

JUST TRANSITION PLATFORM MEETING

COAL REGIONS IN TRANSITION VIRTUAL WEEK

CARBON-INTENSIVE REGIONS SEMINARS

15 - 17 NOVEMBER 2021





Update:

Preparation of territorial just transition plans

Dr **Sander Happaerts**DG REGIO, Smart and Sustainable Growth Unit

4th Just Transition Platform meeting, 16 November 2021



Just Transition Mechanism

to support regions most affected by the climate transition in all Member States

Just Transition Fund

EUR 19.2 billion

Provides primarily grants

InvestEU
Dedicated Just
Transition
Scheme

EUR 10-15 billion (est.)

Crowds in private investment

Public sector loan facility with the EIB

EUR 18.5 billion (est.)

Leverages public financing

Territorial just transition plans give access to all 3 pillars



Programming overview

- Around 70 TJTPs expected in total (linked to 40+ programmes)
 - > Self-standing or multi-fund programmes
 - > National or regional programmes
 - ➤ One or several TJTPs per programme
- 4 TJTPs formally submitted and under assessment, from 2 MS (October 2021)
- Most TJTPs expected Q1-Q2 2022
- Overall delay in cohesion policy programming





Lessons learnt from ongoing dialogue

Strengths

- Impressive investment by local actors and public administrations
- Ambitious visions for climate-neutral future of affected regions
- Transition pathways for carbon-intensive regions

Weaknesses

- Planning of transition process is incomplete in some cases
- 'ERDF+' rather than focus on most negative impacts of the transition
- Needs for (re)skilling are underdeveloped
- Lack of justification to support investment in large enterprises or ETS activities
- Complementarities with JTM pillars 2 and 3 are missing
- All relevant stakeholders are not always involved





Eligibility of JTF territories

- Focus on the territories facing the biggest challenges at MS level in the transition to climate neutrality
- NUTS3 regions (or parts thereof)
- Territories have to justify:
 - Dependence on fossil fuels and/or on carbon-intensive industrial activities
 - Negative effect based on the economic and social impacts resulting from the transition

"[The transition] will be particularly demanding for those Member States that rely, or which until recently have relied, heavily on fossil fuels or greenhouse gas intensive industrial activities which need to be phased out or which need to adapt"

(Recital 8 JTF)



Transition process

- TJTP should describe transition process at national level:
 - Timeline for key transition steps towards the 2030 and 2050 targets
 - Consistent with national energy and climate plans (NECP) and National Long-Term Strategies
 - National commitment to climate neutrality (EU Climate Law)
- TJTP should demonstrate clear evidence of a transition process and its impact at the level of the concerned territory in the near future (by 2030 or before)

'The JTF support should be conditional on the effective implementation of a transition process in a specific territory' (Recital 18 JTF)



Impacts of the transition

- Social impacts:
 - Unemployment, need for (re)skilling
- **Economic** impacts:
 - Closure of sites, aligning economic competitiveness with climate transition
- Demographic impacts:
 - ➤ No future for youth, occupational diseases
- Environmental impacts:
 - Derelict land, contamination of soil and water, health risks





Operations to be supported

Priority: reskilling and economic diversification

Other eligible activities (renewable energy, sustainable local mobility, digitalisation, soil regeneration, circular economy, social infrastructure, etc.) if they contribute to mitigating the impacts of the transition

+ technical assistance

All activities must be linked to the JTF Specific Objective, contribute to the implementation of the TJTP and benefit the TJTP territories

'actions supported by the JTF should directly contribute to alleviating the impact of the transition by mitigating the negative repercussions on employment and by financing the diversification and modernisation of the local economy'

(Recital 5 JTF)



Complementarities

- JTM Pillar 2: dedicated Just Transition Scheme under InvestEU to crowd in private investment
- JTM Pillar 3: Public Sector Loan Facility to leverage additional public funding
- Other EU funds:
 - **ERDF**, **Cohesion Fund**, e.g. for technology deployment and infrastructure
 - ESF+, e.g. for green skills and green jobs
 - Recovery and Resilience Facility to support the recovery from COVID-19
 - Other, e.g. Connecting Europe Facility, LIFE programme, Horizon Europe, Digital Europe Programme, Research Fund for Coal and Steel, EU ETS Innovation Fund, Modernisation Fund

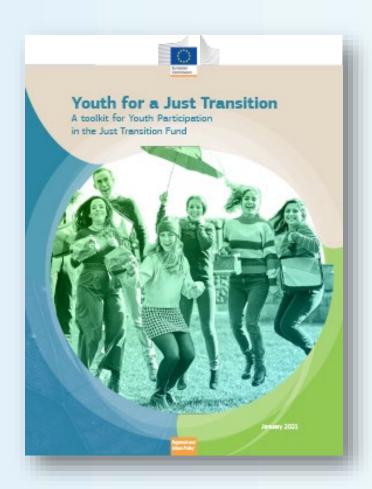




Partnership

The involvement and commitment of the public is crucial to the success of the JTF:

- Partnership principle of cohesion policy
- Regional and local authorities, economic and social partners, civil society and research institutions and universities should be involved
- Important role of youth
- Gender equality should be promoted and vulnerable groups considered





Staff Working Document on the territorial just transition plans

SWD(2021) 275 final, 23 September 2021, europa.eu/!3dXj7h

The SWD aims to clarify key issues for the preparation of the TJTPs and the programming of the JTF, in particular:

- Strategic context at EU level
- Eligibility of territories
- Transition process and challenges to be addressed
- Types of operations to be supported
- Programming
- Partnership
- Complementarities



Translations are available!



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Visit the Just Transition Platform: ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/finance-and-green-deal/just-transition-mechanism/just-transition-platform_en

Read the Staff Working Document on TJTPs:
ec.europa.eu/regional_policy/sources/thefunds/jtf/swd_territ_just_trans_plan_
en.pdf



Lessons from technical support on the Territorial Just Transition Plans

Just Transition Platform, 16 November 2021

Kaspar Richter

DG REFORM, Head of Unit "Sustainable Growth and Business Environment"

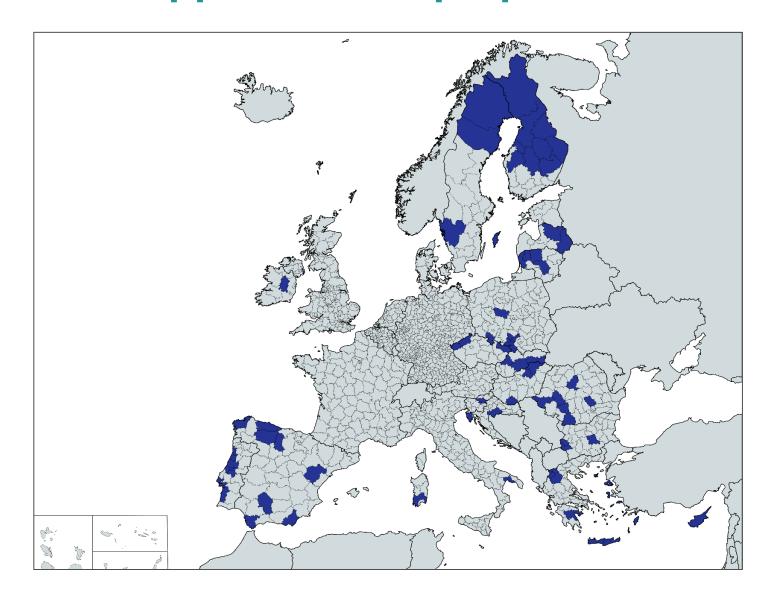
The Technical Support Instrument (TSI)

- Tailor-made technical expertise to EU Member States to design and implement reforms
- Demand driven support, no co-financing from Member States
- **€ 864 million** for the period 2021-2027¹
- More than 1000 projects in 27 Member States
- Wide range of reform areas covered by the technical support
- Any reform phase, from design to implementation and evaluation



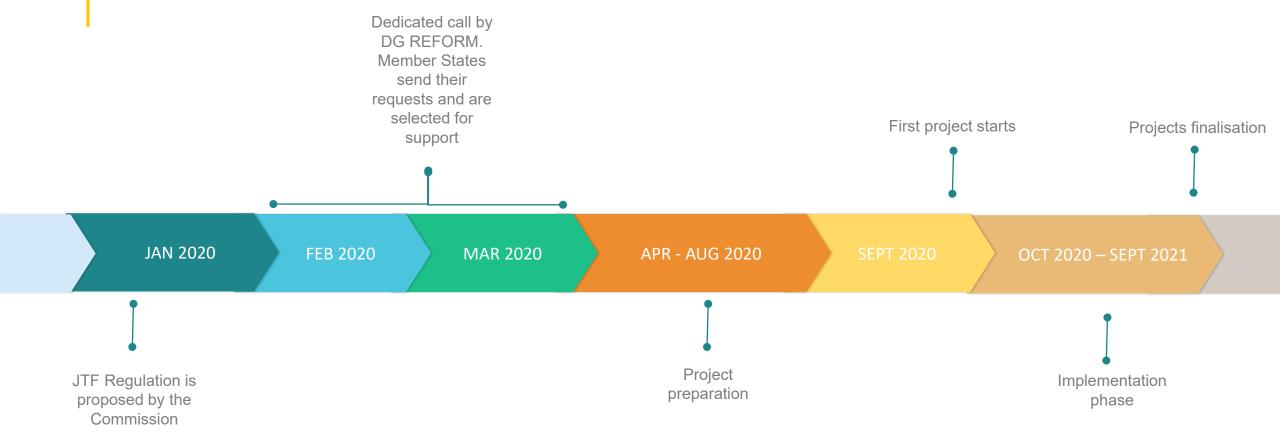


Technical support for the preparation of TJTPs

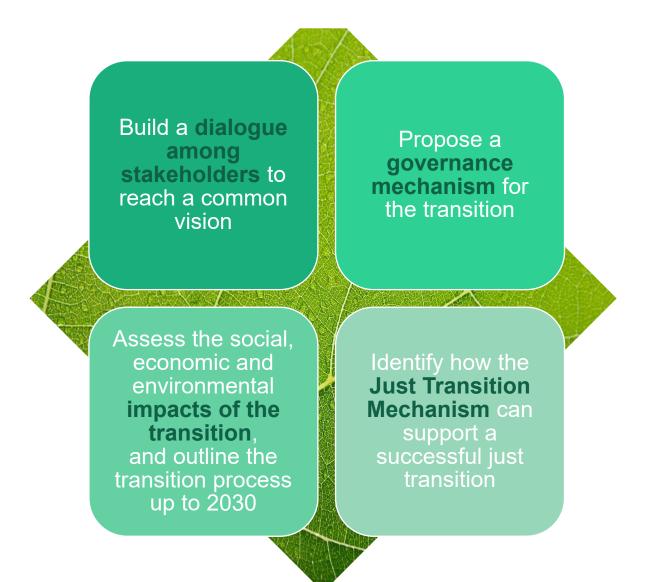


by DG REFORM's technical support

Timeline of the technical support

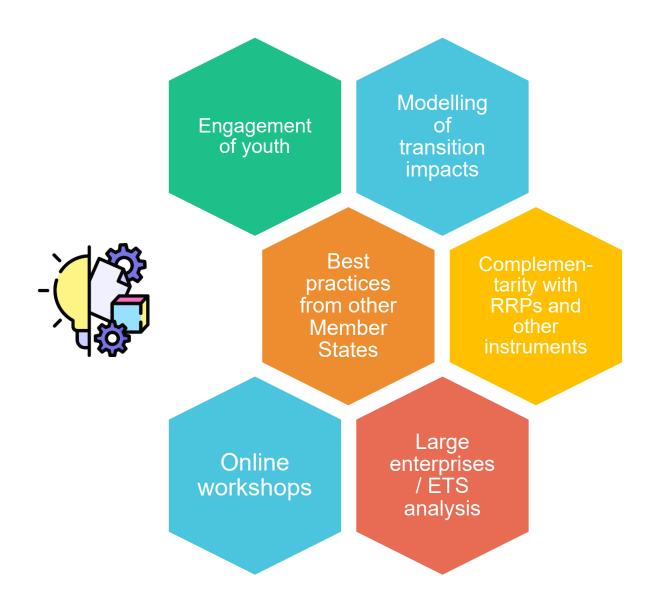


Content of the technical support



European Commission

A tailor-made approach





A support built on previous experience

- Action Plan for the transition from coal of Upper Nitra
- Rehabilitation of mining land and assets

Slovakia



 Roadmap for the transition from coal of Western Macedonia

Greece



 Strategy and action plan for the transition from coal of the Jiu Valley

Romania

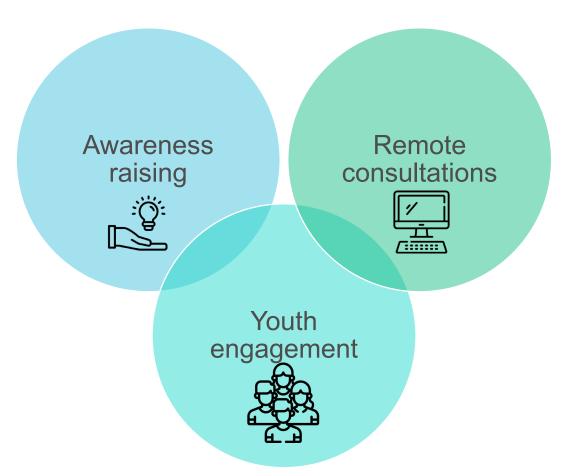
Transition from coal of Asturias

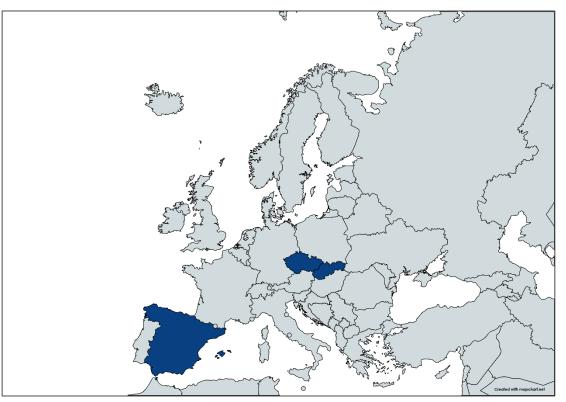
Spain





Lessons learned – stakeholders engagement







Lessons learned – preparing for a just transition



A clear transition pathway



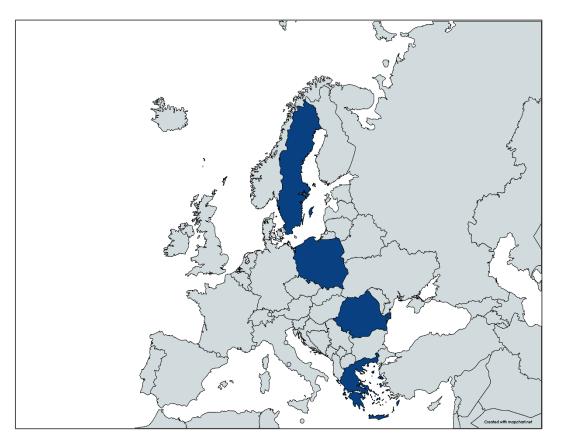
Strong cooperation between levels of government



Logic of intervention



Managing implementation risks





Conclusion

- The technical support provided the evidence base for the preparation of the TJTPs
- Finalisation and submission of the TJTPs is now up to the Member States
- Technical support for the implementation of the Just Transition: Flagship for TSI 2022
- Support to National Promotional Banks for Pillar 2 under the JTM
- Other specific needs on the implementation of the JTM
- Just transition in regions and sectors not covered by the JTM



European Commission

Thank you







JUST TRANSITION SLOVAKIA





November 14, 2021

PETER BALIK, Director-General

Innovation, Strategic Investments and Analysis (HUB)

Ministry of Investments, Regional Development and Informatization of the Slovak Republic

TERRITORIAL COVERAGE – JTF SLOVAKIA

✓ Upper Nitra region - *eligible*

✓ Košice region - *eligible*

Banská Bystrica region
- pending approval

X Bratislava region - not eligible

459 milion €



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 CO_2

PILLAR STRUCTURE OF JTF SUPPORT IN SLOVAKIA



- I. Economic diversification
 - SMEs
 - Digitalization
 - RDI
 - innovative jobs



- II. Sustainable environment:
 - Renewable energy
 - Hydrogen
 - Energy efficiency
 Circular economy



- III. Quality of life and social infrastructure:
 - Upskilling and reskilling
 - Social care
 - Young talents
 - Improving health



PARTICIPATORY PROCESS - ACTORS





INVOLVEMENT OF YOUTH INTO PREPARATION OF TJTP

- The aim is to actively **involve the young generation**, which is the future of these regions, in the **proposal of priorities and needs**. In addition, it is the young people who will bear the greatest impact of the consequences of the transformation and the negative effects of climate change.
- **Continuous process of work with youth** in the preparation and later in the implementation of specific measures and projects (workshops, information seminars, etc.).
- Support for specific projects for young people, for example by providing small grants for young people to support social projects in their local community to improve attractiveness of the region.



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THANK YOU FOR YOUR ATTENTION!