Follow-up to the European Parliament non-legislative resolution on the role of cohesion policy in supporting the just transition

1. **Rapporteur :** Ciaran MULLOOLY (RENEW / IE)

2. **References :** 2024/2121(INI) / A10-0137/2025 / P10_TA(2025)0186

3. **Date of adoption of the resolution:** 10 September 2025

4. **Competent Parliamentary Committee:** Committee on Regional Development (REGI)

5. **Brief analysis/ assessment of the resolution and requests made in it:**

The Parliament resolution places the just transition in a wider context, looking beyond cohesion policy support alone, and noting that the shift to a climate-neutral economy by 2050 could deepen regional disparities, particularly for vulnerable populations and carbon-intensive regions. Since EU regions differ greatly in their socio-economic characteristics, tailored solutions are needed. The green and digital transition must therefore uphold social justice and tackle workplace discrimination. According to the Parliament, effective just transition strategies require a coherent use of EU financial instruments and the active involvement of local authorities. It also stresses the importance of simplifying the implementation of the Just Transition Fund (JTF) to make it more accessible and to accelerate the deployment of resources. The resolution further proposes the creation of special JTF economic zones, in cooperation with Member States and local governmental structures, which could help mitigate negative social impacts, stimulate investment, and foster growth in regions, as has been achieved in other special economic zones across the EU. Island regions, facing higher transition and living costs, should also benefit from such zones. The report mentions the need for swifter planning decisions along with special measures, financial instruments, including tax incentives in compliance with the rules of single market. It also recommends that ESF+ and JTF should support education and training in regions undergoing industrial transformation, prioritising reskilling of workers, vocational education and training and apprenticeships, especially for women, young people, and marginalised communities as well as cultural heritage. Investment should focus on green and digital skills, Science, Technology, Engineering, and Mathematics (STEM), and basic literacy. Affordable housing programs are also crucial. The report points out that in some JTF-eligible regions the transition is not yet finished, stressing that continued support remains necessary. To this end, the Parliament calls for the establishment of a stand-alone fund – called Just Transition Fund 2.0.

6. **Response to requests and overview of actions taken, or intended to be taken, by the Commission:**

The European Commission would like to thank the European Parliament for the resolution of 10 September 2025 on the role of cohesion policy in supporting the just transition. The European Commission agrees with the European Parliament that cohesion policy's role in ensuring a just transition for most vulnerable coal and carbon-intensive regions is crucial.

The Commission recalls that planning and establishing special economic zones, as well as related fiscal incentives, is the competence of Member States. The Commission can be involved in framing complementary support from EU funds for those zones and may have to assess State aid for the economic operators concerned. The Commission agrees with the Parliament that priority access to the JTF be given to locations directly affected by the transition to climate neutrality. By consequence, when negotiating the geographical scope of JTF support, the Commission focused on the territories most affected by the transition towards climate-neutrality, which were experiencing or were expected to experience related negative impacts (including on local employment) (§1-3).

The Commission acknowledges the importance of supporting education and the teaching profession, the development of skills and competencies, and upskilling and reskilling in ensuring a just transition, as well as in boosting EU's competitiveness. At the same time, it recalls that support for quality (vocational) education and training, and apprenticeship, especially for vulnerable groups identified in the territories, is already possible and ongoing under the JTF. The Commission underlines that skills are a portable asset. To ensure that people in territories undergoing transition should not be forced to leave their homes or communities in search of jobs, services, or opportunities (right to stay), adequate jobs need to be created. The JTF offers the opportunity for closely coordinated measures. The Commission notes that, due to legal and budgetary constraints in the 2021-2027 programming period, wide-scale income compensation support to former workers of phased out industries is not feasible under the JTF (§5-8).

The Commission agrees on the need to prioritise investment in all levels of education and training. In this direction, the Union of Skills is a comprehensive strategy that covers all skills at all levels of education, training, and learning; acquired in all settings, across borders also beyond the EU. It seeks to retain talent in Europe and attract talent from beyond it. With the Action Plan on Basic Skills, the Commission has put the focus on the development of literacy, mathematics and science skills, but also digital and citizenship skills for all Europeans. This recognises the importance of action to raise levels of basic skills for lifelong learning, innovation and active citizenship, enabling individuals to adapt, participate in society and support democracy. The upcoming 2030 Roadmap on the future of digital education and skills, based on the review of the Digital Education Action Plan, will further promote equal access to digital education for all and foster digital skills development. Programmes such as Erasmus+ and highly ambitious initiatives such as the European Universities alliances and the joint European degree label play a crucial role in implementing the Union of Skills, the STEM Education Strategic Action Plan and the Digital Education Action Plan. They should equip students and learners of all ages with the skills and competences needed for Europe's future, while also supporting innovative teaching and fostering attractive, sustainable teaching and academic careers. The Commission supports the idea of further synergies and complementarities between funding sources at EU and national/regional levels to support inter alia social inclusion and a fair access to high quality education for learners and workers at all levels, including through enhanced cooperation between higher education and VET education providers (§7). At the same time, the Commission highlights the importance of backing investments with long-term strategies to support the development of talent in strategic sectors (such as STEM), including ways to bring education and labour market closer together. The STEM Education Strategic Plan, for example, will support projects and initiatives aimed at i) anchoring STEM as a strategic pillar in the EU's education and skills policy, ii) make STEM education more relevant and attractive, and ii) support talent of students and researchers in STEM, in particular girls and women.

As part of the Union of Skills, the Commission will develop an EU Teachers and Trainers Agenda in 2026, to help Member States improve teachers' working conditions, training and career prospects. This recognises the importance of teachers and school leaders in safeguarding quality and equity of education (§8).

The Commission is promoting the quality, supply and image of apprenticeships, as well as the mobility of apprentices primarily through the European Alliance for Apprenticeships (EAfA), a platform involving a wide range of stakeholders that has already contributed to the creation of over 3 million apprenticeship placements since its launch in 2013. Through EAfA the Commission also supports Member States in implementing the 2018 Council Recommendation on a European Framework for Quality and Effective Apprenticeships[1] (§9).

The Commission agrees that the coordination between JTF, ERDF and ESF+ is needed to maximise their impact on the redeployment and reskilling of workers, as well as on other areas of support contributing to a just transition. The legal framework of the funds, the Territorial Just Transition Plans (TJTPs), as well as the management and control systems in Member States, should ensure synergies and complementarity between Cohesion policy funds (EU funds), including through the possibility to establish programmes combining multiple funds. In some areas like skills development support, complementarities can become more evident: while both the JTF and ESF+ allow for "soft" support of skills development, the JTF and ERDF can also support related infrastructure, equipment, and the creation of jobs in enterprises. Finally, the Commission acknowledges that coordination with other EU funding instruments, such as the Recovery and Resilience Facility (RRF) and support provided by the European Investment Bank (including through the second and third pillars of the Just Transition Mechanism), is also crucial in the context of reinforcing economic and social cohesion (§10).

[1] Council Recommendation of 15 March 2018 on a European Framework for Quality and Effective Apprenticeships, OJ C 153 of 2.5.2018, pp. 1–6 (2018/C 153/01): EUR-Lex - 32018H0502(01) - EN - EUR-Lex

The Commission agrees that the consistency with the relevant smart specialisation strategies should be ensured and the JTF should support investments in line with the endogenous potential and capabilities of affected territories. Coherence needs to be addressed at the level of the Territorial Just Transition Plans (§11).

The Commission agrees that the JTF selection criteria should prioritise the most affected areas. However, the Commission also stresses that the selection of JTF projects, in line with the fund's specific objective to address negative impacts of the transition, is a core responsibility of the Member States (§11).

The Commission agrees on the need to provide reskilling programmes for workers directly affected by the economic transitions. The Skills Guarantee to support workers in sector under transformation to remain employable is one of the specific measures included in the Union of Skills initiative and support for micro-credentials in line with the European approach. In a first phase, the Commission will set up a Skills Guarantee pilot (§14).

Vocational education and training (VET) play an important role in addressing labour shortages and on delivering on the green and digital transitions. As it has been highlighted in the Political Guidelines[2], VET prepares people for work and gives them the skills that companies are looking for. VET's proximity to the labour market means that it can equip workers with practical skills tailored to emerging green sectors (e.g. renewable energy, energy-efficient construction, sustainable agriculture) (§13).

One of the actions agreed upon in the Herning Declaration[3] adopted on 12 September 2025 is to attract more learners to vocational programmes in fields critical for the green and digital transition and competitiveness of the EU such as STEM and other shortage professions. This will be supported by the up-coming European strategy for VET which will focus on how VET can support EU competitiveness by addressing skills shortages and mismatches and strengthening VET's contribution to innovation, including in sectors that are key to the green transition. Finally, the Council Recommendation on individual learning accounts[4] proposes that all working-age adults, including older ones, receive a budget in personal accounts that they can use for training and other services. It also recommends that additional budget is provided for those most in need of up- and reskilling, which could be older unemployed workers (§27).

---

[2] European Commission: Directorate-General for Communication and Leyen, U. v. d., Europe's choice – Political guidelines for the next European Commission 2024−2029, Publications Office of the European Union, 2024, https://data.europa.eu/doi/10.2775/260104.

[3] Herning Declaration on attractive and inclusive Vocational Education and Training for increased competitiveness and quality jobs 2026-2030, [250912-herning-declaration-eu2025---final-version-supported-on-12-september-2025.pdf]

[4] Council Recommendation of 16 June 2022 on individual learning accounts 2022/C 243/03, OJ C 243, 27.6.2022, pp. 26–34.

The Commission also agrees with the need to facilitate the proactive planning and anticipation of skills needs (§16). In this sense, the Union of Skills proposes the creation of a European Skills Intelligence Observatory, to provide strategic data and foresight regarding skills (current and future) stocks, use and needs, in concrete sectors and regions.

The Commission shares the Parliament's view on the urgent need of EU action in favour of affordable housing. The Commission acknowledges that students and young people are particularly impacted by the housing crisis and will continue to strengthen its contribution to mitigating it, including through future actions targeting students and young people (§18).

In particular, the Mid-Term Review Regulation amending the Regulation on the European Regional Development Fund and the Cohesion Fund and the Regulation on the Just Transition Fund[5] introduced into Cohesion policy a concept of affordable and sustainable housing going beyond the current support of energy efficiency of housing stock and social housing. For the European Regional Development Fund, three new additional specific objectives[6] related to affordable and sustainable housing (including social housing) were included, giving Member States and regions additional flexibility in programming the relevant support. A new activity "promoting access to affordable and sustainable housing" was also added onto the list of eligible activities under Article 8(2) of JTF Regulation, broadening the possibilities for addressing social impacts of the transition through housing investments beyond energy efficiency measures and investments linked to land rehabilitation. To address the housing crisis, the new provisions encourage and incentivise Member States to use the mid-term review of Cohesion policy programmes to reallocate available funds (including from the JTF) towards affordable and sustainable housing investments. However, the Commission also emphasises that proposals for actions and financing under Cohesion policy programmes are the responsibility of Member States and regions, based on their specific needs. Member States should conduct needs assessments to guide reallocations, identifying eligible housing types and target groups according to national systems and local needs. Housing investments must contribute to the JTF's specific objective and to the implementation of the Territorial Just Transition Plans. In addition, the Social Climate Fund will also focus on supporting vulnerable households (§20).

The Commission agrees with the Parliament that repurposing of post-industrial assets, as well as JTF projects supporting renewable energy and energy efficiency renovation should be monitored. The Commission has set up monitoring systems for all JTF projects with appropriate output

---

[5] Regulation (EU) 2025/1914 of the European Parliament and of the Council of 18 September 2025 amending Regulations (EU) 2021/1058 and (EU) 2021/1056 as regards specific measures to address strategic challenges in the context of the mid-term review, OJ L, 2025/1914, 19.9.2025

[6] SO2.11, SO4.7 and SO5.3

indicators such as *Surface area of rehabilitated land supported*, *Dwellings with improved energy performance*, and *Additional production capacity for renewable energy* (§28).

The Commission also supports, in line with the Parliament's recommendations, JTF territories with capacity building and advisory services offered at EU-level through the Just Transition Platform (JTP). The Platform is available for stakeholders in all 96 JTF regions from all Member States. It provides access to funding information, regulatory updates, sector or region-specific initiatives and toolboxes (JTP Knowledge Hub), and promotes good practice exchanges. Tailor-made services for JTF regions include technical assistance (JTP Groundwork), formalised exchanges between JTF regions and just transition experts (JTPeers), expert discussion forums (JTP Working Groups), and regular JTP Conferences for stakeholders to discuss just transition process in their respective territory or sector. In addition, Member States are entitled to use part of their cohesion policy envelope to directly support administrative capacities (§29, 34, 40).

The Commission has already proposed in the Staff Working Document on Territorial Just Transition Plans the guidelines on JTF eligibility. In addition, the Commission provides regularly replies to the managing authorities' questions concerning JTF eligibility. Additional support is provided by experts deployed as part of Just Transition Platform technical assistance (§32).

The Commission has already taken several actions to advance fair transition across the EU. Amongst them, the 2022 Council Recommendation on ensuring a fair transition towards climate neutrality[7], a constituting element of the 'Fit for 55' package, provides concrete guidance for Member States on how to address the employment and social impacts of the transition. In particular, the Recommendation also invites Member States to adopt comprehensive policy packages addressing the employment, skills, and social aspects of the green transition, including the implementation of measures for quality jobs, access to education and training, and support for affected communities and workers. Based on a first progress review of its implementation by Member States, the EPSCO Council endorsed key messages in November 2023, confirming the political commitment to ensuring a fair transition, while highlighting the scope for a more systematic, coordinated, and coherent approach in tackling challenges to a fair transition. The Commission has conducted a second progress review of its implementation by Member States earlier this year and will publish its results in an implementation report before the end of the year.

To complement these efforts, as announced in the Clean Industrial Deal, the Commission will launch the European Fair Transition Observatory (EFTO) at the beginning of 2026 to monitor and support equitable labour transitions across the EU. It will strengthen the evidence base on fairness aspects of the green transition and collect good practices. Furthermore,

[7] Council Recommendation of 16 June 2022 on ensuring a fair transition towards climate neutrality 2022/C 243/04, OJ C 243, 27.6.2022, pp. 35–51.

it will ensure a transparent dialogue with social partners, regional and local authorities, civil society and other stakeholders on just transition aspects. It will also support the implementation of the Action Plans for the Automotive and Steel and Metals industries.

The Commission will also consider the Parliament’s planned Article 225 own-initiative report on “Just Transition directive in the world of work: ensuring the creation of jobs and revitalising local economies”.

Cohesion policy continuously adheres to the principles of co-financing, as well as to the principle of subsidiarity, notably by emphasising multilevel governance and partnership. Under the JTF, the participation of relevant stakeholders (national, regional and local public authorities, local businesses/employers, the non-governmental and academic sectors) in the preparation of Territorial Just Transition Plans and their implementation was deemed crucial. Furthermore, the JTF’s legal framework allows for allocating support to community initiatives (§31, 36, 38, 52).

The Commission recognises that social-economy entities often struggle to access financing. In addition, the Commission highlights the ongoing revision of the State aid General Block Exemption Regulation (EU) No 651/2014. To ensure an effective revision, the Commission is collaborating with Member States and stakeholders, including from the social economy. A broad public consultation took place from 14 July to 6 October 2025. A draft legal text will be published for further public consultation. The Commission will also discuss the revision with Member States in a committee format. It is important to note, however, that EU State aid rules only apply to selective public funding for undertakings - *i.e.* entities engaged in economic activities - and if such funding has the potential to distort competition and affects trade between Member States. Some social-economy entities may not be subject to these rules if, for example, their activities do not involve the offering of goods or services on a market, or if the services that they provide are sufficiently local in scope that they are not capable of affecting trade between Member States (§37).

The Commission recalls that the budget of the Union allocated to the 2021-2027 Cohesion policy funds is implemented under shared management. The Member States are responsible for the preparation and implementation of programmes, including projects’ selection and financing. Calls for proposals under shared management are published by the managing authorities in line with programmes’ strategies.

The Commission fully supports the ‘right to stay’ principle: the people in territories undergoing transition should not be forced to leave their homes or communities in search of jobs, services, or opportunities. This principle is supported at EU-level by Cohesion policy principles: the objective of economic, social, and territorial cohesion that underpins the idea that all citizens should have fair prospects regardless of where they live. The JTF directly supports projects that create new employment opportunities in coal regions and other carbon-intensive territories, for example through the promotion of sustainable cultural tourism. To enforce this principle, the Commission has set up the Just Transition Platform, the Cohesion for Transition Community of Practice as well as

Harnessing Talents Platform (§42).

While responsibility for implementation lies with the Member States under the shared management system, the Commission is actively supporting national and regional authorities in this task. To help overcome bottlenecks, the Commission services provide continuous guidance to Managing Authorities and make available tailored expertise through the Just Transition Platform, ensuring that Member States have the tools and support needed to deliver results on the ground (§43).

In line with the EP's recommendations, the Commission has assessed timescales for the closure of key power plants in the EU and negotiated Territorial Just Transition Plans in view of addressing and mitigating the impact of these closures in specific territories (§44).

The Commission recognises the need to enhance electricity connections and reliable energy infrastructure, particularly as an effect of renewable deployment and access for prosumers. In response, the Mid Term Review of the Cohesion Policy has included a new specific objective for promoting energy interconnectors and related transmission, distribution, storage and supporting infrastructure, as well as the protection of critical energy infrastructure and the deployment of recharging infrastructure. At the same time, the Commission has adopted the European Grid package on 10 December 2025 in support of the development and connectivity of the grid (§44).

The functioning of national social dialogue, including that of the collective bargaining framework, falls under the responsibility of each Member State. The Council Recommendation on strengthening social dialogue in the European Union[8] recommends that Member States, in accordance with national law and/or practice, while respecting the autonomy of social partners, ensure an enabling environment for bipartite and tripartite social dialogue, in the public and private sectors, including by enabling collective bargaining at all appropriate levels and promoting a higher level of coverage of collective bargaining. Member States were invited to submit to the Commission by 7 December 2025 a list of measures, drawn up in consultation with social partners, which are taken or have already been taken in each Member State to implement this Recommendation. The Commission will support the Employment Committee in monitoring regularly, as part of the multilateral surveillance activities in the context of the European Semester, the implementation of this Recommendation jointly with relevant social partners at national and Union level (§46).

The Commission agrees with the Parliament on the opportunity that Directive (EU) 2022/2041 on adequate minimum wages[9] represents to strengthen collective bargaining on wage-setting and the presence of the social partners in emerging sectors. In particular, Article 4(2) of this

---

[8] Council Recommendation of 12 June 2023 on strengthening social dialogue in the European Union, OJ C, C/2023/1389, 6.12.2023.

[9] Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union, OJ L 275, 25.10.2022, p. 33.

Directive obliges Member States where the collective bargaining coverage rate is below 80% to establish an action plan. The action plan shall set out a clear timeline and concrete measures to progressively increase the rate of collective bargaining coverage, in full respect for the autonomy of the social partners. The Member States concerned are expected to transmit their action plans to the Commission by the end of 2025. The Commission will analyse these actions plans, as well as the data on minimum wage protection transmitted by all Member States in accordance with Article 10(2) of Directive (EU) 2022/2041, and report in this regard to the European Parliament and the Council (§25, 26).

In the context of the next MFF proposals, the support for just transition is fully integrated into the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security, through a dedicated specific objective. The relevant proposal provides for the use of territorial just transition strategies. Member States are under the obligation to adequately address this specific objective in the next programming period (§49).

The Commission's proposals for the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security[10] provide for streamlined and simplified rules governing financial instruments, notably by cancelling the obligation to carry out a specific *ex ante* assessment under the responsibility of the managing authority and through simplified management and audit requirements. This is expected to accelerate and facilitate the take up of financial instruments, to the benefit, *ceteris paribus*, of territories addressing the impact of climate transition with the support of the Fund, through the dedicated just transition specific objective (§50).

In the current programming period, the Commission established a precise and transparent JTF allocation algorithm based on the following parameters: greenhouse-gas emissions of industrial facilities, employment in mining of coal and lignite, employment in industry at the level of NUTS2 regions, production of peat and production of oil shale. The use of more precise criteria in determining JTF allocations and territories was constrained by the limited availability and granularity of structured data for the 2020 Country Reports, which underpinned the proposals for the JTF scope. Additional considerations, including in relation to specific situations and needs of territories at the level of NUTS3 or below, were reflected in Territorial Just Transition Plans and negotiated between the Member States and the Commission. Furthermore, Member States have the possibility to ensure that the challenges of areas most affected by the transition are addressed though the project selection process (§51).

---

[10] Proposal for a Regulation of the European Parliament and of the Council establishing the European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security for the period 2028-2034 and amending Regulation (EU) 2023/955 and Regulation (EU, Euratom) 2024/2509, COM (2025) 565 fin of 16.7.2025.