

THE JUST TRANSITION PLATFORM

Accompanying Member States and regions to achieve a just transition



The European Green Deal (EGD) is Europe's growth strategy to turn the EU into a modern, resource-efficient and competitive economy. It aims to bring cross-sectoral, transformative change, decouple economic growth from resource use, and eliminate net emissions of greenhouse gases by 2050.

To achieve these objectives, Europe will undergo a period of transformative change. The **Just Transition Mechanism (JTM)** aims to ensure that this is a fair, 'just' transition for all – leaving no person or region behind. In doing so, the Mechanism will bring wide-ranging benefits, just some of which are highlighted here.

People

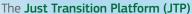
- ✓ Job opportunities in new/ transitioning sectors
- √ Re-skilling opportunities
- ✓ Tackling energy poverty
- ✓ Access to affordable clean energy and energy-efficient housing

Business and economy

- √ Economic diversification
- ✓ Attractive investment conditions
- ✓ Creation of new companies
- ✓ Investment in research and innovation

Member States and regions

- ✓ New jobs in the green economy
- ✓ Affordable loans to local public authorities
- ✓ Investments in renewable energy
- ✓ Improvements to networks and infrastructure



is the key tool to help EU Member States and regions unlock the support available through the JTM. The Platform aims to ensure all stakeholders have the guidance, information and knowledge they need to support Europe's just transition to a sustainable, climate-neutral economy.

This factsheet provides a helpful introduction to the JTP, including further information about the Mechanism and a summary of the Platform's activities.

Three funding pillars

Ensuring that no one is left behind in the transition to a climate-neutral economy will require significant investment. The JTM is expected to mobilise around €55 billion in the period 2021–2027 to support the regions, sectors and workers most-affected by the transition.

Investment through the JTM is based on three pillars, including a dedicated **Just Transition Fund (JTF)**. It represents **€19.2 billion** (in current prices) of EU co-financing, which is expected to mobilise more than **€25** billion with national co-financing and voluntary transfers from other funds

(European Regional Development Fund and European Social Fund Plus). The JTM also includes a just transition scheme under the InvestEU programme, focusing on attracting private investments, and a public sector loan facility backed by the EU budget.

Just Transition Fund

€19.2 billion

Provides primarily grants

InvestEU
Dedicated Just
Transition
Scheme

€10-15 billion (est.)

Crowds in private investment

Public sector loan facility with the EIB

€18.5 billion (est.)

Leverages public financing

Focusing on the most-affected regions and sectors

The JTF was established in the ramework of **cohesion policy**, the main EU policy to reduce disparities and address structural change in Europe's regions. Focusing on economic diversification and reskilling, the Fund aims to support regions facing serious socio-economic challenges due to the transition process.

This process will be especially demanding for those that rely heavily on fossil fuels or greenhouse gas-intensive industrial activities. Fossil fuel activities are expected to face an irreversible decline, while many other sectors – such as metals, chemicals and cement – will have to transform to find technological alternatives to carbon-intensive processes.

Regions that are heavily reliant on these sectors will therefore need to phase out certain activities and restructure their industries, while also protecting the environment and providing job and re-skilling opportunities to workers.

"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."

Ursula von der LeyenPresident of the European Commission



Support through the Just Transition Platform

Established in 2020, the JTP provides **technical and advisory support** to a wide range of stakeholders involved in activities related to the just transition, particularly in regions dependent on fossil fuels or carbon-intensive industries.

The JTP actively promotes the sharing of **knowledge and best practices** among stakeholders involved in the transition process, including through the

organisation of regular events, the creation of good practice examples, and the development of a network of experts and projects. The Platform also offers a single online access point to relevant information, knowledge and support, including a dedicated helpdesk.

The information, knowledge and assistance provided by the Platform can help Member States draw up Territorial Just Transition Plans (TJTPs) that reflect

the needs of each territory, and support the most-affected territories to access funding through the JTM. The JTP expands and builds on the **Initiative for Coal Regions in Transition**, which already supports fossil fuel producing regions across the EU in achieving a just transition through tailored, needs-oriented assistance and capacity-building.

What are Territorial Just Transition Plans (TJTPs)?

TJTPs should be prepared by Member States together with the relevant local and regional authorities of the most-affected territories. They should provide a detailed plan to meet EU climate and energy targets by 2030 and 2050, and evidence of the impact of this transition process.

These plans should identify specific territories affected by the transition. In order to be eligible for JTF funding, these territories must be able to justify their dependence on fossil fuels or greenhouse gas-intensive activities, the social, economic, demographic and environmental challenges stemming from the phasing out or transforming of activities, and negative impacts resulting from the transition.

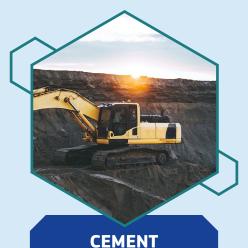
Working Groups

One of the JTP's key initiatives involves **four** dedicated **Working Groups**, which bring together stakeholders from the territories most affected by the transition.

Through principles of problem-solving, advocacy and stakeholder inclusion, the Working Groups provide a **forum for strategic exchange** across Europe's regions. By collecting and sharing knowledge on transition challenges, impacts, strategies, good practices

and other relevant information, the work of these groups will also support local and regional authorities in the implementation of their TJTPs. This will facilitate the Member States' preparation of the TJTPs. Three of the JTP Working Groups each focus on a specific carbon-intensive sector affected heavily by the transition:







CHEMICALS

These sectoral groups aim to develop **practical solutions** to ensure that the decarbonisation of the respective industry happens in a fair way, leaving no person or region behind.

The fourth group focuses on **horizontal stakeholder strategy**. This cross-cutting group identifies and assesses approaches and good practices to help engage all stakeholder groups in the transition process, helping to develop a **common vision** for the transition with stakeholders such as local and social partners, civil society, NGOs, industrial and economic actors, and academia.

To find more information about the Just Transition Mechanism and access the Just Transition Platform, visit:

 $\underline{ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/finance-and-green-deal/}\\ \underline{just-transition-mechanism_en}$



HORIZONTAL

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