OPINIONS

EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

576TH PLENARY SESSION OF THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE, 22.2.2023-23.2.2023

Opinion of the European Economic and Social Committee on 'Energy policy and the labour market: consequences for employment in regions undergoing energy transitions'

(own-initiative opinion)

(2023/C 146/02)

Rapporteur: **Maria del Carmen BARRERA CHAMORRO**

Plenary Assembly decision	20.1.2022
Legal basis	Rule 52(2) of the Rules of Procedure
	Own-initiative opinion
Section responsible	Section for Employment, Social Affairs and Citizenship
Adopted in section	30.1.2023
Adopted at plenary	22.2.2023
Plenary session No	576
Outcome of vote	
(for/against/abstentions)	123/43/20

1. **Conclusions and recommendations**

1.1. The European Economic and Social Committee (EESC) notes that the increasing damage caused by the climate emergency and the uncertainties and crises arising from the new geopolitical and energy market situations require the European Union to radically speed up the clean energy transition and increase Europe's energy independence from unreliable suppliers and volatile fossil fuels. It therefore welcomes the European Commission's plans to this end (for example REPowerEU and its additional funding through the Recovery and Resilience Facility (RRF)).

1.2. The EESC also points out that environmental (the climate emergency) and energy risks (dependence on fossil fuels) affect economic activities and all related policy measures. They have a high impact on the most vulnerable regions, economic sectors, workers and population groups, in different ways. Therefore, the EESC considers that it is necessary to focus with a specific attention on the Just Transition Regions where there is a more intensive link between the energy sector development and the labour market requirements and where specific policy actions will be needed.

1.3. In this regard, the most robust studies show that the success of a green transition in general, and an energy transition in particular, could increase GDP (some studies estimate this increase at 5,6 % by 2050), employment levels (ILO and IRENA estimate that four times as many jobs will be created as lost) and the quality of employment, given the greater skills required. Making energy cheaper by increasing available energy sources, especially renewables, identified and incentivised through an appropriate EU green taxonomy, will improve access to these services and also production, creating more jobs. Generally, the jobs created in renewable energies are more difficult to relocate, therefore benefiting many regions, especially those with the greatest risk of depopulation. The positive health effects of working environments should also be taken into account.

1.4. However, the EESC is very concerned about the serious negative, economic, occupational and social effects of the energy transition in the short and medium terms. These are being exacerbated by the current crisis of the war in Ukraine and the economic situation (high inflation). Rising energy prices have affected the most vulnerable households, as well as many companies across the EU. High energy bills increase companies' costs and have an impact on their production and employment levels, forcing them into restructuring plans. This is evidence that energy policy and its changes are substantial for the adjustment and balance of the labour market actors, employees as well as employers. It is therefore necessary that the energy market has to be stabilised very soon and its future to be managed through the new rules which should integrate the double green and digital transition, resilience and competitiveness.

1.5. In order to correct or mitigate these negative effects of the energy transition in the current context of fresh emergencies, the EESC proposes that Member States consider appropriate ways to have labour market policies better integrated into regulatory frameworks and environment and energy policies (sustainable, high-quality employment incentives as value added by the energy transition; funds for sharing the costs of restructuring processes, whether temporary or permanent; reskilling programmes to improve employability in a decarbonised economy, etc.) and into social welfare policies (securing universal access to energy services, providing access to replacement income and adequate minimum income, etc.). This integration, as part of the national measures to implement the action plan for the European Pillar of Social Rights, should always be achieved through social dialogue and collective bargaining, subject to the autonomy and diversity of the different industrial relations systems of each state.

1.6. Given the great complexity of these challenges, the EESC proposes prioritising the connections between the issues of the energy transition, labour markets and regional development, as part of a renewed (economic, social and territorial) cohesion policy. While the relation between the EU energy policy and the labour market in a regional context is relevant for all EU regions, a specific case can be found in the Just Transition Regions, having a strong conventional energy background with an impact to connecting industries. To this end, useful indicators, such as the decarbonisation employment potential (DEP) indicator, should be taken into account. In order to effectively meet the objectives of climate policy and the energy transition, the EESC reiterates its firm belief that the Just Transition Mechanism needs to be used more effectively, taking into account a pace compatible with the situation of small and large enterprises. It is necessary to carry out under these conditions new complementary regional measures, in order to preserve as many jobs as possible and ensure that new jobs are good quality. This must always — in practice or in effect — involve social dialogue and collective bargaining, as well as social economy entities. The Commission should promote this greater social dimension. Any measures or policies considered must always be formulated in a manner that respects the features of national industrial relations systems as well as the roles, competences and autonomy of social partners.

1.7. The EESC calls on the Commission and the Parliament, the Member States and the regions of the EU to involve the social partners and other civil society organisations in a more innovative and effective way in designing and implementing energy transition policies with high added value in terms of employment and social protection, and in monitoring and assessing them. The territorial imbalances in this area have been revealed in the relevant case studies, and the Commission and the Member States, through social dialogue and social economy involvement, are therefore called on to take measures to facilitate more balanced territorial and socioeconomic development. For example, consultation processes and, where appropriate, social compacts to ensure an economic, labour and socially just energy transition can be promoted.

1.8. The EESC accepts the need to strengthen both public and private investment policies, as well as social compensation policies, in the current geopolitical crisis, given the negative effects on the competitiveness of large EU companies and SMEs and on the most vulnerable households. Among other mechanisms, the use of the REPowerEU plan under the Recovery and Resilience Facility (RRF) is encouraged to stabilise market conditions and ensure supply to all European citizens. This urgent need must be tackled with more economic and social investment measures (e.g. support to offset higher business costs, guarantee of resources to prevent energy poverty, etc.), but without reducing the decarbonisation targets set, because the effects of further slowing down the process would be worse than of speeding it up in the medium and long terms.

1.9. The EESC believes that both large companies and SMEs have an important role to play in meeting the energy transition objective, using demanding conditions for promoting sustainable, high-quality employment and social protection, as well as ensuring access to energy services for all (e.g. through the prevention of energy poverty). However, in order to address the greatest difficulties faced by SMEs, the EESC calls for programmes giving SMEs access to finance to be improved, streamlined and simplified, with ongoing assistance and support services.

1.10. The EESC also recommends strengthening the participation of prosumers (passive energy consumers who become active citizens as renewable energy producers) and citizens (energy communities) to speed up the energy transition in Europe.

1.11. The EESC believes that territorial energy transition plans should be accompanied by appropriate arrangements or agreements for fair social consultation. Through them, creating and preserving sustainable quality employment and support for people must be necessary conditions for the design, implementation and evaluation of the measures planned, including the funds received to promote the energy transition.

1.12. However, the actual experience of social dialogue and collective bargaining in relation to the energy transition at macro policy level is not positive. In most countries, the social partners' involvement in devising, implementing and developing policies related to the twin (digital and green) transitions is considered insufficient.

2. **Background and main elements**

2.1. The EESC is glad that the EU, one of the biggest global emitters, has made a binding commitment to achieving climate neutrality by 2050. This pledge was renewed at COP27 (7-8 November 2022), despite the doubts of other major global emitters. However, it stresses that the effectiveness of the measures taken to decarbonise the EU's economy and energy system in the coming years will depend not only on achieving this environmental objective, but also on whether the transformation is fair for everyone, helping to promote a sustainable and prosperous society with a modern, resource-efficient, competitive economy and a high level of quality employment.

2.2. The EESC, in its opinion on *A strategic vision on energy transition to enable the EU's strategic autonomy* ([1]), recognises the opportunities for prosperity created by the energy decarbonisation process. However, it also warns of the social and economic risks arising from the current energy crisis. The current problems (the war in Ukraine, the inflation crisis, etc.), which are creating additional pressure and make it difficult to meet the decarbonisation targets set, are compounded by structural problems, such as climate change, whose negative effects on the EU and its regions are becoming increasingly apparent.

2.3. The EESC is aware that high gas and electricity prices are having severe impacts on all businesses and on the most vulnerable households. The inflationary spiral is causing industrial plants to close (e.g. Slovalco in Slovakia) and making numerous companies less competitive.

2.4. The EESC also takes note of Eurofound's reports ([2]) indicating that energy poverty has increased. While Member States have considerably stepped up efforts to introduce social measures to mitigate the socioeconomic effects of new crises and emergencies, these are proving to be insufficient — hence showing the importance of strengthening social objectives — as underlined by EEA, the design and implementation of packages of climate mitigation policies and measures need to consider the distribution of social impacts and how to make them fairer in the cases where they are unavoidable (*Exploring the social challenges of low carbon energy policies in Europe*, October 2021).

2.5. In this context of fresh emergencies, the EESC calls for targeted EU and national measures to be extended and stepped up to offset the most harmful economic, social and employment impacts of meeting ambitious climate targets without questioning them. Also believes that they should be framed within cohesion policies. This emphasis on cohesion policies in the framework of EU climate policies has already been highlighted by the EESC in its opinion (ECO/579 ([3])), in order to emphasise measures to help businesses adapt to the requirements of the energy transition, including the restructuring associated with this, and to prevent energy poverty.

([1]) OJ C 75, 28.2.2023, p. 102.
([2]) https://www.eurofound.europa.eu/publications/customised-report/2022/the-cost-of-living-crisis-and-energy-poverty-in-the-eu-social-impact-and-policy-responses-background
([3]) OJ C 323, 26.8.2022, p. 54.

2.6. On a more structural level, the Fit for 55 package is aimed at revising and updating EU legislation and launching initiatives to ensure that EU policies are in line with the climate targets agreed by the Council and the European Parliament, as pledged by the European Green Deal and made binding in the EU climate legislation. **The EESC therefore believes that policies to fight the climate emergency may lead to major changes in the economy, and create social disruption affecting employment and well-being (especially in certain regions) in the short, medium and long terms. Furthermore, just as there can be no social progress without robust economic performance, neither can there be any sustainable economic growth without ensuring a green and energy transition which are socially and industrially fair.**

2.7. **The impacts on labour markets will be more drastic in certain sectors and regions** namely those with carbon-intensive industries that could close down. The need to accelerate the energy transition must be accompanied by a just transition mechanism. Given that the positive effects of this transition will not be automatic, the EESC firmly believes that in order to ensure a successful energy transition it is essential to **design and implement investment policies that are inclusive** (promoting sustainable, decent jobs) and that involve society, giving a voice to employed people and their representatives at macro (EU and national), meso (sectoral) and micro (company, local unit) level.

2.8. In these uncertain and changing circumstances, the EESC believes that the Energy Union and Green Deal frameworks are suitable **but are insufficient to implement climate and energy policies that ensure social and regional cohesion** through significant **investment** in technological innovation, the creation of sustainable, high-quality jobs, the capacity building of human capital and the generation of regional social capital. The EESC encourages the use of best practices for this purpose ([4]). Points out that strategies already exist, such as projects for building solar farms on former lignite mining sites in Portugal and Greece, and very strategic support for prosumers in Lithuania. The EESC notes that these experiences still do not constitute widespread or dominant practice.

2.9. According to a report drawn up at the request of the European Parliament's Committee on Industry, Research and Energy, **the cost of the lack of ambition in these EU just energy transition policies will be an estimated 5,6 % of EU GDP in 2050**. The EESC agrees that avoiding this cost will require **ensuring a just transition, including in terms of employment**. The report recommends and assesses a number of EU measures to this end ([5]):

— Ambitious levels of EU funding, in addition to Member States' resources, to support innovation in clean energy technologies. The EESC has already expressed its support for this in its opinion INT/913.

— EU global leadership in multilateral cooperation on the energy transition would generate EUR 94 billion per year.

— The EU Taxonomy Regulation, by clarifying what responsible energy investment means and by encouraging environmental and social governance, would help increase the EU's GDP by EUR 39 billion per year.

2.10. The EESC believes that SMEs — not just large companies — are also an essential part of the solution for a competitive, climate-neutral, circular and inclusive economy in the EU. The right funding and support conditions need to be created and maintained. Funding must be made more accessible to SMEs, through simplified, adapted administrative procedures. Creating support services for SMEs will make it easier for them to access these measures effectively and will promote the creation of sustainable business ecosystems in all EU regions (NUTS I, II and III), not only those currently categorised as just transition regions (around 100 NUTS III and 31 NUTS II regions) ([6]).

2.11. The EESC welcomes the establishment of the Just Transition Fund and the Social Climate Fund ([7]). However, firmly believes that these funds will not provide all the financial support needed to address the socio-economic effects and the impact on employment in a socially responsible manner. The EESC stresses that a just energy transition is not only about financing but also includes the objective of creating high-quality jobs (strengthening democratic participation — including in businesses), with respect for the autonomy and diversity of national industrial relations systems, and maintaining and

([4]) See OJ C 47, 11.2.2020, p. 30 and OJ C 62, 15.2.2019, p. 269.
([5]) https://www.europarl.europa.eu/RegData/etudes/STUD/2021/694222/EPRS_STU(2021)694222_EN.pdf
([6]) https://ec.europa.eu/eurostat/web/nuts/background
([7]) OJ C 152, 6.4.2022, p. 158.

further increasing the competitiveness of European businesses. The EESC calls for specific measures at all levels, including in the functioning of the European Semester, to increase the involvement of local and regional authorities and social partners. It also believes it necessary to require mechanisms to monitor and assess the proper use of funds for the just energy transition by checking that companies benefiting from this public funding are complying with the social and occupational objectives.

2.12. The EESC requests that, when assessing the Member States' national energy and climate plans and territorial just transition plans, the Commission strengthen employment and social targets, such as:

— including active labour policies that facilitate job transitions through vocational retraining and educational investments in high-quality green jobs;

— supporting people who lose their jobs due to decarbonisation with funds from states and from beneficiary companies, so that the energy transition can have a positive impact on employment;

— developing the regional economic potential arising from renewable energy sources and new forms of participation in electricity production (for example, creating self-supply cooperatives with the capacity to generate surpluses for the community; promoting self-employment in renewable energy generation, etc.);

— effectively combating energy poverty. Ensuring access to energy services for the whole population is enshrined in the European Pillar of Social Rights (Principle 20);

The EESC considers it essential, in order to achieve these ambitious objectives, to encourage the development of territorial employment and skilling plans for the future, actively involving all stakeholders, in particular the social partners.

3. **Context and main input from international scientific evidence on the impact of a just energy transition on employment**

3.1. The EESC points out that replacing conventional fossil fuel power plants with renewable sources could affect employment in a number of ways. It could create new green jobs in the renewable energy sector while displacing jobs in other sectors. It is important to consider the potential increase in energy prices, which could stifle labour demand in energy-intensive sectors and reduce the purchasing power of private households. The data confirms that renewable energy policies create, destroy or transform jobs in industrial countries.

3.2. The EESC notes that there is not a complete scientific consensus on the ultimate impact that the energy transition will have on employment. Some studies reveal cases where there has been no net employment growth (Poland) or very modest growth (Germany). However, the ILO estimates that the decarbonisation of the economy will lead to the loss of around 6 million jobs, although the number of jobs created will increase fourfold, from 11 to 43 million by 2030 in International Renewable Energy Agency (IRENA) countries ([8]). In all of the scenarios presented by the International Energy Agency (IEA), jobs in clean energy will grow, compensating for job losses in fossil fuel sectors. If net-zero emissions are achieved by 2050, 16 million workers will switch to new roles related to clean energy. The 2022 U.S. Energy and Employment Report (USEER) ([9]) has similar estimates: energy jobs grew 4 % due to clean energy (compared to only 2,8 % growth in overall employment).

3.3. The EESC notes a number of imbalances. New clean energy jobs are not always in the same place as the jobs they are replacing and require new skills. Therefore, national legislation and energy policies should focus on training to ensure that the transition is successful and benefits the majority insofar as possible. In addition, the proportion of women in the workforce in the renewable energy industry is 32 %, which is higher than in other parts of the energy sector, although it is only 21 % in the wind power sector, showing that gender stereotypes persist in this field. National legislation and its implementation policies must therefore emphasise gender equality objectives in these new jobs.

([8]) https://irena.org/-/media/Files/IRENA/Agency/Publication/2019/Jan/IRENA_Gender_perspective_2019.pdf
([9]) https://www.energy.gov/policy/us-energy-employment-jobs-report-useer

3.4. The EESC considers it essential to recognise that the energy transition is not only a matter of technology and public and private investment, but also a profound global social challenge. Therefore, the participation of users from civil society and producers from the world of work (businesses and workers, directly and through their representatives) must be ensured and promoted. The climate must be taken into account in all types of policies and decisions. Furthermore, the EESC believes that policies and decisions should be designed through processes and, where appropriate, consultation agreements between the authorities at all levels and the social partners, underpinned at all times by respect for the autonomy and diversity of national industrial relations systems and other organisations representing civil society, in order to bring about an inclusive energy transition for workers, consumers and the general public.

3.5. The EESC points out that, when reviewing the scientific literature and experience from actual cases — some successful, some unsuccessful — it is clear there is no single, predetermined transition pathway and that the way in which energy transitions affect employment and workplaces depends on the social conditions under which technologies are introduced and under which the changes associated with the transition are made. Data from case studies of companies (e.g. Renault, Siemens Energy ([10])) shows that, when employees were involved, adopting changes led to positive results (more vocational training, greater productivity and higher product quality).

3.6. However, the conclusions on social dialogue and collective bargaining in relation to the energy transition at macro policy level are not positive. In most countries, the social partners' involvement in devising, implementing and developing policies related to the twin (digital and green) transitions is considered insufficient. On the basis of the experience of some countries, this shortcoming may stem from two basic challenges faced by the social partners:

— notwithstanding the existence of considerably diverse institutional frameworks, in all of them there is a lack of measures to promote social dialogue and collective bargaining in shaping social and labour rights linked to the just energy transition (e.g. Italy, Spain, Poland, Germany, etc.);

— the insufficient ability of the social partners to properly participate in discussions on the future of work in the energy transition, to formulate priorities and to effectively deliver on their agendas, despite national legislation, such as Spain's, promoting social consultation agreements for a just energy transition (Law 7/2021).

4. **General comments**

4.1. The EESC takes note of the analyses showing that both EU policy and legal instruments can be important in addressing the challenges of the energy transition from an economic and social perspective that is fair in labour terms. However, it also considers that existing instruments (such as the European Works Councils Directive or the Directive establishing a general framework for informing and consulting employees) that are implemented in all the Member States should be effectively applied and enforced. The Committee calls for the most appropriate reforms to be encouraged and adopted at the various appropriate levels to strengthen social dialogue and include collective bargaining more in these just energy transition processes, with good balances fostered in terms of creating sustainable jobs and protecting workers, while maintaining an adequate economic and business environment in all Member States and regions, with due respect for the autonomy of the social partners.

4.2. Experience also shows that economic changes and changes to employment structures resulting from energy transitions can be successful or unsuccessful in terms of just social and occupational transition, depending on whether the volume of employment has largely been preserved by shifting employment from jobs that are unsustainable due to their carbon footprint to other, sustainable jobs. The interaction between energy and employment policies also has an impact on the wider regional environment or context, creating opportunities and risks (for example feed-in tariffs and rising energy prices that put industrial jobs at risk, like in Germany and Spain). The EESC notes that, according to some regional experiences, such as in the mining basin of northern Spain, the new jobs created by the energy transition are significantly fewer and less well paid than the previous jobs.

4.3. In terms of a more global assessment, the EESC notes that, according to the most robust studies, around 45 % of the world's energy workers are in highly skilled jobs, compared to nearly 25 % of workers in general. However, this is not an option everywhere, and more effort needs to be made to ensure a just and people-centred transition for the workers concerned to prevent decarbonisation from leading to net unemployment, like in Poland.

([10]) https://www.europarl.europa.eu/RegData/etudes/STUD/2022/733972/IPOL_STU(2022)733972_EN.pdf

4.4. The EESC firmly believes that, in line with the IRENA and ILO reports ([11]), the potential of renewable energies to generate sustainable, decent work is a clear indication that there is no need to choose between environmental sustainability and job creation. Both can and should go hand in hand, by creating the right legal, political and financial conditions, requiring due accountability for all companies receiving funds and ensuring the involvement of all stakeholders (regions, social partners and the public) in their governance.

5. **Specific comments**

5.1. The EESC notes that the energy industry will have an increasingly strategic position in the economy because it is a key driver for all sectors. However, against the current backdrop of crisis and changes, it entails a number of imbalances and risks, which need to be addressed through appropriate investments, coherent policies and new governance structures, in order to ensure the involvement of the territorial economy, civil society and social partners. Territorial energy transition plans should be accompanied by appropriate arrangements or agreements for fair social consultation, in which the creation and preservation of sustainable quality employment and support for people are necessary conditions in the design, implementation and evaluation of the measures planned.

5.2. The EESC points out that one of the key governance arrangements for implementing and monitoring the progress of socially just transitions is the European Semester. The EESC has previously stated that the implementation of the European Pillar of Social Rights in the European Semester cycle, together with its monitoring via the social scoreboard, is a step in the right direction ([12]). It considers, however, that greater emphasis should be placed on the interaction between environment and labour policies in order to help ensure that high-quality sustainable jobs are ultimately created and help secure sufficient income for those who lose their jobs and cannot find another one. It is necessary to enhance the role of the regions and their social capital, smart specialisation and a human capital agenda.

5.3. The EESC reiterates the need to implement the relevant EU and Member State acquis in the area of labour law and social security. Along the lines that the EESC has already set out previously, by proclaiming the European Pillar of Social Rights (the Social Pillar/EPSR), at the Gothenburg Summit in November 2017, the European Parliament, Council and Commission reaffirmed their commitment to work towards a fairer and more equal Europe. The Pillar should serve as a compass for renewed upward convergence towards improved working and living conditions and to guide reforms in labour markets and social policies ([13]).

5.4. The EESC notes that there are significant differences in the legislation implementing the European Climate Law. Some legislation, such as France's, emphasises this aspect of involving businesses and workers' representatives in the interaction between the green transition and socio-occupational issues, whereas other legislation, such as Italy's and Spain's, and that of all the just transition regions of Eastern European countries, hardly mentions these obligations and rights. For example, the EESC highlights France's successful experience (Law No 2021-1104), which led to the notion of 'green transition challenges' being laid down in the Labour Code, including powers for sector agreements, systems for forward-looking job and skills management, powers to address the challenges specific to the green and energy transition (Article L 2242-20), and trade unions' right to issue environmental and public health warnings (L 4133-L 4133-4). Therefore, with due respect for the autonomy and diversity of the different European industrial relations systems, the EESC calls on the Commission to promote initiatives for the exchange of good practices between the different Member States and regions.

5.5. The EESC stresses that the main prerequisite for a successful transition lies in a proactive and inclusive approach that ensures and promotes specific labour and welfare policies. An important feature of successful policies is that they are tailored to the actual needs of the labour market, above all but not only in the regions that are most affected by the transition from fossil fuels to renewable energy or that they seize the opportunities on offer in resource-rich regions. Though useful, the Just Transition Fund (JTF) has its limits, which need to be rectified, and is not an all-encompassing answer to the challenges of just transition, but can be supported by additional policy measures at MS level.

5.6. With a view to improving the relationship between environment policies and energy transition policies and labour market and social protection policies, the EESC calls for greater attention to be paid to the sustainable employment indicators available for the design and implementation of the envisaged JTM. The **Decarbonisation Employment**

([11]) https://www.ilo.org/wcmsp5/groups/public/—dgreports/—dcomm/—publ/documents/publication/wcms_823807.pdf
([12]) EESC opinion on Additional considerations on the Annual Sustainable Growth Survey 2022 (OJ C 75, 28.2.2023, p. 35).
([13]) EESC opinion on *Decent minimum wages across Europe* (OJ C 429, 11.12.2020, p. 159).

Potential (DEP) indicator at the different NUTS level should be taken into account. In order to obtain data on the employment impact of the new energy crisis, the Eurofound European Restructuring Monitor ([14]) offers a significant number of recorded experiences.

5.7. The EESC also calls for the **Just Transition Mechanism** (JMT) to be implemented faster and better ([15]). The EESC welcomes the deployment of EUR 55 billion by 2027 in the regions most affected by the energy transition, in order to achieve the objective of leaving no one behind. This is to offset the socioeconomic effects of the transition to a climate-neutral economy through three pillars: a new Just Transition Fund (over EUR 25 billion in investments), the InvestEU Just Transition Scheme (EUR 15 billion for the private sector) and the new Public Sector Loan Facility (which will draw on EUR 18,5 billion of public investment).

5.8. When formalising the territorial energy transition plans, the EESC considers it appropriate to promote not only transition agreements (regional social consultation) but also collective bargaining best practices and the involvement of workers in a socially just energy transition. In this regard, it should be borne in mind that a shift towards more renewable energy sources will improve environmental quality by reducing emissions of air pollutants, which will benefit health and labour productivity.

5.9. The EESC deems it essential to ensure that the EU's green dimension and the energy transition create positive synergies with inclusive transition to help businesses succeed, increase sustainable, high-quality employment opportunities for workers, and improve well-being among the public in an ecosystem that respects the planet.

Brussels, 22 February 2023.

The President
of the European Economic and Social Committee
Christa SCHWENG

([14]) https://www.eurofound.europa.eu/observatories/emcc/european-restructuring-monitor
([15]) https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/finance-and-green-deal/just-transition-mechanism_en

ANNEX

The following amendments, which received at least a quarter of the votes cast, were rejected in the course of the debate (Rule 74(3) of the Rules of Procedure):

AMENDMENT 1

SOC/718 — Energy Policy and the labour market

Point 2.12

Amend as follows:

Section opinion	Amendment
The EESC requests that, when assessing the Member States' national energy and climate plans and territorial just transition plans, the Commission ***strengthen*** employment and social targets, such as:	The EESC requests that, when assessing the Member States' national energy and climate plans and territorial just transition plans, the Commission ***encourages strengthening the focus on*** employment and social targets ***and policies***, such as:
— including active labour policies that facilitate job transitions through vocational retraining and educational investments in high-quality green jobs;	— including active labour policies that facilitate job transitions through vocational retraining and educational investments in high-quality green jobs;
— supporting people who lose their jobs due to decarbonisation with funds from states and from beneficiary companies, so that the energy transition can have a positive impact on employment;	— supporting people who lose their jobs due to decarbonisation ***with appropriate labour market policies and measures and where so required by national rules,*** with funds from states and from beneficiary companies, so that the energy transition can have a positive impact on employment;
— developing the regional economic potential arising from renewable energy sources and new forms of participation in electricity production (for example, creating self-supply cooperatives with the capacity to generate surpluses for the community; promoting self-employment in renewable energy generation, etc.);	— developing the regional economic potential arising from renewable energy sources and new forms of participation in electricity production (for example, creating self-supply cooperatives with the capacity to generate surpluses for the community; promoting self-employment in renewable energy generation, etc.);
— effectively combating energy poverty. Ensuring access to energy services for the whole population is enshrined in the European Pillar of Social Rights (Principle 20);	— effectively combating energy poverty. Ensuring access to energy services for the whole population is enshrined in the European Pillar of Social Rights (Principle 20);
The EESC considers it essential, in order to achieve these ambitious objectives, to encourage the development of territorial employment and skilling plans for the future, actively involving all stakeholders, in particular the social partners.	The EESC considers it essential, in order to achieve these ambitious objectives, to encourage the development of territorial employment and skilling plans for the future, actively involving all stakeholders, in particular the social partners***. These plans should also take into account the economic consequences of the pace of transition on companies, in particular SMEs***.

Reason

The amendment proposes to clarify the wording of the text as regards strengthening the focus on social and employment objectives/targets and to clarify that payments from funds (where required by national rules) is not alone sufficient to solve the issue of job losses: it takes much more than that (policies, administrative measures etc.) to support and reintegrate the people who are unemployed to the labour market.

Finally, as also highlighted in point 1.6 of the draft opinion, it is important to take into account a pace compatible with the situation of companies, in particular SMEs.

Outcome of the vote:

In favour: 73

Against: 78

Abstentions: 8

AMENDMENT 2

SOC/718 — Energy Policy and the labour market

Point 5.2

Amend as follows:

Section opinion	Amendment
The EESC points out that one of the key governance arrangements for implementing and monitoring the progress of socially just transitions is the European Semester. The EESC has previously stated that the implementation of the European Pillar of Social Rights in the European Semester cycle, together with its monitoring via the social scoreboard, is a step in the right direction ([1]). It considers, however, that greater emphasis should be placed on the interaction between environment and labour policies in order to help ensure that high-quality sustainable jobs are ultimately created and ***help*** secure ***sufficient*** income for those who lose their jobs and cannot find another one. It is necessary to enhance the role of the regions and their social capital, smart specialisation and a human capital agenda.	The EESC points out that one of the key governance arrangements for implementing and monitoring the progress of socially just transitions is the European Semester. The EESC has previously stated that the implementation of the European Pillar of Social Rights in the European Semester cycle, together with its monitoring via the social scoreboard, is a step in the right direction ([1]). It considers, however, that greater emphasis should be placed on the interaction between environment and labour policies in order to help ensure that high-quality sustainable jobs are ultimately created***. Member States should also, in accordance with their national rules, provide*** and secure ***access to unemployment benefits or adequate minimum*** income for those who lose their jobs and cannot find another one. It is necessary to enhance the role of the regions and their social capital, smart specialisation and a human capital agenda.
([1]) EESC opinion on Additional considerations on the Annual Sustainable Growth Survey 2022 (not yet published).	([1]) EESC opinion on Additional considerations on the Annual Sustainable Growth Survey 2022 (not yet published).

Reason

As the text of refers to 'those who lose their jobs and cannot find another one', it would seem logical that the word 'income' refers to 'minimum income'. In this case the terminology used should reflect the formulation used in point 1.5 of the draft opinion, namely 'providing access to (..) adequate minimum income'. In addition reference could be made to Member States' unemployment benefit systems.

Outcome of the vote:

In favour: 79

Against: 98

Abstentions: 8

AMENDMENT 3

SOC/718 — Energy Policy and the labour market

Point 1.9

Amend as follows:

Section opinion	Amendment
The EESC believes that both large companies and SMEs have an important role to play in meeting the energy transition objective, ***using demanding conditions for*** promoting sustainable, high-quality employment and social protection, as well as ensuring access to energy services for all (e.g. ***through*** the prevention of energy poverty). However, in order to address the greatest difficulties faced by SMEs, the EESC calls for programmes giving SMEs access to finance to be improved, streamlined and simplified, with ongoing assistance and support services.	The EESC believes that both large companies and SMEs have an important role to play in meeting the energy transition objective, ***through*** promoting ***and providing*** sustainable, high-quality employment and ***thus contributing to provision of*** social protection, as well as ***through the role they may have in*** ensuring access to energy services for all (e.g. ***thus contributing to*** the prevention of energy poverty). However, in order to address the greatest difficulties faced by SMEs, the EESC calls for programmes giving SMEs access to finance to be improved, streamlined and simplified, with ongoing assistance and support services.

Reason

The amendment aims at clarifying the text to explain how companies and SMEs contribute to providing sustainable employment and that way contribute to provision of social protection.

Outcome of the vote:

In favour: 76

Against: 99

Abstentions: 8