

Structural Change and Chance of Lusatia – A Coal Region in Transition



Coal and Carbon Intensive Regions in Transition Platform

Cottbus, 17th June 2019

*Dr. Klaus Freytag, Representative of the Prime Minister for the Region of Lusatia
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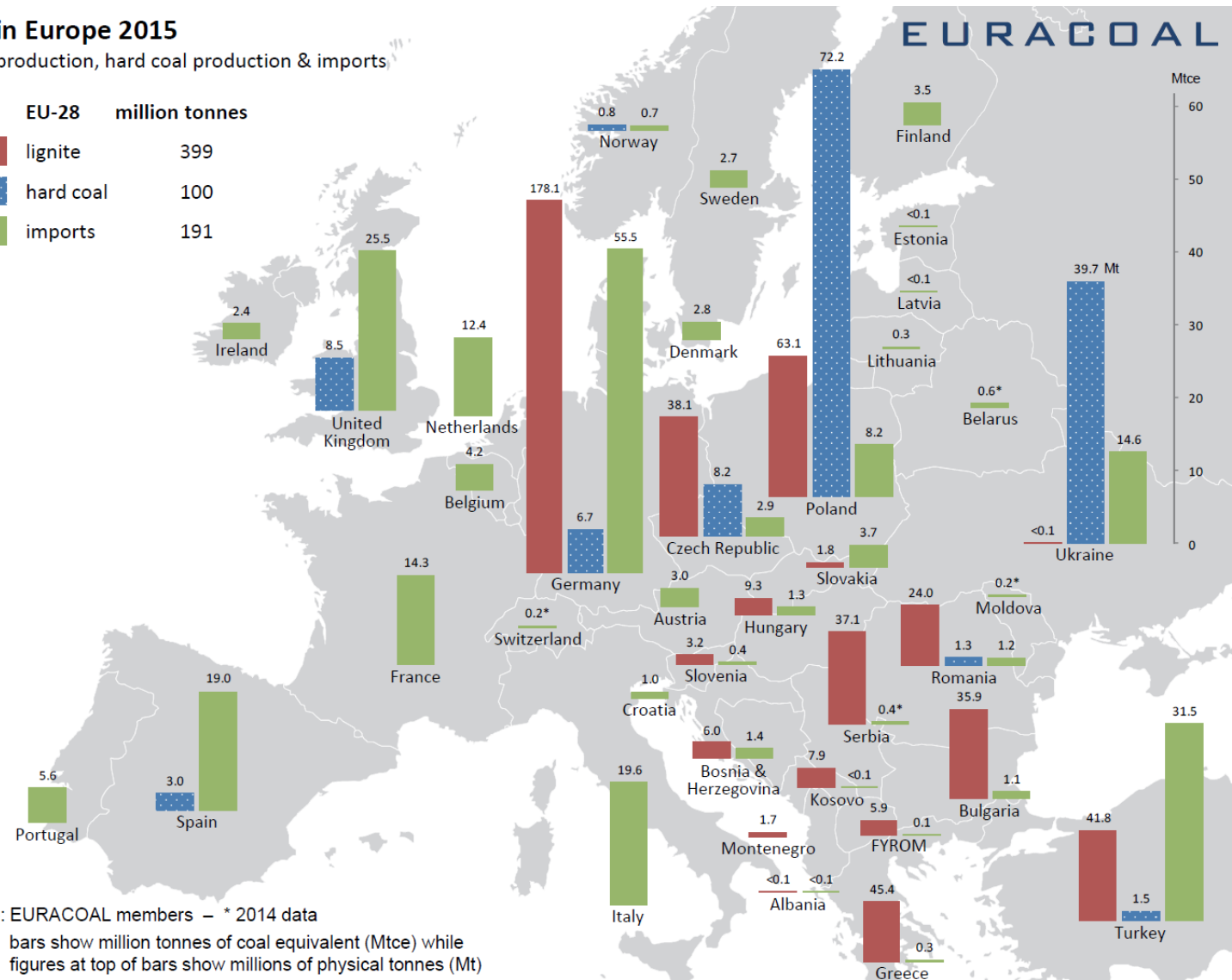
Coal Mining in Europe

Lignite Production

Coal in Europe 2015

lignite production, hard coal production & imports

EU-28	million tonnes
█ lignite	399
█ hard coal	100
█ imports	191



Source: EURACOAL members – * 2014 data

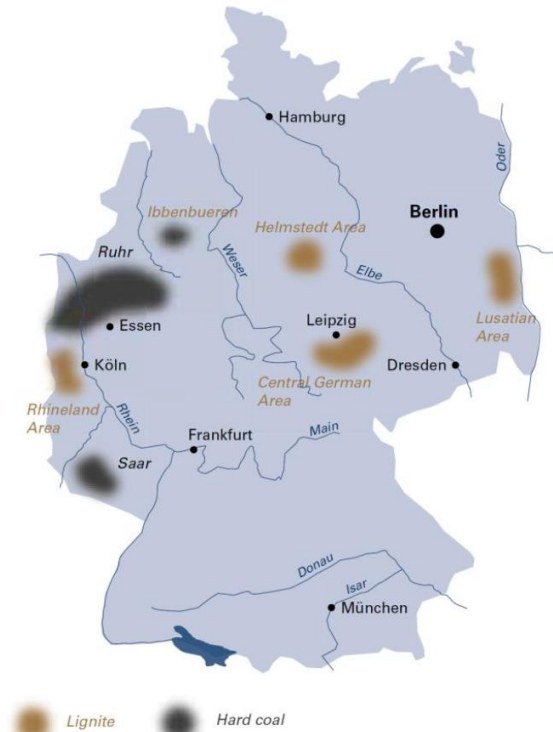
Note: bars show million tonnes of coal equivalent (Mtce) while figures at top of bars show millions of physical tonnes (Mt)

Source: EURACOAL 2017 –
Coal Industry across Europe

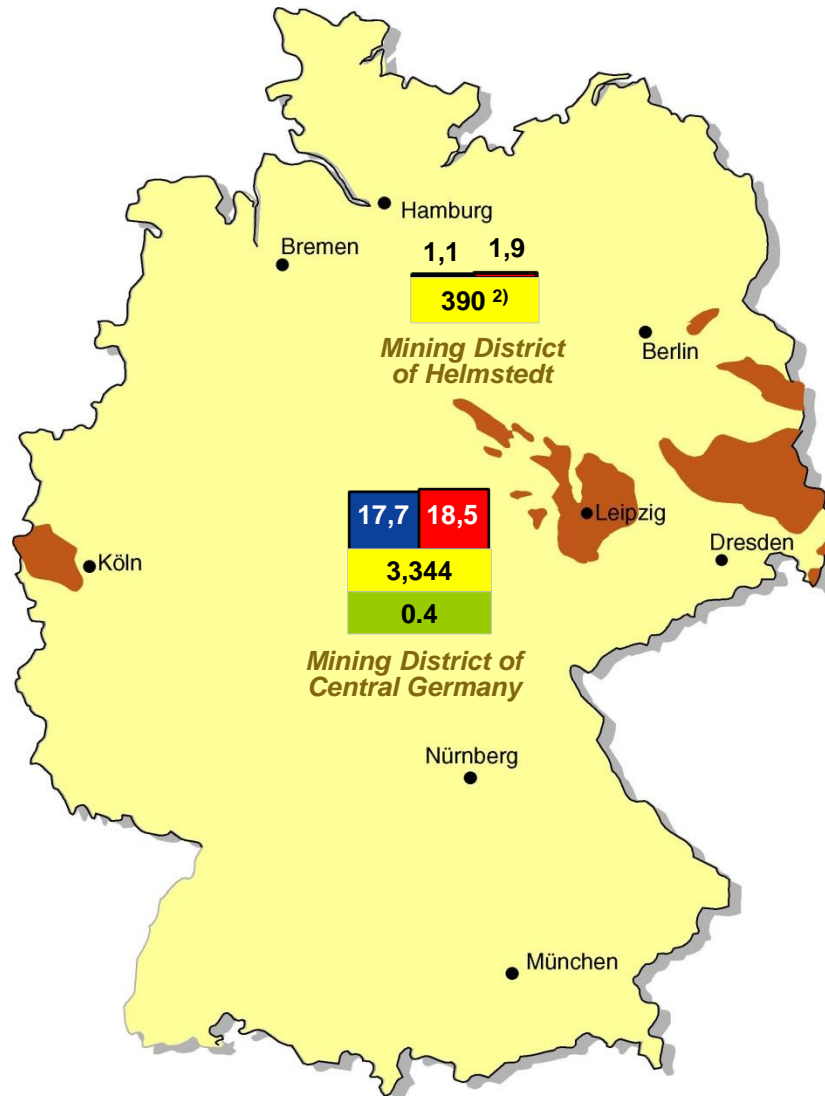
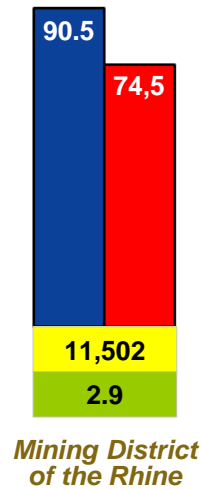
Coal Mining in Germany

Mining Districts

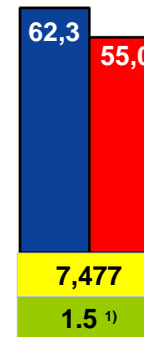
Lignite Mining Districts



Source: EURACOAL 2017 –
Coal Industry across Europe



Mining District of Helmstedt



Mining District of Lusatia

Mining District of Central Germany

- Lignite extraction [million t]
- Power generation [TWh]
- Capacity of the power plant [MW]
- Reserves of the deposit [billion t]
(Approved and developed surface mines)

¹⁾ Further reservoir according to current lignite extraction planning proceeding = 0.25 billion tons
²⁾ Security standby since 1st October 2016

Numbers as of 02/2017 – Preliminary data incl. estimates

Cause of the structural change

- German reunification
- Current climate protection policy on EU and national level / political support of renewable energies
 - *2030 Climate and Energy Framework / Paris Agreement 2015*
 - *Climate Action Plan 2050 of Germany enacted on 14th November 2016*
 - *Committee on Growth, Structural Change and Employment is running*



Impacts on employees within the coal industry

- Employees (directly related) before 1990: approx. 80.000
- Employees (directly related) today: approx. 8.000



Relevant Companies

- LEAG (energy supply)
- LMBV (land restoration)



Reasons for the debate since 2014

- Current policy of climate protection on EU- and on federal level
 - *EU climate and energy framework 2030*
 - *Climate Change Conference in Paris 2015*
 - *Security standby of power stations in Germany 2015*
 - *German climate protection plan 2050*
 - *Coalition agreement (2018): appointment to establish the **Committee on Growth, Structural Change and Employment***



- from 26th June 2018 until 26th January 2019
- aim: develop an action program
- 4 chairman (Platzeck, Tillich, Praetorius, Pofalla)
- 24 members of trade-, energy- and environmental- associations, unions, sciences and the regions for example:



Mining District of Lusatia

Overview

Representative of the
Prime Minister for the
Region of Lusatia
State Chancellery

Area

- 11,727 km²

Population

- 1.16 million

Economic Structure

- Energy and coal industry represent the prevailing sectors
 - Especially LEAG employing approx. 7,800
 - Numerous SMEs integrated in value added chains
- Other relevant industrial sectors: Steel and chemical industry as well as mechanical and plant engineering / vehicle manufacturing



Mining District of Lusatia

Mines and Power Plants

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**Power Plant
Jänschwalde**
1,072 Employees
2,5 GW installed capacity



**Open Surface Mine
Jänschwalde**
1,597 Employees

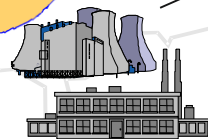
**Open Surface Mine
Welzow-Süd**
1,726 Employees

Federal Republic of
Germany



Republic of
Poland

**Power Plant
Schwarze Pumpe**
368 Employees
1.6 GW installed capacity



**Open Surface Mine
Nochten**

1,953 Employees in total

**Coal Refinement Facility
Schwarze Pumpe**
292 Employees

**Power Plant
Boxberg**
798 Employees
2.6 GW installed capacity

**Open Surface Mine
Reichwalde**

Sources: Brandenburg State Office of Mining, Geology and Raw Materials (LBGR) / LEAG AG

2017	
Employees in total¹⁾	7,806
thereof open surface mines	5,276
thereof power plants	2,238
thereof refinement	292

1) Specifications relate to active / inactive employees and apprentices

To be adjusted because
of the final report!

State of
Brandenburg



Free State
of Saxony

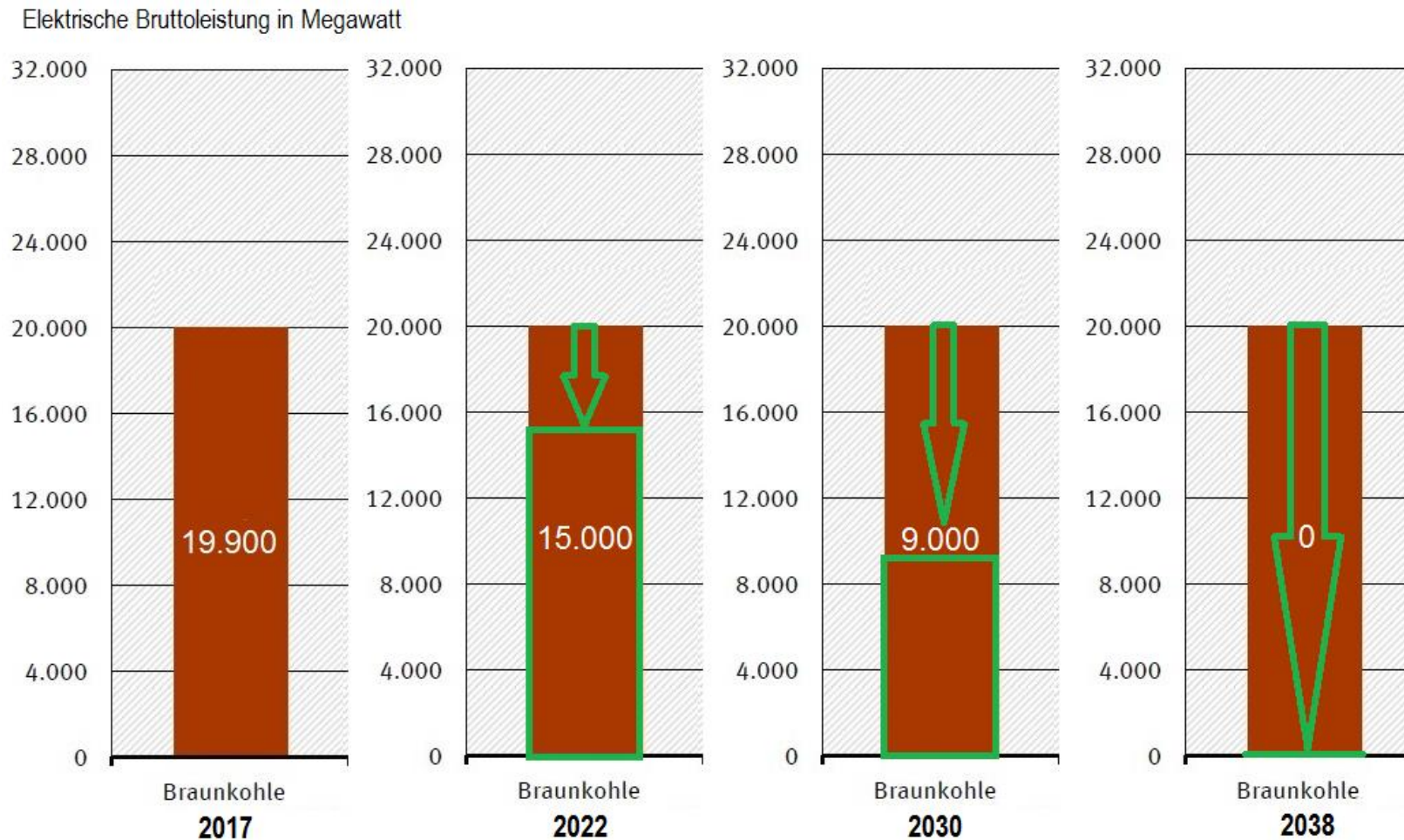
Economic Region Lusatia


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- Chemistry
- Plastics
- Metal
- Nutrition
- Paper Industry
- Glass Industry
- Cement Industry
- Tourism
- Logistics
- Mobility
- Power Station Technology



decrease of capacities, exit: 2038 (from 20 gigawatts to zero!)

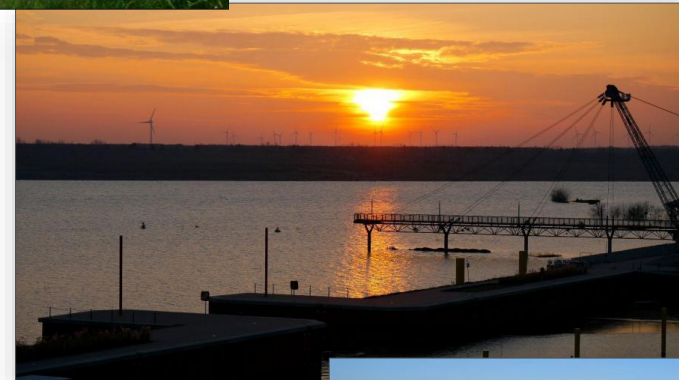


 by **2025** „intermediate step“: reduction of 10 million tons of carbon dioxide emissions

Priority Projects Energy

- „We are an Energyregion“
- LEAG 2.0
- Network structure
- Renewable energy
- Storage technology
- Hydrothermal gasification
- Powerhouse development
- Research and development

- **European Model Region for Transition!**



Priority Projects Logistics

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Construction of an
combined traffic
terminal with
HUB-Function in
Schwarzheide

(BASF and Bertschi)



Intermodal turnover
terminal
Schwarze Pumpe

→ Need of the development of road transport
infrastructure and rails!

Höchste Forschungsdichte in Deutschland



➤ Establishment of the Fraunhofer Institution for Energy Infrastructure and Geothermal Energy

➤ German Institution for Aviation and Astronautics Technologie for low carbon industry

➤ Startups, Think Tanks, Coworking Spaces → young entrepreneurs



Fraunhofer



Development of Lusatia

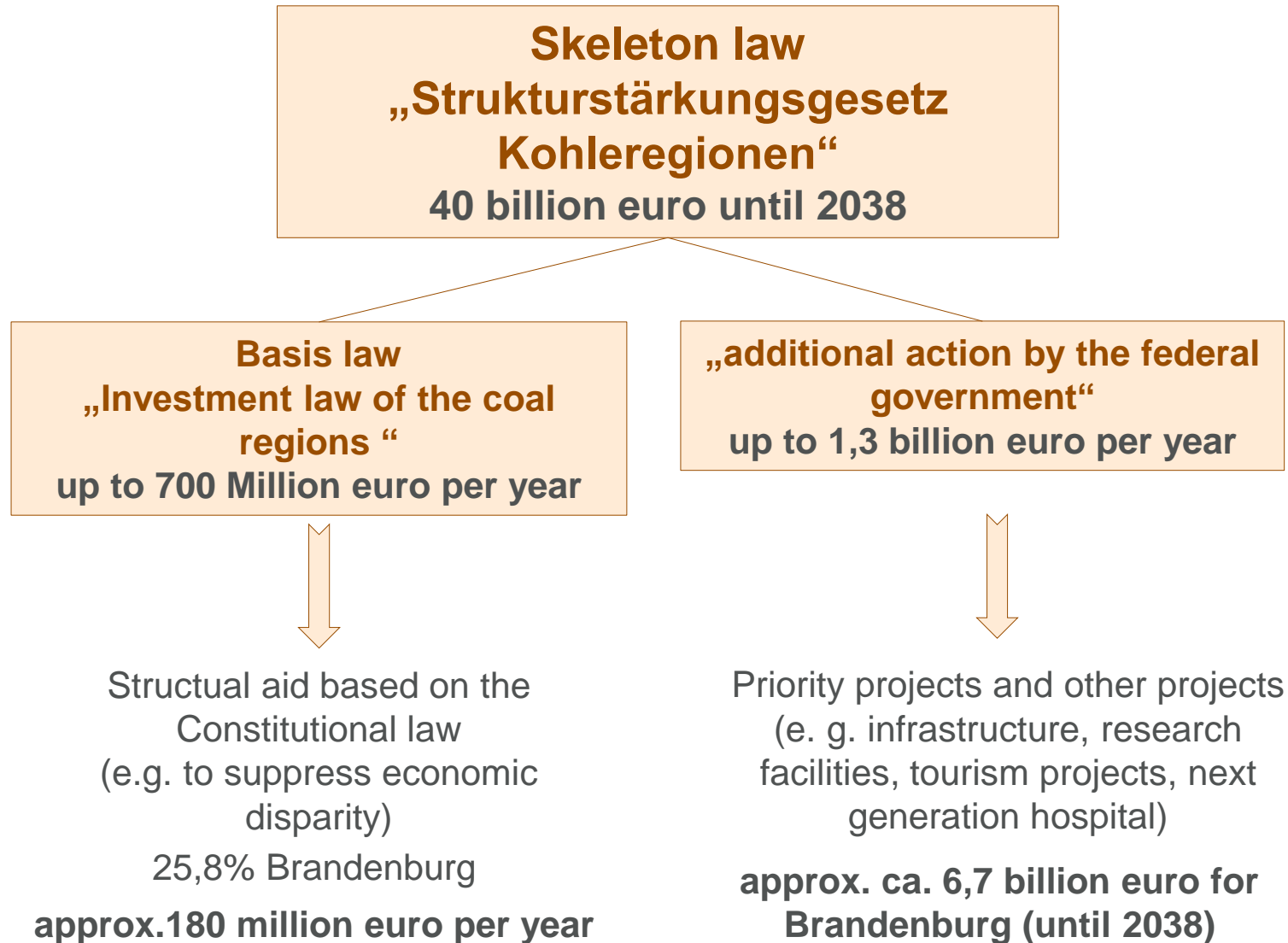
Immediate action program approx. 240 million euro until 2021

- fast projects fitting into existing support programs
- 42 projects submitted
- 26 confirmed
- 13 rejected
- 3 in discussion

**Contingent of Brandenburg: approx.
62 million euro**

Skeleton law „Strukturstärkungsgesetz Kohleregionen“ 40 billion euro until 2038

Basic points agreed on 22th
Mai 2019 by the federal
cabinet.



Thank you very much for your attention!

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