The European Green Deal and the Just Transition Mechanism

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THE EUROPEAN GREEN DEAL

- Promoting clean energy
- Investing in smarter, more sustainable transport
- Striving for greener industry
- Eliminating pollution
- Ensuring a just transition for all
- Financing green projects
- Making homes energy efficient
- Leading the green change globally
- Protecting nature
- From farm to fork
- Climate pact and climate law

The European Green Deal aims to lead the green change globally, promote clean energy, invest in smarter, more sustainable transport, strive for greener industry, eliminate pollution, ensure a just transition for all, finance green projects, make homes energy efficient, protect nature, and transform food production and consumption.
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.”

💡 Investing in place-based innovation and smart economic transformation

📈 Deploying technological and social innovation on a large scale

🚧 Facilitating phase-out of unsustainable practices

זרזע Ensuring a just transition for all regions
Just Transition Mechanism

to support and finance regions most exposed to transition challenges in all Member States

- Just Transition Fund (EUR 17.5 billion)
  - Provides primarily grants

- InvestEU Dedicated Just Transition Scheme
  - Crowds in private investment

- Public sector loan facility with the EIB
  - Leverages public financing

The JTM includes a governance framework centered on territorial just transition plans
Just Transition Fund Allocations

Member State

BE  BG  CZ  DK  DE  EE  IE  EL  ES  FR  HR  IT  CY  LV  LT  LU  HU  MT  NL  AT  PL  PT  RO  SI  SK  FI  SE

millions EUR

NGEU  MFF

European Commission
### FOSSIL FUELS

fossil fuel mining and extraction will face a significant decline

### CARBON-INTENSIVE INDUSTRIES

highly-greenhouse gas intensive activities will undergo a deep transformation

**Regions and territories highly dependent on these activities will need to:**

- restructure their industries
- ensure that new economic activities can keep the economic and social texture together, respecting the environment, and,
- provide the necessary training to the workers concerned to find new jobs.

**JTF: focus on regions with significant challenges**
Commission recommendations: priority sectors

COAL / LIGNITE

PEAT

PETROLEUM REFINERIES

SHALE OIL

FOSSIL FUEL BASED ENERGY PRODUCTION

METALS

CEMENT

CHEMICALS

FERTILISERS

OTHER
Commission Recommendations: Geographical Scope

European Semester Country Reports 2020, Annex D bis
Just Transition Fund: scope of support

Stronger focus in scope of intervention than other cohesion programmes

• Economic diversification and reconversion
• Re-skilling and job seeking assistance for workers
• Support to climate and environmental sustainability, where this will help mitigate the impact of the transition

Limited additional eligibility – to be justified in territorial just transition plans

• Productive investments in large enterprises: if needed to offset job losses
• Investments reducing GHG emissions from ETS activities: if needed to preserve jobs

Exclusion from the scope of support:

• Production, processing, distribution, storage or combustion of fossil fuels excluded from support

Exclusive list of activities defined in Article 4 of the JTF regulation
Just Transition Platform

Single access point:
• Access to information and knowledge
• Helpdesk

Technical and advisory support:
• Support for regions dependent on fossil fuels or carbon-intensive industries
• Assistance for the elaboration of Territorial Just Transition Plans

Project and expert databases:
• Database of good practice
• Database of experts
Timeline

11/12/2019
Adoption of the European Green Deal

01/14/2020
Adoption of the JTF proposal

26/02/2020
Adoption of the Investment guidance on the JTF

29/06/2020
Launch of the Just Transition Platform

16/10/2020
2nd JTP meeting

26/04/2021
3rd JTP meeting

06/2021 (tbc)
Entry into force of the JTF

Q3 2021 (tbc)
Launch of JTP sub-groups

Q4 2021 (tbc)
Launch of JTP project database

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