



**2022/2170(INI)**

24.7.2023

# OPINION

of the Committee on Regional Development

for the Committee on Employment and Social Affairs

on job creation – the just transition and impact investments  
(2022/2170(INI))

Rapporteur for opinion: Matthias Ecke

PA\_NonLeg

## SUGGESTIONS

The Committee on Regional Development calls on the Committee on Employment and Social Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Believes that the EU's cohesion policy funds aimed at economic, social and territorial cohesion remain the EU's main investment instruments and are crucial for supporting the transition towards climate neutrality and helping the people and territories facing the greatest challenges, ensuring that no one is left behind, as they can provide investments in green technologies and in high-quality education and employment, as well as reskilling and upskilling opportunities in the regions; underlines that cohesion policy funds can support the creation of new 'green' professions and help to modify and expand existing professions to encompass new and different responsibilities and tasks connected with sustainability and environmental protection;
2. Is convinced that developing a regional perspective on the green transition, thus including local and regional authorities, as well as social partners and trade unions, is essential for a just transition towards a net-zero carbon economy; recalls that local and regional authorities are often largely responsible for implementing policies relating to decent work, quality jobs and training, and that the territorial dimension of these policies is therefore of vital importance; recalls, to this end, the importance of equal administrative capacity and access to funding and to information in all EU regions;
3. Stresses the importance of EU cohesion policy in helping companies to make this transition, supporting them in such a way that relocation of their activity outside the borders of the EU is avoided;
4. Welcomes the concept of a 'just transition', considering it a unique principle that must permeate all aspects of the transition to climate neutrality; notes that an ambitious, comprehensive, just and fair transition is needed to address the unintended distributional effects of the green transition, such as greater regional inequalities, as well as other economic and social challenges that some regions may face as a result of the transition, such as the declining competitiveness of companies in specific sectors, job losses, depopulation and brain drain;
5. Underlines that any EU funding should contribute to achieving the objectives set out in Article 9 of the Treaty on the Functioning of the European Union (TFEU) and the European Pillar of Social Rights;
6. Underlines the diversity of Europe's regions, each of which has its own specific territorial, economic, infrastructural and demographic challenges; emphasises that there is no one-size-fits-all solution and that support for a just transition, and in particular the actions needed to create new jobs, must be adapted to local and regional characteristics, needs and natural conditions and take into account the level of impact on regional and local competitiveness; stresses, therefore, the importance of greater dialogue between national, local and regional authorities and of ensuring that representatives of workers from the affected regions are consulted; underlines that in order to move forward with

the green and just transition, capacities need to be strengthened and properly resourced at all levels, particularly at the level of local and regional administrations;

7. Highlights that one of the main focuses of the just transition should be fostering entrepreneurship and creating employment opportunities for young people in carbon-intensive regions so as to support the sustainable development of these regions and prevent depopulation and brain drain; recalls that cohesion policy funding, together with associated financial instruments, can be channelled into the training of young people and workers in the regions, providing them with the additional skills required for new jobs created or those modified by green transition;
8. Urges the Commission and the Member States to address the development trap and growth stagnation in several European regions by increasing their attractiveness and by responding to the issue of the shrinking labour force, which is coupled with a declining and ageing population in many Member States;
9. Highlights that the Just Transition Fund (JTF) is a key cohesion policy instrument, which supports regions impacted by the transition towards a net-zero economy by building a more sustainable and diversified economy, training and reskilling workers and creating new businesses through research and innovation; stresses that the JTF can offer a real possibility to support workers at risk of unemployment as a result of the transition;
10. Notes that the JTF provides support by channelling subsidies into the sectors most vulnerable to the possible consequences of climate transition with the aim of ensuring the balanced and homogeneous development of the areas concerned;
11. Stresses that ensuring the long-term sustainability of the new local economy models requires education institutions to offer diverse curriculum options that are focused on the region's needs, as well as upskilling in future areas of growth, such as net-zero, recycling, reuse, resource- and energy-saving industries and related services; believes that the training and retraining of workers, upskilling, reskilling and lifelong education must ensure that no one, regardless of their work sector, contract type, gender or geographical location, is forgotten on the path to the EU green transition;
12. Underlines that the JTF provides support to carbon-intensive regions, particularly to regions phasing out coal-mining and steel-producing regions; highlights that the just transition roadmap is not a one-size-fits-all, given the intrinsic specificities of each carbon-dependent region; stresses, in this regard, the need for just transition plans to take into account the complexities of the target regions, including the demographic makeup and socio-economic factors such as linguistic aptitude; stresses, moreover, that particular attention must be paid to rural areas and to regions that suffer from severe and permanent natural or demographic handicaps, such as islands, mountain, outermost and border regions, as defined in Articles 174 and 349 TFEU, as these regions are already affected by reduced access to public and private services and job opportunities and by lower economic development;
13. Notes that the JTF needs adequate financial resources to ensure its effectiveness in supporting regions' transition towards climate neutrality; suggests expanding and broadening the JTF's scope and budget to include other industrial sectors and regions

that are equally affected by the green transition; recalls, however, that it is essential to ensure that the whole EU budget serves the objectives of the just transition and that a broader JTF should complement existing financial instruments effectively;

14. Believes that social impact investment (SII) is no substitute for public social spending; underlines, however, the importance of strengthening the capacities of social economy organisations by mobilising public and private investments to prepare for the green transition; notes that SII can complement cohesion funds in tackling the challenges encountered on the path towards climate neutrality, contribute to job creation and economic diversification within regions and support more sustainable transformation and economic development, provided it has a measurable social effect on inclusion, equality, skills and employment and the management of demographic changes; calls, therefore, on the Commission and the Member States to cooperate to ensure that SII in the context of the green and just transition tackles the regional disparities in job markets and employment opportunities, particularly in less developed, rural and remote regions, in order to ensure economic, social and territorial cohesion; underlines that any adjustment of the legal, regulatory and economic framework for SII must meet these requirements;
15. Notes that the green transition has a strong gender dimension, with women tending to be under-represented in green jobs and men tending to be more affected by the disappearance of carbon-intensive jobs; underlines, therefore, the need for a gender perspective when designing and implementing all transition policies to avoid deepening the divides within local labour markets; recalls the importance of the care economy and the care sector (such as early years childcare and long-term care work) for a socially just green transition, as this is a female-dominated area of work in which job creation is essential for redistributing unpaid care work, which is a precondition for ensuring that women have equal employment opportunities in the transition;
16. Notes, furthermore, that the disappearance of carbon-intensive jobs might have a greater impact on older generations and people in a vulnerable situation, and underlines the need for a fundamental rights approach to all green transition policies to ensure the inclusion of these groups;
17. Remains convinced that a just transition has the potential to not only convert the EU into a successful net-zero economy, but also make it a global model for this existentially necessary transformation; calls for fresh EU money to be mobilised for necessary EU investments with a strong territorial dimension; highlights that cohesion policy is an essential tool on the path towards a net-zero economy and believes that the debate on the future of EU cohesion policy, including the revision of the multiannual financial framework 2021-2027 and funding for 2028-2035, must be guided, among other things, by the need to assist the Member States on this path to promote, among other outcomes, the more effective take-up of resources by regional and local communities; underlines, in this regard, that in the face of the green transition and the challenges arising from it, the future cohesion policy needs solid and appropriate funding.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	19.7.2023
<b>Result of final vote</b>	<div style="display: flex; justify-content: space-between;"> <span>+: 29</span> </div> <div style="display: flex; justify-content: space-between;"> <span>–: 0</span> </div> <div style="display: flex; justify-content: space-between;"> <span>0: 6</span> </div>
<b>Members present for the final vote</b>	François Alfonsi, Adrian-Dragoș Benea, Isabel Benjumea Benjumea, Franc Bogovič, Vlad-Marius Botoș, Corina Crețu, Rosa D’Amato, Christian Doleschal, Matthias Ecke, Mircea-Gheorghe Hava, Krzysztof Hetman, Peter Jahr, Cristina Maestre Martín De Almagro, Nora Mebarek, Martina Michels, Alin Mituța, Dan-Ștefan Motreanu, Denis Nesci, Niklas Nienass, Andrey Novakov, Alessandro Panza, Caroline Roose, Marcos Ros Sempere, André Rougé, Susana Solís Pérez, Irène Tolleret
<b>Substitutes present for the final vote</b>	Karolin Braunsberger-Reinhold, Carlos Coelho, Rosanna Conte, Herbert Dorfmann, Sandro Gozi, Ana Miranda, Yana Toom, Stefania Zambelli
<b>Substitutes under Rule 209(7) present for the final vote</b>	Carlo Fidanza

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

29	+
PPE	Isabel Benjumea Benjumea, Franc Bogovič, Karolin Braunsberger-Reinhold, Carlos Coelho, Christian Doleschal, Herbert Dorfmann, Mircea-Gheorghe Hava, Krzysztof Hetman, Peter Jahr, Dan-Ștefan Motreanu, Andrey Novakov
Renew	Vlad-Marius Botoș, Sandro Gozi, Alin Mituța, Susana Solís Pérez, Irène Tolleret, Yana Toom
S&D	Adrian-Dragoș Benea, Corina Crețu, Matthias Ecke, Cristina Maestre Martín De Almagro, Nora Mebarek, Marcos Ros Sempere
The Left	Martina Michels
Verts/ALE	François Alfonsi, Rosa D'Amato, Ana Miranda, Niklas Nienass, Caroline Roose

0	-

6	0
ECR	Carlo Fidanza, Denis Nesci
ID	Rosanna Conte, Alessandro Panza, André Rougé, Stefania Zambelli

### Key to symbols:

+ : in favour

- : against

0 : abstention