First intervention – Presentation of the EESC opinion

President Röpke intervention (7min)

Dear Minister Khattabi, dear Commissioner, Honourable Ministers, State Secretaries and Directors General, Distinguished delegates, Ladies and Gentlemen,

Thank you for extending an invitation to the European Economic and Social Committee (EESC) to present our opinion on *Advancing the EU's just transition policy framework: what measures are necessary* prepared at the request of the Belgian presidency of the Council of the EU. It is an honour to be here today, representing the voice of organized civil society in Europe.

As many of you are aware, the EESC serves as a **tripartite advisory body** to the European institutions, representing employers, workers, and civil society organizations across the 27 Member States.

The European Green Deal stands as one of the most ambitious initiatives ever undertaken by the European Union. It aims to drive Europe into becoming the **world's first climate-neutral continent by 2050**, and to pave the way for Europe to become more **sustainable and prosperous**.

At the heart of the Green Deal lie three fundamental principles:

- achieving 'no net emissions of greenhouse gases by 2050'
- fostering 'economic growth decoupled from resource use'
- and ensuring 'no person and no place is left behind'.

This third commitment to leaving no one behind is central, and it is also the **transformative promise** of the Sustainable Development Goals. Ultimately, we all agree that the primary goal in how we structure our economies and societies is to ensure the wellbeing of people while staying within the boundaries of our planet's resources.

The target of achieving carbon neutrality by 2050 is crystal clear, and the sooner we act, the better.

The recent communication on the 2040 climate target opens up a **valuable opportunity for dialogue**. It also emphasizes the role of a reinforced just transition policy framework in achieving the goals of the Green Deal. We could not agree more. The EESC is currently formulating its position on the communication, which will be ready by May, and we focus on the "how" - meaning on governance.

We cannot afford the risk of 'too little, too late' on the social front, as this not only leads to potential environmental backlash, but also to **poverty, rising inequalities and the end of social peace**.

The widespread farmers' protests across Europe serve as a stark warning. It is crucial to interpret this phenomenon accurately. It's not less ambition regarding climate action that's needed, but rather **heightened social ambition**. It is not about stepping back from the Green Deal but **fostering greater solidarity and a stronger Europe**. From the beginning, the EESC advocated precisely for this: a European **Green AND SOCIAL Deal**.

Recent decades show the social dimension has not been sufficiently development. We appreciate the opportunity to contribute to advancing on a just transition policy framework for the EU. Such a framework can serve as the **catalyst for ensuring that no one is left behind** while regions, businesses, and societies are experiencing big transformations. It can also **accelerate the implementation of both the Green Deal and the SDGs agenda**.

Focusing now on the governance aspect, our exploratory opinion outlines **two fundamental dimensions**.

- First, it describes the action or method by which policies are articulated, essentially the policy architecture for the just transition within the EU.
- Second, it considers the level of involvement of relevant stakeholders in the process, in other words the participatory dimension.

In essence, we are looking at **policy governance** and **participatory and democratic governance** for the just transition policy framework. We need both.

In terms of policy governance,

At the EU level, various measures have been adopted to counteract regressive impacts of climate policy instruments. The Just Transition Mechanism and the Social Climate Fund Regulation are significant tools, but they are evidently **constrained in size and scope**, falling short of the transformation's demands.

Some scientists and stakeholders are already sounding alarms on the EU climate governance, asserting that it is **inadequate for the radical transformation necessary to achieve the 2050 climate neutrality goal.**

Therefore, the EESC strongly advocates for a holistic, coordinated, and integrated approach to policy-making within the EU just transition framework. Operating in silos is no longer viable. We need comprehensive planning, coordination, oversight, implementation, and monitoring - coupled with institutional anchoring.

We stress of fundamental importance of the participation of trade unions, employers and social dialogue as crucial. We think it is crucial to **strengthen the synergies between EU social and climate policies**. The social dimension must be embedded systematically in all policies, otherwise 'Leaving no one behind' becomes only a buzz word or a patchy solution. To this aim, implementing an EU just transition framework is a <u>significant step in the right direction</u>.

In terms of democratic and participatory governance,

Meaningful participation and stakeholder engagement are key, and it becomes even more pronounced when discussing just transition strategies and policies. The EESC firmly believes that social dialogue, civic dialogue, and the involvement of local and regional authorities are essential for realizing a just transition policy framework.

Furthermore, public engagement enhances the **democratic legitimacy** and **broader understanding** of EU climate policies.

We already do have valuable experiences at the regional and national levels. With the risk of omitting relevant ones, the EESC commends the **extensive societal dialogue in Belgium on just** transition in the last years, and acknowledges initiatives like the Spanish Just Transition Strategy, the Scotland's Just Transition Commission, the Silesian Regional Observatory for the Transition Process (ROTP), and Estonia's Territorial Just Transition Plans (TJTPs).

There are also noteworthy experiences involving **social partners in just transition efforts**, such as in Germany's carbon-intensive Ruhr region, Spain, Sweden, Czechia's Moravian-Silesian region, and Estonia's green transition platform in Ida-Virumaa.

What we need next is an EU policy framework that supports and accompanies all these processes—an enabling framework that facilitates change. This is the reason why we call for establishing an <u>European Directive for Just Transition of the world of work through</u> <u>anticipation and management of change</u>, with social dialogue and collective bargaining as leading principles.. We are working on another exploratory opinion on how to advance on an EU just transition legislative proposal and EU policy tools.

Now, I'll hand over to Rudy de Leeuw, the rapporteur of this opinion, to go deeper into the governance dimension of the proposed EU just transition policy framework.

Rudy de Leeuw intervention (7min)

Distinguished delegates,

I am pleased to present to you today the exploratory opinion that was adopted by an overwhelming majority at the EESC plenary session last December.

This opinion lays out an EU policy framework for the transformative journey ahead. The framework is structured around six pillars and encompasses over 70 EU-level policy proposals and measures. Additionally, it suggests more than 20 national-level actions and provides recommendations to enhance the involvement and ownership of relevant actors.

Allow me to briefly outline the six pillars of our proposal for a framework for the just transition before delving into the governance dimension. The six pillars are:

- First, an EU just transition policy framework should be based on a holistic, coordinated and integrated approach to policy making.
- Second, this framework should promote a sustainable economy that provides prosperity for all within planetary boundaries.
- Third, our European social model and welfare states are the backbone of the EU just transition policy framework.
- Fourth, social dialogue, civic dialogue and the participation of local and regional authorities are key for delivering the just transition.
- Fifth, strong and resilient sustainable businesses are a prerequisite for the just transition.
- Finally, the sixth pillar deals with the need for adequate investment in the delivery of a just transition policy framework

When I refer to pillar, I could also refer to them as building blocks or founding premises Today, I will focus mainly on the first and forth one, highlighting some of its policy proposals and measures.

First, an EU just transition policy framework should be based on a holistic, coordinated and integrated approach to policy making.

The EESC firmly believes that a forward-looking just transition policy framework should embed the principles of a just transition within all EU institutions. It must enhance policy coherence across different policy areas, establishing clear and measurable objectives and ensuring that all EU policies align with the overarching goal of a just transition.

Such a framework should adopt an integrated approach across the economic, environmental, and social dimensions, as well as across various portfolios and sectors. Additionally, it should consider other ongoing transitions and trends, such as the digital transition, demographic changes, and geopolitical developments. Rather than adopting a "one size fits all" approach, the framework should allow for adaptation to specific contexts and challenges.

Recognizing that our policies can no longer function in isolation, we advocate for proper planning, coordination, oversight, implementation, and monitoring. Institutional anchoring is crucial in this regard. Therefore, we propose a series of measures, including:

- the establishment of a Just Transition Observatory responsible for research and data collection, that undertakes impact assessments to thoroughly measure the likely social, distributional, health and employment impacts of both climate action and inaction, and monitors just transition processes and strategies.
- the introduction of a social dimension to the work of Climate Observatories.
- the adoption a whole-of-government approach in the institutions, including integrating the
 objectives and principles of the JTPF into the agenda of relevant ministries, DirectoratesGeneral and Council configurations, and promoting better coordination between them,
 including through joint monitoring and evaluation of policies and actions through working
 groups, joint Council meetings, etc., guided by the facts and figures provided by the Just
 Transition Observatory;
- the appointment of a Commissioner for the Just Transition and a permanent European Parliament rapporteur for the just transition, to coordinate within and between institutions;
- the revision of the Regulation on the Governance of the Energy Union and Climate Action and the European Climate Law to enable a systemic approach to multi-level governance dialogue and facilitate the integration of just transition considerations into climate and energy planning and policy processes, as well as all other policy areas.
- ensuring policy coherence in terms of the EU's international relations in order to maximise the benefits and limit the burdens of a JTPF for third countries,

Second, and referring to the fourth pillar, social dialogue, civic dialogue and the participation of local and regional authorities are key for delivering the just transition.

The EESC firmly believes that the green transition can only succeed if it is widely supported by workers, employers, individuals and civil society at large, and that people must be part of designing and realising a just transition.

This is also an opportunity to promote inclusive and democratic governance. Accordingly, we propose to:

- foster the development and implementation of just transition plans at national, regional, sectoral and company levels and ensure that the social partners are involved early and effectively in discussions on the green transition. This must be done through strengthened social dialogue and systems of collective bargaining and processes of workplace democracy in the EU and the Member States, as well as at global level.
- encourage Member States to create Just Transition Commissions to enable regional authorities, social partners and civil society organisations to participate in the development, implementation and monitoring of national and regional just transition plans;

In addition, a just transition policy framework should be designed and implemented through an inclusive and democratic model of multi-level governance, ensuring adequate and informed civil dialogue and taking into account the needs of marginalized groups, and other underrepresented groups. The EESC also recognizes the importance of the active and informed participation of regional and local public administrations and of broadening their engagement with social partners, civil society, individuals and local communities. Accordingly, we propose to:

- mainstream the engagement of organised civil society throughout the policy cycle, taking into account the inclusion of and outreach to marginalised and under-represented groups;
- encourage cooperation with municipalities on local and regional projects through just transition tenders
- establish public participation processes through which local stakeholders such as civil society and local communities are involved in decision-making
- encouraging bottom-up civic participation such as, for instance, participatory budgeting, citizens' assemblies, youth energy councils, etc,

and finally establishing a European Directive for Just Transition of the world of work through anticipation and management of change, with social dialogue and collective bargaining as leading principles.

Distinguished delegates,

With this exploratory opinion, the EESC, as a tripartite body representing European organized civil society, presents numerous proposals that we believe can significantly contribute to ongoing debates and decisions. We attach great importance to the Council conclusions led by the Belgian presidency on this portfolio, and we are hopeful that your discussions will result in tangible progress.

We all share a common goal: to achieve a sustainable, prosperous, equitable and social Europe both the current and future generations.

Our actions today hold the power to shape a brighter tomorrow.

Thank you for your attention.