

# The Just Transition and the EU's 2030 industrial, energy and climate policy framework

The future prosperity of Europe depends on how it responds to multiple global challenges and domestic challenges such as, for example, the rapid emergence of the digital age, the intense race for innovation and skills, scarcity of natural resources, food safety, the cost of energy systems and the impact of climate change, highlighted by Jean-Claude Juncker, President of the European Commission. Due to the profound impact they will have on Europe's socio-economic fabric within the next decade, a new approach to addressing them is required based upon effective, integrated and inclusive management at local, national and supra-national levels. There are many commendable European, national and regional instruments and initiatives already in place which provide direction and goals. However, direction alone does not guarantee successful achievement of these goals. Management, based on accountability, responsibility and confidence building is required to pool together and integrate various commendable initiatives into tangible outcomes. This new change management approach should be based around the Just Transition framework, originally developed by the Trade Union movement, as it is the only inclusive instrument that brings together workers, employers and local communities to seek equitable outcomes when faced with immediate crises. The Just Transition framework is based upon:

- i) **Consultation:** Consultation between representatives from trade unions, business, government, regional bodies and voluntary organisations, on the shift to a green, low carbon economy, from the workplace to national government.
- ii) **Green and Decent Jobs:** Investing in technologies and infrastructure to meet the sustainability challenges for a low carbon, resource-efficient future while creating quality jobs.
- iii) **Green Skills:** Government-led investments in education/training and skills programmes, from the workplace to national levels, to equip students and the workforce with the skills for a low carbon, resource-efficient economy. Promoting individual worker rights to training to ensure access for all workers.
- iv) **Respect for labour and human rights:** Democratic decision-making and respect for human and labour rights are essential in order to ensure the fair representation of workers' and communities' interests. Strengthening worker information, consultation and participation rights to matters concerning sustainable development.
- v) **Social protection:** Strong and efficient social protection systems in the transition to a low carbon economy.

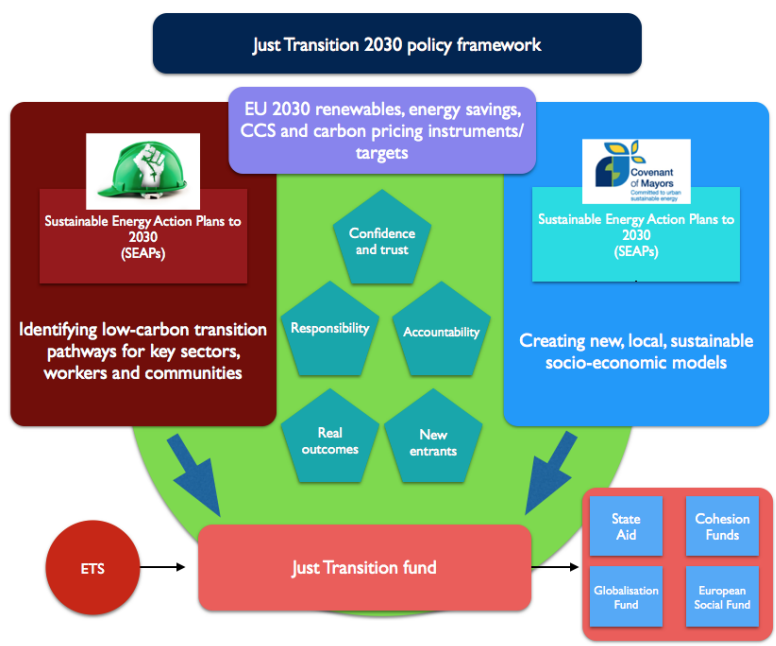
## The 2030 Just Transition policy framework

Much of Europe's GHG intensive production is located in specific regional hubs, such as North Rhine Westphalia in Germany, Upper Silesia in Poland and Moravian-Silesia in the Czech Republic. Regions like these require targeted support to help them move from GHG intensive production of the past towards modern, sustainable industrial sectors able to operate under a carbon constraint and cater for future demands.

The Just Transition 2030 policy framework, as displayed in Figure I, is based on three pillars - i) creating new regional opportunities, ii) financing regional infrastructure and systems, skills development and iii) committees to manage the transition. In detail:

- i) **Just Transition Committees:** Representatives from employees, employers, technical experts, local, national and European governments, community leaders, youth, investors, civil society, etc are tasked with preparing Just Transition roadmaps identifying technical potential and social impacts, a process for implementation and subsequent management of these outcomes.
- ii) **Extending Covenant of Mayors’ Sustainable Energy Action Plans (SEAPs) to 2030** - Over 6,109 regions, incorporating 192,121,700 inhabitants, have signed up to the Covenant of Mayors’ pledge to invest in sustainable re-industrialisation by detailing specific investments on energy system infrastructure and employment-rich household energy efficiency to 2020. SEAPs also provide an opportunity for communities to develop new, local and sustainable economic models. Due to the scale of investments required they should be extended to 2030 and have a direct source of EU financing as a means to attract private sector finance at a greater scale.
- iii) **Just Transition Fund** - This is the key to unlocking regional sustainable re-industrialisation, workforce development and financing of SEAPs. The Just Transition Fund should draw upon EU ETS finance or allowances. These will then be used to directly part-finance SEAP investment plans. It can also be used as a Member State contribution to allow governments to access European Cohesion Funds to further invest in low-carbon energy and transport infrastructure. The Fund is jointly managed by the EU, national governments, regions and Just Transition committees.

Figure I - Just Transition 2030 policy framework



Sanjeev Kumar, Founder Change Partnership, [sanjeev@changepartnership.org](mailto:sanjeev@changepartnership.org), +32 499 539731



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