

Anticipating and managing the
impact of change

Creating a new social contract for the just transition: Is partnership working?



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Introduction

The transition to a climate-neutral economy is one of the greatest challenges faced by the EU, one requiring deep and far-reaching change. Achieving this change while leaving no one behind – a just transition – means addressing early in the process the specific challenges the transition creates for certain groups in society. Some regions in Europe that are heavily dependent on fossil fuels (coal, peat and oil shale) and energy-intensive industries, and many workers, industries and communities embedded in those regions, will be disproportionately negatively affected by the phasing out of fossil fuels unless steps are taken to avert this outcome. A green transition that excludes those people and communities from its benefits is not a just transition and could trigger resistance to climate policies and even social unrest.

To support such regions and ensure that the transition is fair, national measures and EU mechanisms have been developed and funds allocated. Key among these is the Just Transition Mechanism. To access the funding it offers, the Member States, working with the regions concerned, have developed territorial just transition plans (JTTPs) setting out projects that specifically address any undesired effects of the green transition through a partnership approach.

Stakeholder partnerships are essential to ensure that the green transition is not only environmentally and economically sound but also socially just. The decisions that must be taken to achieve carbon neutrality are complex and urgent, and a top-down approach, without stakeholder involvement, is likely to lessen the chance of success and may even be met with resistance.

The purpose of this policy brief is to examine how the partnership approach is working at this early stage of implementation of the JTTPs. This is essentially the governance dimension of the green transition, on which there is not yet enough evidence to guide policymaking. Good governance matters, however, because determining who is involved, how decisions are taken and the timing of stakeholder input makes a big difference to how the various actions set out in JTTPs are shared, received and implemented at regional and local levels. The evidence presented here is based on case studies conducted in eight European regions, involving interviews with relevant stakeholders. A more detailed account can be found in the accompanying working paper, *Just transition partnerships: Involvement, challenges and opportunities*.



Policy context

The European Green Deal is the compass to guide Member States towards a green transition that is fair for all citizens. Territories whose economies rely heavily on coal extraction, coal-based activities and carbon-intensive industries such as steel, chemicals or processing of fossil fuels will be significantly affected by the transition to clean forms of energy, with impacts on workers, companies and entire communities alike. In light of this, a number of specific policy instruments have been launched to support the affected regions.

Chief among these instruments is the Just Transition Mechanism, launched in 2020 as part of the multiannual financial framework (MFF) 2021–2027. One of the mechanism's pillars, the Just Transition Fund, subsidises policy interventions aimed at alleviating the socioeconomic costs of the green transition in the selected regions and will invest €19.2 billion (and mobilise €25.4 billion in investments). Contributions to regional investment pools can also be expected from national governments and from businesses in the regions concerned (with or without external financial support).

Member States have presented their planned interventions in the TJTPs. Following negotiations between the European Commission and the Member States, a total of 67 plans covering 93 regions have been approved at various times over the last two years and are in different stages of implementation. The plans support the economic diversification and conversion of the territories in question through upskilling and reskilling of workers, job search assistance, investments in small and medium-sized enterprises (SMEs), environmental rehabilitation and so on.

Adopting a bottom-up and people-centred approach is one of the fundamental principles of the TJTPs. The involvement of the social partners is important, as noted by the Council recommendation on ensuring a fair transition towards climate neutrality, acknowledging their vital role in addressing social and employment aspects of the transition. The European Environment Agency (EEA) has stated that the 'effective governance of transitions requires participatory processes that enable a diverse set of stakeholders to identify shared visions and goals, and credible

pathways to reach them' (EEA, 2024). To ensure the process is inclusive and the outcomes just, all stakeholders must be included, including national, regional and local actors, the social partners, civil society, research experts and environmental organisations.

This requires a partnership approach (as described in the regulation establishing the Just Transition Fund) in the sense of involvement of stakeholders in the design, implementation, monitoring and evaluation of TJTPs and through public consultations.

Key findings

- No single shared definition of just transition is agreed on by the different interest groups participating in the TJTP process across the eight EU regions studied. They support the European Green Deal's objectives and the fundamental principle of leaving no one behind, but there is some ambiguity regarding how the transition should happen. Therefore, stakeholders need to jointly agree on the content and priorities of just transition measures.
- National authorities recognise ensuring a just transition as part of their obligation to protect citizens while pursuing their EU and international commitments. For regional authorities, just transition means shifting regional development towards models based on green energy sources that also address social problems. Employer organisations consider jobs and skills to be key, along with affordable energy sources that can guarantee competitiveness, while for trade unions just transition means good-quality jobs, respect for labour standards, employee participation and collectively agreed solutions. Civil society organisations emphasise energy transformation, getting citizens on board, a holistic approach and good plans.
- The challenges faced by regions often relate to weak regional economies and labour market inefficiencies but also to managing the process, aligning the interests of different groups and addressing issues of regional identity. On the other hand, the opportunities opened up by decarbonisation include revitalising the regional economy and labour market and reversing depopulation trends.
- Stakeholders appreciate the participatory principle of the TJTPs and their governance model but reported that in practice it often took the form of information-sharing rather than partnership. The initial public consultation rounds resulted in minimal input in most cases.
- The social partners tended to agree that their participation was limited. Civil society organisations, while appreciating the opportunity to provide input, found it difficult to get their voices heard. Regional and local authorities valued the ability to contribute but expected they would have a stronger role in the future.
- Among the factors that have contributed to a strong and lasting partnership, the inclusivity of the process has been the strongest, one mentioned by all stakeholders. Others are sociodemographic factors such as strong local communities with firm cultural identities and a shared awareness of the need to replace obsolete energy sources.
- Barriers to effective partnerships include bureaucratic and institutional obstacles, institutional individualism, and the omission of certain groups or sectors from planning and implementation.
- Practices found to enhance partnership include cross-departmental cooperation, a well-designed participatory process, a strong coordinating role for public organisations, applying the lessons from past transitions, cooperation between stakeholders, sufficient capacity of regional authorities to coordinate action, and technical assistance.
- Areas where improvement could be made include involving groups whose voices have not been heard yet, enhancing the quality of involvement, learning from other regions, improving administration, strengthening links between national and regional actors, and joint assessment of regional and local needs.



Exploring the evidence

Background

The practices of involvement of the various actors in the TJTPs differ across Member States, as recorded in the recent Eurofound report *Supporting regions in the just transition: Role of social partners*. At the same time, such a massive transformation requires a shared understanding of the urgency of decarbonisation and agreement on the objectives of the just transition and their prioritisation at regional level. Without such agreement and the buy-in of all affected, the entire exercise is jeopardised. For that reason, there is a need for more evidence on the implementation of the plans and how the partnership approach is working. This is important for European, national and regional authorities, and the social partners too, insofar as it contributes to:

- learning what works
- transferring experience
- energising implementation of the plans (given the tight timetable of the Just Transition Fund, 2021–2027)
- meeting climate-neutrality targets

With these goals in mind, this policy brief looks at the experience of partnership so far, identifying the different perceptions of the actors, the challenges and opportunities they perceive, and what has helped and hindered the partnership process.

Methodology

The research is based on case studies conducted in eight European regions: Hauts-de-France (France), North Rhine–Westphalia (Germany), Sulcis Iglesiente (Sardinia, Italy), Vidzeme (Latvia), Silesia (Poland), Savinjsko-Šaleška (SAŠA) (Slovenia), Andalusia (Spain) and Norrbotten (Sweden). Through more than 60 individual interviews with representatives of national, regional and local authorities, dedicated just transition bodies, the social partners, civil society organisations and academia, the research aims to achieve a better understanding of how partnership is working. The evidence comes from the eight Member States, but the lessons learned could apply to other regions since the case studies cover a wide range of governance models and circumstances.

Perspectives on a just transition

The European Green Deal sets the clear priority of ‘people first’ – a fair and inclusive transition, paying attention to the regions, the economic sectors and the workers who will face the greatest challenges. There is no predetermined means of achieving a just transition, meaning that national bodies tasked with the coordination of this process need to agree on its ingredients. A starting point for this policy brief therefore is to ask what the various stakeholders in the Member States consider a ‘just’ transition to entail, and whether there is support for the ambitious decarbonisation policies in their countries.

Exploring these perceptions is important because it helps to identify the social, economic and environmental impacts of the transition, and from there to set projects’ priorities and to design and adjust policies to ensure the transition is fair and equitable for all.

Overall, across the organisations that participated in the research, there is agreement on the EU’s climate-neutrality goals and the European Green Deal principle of leaving no one behind. When operationalising this consensus into action at regional and local levels and visualising a clear pathway to achieving those goals, however, the concept of just transition becomes less clear, and differences between stakeholders’ views emerge (Figure 1).

Figure 1: Perceptions of just transition by national stakeholders



Source: Authors, based on interviews

National authorities: Just transition for the national authorities is closely aligned with their international and EU commitments. They acknowledge that previous transitions were driven by economic forces (such as business failures and inefficiencies in mining industries), but this time it is a conscious political decision. This means that citizens, workers and communities should be protected, and companies, particularly SMEs, need support to transition to clean energy models. Transition for national authorities tends to be broader in scope and with a longer time horizon than that of the TJTPs. In some jurisdictions, national authorities (and other stakeholders) believe that decarbonisation should guarantee a good quality of life for all.

Regional and local authorities: For them, just transition means a new regional development model to revitalise their economy, reverse depopulation and tackle societal problems. It secures the needs of energy-intensive industries fast and finds new energy sources without harming their competitiveness (noted by representatives from France, Germany and Italy); addresses labour market implications (mentioned by all); matches training provision with business needs (Italy and Poland); builds local and industrial infrastructure; and takes account of factors beyond their control (for example, the timetable of power station closures and legislative measures). Regions with coal mines, industrial peatlands and polluting industries agree with this approach, but they emphasise issues around infrastructure and attracting new investment and jobs (in the case of Italy and Spain) and reinvestment in new industries locally (in the case of Sweden).

Employer organisations: A just transition for employers means that jobs are created (to replace those lost), companies are supported and workers acquire the qualifications to take up the new jobs. The green transition has costs for companies, as

they must abandon fossil-fuel-based activities and convert their business models. Finding alternative, reliable and cheap energy sources is key for operations and competitiveness (a point specifically highlighted by the German employers). Transformation of regional industrial infrastructure is crucial for small and family businesses in Spain and Italy and their attempts to decarbonise operations. In that respect, a shared understanding of the green transition and practical support for companies are at the core of employers' priorities.

Trade unions: For trade unions, a just transition means good jobs, good working conditions, respect for labour standards, direct employee participation, co-determination and collective bargaining. The German and Spanish trade unions (concurring with employers and local government) insisted that competitiveness and job security are extremely important and that private investment is vital for the revival of their regions and for jobs (to avoid overreliance on public funds). The greening of the steel industry is fully embraced by the Swedish trade unions, which also cautioned against potential labour exploitation and health and safety risks. Many trade unions also recognise that a just transition is not only about employment but also has environmental and social dimensions.

Civil society: Organisations (active in the fields of the environment, social programmes for deprived groups and rural development) across the eight case studies regard just transition plans as very important for the regions concerned and highlighted the following dimensions: energy transformation, getting citizens on board and addressing social challenges, a holistic approach, and effective implementation. Civil society organisations are likely to be at odds with the social partners and regional authorities in cases where plans and projects introduced in the name of the just transition include expanding industrial land instead of reserving land to secure biodiversity.

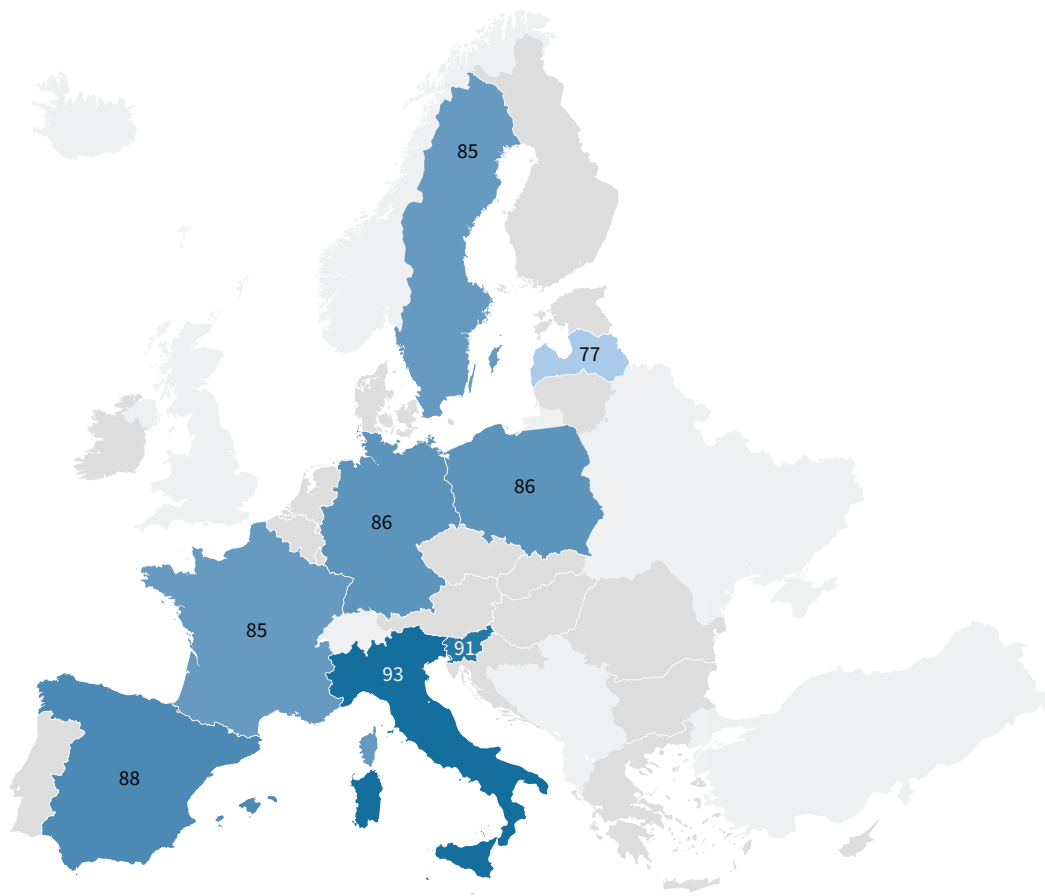
Support for green transition

The discourse around the just transition has been heavily politicised in some Member States lately: the far right and supporters of the so-called green backlash have sought to halt green transition measures. However, data show robust citizen support for climate action, including in the eight countries covered by this research (see Figure 2), which is encouraging for the policymakers designing decarbonisation policies. However, what is important is how support concretely translates into policies.

Vulnerable groups

Most of the stakeholders interviewed for the case studies identified groups who are particularly vulnerable to the changes brought about by the transition and who will need specific support. Older people in energy-poor households were acknowledged as being particularly exposed to hardship. Participants from Italy, Poland, Slovenia and Spain also singled out young people, while employees and trainees in the economic sectors most affected by the transition were mentioned by participants from Germany, Latvia and Slovenia. In the Italian and Spanish regions, unemployed people and those at risk of unemployment are of particular concern, especially if they belong to older cohorts.

Figure 2: Citizens' support for climate action in the eight Member States (national averages, %)



Source: Adapted from Andre et al (2024), based on a Gallup global survey, 2021–2022

Challenges and opportunities

Many of the challenges and opportunities of the green transition (summarised in Table 1) are associated with the socioeconomic profile of the region, according to the interviewees.

The challenges include:

- **poor regional infrastructure**, which can discourage potential investors and cause poor labour market functioning
- **procedural factors** such as the complexity of funding mechanisms, the magnitude of projects and the speed of change (as mentioned by participants in North Rhine–Westphalia and SAŠA)
- **lack of coordination** between different institutional, sectoral and geographical levels
- **misalignment of interests** – for example, between indigenous Sámi people and industry in Norrbotten or between stakeholders at national and regional levels in Sulcis Iglesiente
- **a threat to the identity and culture of regions** that have been reliant on coal mines, peatlands or other sources of energy without replacing these with alternatives

The case studies also identified opportunities:

- **potential for economic development and innovation**, such as the re-industrialisation of regions with clean industries (Hauts-de-France) and the growth of renewable energies (Sulcis Iglesiente)

- **boosting the labour market**, for example by creating jobs with greater added value and requiring more advanced skills and by creating more jobs in research and development (SAŠA, Sulcis Iglesiente and Silesia)
- **changes to the sociodemographic profile** of regions as depopulation trends are reversed
- **enhanced cooperation** between government and bodies at regional level
- **improved use of public funds** resulting from this enhanced cooperation

Stakeholder participation and satisfaction

The case studies show that the Member States mostly used their existing monitoring committee set up to manage EU funds as the main body for engagement on drawing up the objectives and measures set out in the plans. These large, multistakeholder groups in some cases developed the TJTPs themselves (among the other tasks they perform) or alternatively delegated that task to a smaller working group. Additionally, they organised public consultations on the entire European Social Fund Plus (ESF+) programme, including the TJTP, and online or physical meetings (for example, in France, Germany and Latvia), joint working groups and so on. Some countries implemented broad information-sharing processes to collect suggestions (Latvia).

Table 1: Challenges and opportunities of a just transition in the eight regions

Challenges	Opportunities
◦ Weak economies with poor regional infrastructure	◦ Economic development and innovation
◦ Threat to labour market; risk of job losses	◦ Labour market development
◦ Complex procedures and bureaucracy; lack of capacity	◦ Rebalancing the sociodemographic profile
◦ Lack of coordination	◦ Enhanced cooperation between official bodies
◦ Misalignment of interests	◦ Better use of public funds
◦ History and culture under threat	

Countries that have engaged in decarbonisation previously (France, Germany and Spain) used documents and inputs provided by various actors (industry and the social partners) through relevant national or regional bodies to complement the process.

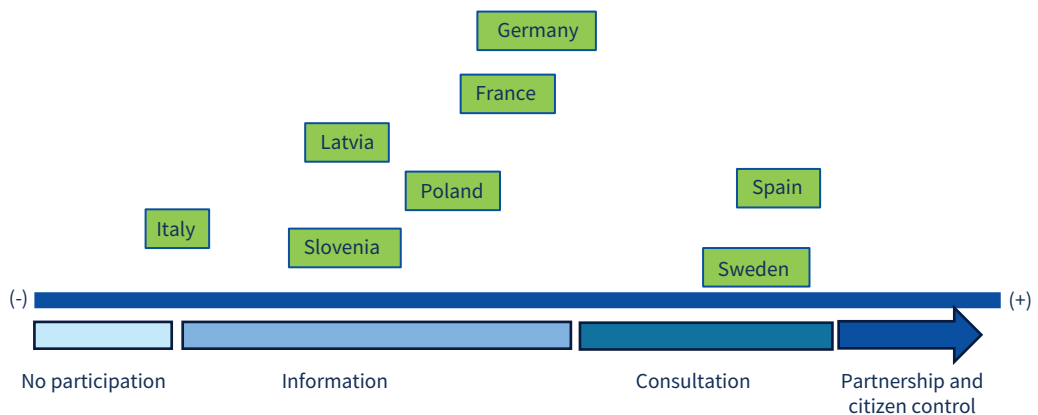
What is interesting is that when the plans were presented for public consultation, minimal input was submitted. For example, in Hauts-de-France there were 40 unique visitors to the website during the consultation; in North Rhine–Westphalia, there was no feedback or new suggestions; in Vidzeme, there were only six written comments, with the most active group being the peat association. In contrast, in Andalusia, during the well-documented process at least 92 people or groups responded, and 38 proposals were submitted by regional actors. This raises the question of why the socioeconomic and community actors did not respond to a plan that affects their region’s future. It appears that there was a need for more clarity and better communication on the objectives of the plans.

According to the stakeholders interviewed, the participatory process with all relevant groups largely took the form of information-sharing rather than partnership. Factors that contributed to that were:

- time limitations
- the size and operation of large multistakeholder and multilevel bodies (such as monitoring committees), with limited capacity for in-depth discussions and consultations
- lack of capacity (in terms of knowledge and staff availability) of certain stakeholders to engage meaningfully
- lack of clarity about the process and unclear objectives
- inefficiencies

Following Arnstein’s seminal work on a typology of citizen participation (1969), Figure 3 depicts the differing degrees of stakeholder engagement in the eight Member States.

Figure 3: Degrees of stakeholder participation in developing TJTPs in the eight Member States



Source: Authors’ illustration (based on Arnstein’s typology)

In terms of industrial relations, the predominant industrial relations model of participation in a country does not seem to determine the level of participation in the partnerships in the regions studied. For example, both Italy and Spain have a state-centred governance regime, characterised by high levels of collective bargaining coverage and centralised but uncoordinated collective bargaining processes and institutions (Eurofound, 2023b). However, among the regions studied, they show completely opposite levels of participation (see Figure 3).

The social partners, overall, considered the participatory process to be an information-sharing exercise rather than a true consultation (Table 2). Those from France, Italy (regional level), Poland and Slovenia appreciated the opportunity to contribute but felt that the process needed to improve. Some civil society organisation – in Germany, Latvia, Poland, Slovenia and, to some extent, Spain – had difficulty getting their voices heard; some in France and Italy were dissatisfied with the process. Regional and local authorities welcomed the opportunity to implement the

Table 2: Stakeholder involvement in the TJTP and satisfaction level

Member State	Employer organisations	Trade unions	Civil society organisations	Regional, subregional and local authorities, and other agencies
France	National level indirectly involved through bodies such as the CNI and CSFs Regional level not involved	National level indirectly involved through bodies such as the CNI and CSFs Regional level not involved	National level not involved Regional level less satisfied	Satisfied overall but high expectations for a bigger role setting priorities for the region
Germany	National and regional levels satisfied overall but deemed process to be information-sharing rather than consultation	National and regional levels satisfied overall but deemed process to be information-sharing rather than consultation	At regional level, found it hard to make their voices heard	
Italy	Involvement through the monitoring committee (one meeting on the Just Transition Fund)	Mixed views; regional level less involved	Regional level less satisfied	
Latvia	National level less satisfied	National level less satisfied	Found it hard to make their voices heard	
Poland	Involvement through the monitoring committee	National and regional levels satisfied overall but low awareness and capacity issues among some unions	Satisfied overall	
Spain	National, regional and local levels satisfied overall	National, regional and local levels satisfied overall; national and local levels more satisfied than regional counterparts	Mixed	
Slovenia	National and regional levels satisfied overall but deemed process to be information-sharing rather than consultation	National and regional levels satisfied overall but deemed process to be information-sharing rather than consultation	Satisfied overall	
Sweden	National and regional levels satisfied overall	National and regional levels satisfied overall	Satisfied overall	

Notes: CNI, National Council of Industry; CSF, strategic sector committee.

Source: Authors, based on country reports and interviews

plans, but local authorities tended to be more critical of the process, and some highlighted discrepancies between the priorities set by national and local actors.

Working together effectively in partnership

Most of the actors interviewed welcomed partnership as a way of involving all the stakeholders through cooperation and a culture of dialogue, which helps to overcome common obstacles efficiently. It is also seen as a way of depoliticising just transition processes and avoiding the negative impacts of political change when governments are in charge of such processes. However, the functioning of partnership is not free from difficulties and criticism and is largely determined by cultural elements and traditions, which could work for the benefit or to the detriment of the just transition.

The following section briefly examines the factors that have enabled and hindered the functioning of partnership.

Enabling factors

The main enabling factors identified by various actors in the regions studied can be categorised into three types:

- factors related to the partnerships' inclusiveness
- sociodemographic factors
- institutional factors

The **inclusiveness of the partnership approach** was the factor most often mentioned as supporting the effective functioning of the process. Partnership means ensuring:

- that all participants feel involved and part of a broader context from the beginning, being included in consultation and planning meetings
- consistency in the conduct of the partnership in the collective and bilateral discussion phases

- regular communication
- participation of or consultation with existing (local) partnerships, programmes and networks, both formal and informal
- a shared understanding among partners of why the transition is needed

Among the **sociodemographic characteristics** that supported partnership, those identified by interviewees from Poland and Spain included strong local communities having firm cultural identities, with a shared belief in the need to join forces to make the most of public funds and projects. A shared awareness that obsolete activities (such as coal mining) must be replaced by other activities is also important.

In Slovenia, Spain and Sweden, some participants identified the **institutions dedicated to the TJTPs** and the role they play as an enabling factor. The Cohesion Policy Office in Slovenia, the Just Transition Institute in Spain and the Swedish Agency for Growth and Regional Development were all considered by many regional partners to be crucial to the successful implementation of their respective TJTPs. Their presence allows the other regional actors to focus on their core tasks in the transition process, while the agencies oversee the process in its entirety. In addition, in Sweden, the historical integration of social partner dialogue with social and economic policymaking was identified as an important enabler.

Had the transition been the result of a political process, it would have been a much longer and more difficult task.

Swedish trade union representative

Barriers

Most of the factors identified as barriers to the effective functioning of the TJTP partnerships are of a bureaucratic or institutional nature. **Complex and lengthy procedures** for applications to make use of the just transition funds and also for the selection and approval

of proposals were singled out for criticism, for instance, by participants from Germany and Slovenia. **Institutional inertia allied to a large diversity of actors** (including trade unions, employer organisations, and public and private bodies) with their specific interests were identified as a barrier in Italy.

Institutional individualism, characterised by each institution caring only for its own goals and benefits, hampered partnership in Latvia. This was coupled with **lack of practice in dialogue and transparency** and actors' **lack of capacity and resources** to better participate in the design and implementation of the TJTP.

Competition for funding between municipalities in the same region combined with a **limited number of meetings** between the actors was highlighted by Spanish participants.

The **omission of specific sectors or groups** from the TJTPs or the process was also mentioned, although less often, as potentially hindering the successful functioning of partnerships. The omission of initiatives on land use from the TJTP, on the one hand, and the lack of access of certain civil society groups to the TJTP process, on the other hand, were significant barriers in Germany.

Effective practices

Several practices were considered to be effective by those who took part in TJTP partnerships (these are summarised in Table 3).

Cross-departmental multilevel cooperation

Cooperation between central government bodies and between managing authorities (committees supervising the use of EU funds) and intermediary bodies often relies on close links between the various institutions. For example, in France the Hauts-de-France Region (the managing authority for the ESF+), the Regional Directorate for the Economy, Employment, Labour and Solidarity (Dreets, the decentralised service of the Ministry of Economy, Finance and Recovery and the Ministry of Labour, Employment and Integration in the regions) and other national, sectoral and regional bodies have been

working together on the management of EU funds and other national programmes for many years. The dialogue between the European Commission, national authorities and in some cases the relevant regional authorities was very helpful in establishing a joint understanding of the regional challenges and the sectors to be considered. In several cases, this resulted in expansion of the territories or the sectors covered by the plan.

Participatory process

The initiation of a participatory process during the design phase was appreciated across the board in all eight case studies. National and regional authorities and the various socioeconomic actors and NGOs considered the principle of participation and the design of a multilevel and multiactor process to be a good starting point for managing the just transition. Monitoring committees were enlarged to involve more actors, ensuring a diversity of views. Notwithstanding such broad participation, there is always a risk that smaller actors may find it difficult to make their voices heard within a large, multistakeholder process. The participatory process must evolve continuously (as stated by the Spanish Just Transition Institute) and not be limited to the early stages, offering opportunities for new and weaker voices to be heard.

Coordinating role of public organisations and regional authorities

Solid, existing public structures in some regions are managing the transition and handling large regeneration and development projects. Interministerial coordination groups and sectoral councils have also been mobilised to pull knowledge capital and resources together in Member States. Some public agencies are steering the decarbonisation process in cooperation with industry actors, and this is seen as positive by the actors involved. For example, the role of the Swedish Agency for Growth and Regional Development, which oversees the transition plans in the Norrbotten region, is valued highly. The decision to decarbonise the steel industry and expand other activities will have significant socioeconomic impacts in the region, entailing

a major expansion of housing provision and increased provision of welfare services, healthcare, education and vocational training, cultural services, recreational facilities and infrastructure, among other services. At the same time, respect for biodiversity, the environment and the concerns of local communities have to be considered.

Sufficient capacity of regional authorities

The capacity of regional authorities (in terms of staff, resources and knowledge to develop innovative solutions) is also critical for meaningful partnerships. The Slovenian RA SAŠA, a regional development agency and a coordinator of the TJTP, has developed its capacity by joining the Coal Regions Platform, in 2018, and other projects. The agency was instrumental in developing the National Strategy for Coal Phase-out and Restructuring of Coal Regions, its work involving preparing the development programme, a regional plan and a strategy for a just transition. The latter served as a basis for the preparation of the TJTP for the SAŠA region.

Application of lessons learned from prior experience

Some countries — France, Germany and Spain, for instance – were dealing with large-scale industrial and territorial transitions well before the launch of the TJTPs. These were part of national strategies to decarbonise or a response to decisions taken by the mining industry to discontinue operations. Such experiences brought together public and private actors and civil society to discuss potential policy actions and local economic, employment, social and revitalisation plans. While previous attempts were not always successful, there has been a continuous dialogue among key stakeholders and an understanding of the need to decarbonise, convert abandoned mines, support unemployed miners and regenerate the regions. Regional and local stakeholders were aware of the dimensions that did not work out before and could pick up the discussion where they had left off – but this time with a dedicated just transition fund and using the lessons from past transition attempts.

History of cooperation between stakeholders

Long-standing cooperation between stakeholders at national level was mentioned as an important factor by many interviewees in France, Germany, Italy, Spain and Sweden. For instance, in the North Rhine–Westphalia region, organisations have a consensus culture. The employers' association and the trade unions collaborate well on the joint articulation of interests not only in relation to the Just Transition Fund but also through bodies such as the agency for the future development of the Rhine (Zukunftsagentur Rheinisches Revier, ZRR). Similarly, in Sweden, trade unions, employers, and relevant national and regional bodies have been working with industry actors and other public organisations to ensure that the transition will not be detrimental to the workforce (avoiding the exploitation of foreign workers), the community (ensuring it benefits from the green steel expansion) and the indigenous Sámi people.

Employers and trade unions in the North Rhine–Westphalia region agree on the importance of employment opportunities, but municipalities and the federal state need to agree on single projects to secure them.

*Employer organisation representative,
North Rhine–Westphalia*

Technical assistance at regional level

Receipt of support through the various technical assistance programmes of the Directorate-General for Regional and Urban Policy (DG REGIO) helps organisations to access information and clarify roles. It also facilitates better exchanges between all parties involved and better coordination of actions between key actors in the management of the TJTPs. Given the multiplicity of national and EU schemes and climate policy tools, the technical assistance provided helps clarify the

Table 3: Effective practices of partnerships and proposed improvements

Effective practices	Proposed improvements
<ul style="list-style-type: none"> ◦ Cross-departmental multilevel cooperation 	<ul style="list-style-type: none"> ◦ Create a more holistic and systematic approach
<ul style="list-style-type: none"> ◦ Participatory process 	<ul style="list-style-type: none"> ◦ Identify and involve all stakeholders
<ul style="list-style-type: none"> ◦ Coordinating role of public organisations and regional authorities 	<ul style="list-style-type: none"> ◦ Enhance quality of involvement
<ul style="list-style-type: none"> ◦ Sufficient capacity of regional authorities 	<ul style="list-style-type: none"> ◦ Learn from other regions
<ul style="list-style-type: none"> ◦ Application of lessons learned from prior experience 	<ul style="list-style-type: none"> ◦ Prioritise projects better, with joint assessment by national and regional authorities of regional needs
<ul style="list-style-type: none"> ◦ History of cooperation between stakeholders 	<ul style="list-style-type: none"> ◦ Improve administration
<ul style="list-style-type: none"> ◦ Technical assistance at regional level 	<ul style="list-style-type: none"> ◦ Strengthen links between national, regional and local actors

Source: Eurofound

demarcation lines between various authorities. This was highlighted, for instance, by the Marshal Office of the Silesian region, a recipient of such support through the European Commission's technical assistance mechanism.

Proposed improvements

The case studies also suggest a number of areas where practices could be improved (summarised in Table 3).

Create a more holistic and systematic approach

The multiple initiatives addressing the just transition at both national and EU levels can be overwhelming both for public authorities and the organisations eligible for consultation, which struggle to discern how the various parts are linked together and complement each other. Planning and implementation procedures should ensure closer links with national strategies and interrelated sectors (as suggested by the German employer organisations and regional authority and the Swedish regional authority). In the absence of a more systematic approach, national and regional authorities may run the risk of duplicating funding or failing to mobilise all available funds in an effective and impactful manner. As previous Eurofound research has shown, integrated and coordinated policies are not only more effective, they are also more

likely to avoid any undesired socioeconomic outcomes (Eurofound, 2021).

Identify all stakeholders and involve missing voices

The partnership schemes may have missed out on input from specific stakeholders, and the reasons for that are multiple. This does not mean that they were deliberately excluded, but the effect remains: their voices were not heard. Cases in point are the regional social partners in the Hauts-de-France region and the employer organisations in Sulcis Iglesiente. In addition, certain important regional players (for example, energy companies in the SAŠA region) missed the opportunity to convey their views on the various measures. As the consultation does not stop with the drafting of the plans, partnerships need to engage in identifying and involving the overlooked stakeholders to ensure that none loses out.

Enhance quality of involvement

Setting up management or monitoring committees and establishing a mechanism for discussion does not in itself guarantee the quality of involvement of the various stakeholders. Monitoring committees, for instance, were considered effective in Norrbotten but not in Vidzeme. It is notable that the committees have been set up in such a way that their size and procedures make it hard

for all stakeholders to participate. Specific groups, such as civil society organisations, are possibly not accustomed to this type of committee (and the technocratic language) and may have difficulty contributing to the debate (as reported by participants from North Rhine–Westphalia, Hauts-de-France and Sulcis Iglesiente). The quality of involvement depends on how the various committees facilitate meaningful consultations in a timely fashion and manage the different views of the various stakeholders. This often determines whether stakeholders engage with or disengage from the process.

Learn from other regions

Partnership is a new experience for some countries (for example, Latvia, Poland and Slovenia), and while technical expertise and technical assistance may have served them well in the past there is still a need to learn from other regions. This can help to avoid mistakes others have made and to identify and adopt practices that work well. Setting up a simple, informal mechanism for such exchanges can benefit regions that may be uncertain about how to proceed.

Participants from some regions (for example, Sulcis Iglesiente) emphasised the importance of a form of technical secretariat to facilitate cooperation among the various stakeholders.

Prioritise projects better and jointly assess regional needs

Some interviewees stressed that before setting the key priorities and launching calls for projects, the actual needs of the region and local communities should be agreed first. Divergent understandings of needs may result in dissatisfaction among participating organisations, disengagement and unsuccessful plans. Prioritising projects with a large societal impact would better serve the regions.

Improve administration

Some Member States could improve their system of allocation of funds and its supervision so that all actors have sufficient clarity to make the best use of such funds.

Policy measures should also consider competitiveness concerns voiced by business and employer organisations. To ensure that all participating organisations and the wider public have a shared understanding of the various suggested projects, clear, non-technical language needs to be used. Furthermore, the relevant legislation setting out the decarbonisation process (with explicit timelines) and just transition actions should show clear direction to those charged with administration of the process and to other stakeholders as well as to business.

Strengthen links between national, regional and local actors

All activities that happen under the banner of the just transition – such as the conversion of lands, peatlands and abandoned mines; the creation of regional or local business ecosystems to encourage polluting industries to adapt; or supporting workers to switch jobs or industries – require coordination among the national, regional and local authorities. This enables a response to regional and local needs while retaining a systemic approach across regions (EEA, forthcoming). Authorities responsible for managing interrelated funds at different levels need to coordinate closely.

Drawing the future together: A regional roadmap

In addition to interviews with individual stakeholders, Eurofound organised a foresight exercise involving two focus groups looking at the future of partnerships for a just transition. Participants included representatives of regional and national bodies and institutions, of EU bodies and of agencies with expertise on just transition.

The foresight exercise resulted in the identification of six main clusters of challenges and another six clusters of opportunities, presented in Table 4. These have been further classified according to the period in which each is expected to be most perceptible: medium term (from now up to 2035) and long term (between 2035 and 2050).

Table 4: The future of partnerships for a just transition – challenges and opportunities

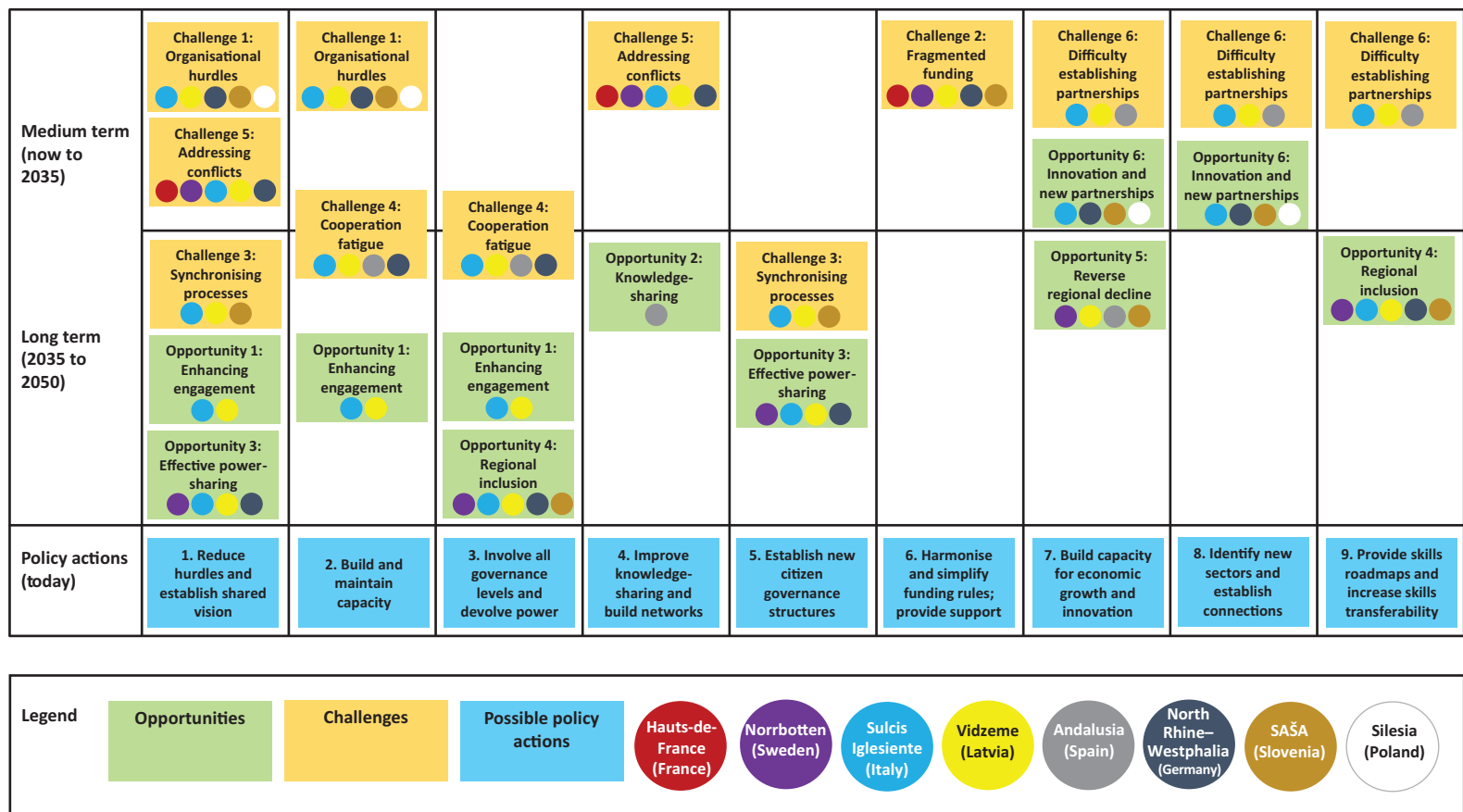
Clusters		Medium term (now to 2035)	Long term (2035 to 2050)
Challenges	Organisational hurdles to involvement	x	
	Fragmented funding	x	
	Synchronising top-down and bottom-up processes		x
	Long-term cooperation fatigue	x	x
	Regional actors' conflicting interests	x	
	Difficulty establishing partnerships with industry actors in emerging sectors in a timely manner	x	
Opportunities	Enhancing overall community engagement		x
	Learning and knowledge-sharing		x
	Effective and appropriate power-sharing		x
	Regional inclusion		x
	Reversal of long-term regional decline		x
	Innovation and new partnerships	x	

Source: *Input from Future Impacts consultants commissioned by Eurofound*

Most of the challenges identified are recognised as pertaining to the medium term, whereas the opportunities are almost all perceived as most applicable over the long term. This indicates that the stakeholders seem to be more aware of the existing challenges than of opportunities, signalling that the challenges need to be addressed in order for the opportunities to be realised. Cooperation fatigue is the only challenge spanning the medium and long terms, indicating that it is at hand, about to be felt.

The situation of each region studied is unique, but the regions also share challenges and opportunities (Figure 4). While these factors have been identified in a limited number of regions, they nevertheless provide insights and guidance for overarching policy initiatives that can be useful across all regions actively undergoing a green transition. These are further explored in the policy pointers that follow.

Figure 4: Medium- and long-term challenges and opportunities of the just transition for regional partnerships



Source: Input from Future Impacts consultants commissioned by Eurofound



Policy pointers

This should be not just a transition ... but a just transition.

Policy makers at all levels have subscribed to ensuring a fair transition to a carbon-neutral economy for their citizens and communities. It is a complex path that is not entirely clear to many. It requires policy experimentation, and trial and error, but it remains a firm commitment to citizens, workers, businesses and civil society that the transition will not create further inequalities and therefore must be just.

The following lessons from the case studies Eurofound carried out in eight very different EU regions provide some fundamental criteria for ensuring that the available funds are absorbed and spent effectively and that the transition plans are successful.

Strengthening the inclusion of all relevant actors

- Transition processes benefit from a diversity and inclusion approach to partnership, ensuring that no voices are unheard. It is crucial that all relevant stakeholders are involved in the transition to avoid disenfranchisement and to avert resistance to transition policies. Some of these groups may not be among those the authorities are used to working with. As the national and regional authorities prepare new series of calls for projects, and for the monitoring and evaluation phases, those groups should be invited to provide input.
- Meetings of the relevant bodies need to hold meaningful discussions, manage conflicts and strive for consensus in decision-making using plain, jargon-free language. Priority actions need to focus on the actual problems identified jointly by national and subnational stakeholders. Regional transformation is complex and difficult, particularly as current production models are deeply embedded in the socioeconomic structures of regions and their culture, and some entities may have a strong interest in maintaining the status quo; therefore, transparency and clarity are required.

Strengthening stakeholders' capacity to engage with a just transition

- Developing the capacity of public authorities at all levels (national, regional and local) can substantially improve their ability to draw up and implement successful just transition plans beyond the end of the current MFF (2021–2027). They require both financial and knowledge resources, including but not limited to skills to successfully engage with target groups (such as residents, workers, firms, youth organisations, older people, environmentally concerned citizens, farmers' associations and indigenous people); to manage large-scale projects with broad stakeholder bases; to design grants and business support schemes with social conditionalities; to develop and manage social support schemes; and to measure the distributional effects of policies.
- Capacity building among the social partners is also necessary, particularly at the local and regional levels, as some may struggle to allot sufficient time, resources and skills for proper engagement. Governments (implementing the Council recommendation on ensuring a fair transition towards climate neutrality) and the national and EU-level social partners could support this endeavour.
- Building the capacity of civil society organisations with a view to empowering and involving them would help reduce the risk of these groups losing trust in public authorities and, by extension, EU goals.

Encouraging civic and social dialogue at relevant levels

- It is important that citizen participation programmes are encouraged through creative initiatives to build a strong social consensus as a driver of a fair transition. Governments should ensure the alignment of these initiatives, consulting with the social partners, civil society and citizens.
- Social dialogue should be an effective mechanism in this context. As part of the consultations initiated by governments on

just transition policies and priorities, the social partners should be encouraged to provide solutions. The social partners and governments could consider concluding agreements to tackle the negative effects of decarbonisation (good examples of tripartite agreements can be found in Spain). It is also essential that the social partners consider, in the context of the national social dialogue system, the role of collective bargaining at sector and company levels to anticipate the impact of the green transition on business and the workforce and to establish measures for skills enhancement and employment support.

Adopting a holistic, coordinated approach

- Policymakers should address the green transition as a set of systemic interventions interlinking the economic, social and environmental dimensions and not as a series of isolated and disconnected individual projects.
- Prioritising projects with large-scale societal impact would better serve the interests of regions. Grants and other support should be provided with social conditionalities to benefit local populations and to use the energy transition as an engine for job creation. Furthermore, while being mindful of competitiveness issues, projects should support investments in transforming production systems and workforce skills by pulling together the resources of various funding mechanisms.
- It is crucial that there is coordination across relevant government departments (horizontally) and across territorial levels (vertically).

De-bureaucratisation of procedures

- The complexity of funding mechanisms and the administrative burden that must be shouldered to benefit from them are considered overwhelming by many stakeholders. On the one hand, there is a risk of funds being left unused as a result of stakeholders' lack of capacity and resources. On the other hand, there is a

risk of projects being funded as a box-ticking exercise, with ‘well-oiled’ organisations making use of the funds suboptimally or not addressing the real problems. Efforts should be made to clarify and simplify procedures.

Drawing up regional jobs and skills roadmaps and ensuring good-quality jobs

- Regions need to analyse the sectors and occupations facing challenges arising from the green transition. They need to collect, harmonise and share data on jobs and skills, keeping track of the creation and elimination of jobs at regional level, as well as changes in the nature of jobs and job quality. Indicators on employment change, mobility between sectors, skills, and job quality at regional and subregional levels are needed for better diagnosis and assessment of policy impact. Particular attention should be paid to vulnerable groups such as young people, unemployed workers and older workers.
- Cooperation should be sought with employers, chambers of commerce and industry, trade union organisations, public and private employment services, and training providers.

Facilitating knowledge-sharing

- Sharing of information on EU and national funding schemes and sharing of good practices within and across regions and countries should be promoted. The Member States can make use of existing networks at EU level (such as the INFORM EU network, led by DG REGIO) but also informal peer-to-peer exchanges.
- Clear communication with the public and responsible local media, in a context of transparency, is essential to keep citizens up to date regarding decisions and projects that affect their daily lives and the future of their locality. Citizens are not necessarily familiar with terms such as ‘just transition’, but they do experience and understand the consequences of the green transition.

A renewed European agenda ensuring ongoing support through EU policies

- Financially strained national or regional authorities may have difficulty continuing transition policies when the Just Transition Fund expires in 2026 and might not be able to make use of other Just Transition Mechanism pillars (such as the Public Sector Loan Facility). To avoid widening social inequalities and divergence between regions (within and across countries), coordination of the various funding mechanisms needs to be improved. In the forthcoming review of the European Pillar of Social Rights, the European Commission could consider strengthening the links between economic, social and climate policies and measures for more holistic and coordinated approaches.
- With the end of the Just Transition Fund, the options for future financial support for regions need to be reconsidered: is the fund to be extended or some of its actions integrated into the Social Cohesion Fund or the Social Climate Plan (which will be launched in 2026). Arguably, a proliferation of funds increases financial and administrative complexity at national level, but a dedicated fund that combines both infrastructure and the skills and employment dimension undoubtedly has advantages. Widening the sectoral scope to include sectors such as transport, agriculture and car manufacturing should be considered, with provisions for meaningful and continuous stakeholder involvement. Given that sectoral and regional pathways may have different needs, future EU financial resources dedicated to socioeconomic challenges should be reassessed.
- EU industrial policy, innovation policies and private investments should be used to support the transformation of societal and industrial systems (rather than just technologies). Both public and private financing is essential to retain business and jobs in Europe, but the EU budget plays a major role.



Resources

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Eurofound topic 'just transition': <https://www.eurofound.europa.eu/en/topic/just-transition>

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Multistakeholder partnerships are essential to ensure that the green transition is not only environmentally sound and economically viable but also socially just. This policy brief investigates how relevant actors (national and regional authorities, the social partners and civil society organisations) are pursuing a green and just transition using a partnership approach in eight European regions facing particular challenges as a result of the phase-out of fossil fuels.

Based on case studies, the policy brief examines how the actors involved perceive the just transition and identifies partnership practices that work and those that warrant improvement. It also describes how the regions see the future of partnership for a just transition in the medium and long terms and draws policy pointers from the evidence gathered.

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency established in 1975. Its role is to provide knowledge in the area of social, employment and work-related policies according to Regulation (EU) 2019/127.

