

Romanian coal region sees new hope in EU Green Deal, after decades of failed restructuring.

Mihai Danciu and Ion Barbu have a vision for Romania's Jiu Valley, a new post-industrial identity for a storied coal mining region, and they are counting on European Union funds to bring it to life.

As the initiator of Planeta Petrila Association, visual artist Barbu, 66, has spent years using cultural projects to promote the valley's mining heritage, trying to win protection for the abandoned homes of vanished miners, silent railroads and empty mines that were part of the lifeblood of the Jiu Valley for 150 years. Architect Danciu joined him in 2018 as the coordinator of cultural regeneration projects.

It has been an uphill fight, but they now see light at the end of the tunnel with the Jiu Valley set to benefit from billions of euros in funds promised by the EU to revitalise coal-dependent regions and lessen the blow from the bloc's goal of a transition to carbon neutrality by 2050, a project called 'Just Transition'.

Danciu, 31, only wishes it had happened sooner.

"Just Transition is a process that should have started 23 years ago," he told BIRN.

"Only now do we think of it as something serious, something that needs to be done, when the valley is half empty. It's a pity we lost so much time."

## 'Great potential'

A remote cluster of six mining towns and surrounding villages, the Jiu Valley holds a special place in the history of coal mining in Central and Eastern Europe.

Coal mining in the valley dates back 150 years, but the industry boomed under the communist dictatorship of Nicolae Ceausescu, when over 100,000 Romanians flocked to its mines from poorer parts of the country under a second wave of industrialisation. Working conditions were precarious, accidents common and environmental damage extensive. In 1997, less than a decade after Ceausescu's execution and the fall of communism, a World Bank-imposed restructuring programme saw the mines start to close, with the loss of 90 per cent of jobs and 40 per cent of the population. Only four mines remain active today, employing barely 4,000 people. They too are slated to shut.

Alexandru Mustata, however, says it is not all gloom and doom.

A campaign coordinator at Bankwatch Romania, which works to prevent the negative environmental and social impact of public and private projects and is involved in energy transition in Central and Eastern Europe, said the civil society sector in the Jiu Valley gave cause for optimism.



"There is great potential and an active civil society in Jiu Valley and this is starting to show results," said Mustata, 29.

With the launch this year of the Just Transition Mechanism, part of the European Union's much-anticipated Green Deal, the valley has its eye on over 750 million euros of expected investment in Romania over the next seven years with the aim of creating new jobs. The entire fund across the bloc is worth 7.5 billion euros.

## 'Every small step a success'

Mustata began working with the Jiu Valley local community last year but was surprised that few people there knew that they were part of the Just Transition project.

The region was represented by Romania's central government during discussions in Brussels, but the local administration and civil society were unaware. So Bankwatch brought everyone to the same table and soon a direct line of communication was opened between Brussels and the valley.

In April 2019, the six mayors of Jiu Valley signed a memorandum on collaboration for the sustainable development of the valley and secured technical assistance from the EU's Platform for Coal Regions.

The valley remains in the early stages of a 'just transition'. "One cannot be too ambitious in the Jiu Valley," said Mustata, noting the lack of a national coal phase-out target as a major obstacle.

"In the absence of such a target, every small step towards just transition at the local level is a success," he said. "This includes getting people to collaborate, to learn about financial assistance or simply to write projects."

Other countries in Romania's neighbourhood are moving faster: Greece has committed to phase out coal by 2028, while Slovakia has given up plans for a new coal power plant and canvassed local opinion regarding development plans for the Upper Nitra coal region. In Romania, Bankwatch commissioned a report into the possible scenarios for sustainable development in Jiu Valley, focusing on one of the valley's main region – Hunedoara. The conclusion? Coal is history.

"If you keep pumping money into coal you will never see that money back," said Mustata. "The production cost at Hunedoara coal power complex is 110 euro per MWh, while the electricity is sold at half that price on the market. But state-owned coal producers have guaranteed access to the grid – that's how they are able to sell the electricity – which we believe it is state aid."

The Hunedoara mining complex has laid off 45,000 people over the past 20 years, and no



other sector of the economy has managed to compensate. The Bankwatch report, however, says thousands of jobs could be created by 2030 in agriculture, tourism, industry and services.

## 'Cultural periphery'

Danciu and Barbu, whose Planeta Petrila is one of 14 NGOs behind the valley's first civil platform, Valea Jiului Implicata, or Jiu Valley Involved, want to use abandoned mining infrastructure for new projects in an effort to revitalise the area.

Most famous for making 10,000 caricatures of former Romanian President Ion Iliescu, Barbu moved back to his hometown of Petrila in the Jiu Valley in the 2000s and began promoting the area as what he called a "cultural periphery", in answer to the EU's annual Capital of Culture initiative.

Barbu began by restoring the memorial house in Petrila of the philosopher and writer Ion D. Sîrbu, a former political prisoner of the communist regime, and went on to write poems on walls, scrawl graffiti on mining buildings and build the first contemporary art museum in the valley.

Barbu's overriding aim, however, was to save the Petrila mine by having its buildings listed as important heritage sites protected from demolition. The region's mining heritage remains officially unrecognised, however, and buildings are still being demolished.

Danciu and Barbu, however, believe such projects can help carve out a post-coal identity for the Jiu Valley, opening the door to new types of industries. One project that went down particularly well was a robotics club set in an abandoned mine; it was a hit with local teenagers and their parents.

The civic platform Jiu Valley Involved is part of the Just Transition discussions in the region. Danciu said he was convinced the 750 million euros earmarked for Romania would make its way to the Jiu Valley. He conceded that the cultural projects had enjoyed a mixed reception among local residents of the valley.

"It's normal," he said. "What's beautiful for people is to have well paid jobs."

Source: balkaninsight.com