2018; Die Lausitz Eine Region im Wandel
7. ZWL, 2018; DIE LAUSITZ ZAHLEN & FAKTEN EIN ÜBERBLICK
8. Antonia Mertsching; 2020; <https://www.linksfraktionsachsen.de/nc/presse/detail/news/antonia-mertsching-strukturwandel-in-der-lausitz-jeder-macht-was-er-will-keiner-macht-was-er-soll-ab/>
9. LEAG; 2020 <https://www.leag.de/>
10. Stadt Forst; Archiv verschwundener Orte; https://www.archiv-verschwundene-orte.de/de/ausstellung/die_ausstellung/69928

All websites were accessed on January 15, 2021

This policy brief was prepared by Franziska Stölzel, Prof. Dr. Ilona Otto, Annechien Hoebe (University of Graz), Antonia Schuster, Delasi de Souza, and Nikola Tietze (Potsdam Institute for Climate Impact Research) as part of the REBOOST PROJECT (2020-2022), funded by Climate KIC under grand agreement 200554. "A boost for Rural Lignite Regions" aims to develop an online simulation tool that will be used for stakeholder engagement in three European energy transition areas. The project focuses on three regions: Lusatia in Germany, Eastern Greater Poland in Poland, and Gorj in Romania. The online simulation tool will help to involve and empower local stakeholders in the design and exploration of alternative future pathways in an interactive environment resembling the main characteristics of the actual regions.



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A BOOST FOR RURAL LIGNITE REGIONS
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