

Sustainable Europe
Investment Plan and the
Just Transition
Mechanism

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# Just Transition Mechanism at least EUR 100 billion investments

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

Just Transition Fund
to generate financing of
€30-50 billion

- New Just Transition Fund of €7.5 billion
- Transfers: for each €1 from JTF €1.5-3 from ERDF/ESF+
- National co-financing

**Provides primarily grants** 

InvestEU
Dedicated Just
Transition Scheme
to mobilise up to
€45 billion investments

Crowds in private investment

Public sector loan
facility
with the EIB
to mobilise
€25-30 billion investments

Leverages public financing

- Adoption of a territorial just transition plan enables access to all three pillars of JTM
- ➤ Investments under pillars two and three of JTM shall benefit territories identified in the territorial transition plans adopted by COM without being necessarily located in these territories
- Pillars two and three of JTM have a wider thematic scope than JTF

# **Strategic Conditionality and Programming**

#### **Country reports and Annexes D**

Analysis on the most impacted territories and respective challenges

# 2020 Semester and review in 2024

taking into account revised NECPs

#### **Territorial just transition plans**

- Description of transition process and key transition steps –
   consistent with NECPs
- Identification of territories (NUTS3 or parts thereof)
- Development needs, type of operations
- Justification of specific investments (productive investments for larger companies and activities in ETS sectors)

At national level

For each territory

Programmes with JTF support
Territorial just transition plans annexed

Adoption by Commission Decision

#### In case transition steps do not materialise:

- Programmes are modified, including through the mid-term review
- Financial corrections may be applied at closure



## **Scope of support**

#### More focused than mainstream programmes

- Economic diversification and reconversion
- Re-skilling and job seeking assistance for workers
- Support to climate transition and environmental sustainability
- Scope of JTF defined in Article 4 is exclusive

#### **Notable exclusions**

- Notably, production, processing, distribution, storage or combustion of fossil fuels (including gas)
- 2nd and 3rd pillar of JTM have a wider scope of eligible activities

# Limited additional investment eligible – to be justified in territorial just transition plans

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

All operations must contribute to the implementation of the territorial just transition plans



### JTF – allocation for Czechia

Czechia's share in JTF	Aid intensity per capita (entire period) EUR	Allocation (EUR million)	JTF resources mobilised (EUR million)	JTM – all pillars incl. JTF (EUR million)
7.7%	55	581	2000 - 3300	7.761

The allocation proposed for Czechia reflects the magnitude of the adjustments needed. The allocation takes into consideration the relative prosperity criterion, resulting in an upwards correction for Czechia.



## **Coal Regions in Transition Initiative in Czechia**

# Key challenges:

- Skills: Reskilling and Upskilling of coal mine workers – match labour market and skills
- Action Plan: Prioritise and identification of the right sustainable projects – Jaspers assignment
- Governance: Foster Administrative Capacity in the region
- SMEs: Improve innovative potential of SME's, businesses in the region, sustainable investments needed
- Support investments in greenhouse gas emission reduction, energy efficiency and renewable energy

Northern Bohemian coal basin Liberecký Ostrava-Karviná Sokolov kraj Královéhradecký coal basin Hlavní město Pardubický Praha Středočeský Olomoucký Plzeňský kraj Kraj Vysočina Zlínský kraj Jihomoravský Jihočeský kraj ▲ Thermal power plants © EuroGeographics Association for the administrative boundaries

Close coordination with interventions under the current and post-2020 programmes is necessary.

