EUROPEAN SEMESTER 2020

Just Transition Fund
Pillar 1 of the Just Transition Mechanism – POLAND

Cohesion Policy post-2020

Warsaw, 6 March 2020

European Commission

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

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

Territorial just transition plans covering each territory identified as most affected by climate transition

Advisory and technical assistance

State Aid facilitation

European Commission

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)

At national level

- Timeline for declining sectors to cease or significantly scale down their activities
- Development needs, type of operations
- Justification of specific investments (productive investments for larger companies and activities in ETS sectors)

For each territory

↓

Programmes with JTF support
Territorial just transition plans annexed

Adoption by Commission Decision

European Commission

Scope of support

Stronger focus in scope of intervention than other cohesion programmes

- Economic diversification and reconversion
- Re-skilling and job seeking assistance for workers
- Support to climate transition and environmental sustainability incl. circular economy

Eligibility scope - consistent with ERDF and Cohesion Fund proposal

- Production, processing, distribution, storage or combustion of fossil fuels excluded from support

Limited additional eligibility – to be justified in territorial just transition plans

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

Each operation must contribute to the implementation of the territorial just transition plans

Total financing capacity

Just Transition Fund resources : EUR 7.5 billion

- Complementary and on top of the 2018 MFF proposal of the Commission
- Heading 3 (Natural Resources and Environment)

Obligatory transfers from ERDF and/or ESF+ resources

- At least 1.5 times the JTF allocation and maximum 3 times
- Transfers cannot exceed 20% of ERDF or ESF+ national allocations
- As justified by territorial just transition plans through envisaged investments
- Amounts transferred follow JTF rules

National co-financing

- Cohesion policy co-financing rates apply

Total financing capacity between EUR 30 and EUR 50 billions

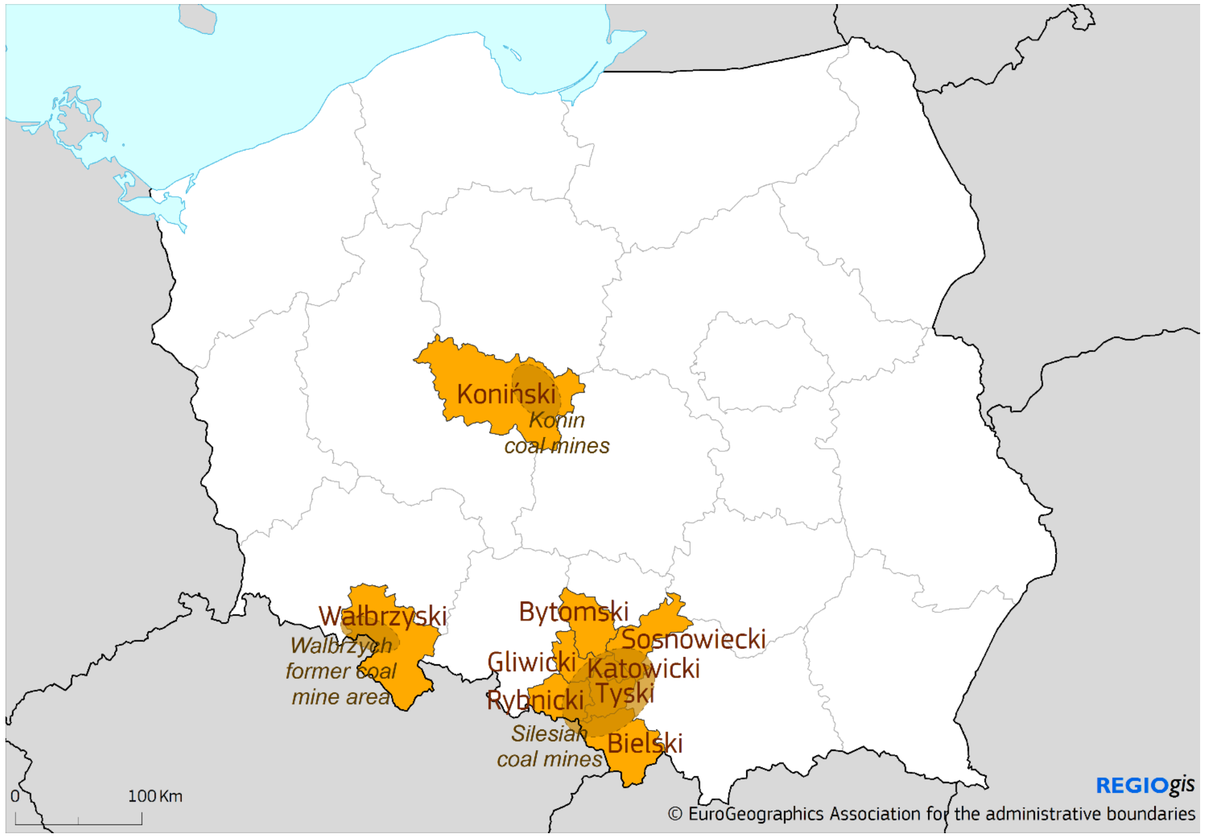
Territorial just transition plans (1)

- National transition process – consistency with National Energy and Climate Plans
  - key transition steps (such as closure of coal mines)
- Identification of territories:
  - The most negatively affected by transition – job losses and transformation needs
  - NUTS 3 level or parts thereof - granularity and concentration of resources
- Transition challenges – development needs and objectives by 2030
- Contribution of the JTF support to reduce transition costs
- Governance mechanisms, including partnership

Territorial just transition plans (2)

- Consistency with other strategies – in particular Smart Specialisation Strategies
- Synergies / complementarities with other programmes under Cohesion Policy and with other financing instruments incl. Pillars 2 and 3 JTM
- Where relevant, justification of support for productive investments in large enterprises and investments to reduce GHG emissions in ETS activities
- Revision as necessary; through mid-term review if required by revision of NECPs
- Technical assistance – plans and projects

ANNEX D – proposed areas and budget for Poland



Poland's share in JTF	Aid intensity per capita (entire period)	Allocation (EUR mil)	JTF resources mobilised (EUR mil)	JTM – all pillars incl. JTF (EUR mil)
26.7%	53	2000	7700-12300	26-27000

European Commission

Key ingredients of successful transformation

- **Partnership** of local and regional stakeholders:
  - authorities,
  - NGOs,
  - trade unions,
  - companies under transformation,
  - business associations, etc.
- **Technical Assistance**

DG REFORM (call for preparation of the territorial just transition plans), Jaspers (project pipeline), Just Transition Platform for bilateral and multilateral exchanges of experience, Coal Regions in Transitions.

Next steps

- European Commission and Poland to agree on territories eligible for JTF support and on governance of JTF in Poland (national or regional programmes).
- Poland to develop territorial just transition plans, with involvement of all relevant stakeholders.
- Commission is ready to start informal dialogue.
- JTF Regulation to enter into force from 2021.