Ursula Von Der Leyen

President of the European Commission

Maroš Šefčovič

Executive Vice-President of the European Commission

Margrethe Vestager

Executive Vice-President of the European Commission

Elisa Ferreira

Commissioner, Cohesion and Reforms

Kadri Simson

Commissioner, Energy

Wopke Hoekstra

Commissioner, Climate

Nicolas Schmit

Commissioner, Employment and Social Rights

Didier Reynders

Commissioner, Competition

Appeal to the European Commission for approval of state aid for the Act of August 17, 2023 on social protection for workers in the electricity and lignite mining sectors

Dear Madam President, Dear Vice Presidents and Commissioners of the European Union,

As non-governmental organizations, social organizations and think tanks, interested in the effects of the energy transition in Poland and the European Union, and the impact of this process on society, we are making a passionate appeal to you for a favourable opinion and approval of state aid with regard to a law aimed at supporting workers in the energy sector and lignite mining in Poland. This law is crucial and urgent for the less than three thousand people employed at the mine, power plant and service companies within the ZE PAK Group located in Eastern Greater Poland, to ensure a truly fair and secure energy transition.

The energy transition in Poland is happening before our eyes, affecting people and regions. Eastern Greater Poland is one of these regions – ambitious, present in the transformation process from the very beginning, setting the standard for the transition to RES, but also social sensitivity. As social and environmental organizations, we see the impact of this transition, but also the involvement of everyone, because the goal is to leave no one behind. Therefore, with this appeal we want to support the Polish state's efforts to secure those workers who are already leaving and will not find their way back to the labour market.

What's more, solid conditions for social transformation significantly facilitate progress in Poland's economic and energy transition based primarily on energy efficiency and RES. This will make it possible to achieve the goals of climate protection – achieving climate neutrality and the European Green Deal – also important for workers in the sector and their families.

The official notification for the Act of August 17, 2023 on social protection for employees in the electricity and lignite mining sectors, which came into effect on September 14, 2023, was sent to the European Commission by Poland on September 20, 2023. Until it receives EC approval, the law cannot be implemented. Its scope covers only social benefits that apply to employees of power and mining companies reducing employment due to the systemic shift away from lignite mining and electricity production from coal:

- energy leave and mining leave in the amount of 80% of the employee's monthly salary calculated as vacation pay or
- one-time cash severance payments in the amount of 12 times the employee's monthly remuneration calculated as vacation pay due as of the date of termination of the employment contract.

Energy or mining leave is granted to an employee who lacks no more than 4 years to acquire the right to a pension, for a job in a production or repair area involved in the process of electricity generation or lignite mining.

One-time cash severance payments are due to employees who terminate their employment contract by agreement, do not meet the prerequisites for acquiring the right to mining or energy leave and have min. 5 years of work experience with the employer in question.

In total, the Act is expected to extend benefits to ca. 23,000 employees from 34 companies, including energy companies from various parts of Poland and lignite mines in the Konin, Belchatów and Turów regions.

Provided that the EC agrees to pay the aforementioned benefits as soon as possible, listening to the calls of the leaders of the mining and energy trade unions of Eastern Greater Poland, it will allow the employees of the ZE PAK Group to become the first beneficiaries of the Act. This concerns about 2,200 people employed at ZE PAK SA, KWB Konin SA, PAK Serwis Sp. z o.o., PAK Górnictwo Sp. z o.o.

Failure of the European Commission to make a decision this year or pushing it back further could cause disastrous social consequences in Eastern Greater Poland. Since January 1, 2018, the ZE PAK Group, has consistently led the energy transition by investing in RES. At that time, employment was around 6,000 people. Today, after the closure of the Adamów Power Plant, then the Adamów Lignite Mine and two open pits (Drzewce in August 2022 and Jóźwin in June this year), employment in the ZE PAK CG is around 2,900 people and is steadily decreasing. Many of the departing employees did not have a chance to see the Act passed. Many were also counting on support from the Just Transition Fund. These ordinary people do not understand the reasons for the delays in launching the JTF, which is due to the complex process of negotiating between

the member state and the EC the rules and activities that can be financed, and the time-consuming nature of the process. Similarly, this applies to the time it takes to agree on the Job After Coal 2021–2027 Program aimed at those affected by the transition, which may soon be launched and receive €45 million in JTF funding under the European Funds for Greater Poland 2021–2027 Program. The JTF program, in turn, is unlikely to help workers approaching retirement who will not find themselves on the labour market. On the other hand, still approx. 2200 people the Act may protect.

The law provides an opportunity for many people who have dedicated themselves to the industry for many years to safely leave their jobs. However, in order for this assistance to be granted, we need the approval of the European Commission. We hereby subscribe to the appeal to you in order to protect these individuals and the additional thousands of family members of the workers so that they can plan for their future with peace of mind. We are committed to the success of the project and, as a result, to the success of the transition on a European scale.

Yours sincerely

Alliance of Associations Polish Green

1. Network [Związek Stowarzyszeń Polska Zielona Sieć]

Joanna Furmaga CEO



2. CEE Bankwatch Network

Miłosława Stępień
Just Transition Campaign
Coordinator for CEE



3. Ecological Association EKO-UNIA [Stowarzyszenie Ekologiczne EKO-UNIA]

Radosław Gawlik President of Association



4. Europe, a Patient Association [Stowarzyszenie Pacjent Europa]

Mateusz Piotrowski President of Association



Foundation "Development YES – Open Pit 5. Mines NO" [Fundacja "Rozwój TAK – Odkrywki NIE"]

Tomasz Waśniewski CEO



6. Green Future Institute Foundation [Fundacja Instytut Zielonej Przyszłości]

Agata Kuźmińska CEO



7. Greenpeace Poland [Greenpeace Polska]

Krzysztof Cibor Campaign Unit Head



8. Instrat Foundation [Fundacja Instrat]

Michał Hetmański CEO



9. Polish Ecological Club Mazovia District [Polski Klub Ekologiczny Okręg Mazowiecki]

Urszula Stefanowicz



10. The EAST Initiative [Inicjatywa WSCHÓD]

Wiktoria Jędroszkowiak Co-founder



11. WWF Poland [Fundacja WWF Polska]

Mirosław Proppé CEO

