

Just Transition Platform – Policy approach: ALENTEJO GREEN DEAL

Portugal, Alentejo

This document is part of a series presenting information and lessons learned on policy approaches at national, regional or local level supporting a just transition to a climate-neutral economy. The Just Transition Platform (JTP) assists EU Member States and regions to unlock the support in this transition. Visit the JTP website: https://ec.europa.eu/regional_policy/funding/just-transition-neutral

Member State: Portugal Region: Alentejo Sector: All sectors

Summary

The Alentejo Green Deal is a proposed bottom-up policy approach, originating from the Alentejo Europe Initiative and promoted by the Alentejo Regional Development Agency, that suggests how the region could strategically implement the initiatives under the European Green Deal (EGD) in a way that aligns with the regional priorities and strategies. The approach promotes the mobilisation of research and innovation (R&I) to foster the region's transition towards a more sustainable, just, and economically secure future. This involves building up the commitment of local and regional actors, including administrations, citizens, workers, local authorities, civil society, and industry, as 'agents of change' to accelerate the transition and further economic growth and socio-economic development.

This proposed approach is designed in a way that could serve to support the implementation of the region's smart specialisation strategy's (S3) strategic priorities and the ambitions of Alentejo's Climate Potential for 2030 and 2050 action plan. By developing region-specific priorities and actions, it seeks to build on and complement existing efforts to ensure their maximum effectiveness in the region. Given the rural characteristic of the region, this proposal has been developed to respond to the region's challenges and needs related to the EGD, with a specific focus on employment and training, financing, and communication to ensure all citizens are aware of and can contribute to the realisation of this sustainable transition.

Regional and Urban <u>Policy</u>

Type of policy measure/activities:

This proposed policy approach would aim to bring the EGD to the regional level, through the harmonisation of the region's S3 and its action plan to achieve carbon neutrality. It includes regionalising the 11 thematic areas of the EGD (biodiversity; From Farm to Fork; sustainable agriculture; clean energy; sustainable industry; building and renovating; sustainable mobility; eliminating pollution; and climate action) with five cross-cutting objectives: capacitation and training; social dimension; financial instruments; relationship with the European Structural Funds; and communication. Building on these objectives are a series of suggested activities that could be carried out in support of this policy if it were to be adopted. These proposed activities include:

- development and implementation of a communication plan for carbon neutrality;
- promotion of the implementation of the action plan for Alentejo's Climate Potential for 2030 and 2050;
- creation of a network of leaders for carbon neutrality;
- creation and provision of a digital support tool;
- elaboration and implementation of a training and capacitybuilding plan for carbon neutrality;
- information and promotion of investment opportunities;
- provision of an investment support guide.

Goals and approach:

This type of approach is aimed at bringing about a just and sustainable societal transition in the region aimed at 'leaving no one behind' through the harmonisation of regional level policies. Its integrated design is intended to contribute to the overarching goal of transforming the region into one that is fairer and more prosperous, with a resource-efficient and competitive economy where resources are decoupled from economic growth and that will achieve zero greenhouse gas emissions by 2030.

The central element in its design is to focus on the needs of the region, by building on existing initiatives and priorities to jump-start the environmental, social, and economic transformations required for a green transition.

The transversal objectives of this approach were strategically selected to maximise the impact of this policy tool and minimise the contexts in which work would have to start from scratch, choosing instead to build upon existing ideas, activities, and policies on smart specialisation and climate action.

By building on and connecting to existing policies, this approach can utilise existing networks and awareness as a catalyst for the dissemination and communication activities.

Scalability¹ and transferability²:

The concept and ambition of implementing a European policy such as the EGD at the regional level lends itself to be transferred to other regions and possibly also in response to other European-level policies. This example of what a regional green deal could resemble is unique to the needs and context of the Alentejo region. Therefore, other regions must design their approach based on their regional context. Given the nature of this approach of building on existing policies and initiatives, a region could choose its starting point and shape its regional green deal to align with its existing priorities. Similarly, with this proposed approach's design to develop cross-cutting objectives, these can be selected by a region based on their context, needs, and priorities.

As this policy tool is designed to propose how to regionalise the EGD, it does not lend itself so easily when applied on a larger scale, given that it involves the integration of other policies specifically focused on the regional level. However, adopting a similar approach at the national level could be done if it incorporates national-level policies and priorities. Similarly, it could also be adopted at the local level by reframing to that context, although the existence of regional S3 make it the most likely level for it to be transferrable to.

¹ Scalability entails that a policy approach can be adapted to a bigger scale than just the local context.

² Transferability entails that a policy approach can be applicable to a similar setting and replicated.

Key success factors and lessons learnt:

A defining aspect of this suggested approach is its specific focus on addressing the needs of the region through its integrated approach. It goes beyond relating the 11 thematic areas of the EGD, by putting forward five transversal objectives that could ensure targeted, regionspecific action. The aims of these objectives are:

- Capacity-building and training support for the workforce through training, skills upgrading, and mobility across sectors, with a particular focus on those from declining sectors.
- The social dimension provides information and promotes retraining and job opportunities in new and growing economic sectors, particularly for the most disadvantaged groups.
- Financial instruments bring together citizens with all relevant actors, stakeholders, institutions, and advisory bodies to ensure the necessary investment capacity.
- Relationship with European Structural Funds involves strategically maximising and supporting the potential of these funds.
- Communication encompasses disseminating information, organising events related to information sharing and training, and increasing promotion and awareness of the EGD and Alentejo Green Deal and their related activities and impact in the region.

Key challenges:

The region's socio-economic context, including the long-term trends of a declining population and increasing unemployment, poses challenges to the region's efforts towards a more just and sustainable future. Ensuring the creation of job opportunities, in particular in the areas of the region's S3, will be key. A sufficient number of job opportunities are needed to not only retain the current population but to also encourage relocation to the region. Boosting and enabling steady growth in the region's economy will be a necessary element to realise this approach.

Central framework conditions³:

Alentejo is the largest region in Portugal, covering one third of the country's territory, with a total area of 31 605 km2. With a population of 705 410, the region has a low-density population and is classified as rural, with most of the population concentrated in small, urban centres scattered across the region.

Over the past decades, the region has seen a decline in population, attributed in large part to fewer job opportunities, particularly in the agricultural sector, as inhabitants emigrate to other regions and countries in search of employment opportunities. R&I and research and development initiatives across the region, notably the automotive <u>and electronic component</u> industries, are contributing to the region's

emerging economy and increase in employment rate, GDP per capita, and acceleration of population density.

The region is also the location of a coal-fired power plant, in Alentejo Litoral, which closed towards the end of 2021. This sub-region of Alentejo is receiving support from the Just Transition Fund (JTF) focused on economic diversification and boosting socio-economic development, support to training and reskilling/upskilling of workers and sustainable local mobility.

Outlook:

This suggested policy approach was intended to propose a way in which the region could look to align a European policy at the regional level, while tying it in with other policies, priorities, and needs of the region. Its conceptualisation of an interconnected design and concrete objectives suggest an innovative approach to how the EGD could be implemented at the regional level. The needs, priorities, and specific context of the region and its rural nature define the shape of this potential policy tool. While it has not been adopted as a policy, it remains a source of inspiration for other regions on how European policies can be integrated at the regional level in a manner that adapts and integrates them into the existing policy and socio-economic context of the region..

3 Framework conditions encompass the institutional, informational and socio-economic factors that determine a given environment (contextual information), e.g. market conditions, access to finance, tax regulation, infrastructure and support.

Sources:

Website:

Regional contacts:

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