

*Coal phase-out in Turkey: Learning from  
Germany's Experiences, Ankara, 9.6.23*

# **View of the German Trade Unions on the coal phase-out**

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# Agenda

- **About the DGB**
- **Coal phase-out: political process, coal commission and implementation**
- **The REVIERWENDE project: strengthening workers voices in coal regions**
- **Times of energy crisis and insecurity**

# About the DGB



**8 trade unions:  
~ 5,6 million members**

DGB is the umbrella organisation of the trade union movement in Germany

# Trade Unions and climate policy

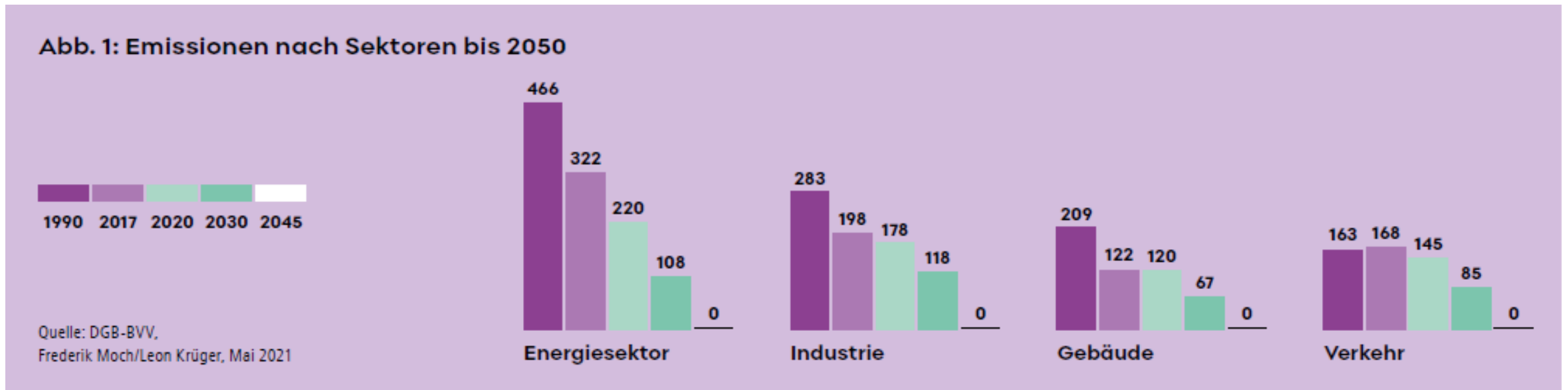
- Climate change is dangerous, has big impacts on society, business and environment, so we must avoid the worst case and achieve the Paris Agreement.
- No doubt: it is time to act. In Germany. In Europe. Worldwide! Together!
- Climate Policy has also big impacts on our life. Social justice and sustainable welfare are crucial to achieve climate goals.
- From trade unions point of view: we need a Just Transition.
- Just Transition is a guiding principle of the Paris Agreement! Countries need to ensure a Just Transition while fighting climate change.



# Germany: Increased Climate Targets

**2021:** renewed Climate Protection Act

- New long-term climate targets → climate neutrality until 2045
- Will intensify structural change in **all sectors** of the German economy
- High level of public and private investments needed; 860 Bn. EUR until 2030





**DGB**

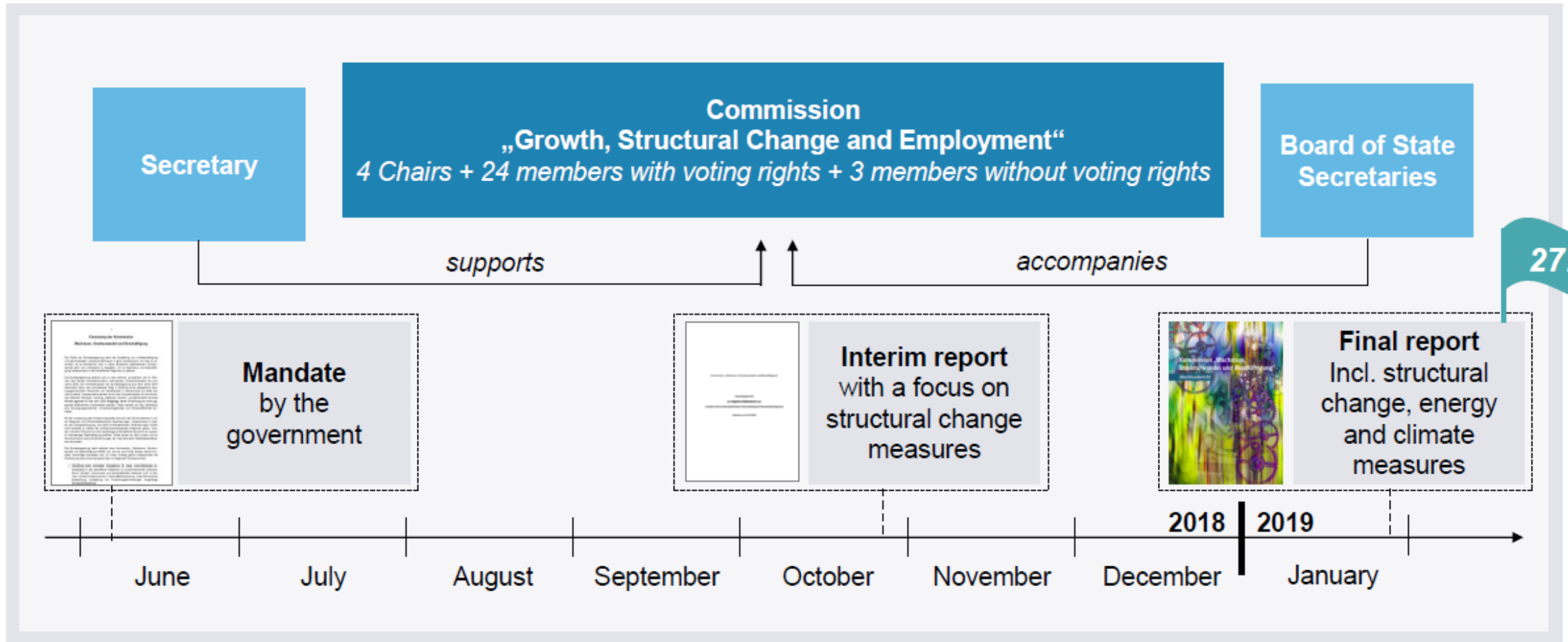
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# **Coal phase-out: political process, coal commission and implementation**

# The way to the decision in Germany

- 2011
  - Decisions on Energy Transition (“Energiewende”), a beginning public debate on the role of coal in energy mix
- 2015
  - Climate Action Plan of Federal Government (reduction of CO2 by 2050 by 80-95 %) with sectors goals for
- 2018/2019
  - Commission "Growth, Structural Change and Employment” with participation of social partners and other stakeholders
- 2020
  - Coal Phase-Out Act → end of coal until 2038 (2035)
  - Structural Enhancement Act → 40 bn. EUR as structural aid for the coal regions

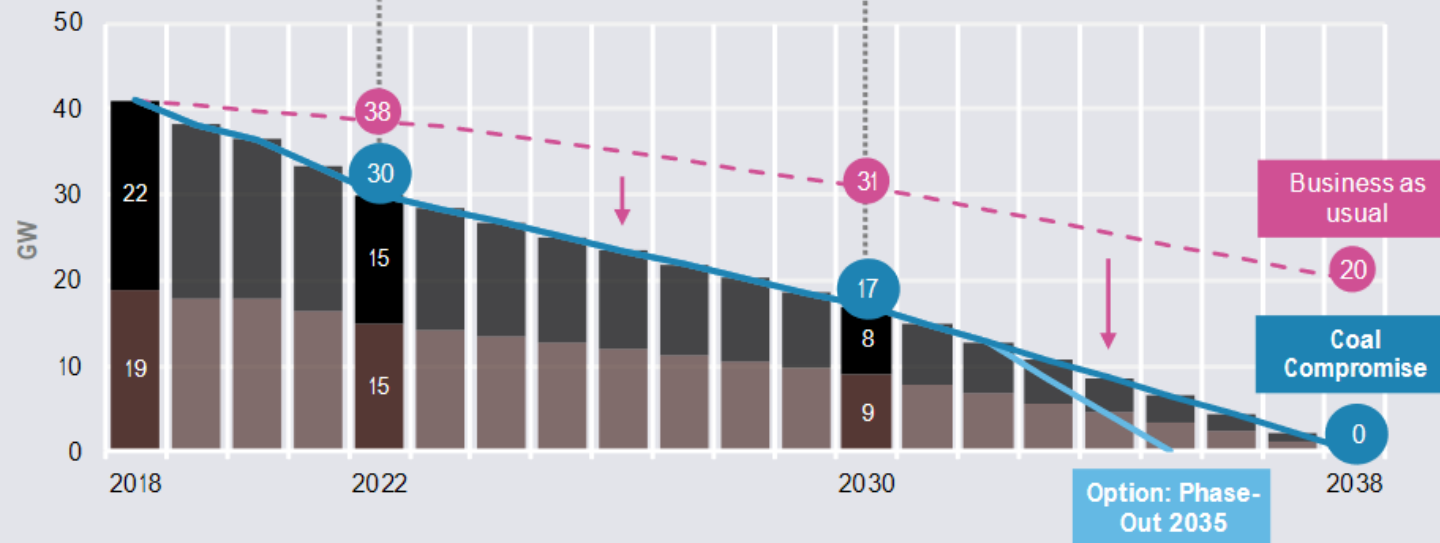
# Commission „Growth, Structural Change and Employment“





# Coal Phase-Out: Timetable

Capacity in the market	Phase-Out Plan of the Coal Commission		
	Phase 1: Entry	Phase 2: Meet climate target 2030	Phase 3: Final Phase-Out
Instrument Hard Coal	Negotiations	Tenders	to be defined
Instrument Lignite	Negotiations	Negotiations	to be defined



- Conventional energy sources will go offline only, if expansion goals for renewable energies, networks and storages are achieved.
- Assessment between 2023 and 2032: Review every three years by a panel of independent experts.

# Employment in the coal sector

- Lignite mining and power plants 2016 (direct): 19.852
- Lignite mining and power plants 2016 (total): 55.586\*
- Hard coal power plants 2016 (direct): 5.700
- Hard coal power plants 2016 (total): 22.685\*
- Hard coal mining (direct) 2016: 7.480
- Hard coal mining (direct) 2019: 0
- Many more jobs affected by a coal phase-out in **energy-intensive industries** linked to competitive heat and power generation



**In total nearly 80.000  
decent jobs related to coal  
sector**

# „Coal Compromise“ as an important element for a Just Transition



- No operational layoffs in lignite mines and power plants – co-determination on company level and collective agreements that cover the entire process to protect the workers
- In case of job loss: affected workers will be placed in new decent work – under compensation for any loss of salary
- Older workers can switch to early retirement – under compensation for pension reductions
- As a bridge to early retirement, the federal government is creating a state-financed adjustment allowance
- Goal: New added value and decent jobs in the coal regions to compensate for the loss of the coal industry
- Involvement of trade unions in the process of transition of coal regions.

# Trade Union Perspective

- From a trade union perspective three elements are important:
  - Rapid and realistic energy transition
  - Protection of the workers/ vocational training and further education
  - Proactive political approach: shaping of structural change within the coal regions by the state and in cooperation with social partners and civil society. Creation of new jobs covered by collective bargaining agreements.

→ **The “Coal Compromise” covered these trade union demands**





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# **The REVIERWENDE Project: strengthening workers voices in coal regions**

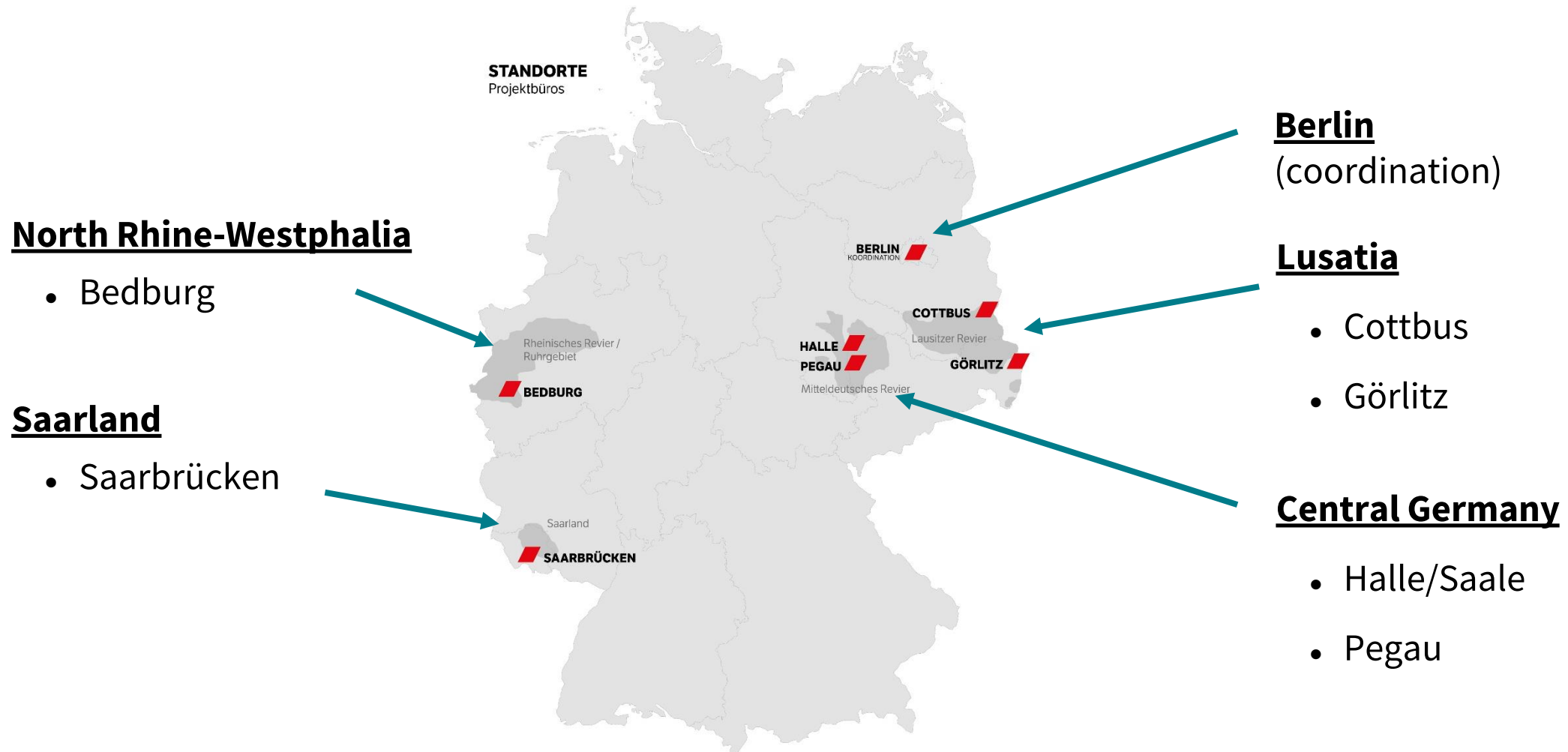
## About REVIERWENDE

- Applied within the STARK-Funding Program (Federal Ministry for Economic Affairs and Climate Action). Total Project Budget EUR 10.7 mio.
- Project start: September 2021, firstly for 4 years.
- Support for trade unions and employees in the process of structural development
- The project is inter regional: 3 lignite mining areas (Rhenish Area, Lusatia Area, Central German Area) and one hard coal site (Saarland).
- To be present on site work and 6 regional offices were established in the coal regions.
- Website: [www.revierwende.de](http://www.revierwende.de)



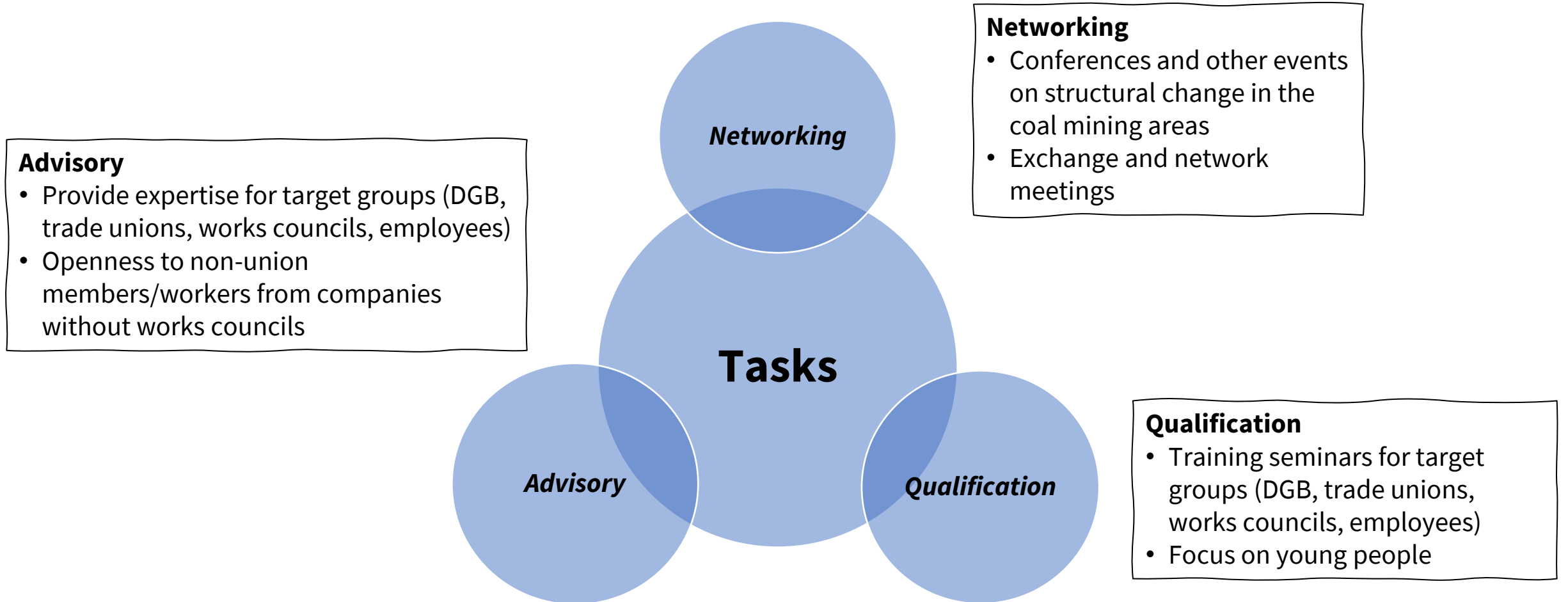
- REVIERWENDE-Project
  - Supports DGB and trade unions in their work on regional transformation
  - Strengthens trade union participation in the structural development of the coalfields
  - Promotes the vision that coal regions develop towards internationally visible socially just and climate friendly model regions
  - Fosters a common understanding of people about a sustainable future of the coal regions
  - Helps to secure/create new value added and tariff bound good work
  - Provides knowledge transfer of good practices across the coal regions and beyond

# Project „REVIERWENDE“ – Regional Offices





# Tasks of the regional Offices





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# **Times of energy crisis and insecurity**

# Current political and economical situation

- We have ambitious phase-out goals but the implementation does not follow:
  - No political actions for an energy transition for a long time. Germany still highly dependent on import of fossil fuels (2021: only 16% of primary energy consumption renewable)
  - The government is taking important steps to accelerate the expansion of renewable energies.
  - Uncertain: Financing of gas-fired power plants which are needed as a backbone infrastructure
- Energy crisis:
  - High electricity prices slow down investments (into transformation)
    - DGB is advocating for an (subsidized) industrial electricity price
  - Comeback of old coal power plants as a backup in times of crisis
  - Inflation and rising costs: Many households are struggling with enormous price shocks for energy and food.
  - Many industries and companies are suffering. Danger of de-industrialization.

# Coal phase-out by 2030?

- Decision of the Constitutional Court to tighten climate targets in 2021 – Germany wants to become climate neutral until 2045
- New Federal Government in 2021, out of Social Democrats (SPD), Liberal Democrats (FDP) and Greens (Die Grünen) Coalition Agreement: Coal phase-out “ideally” in 2030.
- New agreement to phase out coal by 2030 in North Rhine-Westphalia
  - Threat of job losses, security of energy supply and possible increase in energy costs
  - The expansion of renewable energies is still too slow to phase out by 2030
  - Targets alone are not enough: Concrete political measures and much more investments are needed
  - Inefficient funding in all coal regions: Public funds spend on infrastructure and research projects; not for the creation of new added value and decent jobs (especially in industrial sectors).

# Conclusions

- The establishment of a commission consisting of different social actors, which draws a path for the coal phase-out, was the right decision
- As trade unions, we are seeking to shape the transformation processes and campaign for new decent jobs in the coal regions, which are covered by collective bargaining agreements
- For a Just Transition, policymakers must set the right framework:
  - A massive expansion of renewable energies
  - Efficient public funding, which creates new jobs
  - Vocational training and further education/ social security measures in case of job losses
- A socially just coal phase-out is a joint task - worldwide: The state, companies and trade unions have to shape the structural change within the coal regions. Every stakeholder has to fulfill his responsibility.

# Thank you for your attention!



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