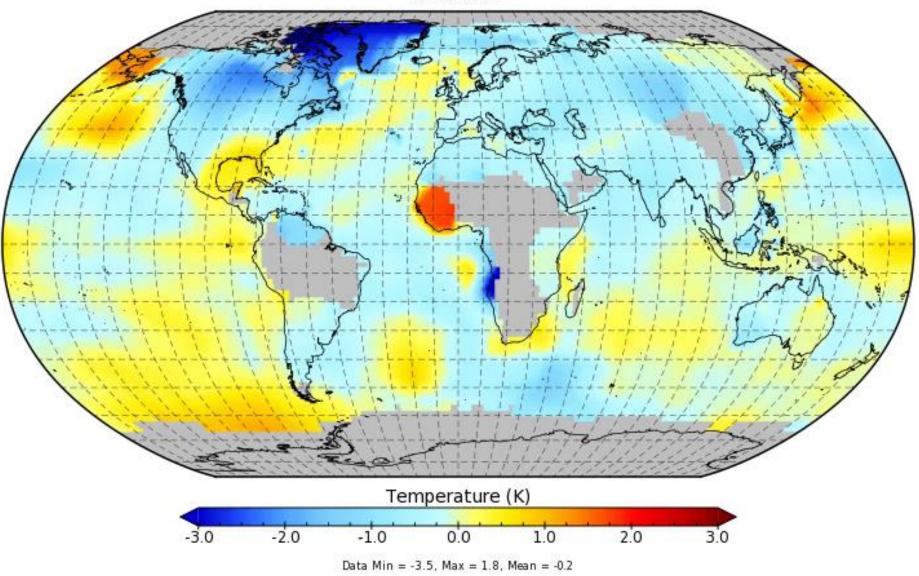


**Just Transition – A key concept for trade unions** 

# Climate change is here and now.

### Annual Surface Temperature Anomaly base 1951-1980



Animation at: <a href="https://data.giss.nasa.gov/gistemp/animations/10year-6y.mp4">https://data.giss.nasa.gov/gistemp/animations/10year-6y.mp4</a>

nion **Sport** 

**Culture** 

Lifestyle

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icas Asia Australia Middle East Africa Inequality Cities Global development

#### Spain battles biggest wildfires in 20 years as heatwave grips Europe

Health officials warn 'the worst is still to come', with temperatures expected to exceed 44C in some areas



▲ The forest fire burning in the municipality of Ribera d'Ebre, in Tarragona, Catalonia. Photograph: Jaume Sellart/EPA

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Flooding

#### Two people die as Venice floods at highest level in 50 years

'This is result of climate change,' says Venice mayor, who declares state of emergency

In pictures: flooding in Venice

#### Jon Henley and Angela Giuffrida

Thu 14 Nov 2019 04.51 GMT













▲ Venice is flooded by the highest tides since 1960s - video

### LE SOIR .be

## Heatwaves have killed at least 716 people in 2019

Les trois canicules ont frappé surtout les plus âgés. La mortalité a parfois bondi de 35 % en un jour ! Les centres urbains davantage frappés















Mis en ligne le 3/10/2019 à 09:23 par Frédéric Soumois



# WHY do we need a JUST TRANSITION?

## Who are the gilets jaunes and what do they want?

What began as a fuel tax protest by French drivers now appeals to wider anti-government sentiment



## Shell to cut up to 9,000 jobs as Covid-19 accelerates green drive

Anglo-Dutch oil firm expects to save up to \$2.5bn a year through restructuring plan

- Coronavirus latest updates
- See all our coronavirus coverage



## Migrants building £2.6bn windfarm paid fraction of minimum wage

Workers on Beatrice project in Scotland have included irregular migrants on under £5 an hour



#### Why do we need just transition?

 Just transition is key to have public support and sufficient acceptance of climate policies >< climate denial / NIMBY

 In a context of rising inequalities, strong need for social policies, solidarity and more attention to vulnerable regions and communities >< far right / populism

# WHAT do we mean by JUST TRANSITION?

#### A brief history of the concept of just transition...

 Tony Mazzocchi, US trade union leader in Oil, Chemical, and Atomic sector.

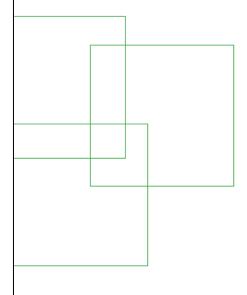
 Concept emerges in 1970s in the context of nuclear disarmament. Idea to protect workers from nuclear sector while advocating for phase out of nuclear weapons.

• In 1990s concept revisited in the context of climate change. Protect workers of polluting industries while advocating for phase out.

 Later adopted by international trade union organizations, acted in ILO guidelines and Paris Agreement in 2015.



Guidelines for a just transition towards environmentally sustainable economies and societies for all





#### **Just Transition – what it means for Trade Unions?**

### Just

#### **Transition must be just:**

- In terms of output (reduce inequalities)
- In terms of **process** (inclusive)
- In terms of financing (fiscal justice and solidarity)

### **Transition**

There are no jobs on a dead planet:

- In line with Paris
   Agreement
- Status quo is no solution
- Objective to achieve a carbon neutral and circular economy.

#### **Just Transition – what it means for Trade Unions?**

- Solidarity mechanisms to support most vulnerable and affected sectors and regions
- Adequate social protection and training programmes to accompany workers in their transition
- Development of local economies and diversification of activities to create alternative job opportunities
- Rigorous socio-economic impact assessments and detailed long-term strategies to anticipate the changes
- Effective social dialogue and a strong participation of workers at all stages of the process
- Availability of sufficient financial means.

#### **Just transition after COVID19**

- Just transition elements remain valid for this crisis (social dialogue, solidarity, social protection, training programmes, diversification of economy, long term strategies)
- After COVID19 outbreak, all economically viable sectors and companies should be supported to avoid massive unemployment, rising inequalities and populism
- However, support should encourage companies to commit to GHG reduction in the middle and long term and to develop just transition strategies
- Massive investments in key sectors that support EU industry, create jobs in vulnerable regions and reduce GHG emissions are needed:
  - Renovation of buildings (priority to schools, public buildings, social housing)
  - Development in railway infrastructures
  - Develop EU battery industry
  - Support electrification of vehicles (support demand and invest in charging infrastructures)
  - Invest in cycling infrastructures
  - Invest in **renewable** energy
  - Invest and develop green hydrogen production
  - Invest and develop breakthrough technologies for clean industrial processes
  - Invest and develop education, public services and public infrastructures

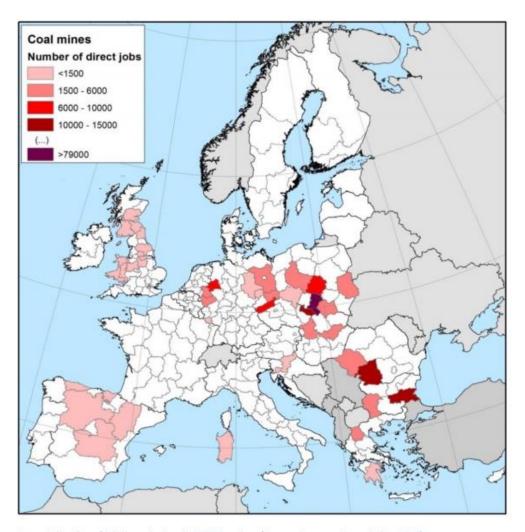
## JUST TRANSITION IN EUROPE THE EXAMPLE OF COAL

#### **Coal sector – Key figures**

- Accounts for 18% of EU GHG emissions (2016)
- Represents 350.000 direct and indirect jobs in the EU (JRC 2018)
- Only **0,15%** of EU jobs...
- ...but highly concentrated in a few countries and regions



#### **Coal sector – Key figures**



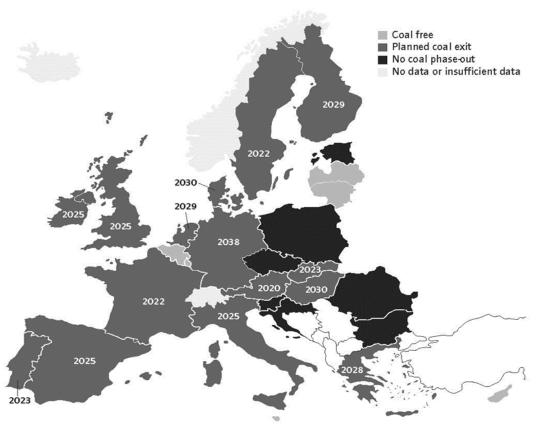
10 regions represent... 75% of the employment in coal.

Mainly Poland, Estonia, Greece, Czechia, Bulgaria, Germany.

Coal sector is central for these regions and their communities.

Figure 1: Number of jobs in coal mines in NUTS 2 regions (Source: European Commission, 2017)

#### **Coal sector – Phase out**



Status of coal phase-out in the EU - October 2019

Source: Europe Beyond Coal (2019) and national sources. Note: Cyprus, Belgium, Latvia, Lithuania, Luxembourg and Malta have no coal-fired plants.

#### **Just transition in Coal sector – German case**

- In 2018, creation of "Kommission für Wachstum, Strukturwandel und Beschäftigung" aka Coal Commission to plan German coal phase out
- In 2019, submit final report to federal government, later adopted:
  - Package of interconnected social protection, training programmes and new measures to create decent jobs
  - A phase-out of coal-fired power by 2038
  - **€40 Billion investments** in infrastructure, research, and new sectors
  - Renewable energy will increase its share to 65% by 2030



#### **Just transition in Coal sector – German case**

- Development of plan/strategy to transform the country's energy sector through a Just Transition. Adapted to each region.
- **Strong Social dialogue**: workers part of the discussions and therefore supportive of the decision.
- Trade Unions played a key role in relaying workers concerns and finding adequate solutions/compromises
- Active labour transition management (e.g. Ruhr Coal Vocational Training Society)
- German case, model of social dialogue for Just Transition even though lack of ambition in final agreement



#### Just transition in Coal sector – Spanish case

- 2012: Years of hard struggle: Marcha Negra March organised by TUs,
   457 km to Madrid to protest against the loss of jobs that would result from the end of coal subsidies.
- Followed by agreement with the 3 mining and energy unions
- Lead to first National Plan on Just Transition (idea that no one will be left behind)
- Lead to 'Just Transition' contracts: helping the regions to consolidate the employment of the future
- Objective : Restore hope in neglected regions



If involvement of workers neglected, lack of social acceptance. When TUs are part of the process, help find agreements

#### Just transition in Coal sector – Spanish case

#### Plan Del Carbon (October 2018)

- Closure of all Spanish coal mines no longer economically viable (10 pits)
- About 1677 workers
- **Early retirement** schemes for miners over 48, or with 25 years' service
- Younger miners will receive a redundancy payment of €10,000, as well as 35 days' pay for every year of service
- Miners with asbestosis will receive an additional payment of €26,000
- Re-skilling schemes for cutting-edge green industries
- €250m will be **invested in mining regions** over the next decade.
- Environmental **restoration work** in pit communities



Three-part plan – (1) Just Transition for coal miners and communities; (2) regional redevelopment; and (3) a national observatory

# JUST TRANSITION FUND

#### **Just Transition Fund**

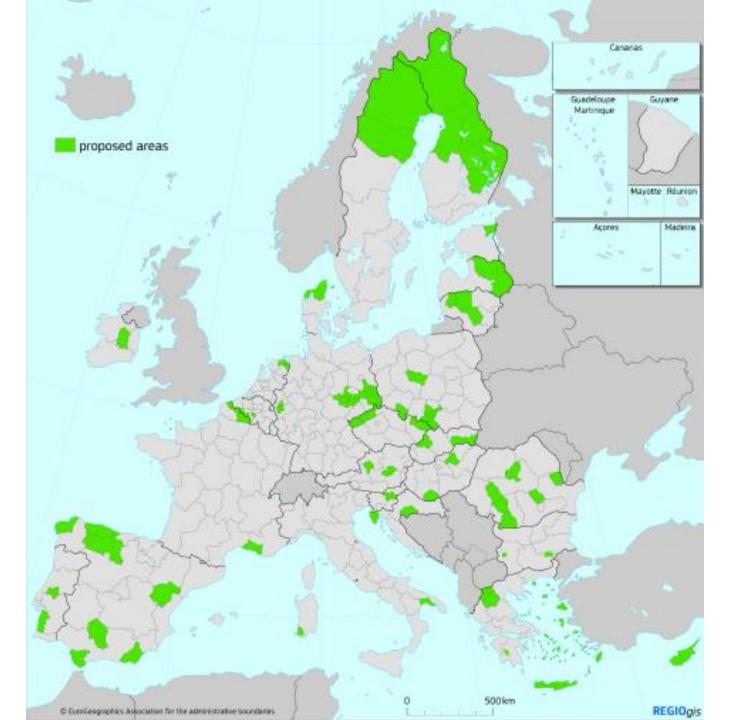
- On January 2020, European Commission proposed to establish a new Just Transition Fund – Now at last step of legislative process
- Objective to focus on support and economic diversification of regions most affected by climate transition. (Coal, lignite, oil shale, peat & Ells)
- €17,5 Billion (€7,5 billion from MFF, €10 billion from RRF)
- Besides the Just Transition Fund, two other pillars to form the Just Transition Mechanism:
  - Pillar two (Invest EU €45 billion of private investments)
  - Pillar three (EIB -€25 billion of loan)

#### **Just Transition Fund**

2018 prices Union Recovery jobs and growth	Share
goal	
BE 95 71 <b>166</b>	0,9%
BG 673 505 <b>1.178</b>	6,7%
CZ 853 640 <b>1.493</b>	8,5%
DK 46 35 81	0,5%
DE 1.288 966 <b>2.254</b>	12,9%
EE 184 138 <b>322</b>	1,8%
E 44 33 77	0,4%
EL 431 324 755	4,3%
ES 452 339 <b>790</b>	4,5%
FR 535 402 <b>937</b>	5,4%
HR 97 72 <b>169</b>	1,0%
Π 535 401 <b>937</b>	5,4%
CY 53 39 <b>92</b>	0,5%
LV 100 75 <b>174</b>	1,0%
LT 142 107 <b>249</b>	1,4%
LU 5 4 8	0,0%
HU 136 102 <b>237</b>	1,4%
MT 12 9 <b>21</b>	0,1%
NL 324 243 <b>567</b>	3,2%
AT 71 53 <b>124</b>	0,7%
PL 2.000 1.500 <b>3.500</b>	20,0%
PT 116 87 <b>204</b>	1,2%
RO 1.112 834 <b>1.947</b>	11,1%
SI 134 101 235	1,3%
SK 239 179 <b>418</b>	2,4%
FI 242 182 <b>424</b>	2,4%
SE 81 61 <b>142</b>	0,8%
EU27 10.000 7.500 17.500	100,0%

 $<sup>* \</sup>textit{All amounts reflect gross allocations, before transfers for technical assitance}$ 

<sup>\*\*</sup> Totals may not tally due to rounding



#### **Just Transition Mechanism**

#### Conditions to benefit from the fund:

- Member states should develop territorial just transition plans. These plans should detail:
  - Socio-economic impact assessments
  - transition process and measures to ensure just transition and consistent with the National Energy and Climate Plans, 2030 and 2050 targets and EPSR.
  - Be developed in accordance with the partnership principle (social partners involvement!)
- Members states should commit to the objective of climate neutrality by 2050. If no commitment, only 50% of the funding.

#### **Just Transition Mechanism**

#### List of activities that can be financed through the fund:

- Investments in SMEs, start-ups, new firms, incubators, leading to economic diversification or reconversion
- Investments in social infrastructures
- Investment in research and innovation, public research institutions fostering transfer of technologies
- Investment in technologies for affordable clean energy, GHG emissions reduction, energy efficiency, energy storage technologies, sustainable renewable energy
- Investments in smart and sustainable mobility and environmentally friendly transport infrastructures
- Investment in projects fighting energy poverty particularly in social housing and promoting energy efficiency, low emission district heating,
- Investments in digitalisation and digital connectivity
- Investments in green infrastructures as well as Regeneration, decontamination of sites, brown fields and repurposing projects when the polluter pays principle cannot be applied
- Circular economy through waste prevention, reduction, resource efficiency, reuse, repair and recycling
- Creation and development of social and public services of general interest
- Investments in culture, education and community building, including the valorisation of tangible and intangible mining heritage and community hubs
- Upskilling, reskilling of workers and job seekers
- Job search assistance to job seekers active aging support and income support for workers in transition between jobs
- Active inclusion of job-seekers, particularly women, disabled persons and vulnerable groups
- Technical assistance
- productive investments in enterprises other than SMEs under certain conditions

#### **Contact persons:**

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