

JOINT LETTER



GEOTECHNICAL CHAMBER OF GREECE / WESTERN MACEDONIA BRANCH
2 Pandoras St. / 50100 Kozani / Tel. 24610-26443 / Email: geoteedm@gmail.com



ECONOMIC CHAMBER OF GREECE / 5th REG. DEPARTMENT OF WESTERN MACEDONIA
6 Kostis Palamas St. / 50132 Kozani / Tel. 24610-27783 / Email: oe5pt@oe-e.gr



TECHNICAL CHAMBER OF GREECE / WESTERN MACEDONIA DEPARTMENT
3 Bousiou & Estias St. / 50100 Kozani / Tel. 24610-30103 / Email: tee_koz@tee.gr

Ref. No. GEOT.E.E./WMB: 400/02-07-2026
Ref. No. E.C.G./5th R.D.W.M.: 88/02-07-2026
Ref. No. T.C.G./W.M. Department: 483/02-07-2026

TO:

European Commission Office of the Commissioner for Cohesion and Reforms
European Commission – Directorate-General for Regional and Urban Policy (DG REGIO)
European Parliament (Attn. Greek Members of the European Parliament)
European Committee of the Regions
European Economic and Social Committee (EESC)

CC:

Prime Minister of the Hellenic Republic
Minister of Development
Minister of National Economy and Finance
Managing Authority of Just Development Transition (EYDAM)
Regional Governor of Western Macedonia
Members of Parliament for the Regional Unit of Western Macedonia

SUBJECT: Just Transition in Western Macedonia: Divergence Between Objectives and Outcomes – Proposals for Revising the Policy Design and Its Implementation

Dear Sir or Madam,

Western Macedonia was led into lignite phase-out with the explicit promise that the transition to the post-lignite era would be fair, well-organized, economically sustainable and effective, capable of safeguarding social cohesion and gradually offsetting the losses that withdrawal from lignite would cause.

The Scientific Chambers of Western Macedonia, as institutional representatives of the region's technical, economic, and productive potential, are closely monitoring the progress of the transition and, through evidence-based interventions, are working to ensure that this process does not become a mechanism of disinvestment, but rather a tool for economic restructuring.

For decades, Western Macedonia served as the country's energy backbone, bearing a disproportionate economic, social, and environmental burden. Consequently, the transition cannot be treated as a simple energy adjustment, but as a profound structural change for a

region that has endured much hardship, one that requires robust planning, binding resources, clear timetables, and measurable results in the real economy.

The Scientific Chambers of Western Macedonia and the local community are not vaguely or generally opposed to the green transition and energy transformation. **We are, however, categorically opposed to a transition implemented in a manner that is unjust and destructive to our region, one that turns an environmental restoration into the social and economic collapse of the area.**

Despite the mobilization of significant European and national resources under the Just Transition Mechanism and the Just Development Transition Programme (PDAM), **the assessment of progress to date reveals a continuously widening gap between initial expectations and tangible results.** The region faces an across-the-board decline in its development indicators, vividly reflected in a series of critical metrics that directly threaten its social and productive cohesion.

At the same time, it has become clear that the Just Development Transition Program (PDAM), presented back in 2019 as the principal financial instrument for supporting the region, is on its own incapable of reversing the deep economic, productive, and demographic effects of lignite phase-out.

According to the Program's official progress data, out of total public funding of €1.61 billion, legal commitments stand at 45.1%, while expenditures certified for payment amount to just 9.36% of the budget. These figures show that implementation of the Program remains at an early stage in terms of its actual economic footprint (actual financial implementation) and has not, to date, translated into development outcomes commensurate with the scale of the losses already recorded in the region.

Furthermore, a serious structural distortion is evident, as a significant share of available resources is tied up in training, advisory, employment, technical assistance, and other supporting interventions. At the same time, although the number of approved entrepreneurship projects appears numerically significant, analysis of the data shows that the overwhelming majority of approved business plans concern exclusively very small and small enterprises, while large-scale industrial investments remain extremely limited. Mobilizing small entrepreneurship is positive and necessary, but it is by no means sufficient to offset the loss of thousands of direct and indirect jobs linked to lignite activity, nor can it substantially alter the size of the regional economy.

By contrast, the decisive interventions needed to establish new large-scale productive activities, the kind capable of creating a stable employment base, remain dramatically limited.

It is therefore clear that building a new development model for Western Macedonia cannot rely solely on the passive management of the transition's consequences. On the contrary, it requires the active attraction of strong industrial, manufacturing, technological, and research

investments, the only kind capable of generating the critical mass of permanent employment and new local value added that is needed.

Yet even with full implementation of the Program, Western Macedonia continues to face a challenge far larger than the scope of any single funding program. Reversing population decline, creating new quality jobs, and restoring the region's productive base require a broader national and European plan for economic restructuring, including special investment, tax, and institutional incentives, as well as the siting of strategic public and private investments of national and European significance in Western Macedonia.

Moreover, the experience of other European transition regions demonstrates that financial instruments work effectively only when accompanied by active public policies for siting strategic investments, special tax and development incentives, decentralization of public functions, and targeted measures to locate new productive activities. Western Macedonia needs equivalent initiatives of national scope.

The available Hellenic Statistical Authority (ELSTAT) data illustrate with absolute clarity the structural deterioration recorded in Western Macedonia during the transition period. Specifically:

1. The Region's population recorded a decrease of -10.3% over the period 2016–2025, falling from 271,000 to 243,000 inhabitants, reflecting continuous demographic decline with no sign of reversal.
2. Population density fell by -10.4% over the period 2015–2024, making Western Macedonia now the most sparsely populated Region in the country and one of the most sparsely populated areas in Europe.
3. The population's age structure shows pronounced aging, as the largest population group is now people aged over 75, evidence of demographic weakening and low population renewal.
4. The labor force declined by -8.4% over the period 2016–2022, reflecting the shrinking of the economically active population and the continuous loss of human capital.
5. The unemployment rate remained at 15.3% in 2025, compared with the national average of 8.9%, keeping Western Macedonia at the highest unemployment level nationwide. Moreover, in 2024–2025 it increased, in contrast to the decrease recorded at the national level.
6. The Region's Gross Value Added (GVA) decreased by -21.8% over the period 2015–2023, while at the national level it increased by +26.2%, a sharp divergence from the national growth trajectory.
7. The Region's share of national GVA fell from 2.7% in 2015 to 1.8% in 2023, reflecting the gradual weakening of Western Macedonia's contribution to the national economy.
8. GVA per employed person fell by -9.8%, from €46,570 to €37,330, reflecting a decline in labour productivity in the region.

9. GDP per capita decreased by -9.6% over the period 2015–2023, while nationally it increased by +31.4%, making Western Macedonia the only Region with such a sharply negative change.

These figures are not merely statistical fluctuations; they vividly reflect a continuous weakening of the region's productive and social fabric throughout the implementation of the transition. We are experiencing a serious developmental distortion: a significant share of interventions continues to be absorbed by supporting actions, while—despite repeated promises, large productive infrastructure and flagship industrial investments remain entirely absent from our region.

The regional economy cannot possibly be saved through fragmented micro-grants to very small enterprises alone. Without a strong industrial and manufacturing base, local small and medium-sized enterprises are doomed to wither. Mobilizing small entrepreneurship acquires real developmental meaning only when it functions complementarily, as an organic part and local supplier of large, integrated productive value chains.

In this light, the three Scientific Chambers of Western Macedonia are putting forward a unified set of positions and demands, aimed at the immediate repositioning of the Just Transition on the basis of measurable results, social cohesion, and substantive productive reconstruction.

For this reason, we propose and demand the following interventions:

1. **Evaluation of the Just Transition in Western Macedonia**, with a full assessment of social, economic, and demographic indicators that does not stop at resource absorption rates but focuses primarily on the impact on the real economy (jobs, income, local added value, demographic trends).
2. **Linking funding to permanent, sustainable, and quality jobs**. Revision of the Just Transition Fund (JTF) rules so that every subsidy is mandatorily linked to commitments for creating stable jobs, ensuring quality employment, and retaining population in the region.
3. **Establishment of a European Social and Demographic Impact Clause**. Incorporation of a mandatory clause for all Transition funding, with binding performance indicators. European and national mechanisms should strictly verify that subsidized jobs are permanent, fairly paid, and covered by collective agreements, providing for clawback clauses or repayment of funds in the event that targets are not met.
4. **Targeted support for large investments and integration of SMEs**. Absolute prioritization and provision of strong incentives—including special tax relief, development incentives, and subsidies for social security contributions through special European state-aid schemes—for productive investments in industrial reconstruction, manufacturing, and energy technologies. Support for local SMEs must be explicitly linked to these large investments, with SMEs functioning as local suppliers within integrated value chains, so as to put an end to the inefficient horizontal dispersal of small-scale funding.

5. **Emergency funding for the Primary Sector and Agri-Food from CAP resources.** Use of rehabilitated former lignite-mining land to create modern agri-food infrastructure, funding projects that connect local agricultural production with processing, standardization, research, and exports, thereby securing permanent jobs in rural areas. Additional resources from the national Common Agricultural Policy package should be allocated exclusively to the economic restructuring of the agri-food sector of the Region of Western Macedonia.
6. **Mandatory local socio-economic benefit:** Ensuring that all energy and industrial investments carried out in the region are accompanied by mandatory local economic returns, the binding participation of the local economic supply chain, and a clear, measurable socio-economic footprint for the citizens of Western Macedonia.
7. **Redesign of the post-2027 transition phase** based on the actual results of the first implementation period, rather than solely on the original theoretical planning. Given that, in the next programming period, European funds will be consolidated and there will no longer be a separate, standalone Just Development Transition Program (PDAM), we demand the full and distinct integration of the specific needs of Western Macedonia into the forthcoming National and Regional Partnership Plans (NRPP), which will constitute the integrated framework for the next programming period.

We consider it indispensable that an explicit clause be included to secure and “earmark” specific funding (earmarked funding) within the NRPP, exclusively for the continuation and completion of our region’s just transition, ensuring stability and the planned flow of funding.

8. **Immediate relocation and establishment in Western Macedonia of the core administrative, technical, and support structures linked to the Just Transition, such as the Managing Authority of Just Development Transition (EYDAM) and METABASI S.A.** Locating these structures outside the area where the transition is being implemented runs entirely counter to the principle of spatial justice that should govern it.

As a result, a significant share of the administrative and operational expenditure associated with the governance of the Just Transition, including salaries, payroll, remuneration of Board members and senior executives, office leases, support services, procurement, and contracts with external providers, is generated outside Western Macedonia. Consequently, the economic value created through the management of the Just Transition is transferred to Attica instead of remaining in the region that bears the economic and social costs of lignite phase-out, without generating any demonstrable administrative or operational benefit for the implementation of the transition itself.

This arrangement deprives Western Macedonia of income, employment, and value added that should, by the very principles of the Just Transition, be generated within the region itself.

Seven (7) years since the implementation of lignite phase-out began is more than enough time for tangible results to have emerged. It is difficult to justify the absence of any positive change in employment and the real economy, raising serious concerns regarding the effectiveness of the policy framework established and overseen by the European Union.

In closing, we stress that it is neither morally nor historically acceptable for Western Macedonia, the region that for decades carried on its shoulders the energy and industrial survival of the whole of Greece, to be transformed today, in the name of a “just” transition, into one of the most disadvantaged and economically weakened regions of the European Union.

Such a development stands in direct and total contradiction to the European Union’s own founding principles: the principle of solidarity with affected regions, the principle of reciprocity for our region’s historic contribution, and the very goal of economic and social cohesion.

The reality experienced by our citizens is no longer reflected merely in statistical figures, but in the harsh realities of everyday life, with villages being depopulated, young scientists emigrating en masse, and an economy under severe strain.

The time for theoretical planning, promises, and bureaucratic delays ran out long ago. Unless an immediate, decisive and comprehensive activation of all European and national mechanisms takes place now, the destruction of our region’s social and productive fabric will become irreversible. **The European Commission and the Greek State must shoulder their historic responsibilities before it is too late for our region.**

Western Macedonia represents one of the most important tests of the European Just Transition policy. The success or failure of the transition in our region concerns not only the citizens of Western Macedonia, but also the credibility of the European Union itself as a guarantor of a fair, balanced and socially sustainable transition for all European regions. The success of the European Just Transition policy will ultimately be judged in the real economy.

We request your immediate response and a substantive, evidence-based evaluation of the implementation of the Just Transition in Western Macedonia, based on the actual indicators of employment, productive activity, and demographic developments in the region.

Yours sincerely,

**For and on behalf of the
Executive Board of the
GEOTECHNICAL CHAMBER OF
GREECE – W.M.B.
the President**

THEODOROS SIOGKAS
02/07/2026 15:13

Theodore G. Siogkas

**For and on behalf of the
Executive Board of the
ECONOMIC CHAMBER OF
GREECE - 5th R.D.W.M.
the President**

EVANGELOS
LIAKOS

Digitally signed by
EVANGELOS LIAKOS
Date: 2026.07.02 19:06:56
+03'00'

Evangelos D. Liakos

**For and on behalf of the
Executive Board of the
TECHNICAL CHAMBER OF
GREECE – W.M.D.
the President**

STERGIO
S KIANAS

Digitally signed by STERGIOS KIANAS
DN: cn=STERGIOS KIANAS,
gn=STERGIOS, o=TEE
Reason: I agree to the terms defined by
the placement of my signature in this
document
Location:
Date: 2026-07-02 09:07+03:00

Stergios M. Kianas