

Support to the implementation of the Just Transition

The flagship technical support request

This flagship technical support is targeted at Member States wishing to address gaps in the implementation of the Just Transition in their regions. The implementation of the Just Transition Mechanism (JTM) on the ground will be key to ensure that the transition towards a climate-neutral economy happens in a fair way, leaving no one behind. To this end, the flagship offers activity packages to help Member States address specific challenges in the regions and sectors affected by the transition.

Just Transition benefits at a glance

People



- Re-skilling opportunities
- Fighting energy poverty
- Access to clean, affordable and secure energy

Economy



- Economic diversification
- Attractive conditions for public and private investors
- Creation of new firms, SMEs and start-ups

Regions



- New jobs in the green economy
- Affordable loans to local public authorities
- Improving district heating and transportation networks

The Just Transition Mechanism is a key tool to ensure that the transition towards a climate-neutral economy happens in a fair way:

Pillar 1: A Just Transition Fund to support territories most affected by the transition to a climate-neutral economy

Pillar 2: The InvestEU "Just Transition" scheme to mobilise private sector investments

Pillar 3: A new Public Sector Loan Facility to mobilise public investment

Opportunity addressed with this flagship: The Just Transition process has important economic, social and environmental benefits, thus promoting fairness, cohesion and sustainability while benefitting the economy and the society at large.



IMPACT OBJECTIVES:

✓ **Improve the implementation of the Just Transition Mechanism**, with specific support in particular on Pillar 2

✓ **Support regions and sectors in transition not covered by the Just Transition Mechanism**, regardless of where they are located

✓ **Contribute to the objectives of the European Green Deal**, with a climate transition delivered in a just and inclusive way



HOW CAN WE SUPPORT THE JUST TRANSITION?

This flagship identifies the **technical support measures** needed to support the implementation of a Just Transition for regions affected by the transition to climate neutrality. It suggests three technical support packages that Member States and regions can choose from and tailor to the national and local contexts:



SUPPORT TO NATIONAL PROMOTIONAL BANKS FOR PILLAR 2 UNDER THE JTM

Capacity building and advice for the implementation of the dedicated InvestEU just transition scheme

OTHER SPECIFIC NEEDS ON THE IMPLEMENTATION OF THE JTM

Complementary administrative and regulatory reforms in the most affected regions, not covered by available technical assistance streams

JUST TRANSITION IN REGIONS AND SECTORS NOT COVERED BY THE JTM

Just transition challenges in areas or sectors that are not covered by the JTM, but that nevertheless may face significant economic, social and environmental impacts of the climate transition

FOCUS AREAS

The flagship focusses on ways to support the implementation of the just transition on the ground. It will support national promotional banks, as well as national and regional authorities. It is complementary to other technical assistance streams available for the implementation of the JTM.

National promotional banks

National authorities

Regional authorities

Sectors and regions not covered by the JTM

The role of national promotional banks in the JTM

- Pillar 2 of the JTM will provide additional investments for economically viable projects
- National promotional banks will play a key role, alongside the EIB Group, in ensuring these investments materialise in the most affected regions, or benefit them
- Pillar 2 is expected to mobilise financing for mostly private sector investments for those regions

Sectors and regions not covered by the JTM

- Some EU regions or sectors are not covered by the JTM but nevertheless may face impacts of the climate transition
- These sectors could include the agro-food, automotive, aviation, construction, electronics, textile, tourism or other sectors
- Investments to alleviate impacts on those industries and regions could be implemented through Union funds such as ERDF programmes, InvestEU and RRF.

