

TOWARDS A JUST TRANSITION

THE NEED FOR A COLLABORATIVE APPROACH IN GERMANY'S EXIT FROM COAL

The coal phaseout is Germany's last chance to make good on its commitments under the Paris Climate Agreement. As an industrialised country, Germany has a responsibility to transform its energy sector. But the transformation of former mining regions can only be just if the communities affected by this response to climate change are not left behind.

In addition to many benefits, rapid decarbonisation entails complex social risks. In a high-carbon economy like Germany, the anticipated transformation will affect workers' livelihoods, the social cohesion of local com-

munities, and the democratic governance of climate change mitigation.

RECONCILING AMBITION WITH SOCIAL JUSTICE

The project "Social Transformation and Policy Advice in Lusatia" at the Institute for Advanced Sustainability Studies e. V. (IASS) Potsdam explores the potential for a transformation that is both ambitious and just. Grounded in research on multi-level governance, regional political economies, and social conflict, the project provides policy advice to local actors and federal state governments.

Institute for Advanced
Sustainability Studies e. V.
(IASS)

Partners

- Zukunftswerkstatt
Lausitz
- Leibniz Institute of
Ecological Urban and
Regional Development
(IÖR)



A PERFECT STORM IN GERMANY'S COAL REGIONS

The German government is under pressure: Despite its reputation as an energy transition pioneer, Germany will fail to meet the CO₂ emission reduction target it has set itself for 2020. Attention has now turned to achieving the 2030 emission reduction goal.

The national Commission "Growth, Structural Change and Employment" (the "Coal" Commission) has developed a proposal for a gradual exit from coal by 2038. In this context, trade unions, environmental NGOs, local politicians and other stakeholders have drawn

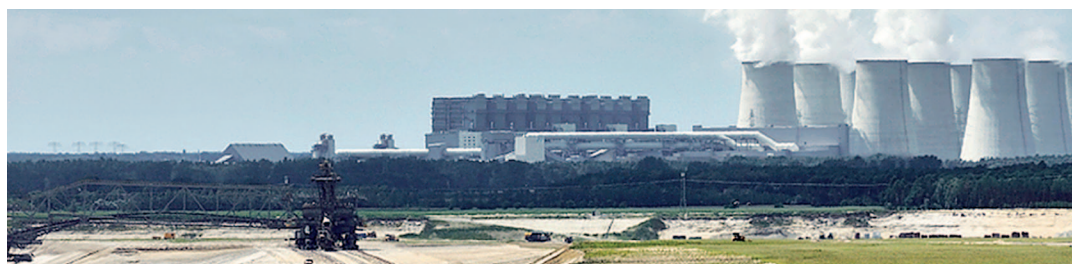
up a timetable for the planned transition and reflected on the form it should take in a wider structural transformation of the affected regions. But there are major concerns with this plan in mining regions, where people's jobs are on the line.

Funded by the Federal Ministry of Education and Research, our projects explore the following questions:

- How can we ensure that both goals – climate change mitigation and social justice – are addressed in a collaborative approach?
- Can the coal phaseout be leveraged for a broader sustainability transformation?



SPONSORED BY THE



COLLABORATIVE GOVERNANCE OF A JUST TRANSITION IN LUSATIA

Ambitions for climate change mitigation and a just transition coincide in Lusatia, a region south of Berlin that straddles Eastern Germany and Poland. Despite economic changes that resulted in population loss and unemployment after German Reunification, two things remained constant in the region: coal mining and coal-based electricity generation. In light of the anticipated coal phaseout, the governments of Saxony and Brandenburg and the German Government have funded an initiative called the "Zukunftswerkstatt Lausitz". It seeks to guide a process of joint reflection among representatives of local politics, civil society, and commerce in order to develop a shared vision for the future of Lusatia.

Contact

Dr Jeremias Herberg
(Research)
jeremias.herberg@iass-
potsdam.de

Dr Johannes Staemmler
(Policy Advice)
johannes.staemmler@iass-
potsdam.de

Institute for Advanced
Sustainability Studies e. V.
(IASS)

[https://www.iass-
potsdam.de/en/research/
sociostructural-change-
policy-advice-lusatia](https://www.iass-potsdam.de/en/research/sociostructural-change-policy-advice-lusatia)



SOCIAL TRANSFORMATION AND POLICY ADVICE IN LUSATIA

THE RESEARCH PROJECT studies the opportunity structures for a democratic exit from coal. It maps regional, national, and international political constellations that open up or close democratic avenues to the phaseout.

In its advisory function, the project team aims to support collaborative projects and help policymakers navigate the complex opportunity structure of the coal phaseout. It also develops proposals for the design of collaborative engagements with the following questions in mind:

- What kinds of collaboration are conducive to democratic structural change?
- How do German and European climate commitments under the Paris Agreement shape transformation in Lusatia?
- How can innovative approaches to democratic participation ensure that regional development is fair and sustainable?

A research project funded by the Federal Ministry for Education and Research



THE FUTURE FUND – POLICY ADVICE ON CLIMATE-FRIENDLY INFRASTRUCTURE AND COMMERCE

With the Future Fund, we are proposing a market-based instrument that will help set the course for a sustainability transformation and provide the substantial resources required to effect real change. The key components of the Future Fund are illustrated below.

Asset generation	Investment allocation	Allocation of returns
<ul style="list-style-type: none">■ Taxation of present-day emissions through carbon pricing■ Taxation of historical carbon emissions through the imposition of an estate tax	<ul style="list-style-type: none">■ 50% of the Fund's revenues are to be invested in climate-friendly infrastructure■ 50% of the Fund's revenues are to be invested in a sovereign wealth fund for transformations to sustainability. This fund will invest in businesses that are aligned with the UN goals for climate protection and sustainable development.	<ul style="list-style-type: none">■ The transformation towards sustainability will be flanked by socio-political measures in a proactive approach to structural transformation and social development.

Löw Beer, D., Schellnhuber, H.-J., Leggewie, C. (2018): A Future Fund for Germany, IASS Policy Brief

PARTNERS

“Zukunftswerkstatt Lausitz” (zukunft@wirtschaftsregion-lausitz.de)
funded by the Federal Government and the states of Brandenburg and Saxony

Leibniz Institute for Ecological Urban and Regional Development
(Prof. Dr Robert Knippschild, R.Knippschild@ioer.de)