

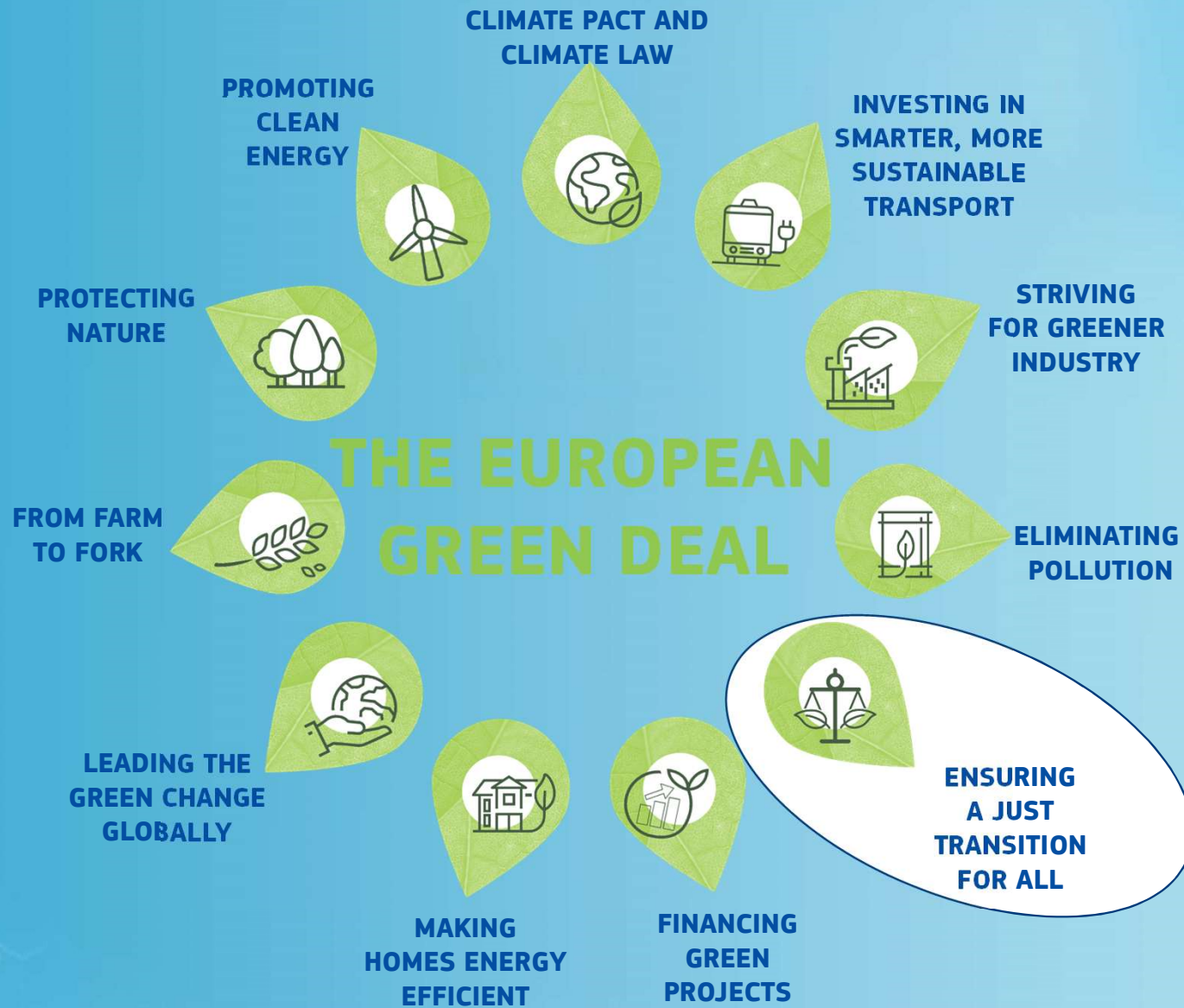


# Update on Territorial Just Transition Plans for funding under the Just Transition Mechanism

Dr **Sander Happaerts**

European Commission, DG REGIO, Smart and Sustainable Growth Unit

TRACER webinar 'Opportunities for coal regions under the JTM', 1 April 2022







# Cohesion policy in the European Green Deal



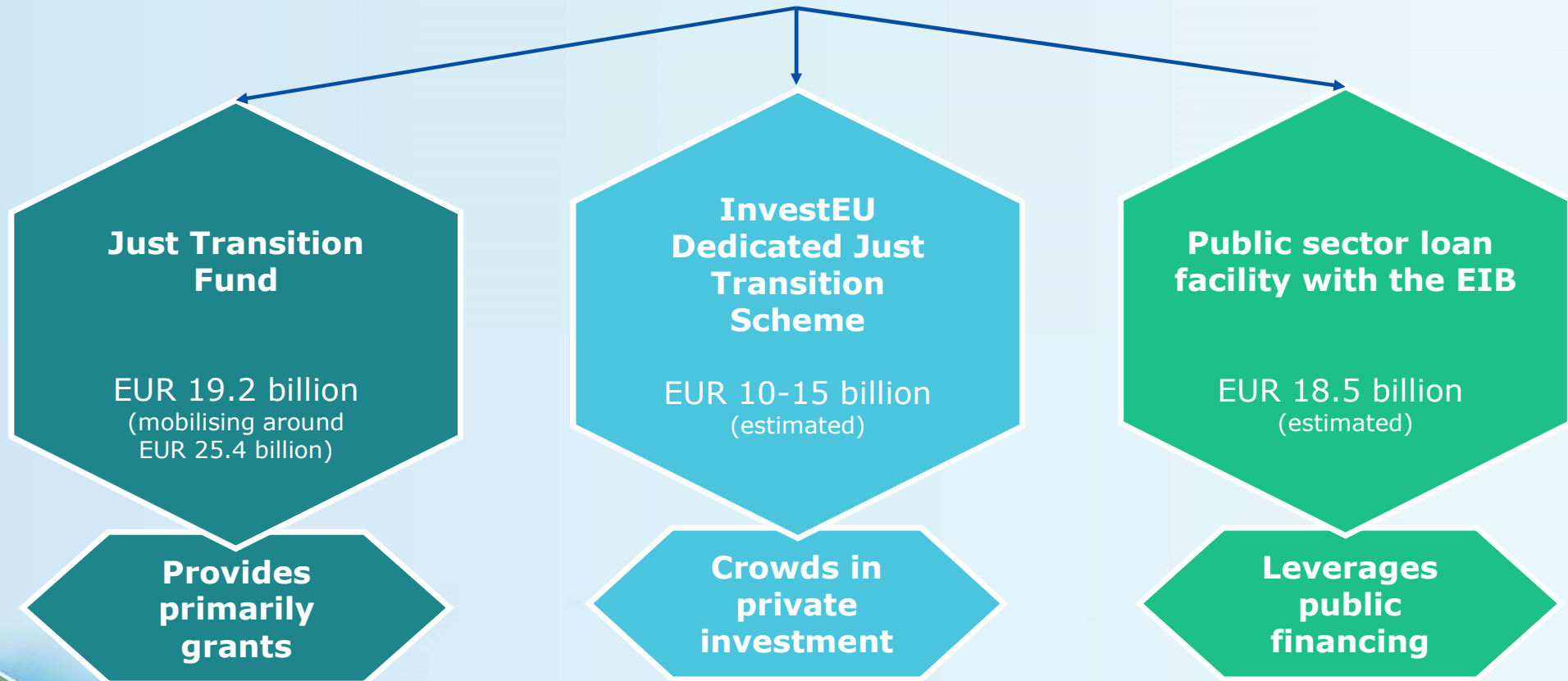
*'Cohesion Funds play a crucial role in supporting our regions and rural areas from East to West, from South to North to keep up with the transformations of our world. In this transition, **we must recognise and respect that we do not all start from the same point.** We all share the same ambition but some may need more tailored support than others to get there.'*

**EUR 392 billion** in 2021-2027 (ERDF, CF, JTF, ESF+) to:

-  Invest in place-based innovation and smart economic transformation
-  Deploy technological and social innovation on a large scale
-  Facilitate phase-out of unsustainable practices
-  Ensure a just transition for all regions

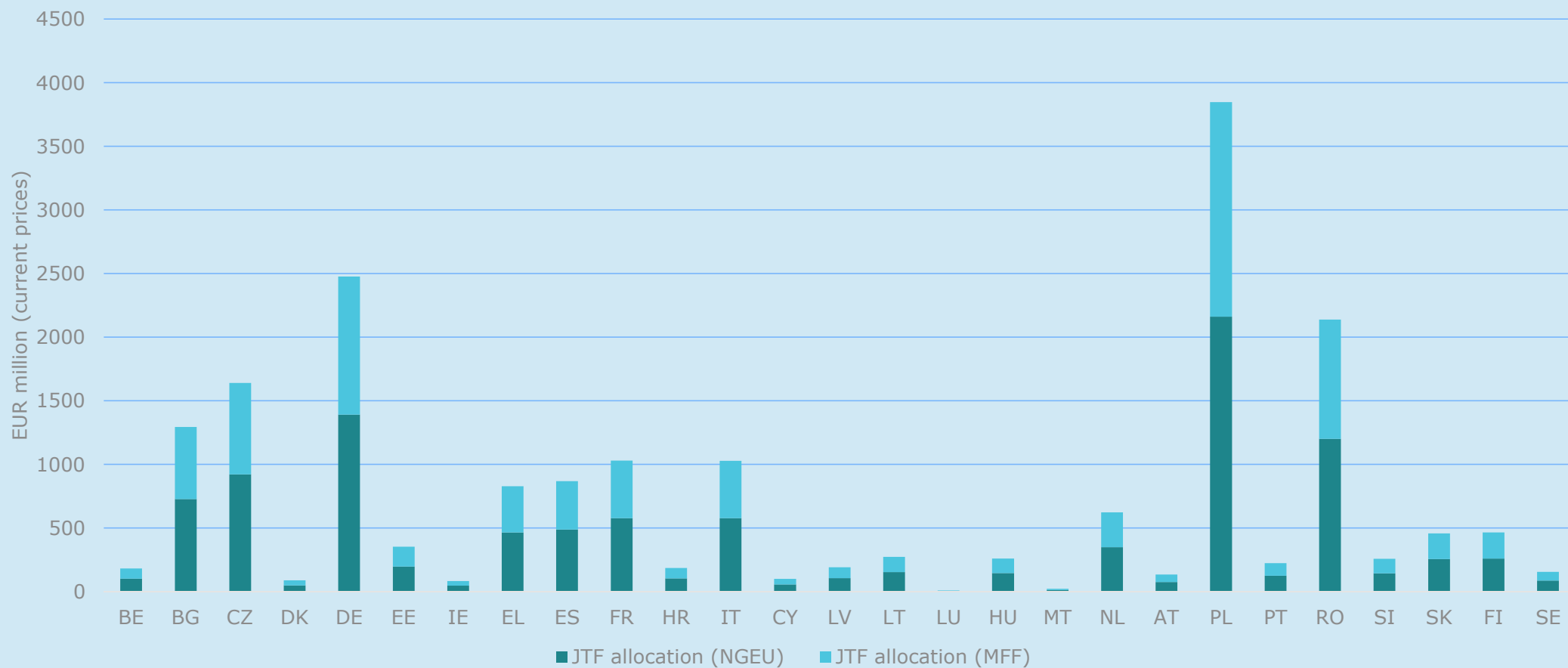
# Just Transition Mechanism (JTM)

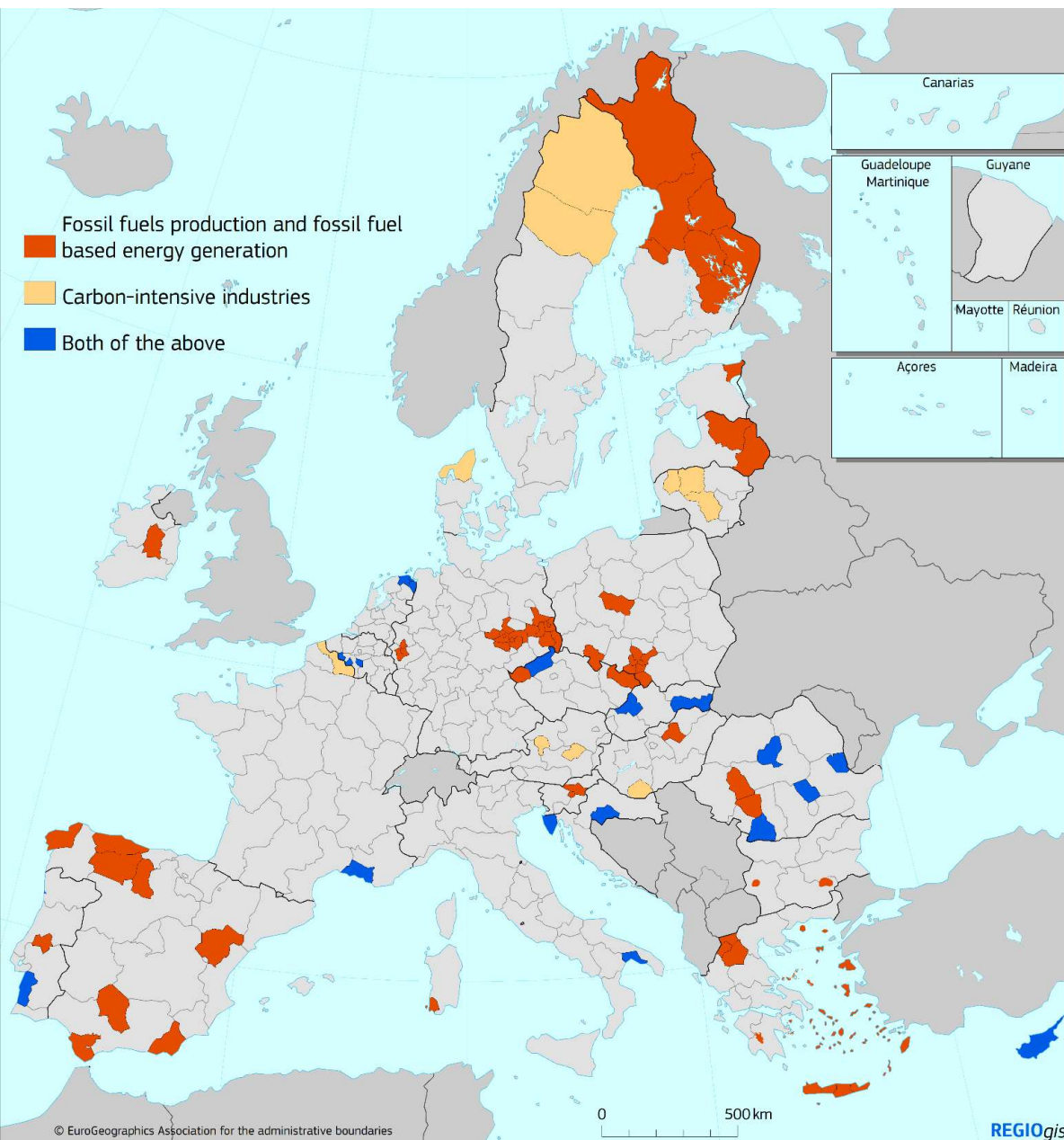
to support regions most affected by the climate transition in all Member States



Territorial just transition plans (TJTPs) give access to all 3 pillars

# Just Transition Fund (JTF) allocations





## Eligible regions

- Focus on the regions hardest hit by the transition, because they are heavily dependent on:
  - economic activities based on the **production of fossil fuels**, which are expected to face an irreversible decline, or
  - **industries with high carbon-intensity** (e.g. steel, cement, chemicals), which will need to undergo transformation
- ... and face negative socio-economic impacts resulting from the transition

# JTF intervention logic

- **Transition process at national level:**
  - including timeline with key transition steps towards EU 2030 and 2050 targets
- Evidence of the **impact at the level of the concerned territory** (by 2030 or before):
  - **social** impacts (e.g. unemployment, need for reskilling)
  - **economic** impacts (e.g. closure of sites)
  - **demographic, environmental** or **health** impacts
- **Investments that contribute to alleviate these impacts:**
  - in particular **(re)skilling** of people and **economic diversification**
  - but also renewable energy, sustainable local mobility, digitalisation, soil regeneration, circular economy, social infrastructure, etc.

# Programming overview

- 75 TJTPs expected in total (linked to 40+ programmes)
  - Self-standing or multi-fund programmes
  - National or regional programmes
  - One or several TJTPs per programme
- **TJTPs from AT, CY, CZ, DE\*, FR, EL, NL, PL, SE formally submitted** and under assessment
- Most TJTPs expected by mid-2022

\* only some



# 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

# Partnership

**Involvement of the public and of all stakeholders** 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
- **Trade unions** in particular should be mobilised in the debate on the future of their territories
- Important role of **youth**
- **Gender equality** should be promoted and vulnerable groups considered



# The Just Transition Platform (JTP)

- Assist all stakeholders in accessing JTM support
- High-level **JTP events** help to:
  - share knowledge and good practices
  - support capacity-building and exchanges across sectors
  - provide advice on just transition to authorities and stakeholders involved in JTM-related activities
  - **Next event: 10-12 May!**
- Dedicated webpage with helpdesk and database of projects and experts
- **Working groups** for carbon-intensive regions
- Link to Coal Regions in Transition initiative (dedicated work stream for coal, peat, oil shale regions)



# Complementarities with other funds

- **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



## Contact:

Sander Happaerts, policy analyst sustainable growth

Smart and Sustainable Growth Unit, DG Regional and Urban Policy, European Commission

 [Sander.HAPPAERTS@ec.europa.eu](mailto:Sander.HAPPAERTS@ec.europa.eu)

 [@SanderHappaerts](https://twitter.com/SanderHappaerts)

Visit the **Just Transition Platform**: <https://europa.eu/!nqt9rH>

Sign up for the **JTP newsletter**: <https://europa.eu/!TuwyNU>

Read the **Staff Working Document** on TJTPs: <https://europa.eu/!nMwNU9>