The German Consensus on Coal

A long story short
Why does Germany phase out coal?

Germany presumably won’t make its 2020 climate target.

Energy-related CO2-emissions

Source: Federal Ministry of Economic Affairs and Energy based on Arbeitsgemeinschaft Energiebilanzen (AGEB); Umweltbundesamt (UBA)
How was the German Consensus on Coal achieved?

With a commission consisting of 31 members from different groups and little time.

Source: author’s own diagram
What’s next?

The content of the final report is now in the implementation process.

- Legislative package “Strengthening growth, structural change and employment”
  - Immediate action programs for structural aid, implementation acts and long term secure funding for structural development
  - Special financing programme for transport and traffic infrastructures
  - Federal funds for employment policy measures

- Legislative package “Coal phase-out bill”
  - Fixed phase-out for lignite-fired power plants with immediate compensation
  - Tenders for decommissioning hard coal power plants
  - Phase-out in 2038 can be moved up to 2035
What about the people?

A comprehensive package for the protection of employees and the involvement of trade unions will take care of them.

- No business-related lay-offs in mining and power plants
- Compensation of lost wages and pension deductions
- Adjustment allowance as a bridge to retirement for older employees
- Participation of trade unions / co-decision bodies accompanying collective bargaining agreements
- Participation of trade unions in regional institutions
- Social partners are provided with adequate resources and funds
So far, so good?

- Reasonable comprehensive package
- Acceptable path to politically desired end of coal-fired power generation
- But: no simple shutdown logic
- Increases consistency of the energy transition
- Climate goals in the energy sector are met
- Adequate social protection creates security for employees
- Active shaping of the structural change creates new perspectives
- Compensation of electricity price increases maintains competitiveness
Next stop: Just Transition!

CLIMATE, ENERGY, MOBILITY – SHAPING A JUST TRANSITION

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- Strengthening Decent Work, collective bargaining and co-determination
- Actively supporting regional economic structures and industries
- Tackling climate change and offering prospects to employees worldwide
- Shaping climate policies and structural change in cooperation with politicians, trade unions and companies
- Investing in climate protection in the areas of energy, buildings, mobility and production
- Distributing costs fairly and making energy and mobility affordable
- Advancing climate innovations in the workplace in cooperation with employees
- Training employees and developing forward-looking personnel concepts

The German Consensus on Coal – a long story short, Patrizia Kraft, DGB, 20.02.2020
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