

EMPOWERING VULNERABLE GROUPS IN THE GREEN ECONOMY

Workshop Report

October 2023



ABOUT THIS REPORT

This report is based on the outcomes of the workshop 'Empowering vulnerable groups in the green economy', which took place in March 2023 and was hosted and supported by the **Open Society Foundations**. The workshop was organised within the framework of the **European Alliance for a Just Transition**, co-ordinated by **SOLIDAR**, with the participation of many members of the Alliance and other invited stakeholder organisations. The document was prepared by:

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We are grateful to Michal Len for his support in the preparation and moderation of the workshop. We thank all the participants who came together to discuss this topic for the stimulating exchange, and for sharing their valuable expertise and ideas. This report contains the action points and policy recommendations proposed by participants during and after the workshop. They do not necessarily reflect the views of all participating organisations.

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SUMMARY

While the European Green Deal (EGD) pledges to 'leave no one behind', it proposes few concrete measures that provide targeted support to vulnerable and underrepresented communities and individuals, who will be disproportionately affected by climate action. In March 2023, the Open Society Foundations, SOLIDAR, and the European Trade Union Institute organised a workshop involving experts from a wide range of organisations, to identify relevant gaps in research and policymaking and suggest measures to better support people in vulnerable situations. It focused in particular on education, training, and employment opportunities. This report sets out a non-exhaustive list of the relevant action points proposed at the workshop and, as a result, does not necessarily reflect the views of the organisers or of all participants.

At a general level, many participants argued that the EGD just transition framework needs to be significantly strengthened. The protection and empowerment of people in vulnerable situations needs to sit at the heart of EU just transition policy, and that policy needs to tackle all dimensions of socio-economic inequalities and recognise multiple and cumulative vulnerabilities. As a start, more research and data are needed to identify vulnerable groups and communities, and to better understand their needs and the factors that cause vulnerability. Targeted policies are needed to support people in vulnerable situations, underpinned by better mapping of economic and social indicators. The workshop discussions made clear the need to better understand the skills needed in jobs that will be created by the green transition, in which sectors they will be created and at what skill level, and who can best provide the relevant education, training and re/upskilling. Participants pointed to the need to invest in lifelong learning for all, with priority and outreach for marginalised or underrepresented groups, and to acquire a better understanding of how particular groups can best access and benefit from relevant training. Many participants proposed social support measures that guarantee social inclusion and a decent standard of life for all, regardless of employment, as well as political participation. These include social protection, strong and well-funded social services (including child and adult care services), access to adequate and energy efficient/ zero emissions housing (including renovation of buildings), measures to tackle energy and transport poverty, electricity market reforms that work for people, and others.

The meaningful involvement of vulnerable and underrepresented people in political discourse and decision making on green policies and relevant social measures was highlighted as an essential element of a just transition, to be guaranteed through concrete measures. Participants pointed out that, aside from government/governance institutions at different levels, civil society and community organisations, trade unions, (work integration) social enterprises, businesses, and business associations have a key role to play in supporting



and empowering people in vulnerable situations in the green transition context. There is a need to understand which of these-or other-entities are best suited to providing such support, and to promote the activities of such organisations, including through adequate resources and active labour market policies.

Participants also put forward a number of ways in which the current EU just transition framework should be improved, stressing, for example, the need for an overarching framework which is comprehensive and inclusive of all affected sectors, and which includes concrete, targeted measures to support people in vulnerable situations in the world of work and beyond. Sufficient, sustainable, and long term funding is needed, too, whereby a certain percentage of all EU funds are dedicated specifically to supporting vulnerable groups. Finally, the Annex points to some existing good practices and potential avenues for further research.



I. BACKGROUND AND AIMS

The European Green Deal will drive forward the most significant economic transformation in Europe since the industrial revolution. While it pledges to 'leave no one behind' and ensure a 'just, fair and inclusive' transition, it will create winners and losers. The most disadvantaged members of society are likely to be disproportionately negatively affected by the impending changes, and social impacts will be felt differently across factors such as gender, age, race and ethnicity, disability, socioeconomic and migrant status.

While the European Green Deal acknowledges some of these challenges, there are almost no concrete measures that specifically identify and provide targeted support to vulnerable and underrepresented communities and individuals, including income and employment opportunities. The chance may be missed to apply available resources towards improving the conditions of those who are least well off. Support measures such as social protection, affordable and accessible public transport and refurbishing of homes to increase energy efficiency are alongside support for vulnerable essential, and underrepresented groups to obtain guality education and training, including the skills and training necessary to access new green jobs, and to enhance their transversal and soft competences.

In March 2023, the Open Society Foundations, SOLIDAR, and the European Trade Union Institute organised an interactive workshop on the topic of 'Empowering vulnerable groups in the green economy.' The workshop brought together over 40 experts from a wide range of organisations, including civil society organisations, trade unions, social enterprises, business associations, research institutes, think tanks, and political institutions. Participants were asked to discuss gaps in research and policymaking, and to suggest how relevant actors can better support vulnerable and underrepresented groups in the green transition, focusing in particular on how they can more easily obtain access to education, training, and employment opportunities.

This report sets out suggestions made by participants in the workshop, which we have consolidated and systematised into different thematic categories. These are not intended to be exhaustive policy recommendations. Given time limitations at the workshop and the specific expertise of the participants in the room, it is possible that there are many important angles of this issue that we have not considered. Furthermore, the different action points listed in this report do not all necessarily represent the views of the authors of this report or of the individual participants in the workshop. We hope, however, that the ideas set out in section III can serve as a useful source of information, and as inspiration for advocacy and policymaking.

As the information has been collected on an anonymous basis, it is presented without attribution to its original author. We therefore wholeheartedly thank all participants for the engaging discussion and inspiring ideas.



II. ACTION POINTS AND RECOMMENDATIONS

The following sub-sections reflect the suggestions made by participants in the workshop. They have been consolidated to avoid repetition, edited to ensure consistency, and divided into thematic categories for clarity. For this reason, not every suggestion is repeated verbatim, and similar or related suggestions have been combined. As stressed above, this report does not constitute an exhaustive set of recommendations. Rather, the different points below are to be understood as a non-exhaustive collection of proposals by experts from different backgrounds, which were discussed and put forward within the particular scope of this workshop.

1. GENERAL CONSIDERATIONS

- Just transition needs to become a transversal principle integrated across all EU policy areas. Strengthening social policies across the board, and not just in certain limited areas, is essential to a just green transition.
- Protecting and empowering people in vulnerable situations needs to sit at the heart of EU just transition policy. This includes substantive policies and measures to ensure meaningful participation in decision making, as well as their effective enforcement. For the green transition to be successful, people in vulnerable and precarious situations need to have reassurance that their livelihoods will be

protected, and that a decent standard of living will be guaranteed.

- Just transition policies need to tackle all dimensions of socio-economic inequalities, fully appreciating and addressing the impact of the transition along axes of gender, race, ethnicity, age, migrant status, disability, and other factors, and applying an intersectional lens.
- The burden of the transition to climate neutrality should not be carried by the least well off in society, who are least responsible for climate change. The richest in society—at the regional and global level—must carry their fair share of the burden, given their disproportionate responsibility for the environmental and climate crisis.
- It is essential to understand and appreciate the historical and systemic roots of climate change and acknowledge and reduce the impact of the EU's green transition/green policies on the Global South.
- New social models are needed that create good quality green jobs, promote social cohesion, and ensure that underrepresented groups and people in vulnerable situations have better access to these opportunities. New narratives that take a bottom up, not just top down, approach to societal transformation, and new



and different models of growth (eg post-growth, degrowth, wellbeing economy) need to be part of this effort.

 The focus should be not only on developing green technologies, but also on reducing the overall consumption of resources and ensuring that everyone has access to a fair share of resources, wealth, and progress, within planetary boundaries.

2. UNDERSTANDING VULNERABILITY

- There is currently no single, shared understanding of 'vulnerability', or 'people in vulnerable situations' in the just transition context. One possible broad definition might be 'populations that suffer from systemic barriers such as discrimination, unequal access to rights, unequal access to and control over resources or unequal access to development opportunities. As a result, they may be poorly integrated into the formal economy, may suffer from inadequate access to basic public goods and services, may be excluded from political decision-making, and may therefore face a higher risk of impoverishment and social exclusion.' (Based on an internal Open Society Foundations report and contributions by participants in the workshop). While this is not the only possible definition, it sets out some of the factors underlying vulnerability in the present context.
- Crucially, vulnerabilities can be multiple and cumulative, due to a combination of factors that

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can relate to a person's age, ethnicity, gender, disability, migrant status, informal work, socioeconomic status, living in a rural community to name a few. This means that some people in vulnerable situations will be even more disadvantaged than others.

 There is an urgent need for more research and data to identify people and communities in vulnerable situations, at the local, national and EU levels; to understand the factors, potentially cumulative, that cause vulnerability; and to better understand the needs of different vulnerable groups. A better mapping of economic and social indicators to improve the targeting of social policies is needed, as well as mapping methodologies for engaging vulnerable groups.

3. EDUCATION, TRAINING, AND SKILLS

3.1 Understanding skills/training needs

- It is crucial to acquire a better understanding of the actual skills needed by the people who will make the green transition a reality on the ground, and who can best provide them. This requires, among other things, a better understanding of what jobs will be created because of the green transition and at what level of skill, and which sectors will lose or gain jobs.
- Data on jobs and skills need to be more granular, and there is a need for tools that monitor and assess the development of the

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green transition in this respect. An important part of this data collection process is to consult learners themselves about their needs—eg what support they need in terms of financial and other resources, and what type of learning opportunities suit them better.

- Businesses, including work integration social enterprises (WISEs) and social enterprises in general, should work together with governments, workers, and trade unions to plan ahead and assess what green skills will be needed. This analysis can support skills mapping and identify jobs and regions at risk, show the socioeconomic benefits of a just transition and help to build an internal and external case for just transition, to encourage other companies to adopt good practices.
- EU companies and learning providers can also work on identifying the level of skills compatibility and transferability (eg skills acquired in the fossil fuel industry are often transferrable to renewables, geothermal, and mining).
- New jobs will be created at different skill levels and in different sectors. There will, for example, be a need for practical skills in the areas of water supply, waste management, building and construction, but also skills related to the circular economy, repairs, sustainable materials etc. There will also be a need for administrative skills relating to the implementation of system change. STEM skills will also be very relevant, a sector in which women, older people (55+), and racialised people are currently

underrepresented. Forecasting shows a need for higher levels of skills at work, and for more people oriented roles, rather than automated ones.

- Aside from specific technical skills, transversal skills (key competences, transferrable skills, soft skills) such as communication, critical thinking, adaptability, learning to learn, teamwork etc will also need to be developed, as part of education and training and lifelong learning. Workers who have previously worked in more repetitive, lower skilled positions will need to switch to new roles, and their key competences should be developed as a priority. More attention needs to be paid to basic competence gaps as a foundation, otherwise vulnerable groups will continue to be left behind.
- Care needs to be properly recognised as a valuable sector that is essential to the functioning of our societies. It is key to a just transition, and jobs and skills in this sector should also be considered as 'green'. It is essential to invest in care and put both formal and informal care back in the centre of our communities, which will have positive effects for women—who perform the greater share of paid and unpaid care work—but also for groups that currently have reduced access to adequate care (eg low income households) or have greater care needs (eg older people, people with disabilities).
- Work integration social enterprises (WISEs) and the social economy in general have a crucial role to play when it comes to fostering

opportunities for vulnerable groups in the green economy, as they not only focus on the inclusion of disadvantaged groups, providing them with training and skills, but also provide inspiration for future proof business models.

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- The crafts sector—made up predominantly of micro, small, and medium enterprises—will play an important role in the green transition, for instance in the installation of solar panels and heat pumps. Just transition policies need to address the shortage of skilled workers and upskilling in terms of green skills needed.
- It is necessary to better understand the needs of the agricultural and rural sector and to create good quality jobs in these sectors, rather than focusing primarily on cities and industrialised areas. People living in rural communities can often find themselves in vulnerable situations, with reduced access to education, training, and employment opportunities, as well as services such as public transport and hospitals. Ecological agriculture could present opportunities for good quality jobs for many disadvantaged communities living in rural areas.

3.2 Ensuring inclusive education and training to support people's wellbeing

 There is a need to invest in lifelong learning for all, with priority and outreach for marginalised or underrepresented groups, eg women, people with disabilities, young as well as older (55+) people, or those who are currently neither in employment, education or training (NEETs).

- It is necessary to develop а better understanding of how particular groups can best access relevant training, bearing in mind that people can find themselves in a variety of vulnerable situations and have different kinds of needs in this respect. Training and re/upskilling programmes need to be flexible and adaptable to individual learning needs. Moreover, on the job training through employment (eg in work integration social enterprises) should be broadened.
- Relevant skills/training programmes need to be co-designed with communities, workers, and trade unions. Citizens/workers, trade unions and workers' representatives need to be involved in decision-making, as they have valuable knowledge of the needs of their communities.
- At the Member State level, education and training strategies are necessary, which provide a particular policy orientation towards sustainability. Training and investing in teachers are an essential part of a strategy to address the need for green skills and sustainability competences, starting from a young age.
- Education and training need to include awareness of the green transition and how it might negatively or positively impact one's own community/local people, and an understanding of the system/policy framework and the rights that individuals have within it, which is particularly important for vulnerable people to be able to access relevant support. Education and training also need to relate to how to reduce waste, repair, reuse, and recycle existing

materials, and knowledge about energy and water.

- Digital skills will be increasingly important in the context of the green transition, and—to avoid the risk of exacerbating inequalities and further marginalising already vulnerable groups—targeted measures are needed to ensure that certain groups (eg older people, women, people with disabilities) have access to relevant training and are equipped with these skills. The focus should not only be on highly advanced digital skills but also on the basic digital skills that some groups currently lack, to ensure that gaps between different groups are closed.
- Insufficient attention is currently given to the role of informal and non-formal learning providers, including on the job training. Such providers already have relevant expertise and are well placed to engage vulnerable and underrepresented groups who are hesitant to join more structured learning and often reach out to local communities for their learning needs. These providers should receive more support to upscale their engagement capacity and should be better recognised by employers and the formal education system.
- At the same time, the already established large providers of skills training might take away educational capacity from smaller, community level organisations. This means measures are also needed to ensure fairness between learning providers.

- Structural reforms are needed to ensure that, rather than requiring people to fit the formal education system, the system can accommodate them by giving equal importance to both formal and non-formal and informal education sectors. Holistic learning, outside of formal education or the classroom, should be better recognised and taken into account. This includes, for example, skills associated with work typically performed by women, such as those relating to care and domestic work, and which are generally overlooked and undervalued on the labour market. Vocational education and training (VET), including through work integration social enterprises, also needs to be more entrenched and valued.
- It is key to develop validation and recognition policies across Member States. Validation and recognition help to understand which skills are already present, and which need to be further developed. There needs to be targeted funding towards validation and recognition of nonformal and informal learning.
- Systems for the recognition of qualifications and previous experience/learning of migrant workers from within and outside the EU are much needed. Migrant workers, particularly women, are often overqualified for the positions they occupy, leading to reduced earnings and living conditions for them, and skill waste. At the same time, it is important to challenge the narrative of migrant workers as mere 'skills' for the labour market.

- Individual learning accounts (ILAs) should be properly implemented and available to all citizens, not only those in employment. They should go beyond sector specific competences. This is key to supporting vulnerable groups and underrepresented groups, since it is more difficult for them to upskill and reskill or to develop higher or sectoral skills if basic skills are not addressed. Informal and nonformal education providers should also be able to contribute to ILAs and be accredited as providers.
- Learners from vulnerable and underrepresented groups have a much greater need to be guided in the learning process at all ages. Funding and policy mechanisms for guidance and awareness raising is key for the success of relevant reskilling and upskilling programmes, to ensure that learners have more ownership over their learning process and confidence to navigate the twin transitions.
- There are already key EU level tools to tackle the skills and competences demand of labour markets, including Council Recommendations on key competences for lifelong learning, learning for the green transition and sustainable development, and ensuring a fair transition towards climate neutrality. Similarly, crucial competence frameworks have been developed, such as LifeComp, EntreComp, DigComp and GreenComp. The EU and Member States need to move forward in their implementation, monitoring, evaluation, and further development, including their mainstreaming in national and regional policies, curricula, and

training offerings. The information provided to learners in relation to Vocational Education and Learning (VET) opportunities and the learning offer itself need to be improved.

- There are also existing initiatives as Global Citizenship Education and Education for Sustainable Development (UNESCO initiatives), which are approaches to learning that aim to empower learners of all ages to assume active roles, both locally and globally, in building more peaceful, tolerant, inclusive, and secure societies, and which include knowledge and skills to promote sustainable development.
- Lack of policy coherence gives rise to issues in the implementation of the existing framework education, which generally focuses on on formal education and on primary and secondary school. There needs to be greater policy coherence between the European Commission's DGs when it comes to education and training, including non-formal and formal education and adult upskilling, through a lifelong and life wide learning approach. There also needs to be closer cooperation between the responsible DGs with organisations and agencies that are invested in the implementation of programmes such as the Pact for Skills.

4. SOCIAL PROTECTION AND SUPPORT

 While the focus of this workshop and report is specifically on education, skills and training and labour market inclusion, these must go hand in hand with other social support measures that guarantee social inclusion and a decent standard of life for all, regardless of employment, as well as political participation. Participants in the workshop mentioned some of the measures that are necessary in this respect.

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- Targeted measures and sufficient, designated/ earmarked funding are key to supporting people in vulnerable situations and to ensuring the inclusion of marginalised and underrepresented voices. These measures need to be designed with the active, genuine participation of marginalised and underrepresented people and communities. They also need to be sensitive to different types of vulnerability and to cumulative/intersectional aspects of vulnerability, and adapted to specific needs.
- At the same time, policies also need to ensure that people in vulnerable situations are aware of their rights and opportunities—both in terms of labour market, training/education, and social support—and are genuinely able to access such opportunities. This requires additional measures and resources.
- A just transition should include fair green tax and social protection systems with adequate revenue recycling to support vulnerable groups. Social protection is necessary to address 'risks' throughout the lifecycle and to ensure that people can live in dignity. Social protection floors for everyone will be ever more necessary given the devastating and disruptive effects of climate change and climate change policy.

Identifying and addressing pre-existing gaps in social protection coverage is crucial to ensuring that the most vulnerable people do not fall through the cracks.

- There needs to be better support for the long term unemployed, and introduction of measures such as job guarantees or other financial incentives that could enable people who are inactive to enter employment (eg in-work benefits to combine income support with gainful employment).
- Social economy initiatives should be promoted, including through necessary funding/ investment, as a means of creating jobs for people at risk of social exclusion through work integration social enterprises, providing them with meaningful work and ensuring that they receive the necessary (on the job) training/ upskilling.
- Digitalisation needs to be considered as a new social determinant for access to essential services. The digital divide and inequalities still restrict access to information and resources and jeopardise equal access to services, although the 2030 EU Digital Compass agreed to set digital ambitions based on the principle of fair and nondiscriminatory online services, digital skills, and systems.
- The availability of accessible public childcare and adult care services is essential to enable those with caring responsibilities to participate in the labour market and training and education programmes. This is often particularly necessary



for women in lower income households.

- Strong, well funded social services are needed to provide targeted, people centred support. Decent living conditions (relating to housing, energy, transport and so on) directly affect social participation.
- Vulnerable people—particularly those experiencing or at risk of poverty—should be guaranteed access to adequate, energy efficient/zero emissions housing, which is culturally accommodating towards different ethnic groups. In this connection, robust programmes for the renovation of buildings are needed, particularly regarding the worst performing buildings, homes, and residential houses, including vacant housing.
- There needs to be adequate and ringfenced funding for the renovation of buildings, particularly for low-income households and areas, including the fixing of structural issues in unfit housing. Rent caps tied to the energy efficiency level of rented homes could be put in place to protect households from rent increases that are greater than energy savings. The renovation of buildings could generate jobs and training opportunities for local communities, particularly in rural areas and disadvantaged regions where there is demand for a renovation workforce.
- It is necessary to better understand and develop measures to tackle mobility/transport poverty. This includes not only investment in the availability of green and affordable public

transport, but can also include increased support for infrastructure in rural and other vulnerable areas (car sharing, pooling, charging stations etc). Green alternatives, such as trains, need to be made much more 'attractive', affordable, and widespread.

- Electricity market reforms that work for people are crucial, and should be underpinned by an understanding of energy as a public good and universal basic service. A regulatory approach to deliver a socially just transition could include the optimisation of the electricity market design in Europe while maintaining regulated electricity prices to put the energy system under democratic governance and public control. There should be funding, tax relief and other support available for energy co-ops/ energy communities, including support for civil society organisations that provide assistance to communities in this respect.
- In general, there should be measures in place to facilitate access by vulnerable communities to renewable energy and low carbon technologies.
 Worker ownership, energy communities/ cooperatives and biodiversity stewardship should be promoted as a means of job creation and community empowerment.
- A minimum supply of energy could be provided to all households, funded by corporate profits in the energy/fossil fuel industry. Progressive electricity tariffs could place a higher price on 'luxury' or surplus energy consumption, while making sure that large families living in low performing dwellings and relying on obsolete

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devices are not charged more for being energy poor.

- Firewood users also need targeted support. They make up a significant proportion of the poorest households in several Central and Eastern European countries in particular. Firewood users are overrepresented among the vulnerable communities hardest hit by the energy crisis; they are exposed to considerable health risks and rising firewood prices, while not being able to afford to switch to more sustainable heating alternatives.
- It is important to specifically target vulnerable groups for social support schemes, but also to avoid unnecessary red tape and administrative hurdles in applying for the schemes, which would prevent these groups from benefitting from the measures designed for them.
- There is a need to improve administrative capacities across Member States to ensure that local administrations have the skills, knowledge, and capacity to provide the necessary support to vulnerable groups, including to assist with applications to relevant schemes. Existing local and regional structures can be used to implement not only the national, but also EU measures that seek to reach out to affected communities. Local authorities should receive appropriate support (financial, technical, and administrative) in this respect.
- Another issue that deserves attention, but is rarely mentioned, is the stigma attached to being labelled as a 'vulnerable group' and

to using social support schemes, which can prevent people from applying for or accessing schemes designed for them. It is necessary to make it clear that there is no shame in using support schemes, whether to receive income support or access training and re/upskilling.

5. MEANINGFUL PARTICIPATION

- The involvement of vulnerable and underrepresented people in political discourse and decision making on green policies and on measures to support them in terms of social protection, training, and education is an essential element of a 'just transition'. While EU and many national policy initiatives accept this idea in theory, there are generally few concrete measures that guarantee meaningful political participation and involvement in decision making. The people who should benefit from such tools rarely actually do.
- Affected people and communities in vulnerable situations should have the opportunity to be meaningfully involved, and for their involvement to be taken into account, not tokenised. For this to happen, it must be clear who is consulted, but also who is not, in the development of relevant policies.
- In this regard, there needs to be a definition of what 'qualitative stakeholder involvement' means, to be able to assess whether it has been implemented properly and that it is not a mere box-ticking exercise. For this purpose, it would be useful to provide a robust definition of 'meaningful' and 'inclusive' involvement.

- Meaningful participation requires that people are informed of their rights and understand the system in which they are required to live and work. It means that they are provided with the time, resources, and knowledge necessary to engage with the issues at hand and the relevant implications for them and their communities, at an early state of the process. It means that particular needs are taken into account in ensuring access to information and participation for all, including those of people with disabilities.
- All this requires dedicated resources for information and education, plus active outreach efforts and cooperation with local civil society/ grassroots organisations that work with affected communities and people in vulnerable situations.
- With all of this in mind, it is crucial to put in place channels for vulnerable and underrepresented groups to inform policymaking, which are not ad hoc but embedded in policymaking structures.
 For this, it is necessary to develop workable models of participative democracy that are inclusive and bring together diverse voices.
- Inspiration can be drawn from social economy practices on democratic and/ or participatory governance, which is a core aspect of the social economy. Giving people a voice on the shop floor is a concrete and tangible way of ensuring participation.
- There is also much to learn from both the positive and negative experiences of citizen assemblies in various countries, as well as the

Conference on the Future of Europe. Inclusive workplace democracy and participation is another way to ensure that workers in vulnerable situations (as workers and as citizens) can have an input into decisions that affect them.

6. KEY ACTORS

• Aside from government/governance institutions at different levels and relevant state policies and support, civil society and community organisations, trade unions, social enterprises (including work integration social enterprises), businesses and business associations have a key role to play in supporting and empowering people in vulnerable situations in the context of the green transition. There is a need to understand which of these—or other—entities are best suited to providing such support to vulnerable and underrepresented groups, and to promote the activities of such organisations, including through adequate resources and active labour market policies.

6.1 Organisations directly supporting vulnerable groups

 Grassroots local community organisations and social economy organisations/networks are often those closest to people and groups in vulnerable situations, those who have experience working with them and understand their needs, and/or who are made up of people from affected communities. There needs to be better support for such organisations, which can act as intermediaries between local authorities and affected local communities.

- There should also be proper recognition of the role of organisations representing the interests of people in vulnerable situations at different levels of administration/governance.
 Particularly at the national and European level, the involvement of civil society organisations representing the interests of different vulnerable and underrepresented groups is crucial, and their activities should be supported through adequate resources.
- Trade unions have a key role to play in ensuring the inclusion of people in vulnerable situations in the labour market and the adaptation of workplaces and work organisation to accommodate them, in the development of skills/training and social support policies and in their implementation across sectors and workplaces. Worker participation and collective bargaining are essential to empowering workers to advance their interests and to put in place concrete, inclusive workplace practices at the company, sectoral, or national levels.
- Social dialogue at all levels is an essential aspect of a just green transition and must be promoted by the state at different levels—national, regional, industry etc—and incorporated into transition policies and legislation. Social dialogue and collective bargaining both need to include the specific concerns and needs of people in vulnerable situations, and trade unions need to take active steps to include such groups, where they are underrepresented.

- In this context, declining trade union density and collective bargaining coverage in many EU Member States are significant concerns, as are restrictions of the fundamental right to freedom of association, the right to bargain collectively, and the right to strike. The ability of workers to form and join trade unions, and to act via their unions in support of their interests, including through collective bargaining, needs to be protected and promoted.
- Some groups of vulnerable workers are often not organised or unionised, have reduced access to trade union representation, or have reduced visibility within trade unions and are underrepresented within their membership (eg young people, migrant workers, women in some sectors, informal workers, platform workers). There are, however, also many examples of successful organisation strategies by such groups, with or without the support of established traditional trade unions, which show the benefits of collective organisation in terms of improved working conditions.
- There is a need to research and learn from good practices and to provide support to workers and trade unions involved in organising vulnerable/marginalised workers and bargaining collectively on their behalf. In this respect, partnerships between trade unions and social enterprises should be encouraged.
- Open, transparent, and structured civil dialogue, meaning with civil society organisations, is also a key component of a just transition.

- Work Integration Social Enterprises (WISEs) and the social economy in general have a crucial role to play. WISEs work with people in vulnerable situations and support them with training, re/upskilling and integration into the labour market. Aside from focusing on the inclusion of disadvantaged groups, they also provide inspiration for future proof business models. There is a need for better support and greater visibility for (work integration) social enterprises, and partnerships with other actors.
- The Social Economy Action Plan from 2021 is the framework that acknowledges the role of the social economy as a means to create jobs and foster social inclusion. It aims to promote the European social economy, its job creation potential and contribution to a fair and inclusive recovery, and the green and digital transitions. As part of the Action Plan, the Commission has proposed a Council Recommendation on developing social economy framework conditions and a Social Economy Gateway to provide social economy organisations with information on EU funding, training opportunities etc. The adoption and implementation of these and other instruments would contribute to the integration of vulnerable groups in the labour market.
- Cooperation among all these relevant stakeholders is crucial, at the EU and at the national policy level (among ministries, agencies at national and local level, etc) as well as at the operational level, meaning social service providers, employment agencies, WISEs and employers (public and private).

6.2 The role of businesses

- Businesses and business associations also have a key role in ensuring that vulnerable and underrepresented groups can benefit from the opportunities that the green transition brings, by creating new jobs, training workers, and cooperating with public authorities, trade unions, and civil society actors.
- A first important step that businesses should take is to more actively disclosing data that is directly relevant to the just transition and inclusive skills building, and conduct more extensive and independent research (modelling, social impact assessment, SME test, skills gap analysis) to identify social impacts of the energy transition and the different types of green skills that will be needed in their sectors. Businesses need to develop just transition plans that not only focus on the creation of green jobs, but also anticipate the potential negative socioeconomic impacts on workers, suppliers, and communities.
- Relevant information should be communicated, including through trainings, to nonprofit actors that work with vulnerable and underrepresented groups and to public employment services (PES). Businesses and PES should work together closely on support schemes to integrate vulnerable groups into the labour market (activation).
- To be more inclusive, businesses should actively recruit workers from vulnerable and underrepresented groups, recognise informal

skills, provide adequately paid work experience (internships, traineeships etc), as well as personal guidance and training, at least during the first months of employment. Internships/ work experience schemes for people in vulnerable situations could be cofunded with public money.

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- Employers need to recognise the benefits of diversity and invest in their workforce through training and retaining diverse talents. They also need to recognise the specific challenges that different people in vulnerable situations face, develop inclusive workplace policies and adapt workplaces to better include them (eg the needs of people with disabilities, older workers, people with caring responsibilities).
 Work Integration Social Enterprises (WISEs) can support businesses in better understanding the needs of different vulnerable groups.
- Employers should also better inform themselves and their staff about discrimination at work, and recognise the legacy of cumulative and intersecting discrimination across the life course and how this relates to barriers in the labour market and at specific workplaces. At the same time, government campaigns should raise awareness of workplace discrimination and disadvantage, and promote culture change.
- Employers, taking into account their capacity and size, must be responsible for providing opportunities for learning (including in respect of green skills), spaces to learn and time to learn, ensuring that this can happen within working hours for the benefit of people who

are unable to engage in further training outside of work (for example, because of caring responsibilities, or additional paid work to make ends meet). Given the importance of transversal skills (see 3.1), it would also be beneficial to focus on bringing trainings on key competences into the workplace.

- Partnerships between traditional businesses and social enterprises are instrumental to ensuring that marginalised communities and people in vulnerable situations have better access to employment opportunities. Businesses can use Work Integration Social Enterprises as a source for their workforce and hire people that are trained by them; and they can integrate social enterprises into private company value chains.
- Businesses should work more closely with governments at different levels, trade unions, social organisations, and the educational system, and be involved in clusters of publicprivate-social partnerships. Businesses that have good experience and good practices in place could mentor other businesses on how to better include vulnerable groups in new employment opportunities. This could be facilitated, for example, though setting up a network of coaches with relevant experience.
- One way to combine environmental and social objectives within the functioning of certain businesses is, for example, to explore how different waste (eg construction waste) can be reused and develop circular solutions that create jobs, and to hire and train people in

vulnerable situations to positions that engage with the repair and reuse of resources. Another example is to involve/hire people in vulnerable situations in the building renovation of their own residence or neighbourhood.

- To increase gender equality at the workplace, employers should offer flexible working arrangements and measures to promote work life balance, where necessary going beyond existing statutory provisions. This could include, for example, a four-day working week. These are particularly important for those with caring responsibilities, who are predominantly women. A more far reaching possibility to adapt working patterns to personal conditions would also benefit other workers in vulnerable situations.
- There should be much more 'social procurement' practiced by companies—that is, including businesses from vulnerable backgrounds in their supply chain. Both social and green clauses should be used in procurement, including in public procurement.
- Governments need to work with businesses to ensure that green jobs are decent and inclusive and not just focused on attracting workers already in the labour market, but also underrepresented and marginalised groups and those without the required skillset. There is a need to increase public investment to develop green competences and cross-Member State and cross-ministerial collaboration on this topic.
- Governments have a central role to play in shaping business incentives to create jobs

and employ people in vulnerable situations. This includes green industrial strategies and roadmaps, subsidies for training schemes/ programmes that have strong social and environmental conditionalities, and building partnerships with chambers of commerce, training providers and social partners.

- Well designed tax incentives (such as VAT reduction or other tax relief) that are subject to strong social and environmental conditionalities could be another idea, or other financial incentives targeted at supporting job creation for low skilled, vulnerable people.
- Support for businesses in this context could also include future skills mentoring/skills intelligence, seconding/subcontracting counsellors to assist employers, financial support to adapt workplaces, support schemes in proactive upskilling and reskilling, and support in writing applications for funding grants. These are especially important for SMEs, and governments should make efforts to enable them to participate in the green transition and foster inclusive workplaces, eg through developing SME knowledge hubs on future green skills. Funding will be necessary for all these measures, and (eq) the use of ESF funds could be very relevant.
- Furthermore, governments should actively promote the visibility of social enterprise and awareness among businesses of WISEs, as well as encourage exchange and cooperation between WISEs and businesses. They should encourage partnerships between central and

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local government, businesses and WISEs, and provide the necessary funding in this respect. They should incentivise hybrid companies that combine social entrepreneurship and profit making.

- The use of 'incentives' only, however, is not enough. Governments also need to impose certain requirements on businesses regarding their responsibility in ensuring inclusive workplaces and applying state support effectively to the benefit of vulnerable and underrepresented workers.
- For example, financial support/incentives for businesses stemming from other programmes (eg other aspects of the EGD) should include requirements to ensure decent working conditions and the integration into the workplace of vulnerable and underrepresented groups. Measures such as social impact labels, certifications, and Environmental, Social, and Governance (ESG) investing can be useful, too, but these measures must be substantive and not just green/social washing.
- States could also establish binding minimum standards for social involvement and the responsibility of business actors in this context, or make robust Corporate Social Responsibility (CSR) programmes compulsory. The new Corporate Social Responsibility Directive (CSRD) and the proposed Directive on corporate sustainability due diligence (CSDDD) set some relevant minimum EU-wide standards in this area, which Member States can build on.

 There are already many examples of good practices. including regulation, social dialogue/collective bargaining initiatives. social enterprise, and business cooperations, collaborations between public authorities, businesses or unions with NGOs representing vulnerable groups, initiatives of individual companies, social economy clusters and incubators. General and concrete examples of good practices discussed at the workshop are listed in the Annex. However, there is a need for further research into and mapping of good practices, as well as to communicate the results of this research to relevant actors.

7. EU JUST TRANSITION POLICY AND FUNDING

- There are currently only a few and fragmented just transition measures, not all of which are binding. The Just Transition Mechanism aims to support local transitions to a greener economy. However, it covers only a selection of the most carbon-intensive regions. The Social Climate Fund is designed to address social impacts arising from ETS2 for most vulnerable households and microenterprises; it will only start in 2026 and is a compensatory measure rather than a transition tool in itself.
- The Council Recommendation on fair transition to climate neutrality, on the other hand, contains a wider range of proposed measures for Member States, but is non-binding. Thus, there is no mechanism in place which is either binding or proportionate to the scale of needs to guarantee that the transition will be just.

- This strongly contrasts with the majority of the Fit for 55 measures relating to industrial policy, which are legally binding. Indeed, there is in general a lack of consistency between European Green Deal/Fit for 55 and social policies, including under the European Pillar of Social Rights and its Action Plan. There needs to be deeper integration between the EGD and the EPSR, and better coordination between funding instruments like the ESF+ and the Pillar.
- The EU needs to develop a just transition mechanism and overarching just transition framework which is comprehensive and inclusive of all affected sectors, not just fossil fuel and carbon intensive industries. This framework needs to pay attention to the ways in which different issues relate to each other for example, how transport and housing issues also affect access to employment—and ensure coherence between relevant policies. It needs to provide legal certainty and workable objectives.
- Such a framework must also make a strong link between the just transition, wellbeing, and environmental protection. Rather than being situated within a 'green' growth narrative, the European Green Deal should explore the shift towards an economy that is focused on wellbeing and care, reducing inequality, and distributing finite resources fairly and within planetary boundaries.
- The EU just transition framework needs to include concrete, targeted measures to support people in vulnerable situations, in the world of work and beyond. Gender mainstreaming, but

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also the mainstreaming of antidiscrimination and antiracism measures, need to be applied across different elements of this framework.

- An EU-wide definition of energy poverty is needed, to better identify people and communities in vulnerable situations in this context, and develop appropriate policies.
- Aside from a general just transition framework, there is need for effective action and (legal) tools in specific priority areas. These include social dialogue and democracy at work (ensuring involvement of workers in the transition); occupational health and safety (adaptation and resilience); and addressing inequalities in responsibility for emissions, including through progressive taxation. It is necessary to develop innovative measures on top of our existing toolbox, and to tailor the relevant instruments to the specific problem at hand.
- Unlike compensatory measures, social policy reform is not discussed enough in the EU just transition context. This includes, for example, the role and potential of universal basic services, but also access to benefits and other welfare policies, such as a basic income. The Council Recommendation is a step in this direction, but it is nonbinding. Specific, binding legal instruments in these areas are needed, where EU competence allows.
- Sufficient, sustainable, and long-term funding is needed to ensure a just transition. A certain percentage of all EU funds should be dedicated

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to supporting vulnerable groups whereby they are involved in decision making, eg green participatory budgeting. Relevant funding instruments need to foresee measures to ensure that vulnerable groups are also able to access funds in practice.

- One option is a much bigger Social Climate Fund, both in terms of the available amount, timespan, and the purposes to which it can be applied, and which includes more precise obligations to direct available funding to vulnerable and underrepresented groups across different domains.
- At the same time, there is a need to ensure the right balance between immediate support and long-term structural investments in the Social Climate Fund, in keeping with the extension of the EU emissions trading system to road transport and buildings and its negative effects on the energy expenditure of the EU's poorest households.
- Funding should be available for community wealth building and bottom up initiatives that provide opportunities for people in vulnerable situations be involved, improve their competences and skills, form their own organisational structures, and create a sense of community belonging. Funding should also be made available for WISEs that combine social integration and green objectives, including within the framework of the Social Economy Action Plan.
- There is a need for projections and modelling of socio-ecological investment needs, and a

strategy to ensure that funding is sustainable in the long run, including through progressive taxation and clamping down on tax evasion, illicit financial flows, and corruption.

- EU (green) policies should be subject to an ex ante impact assessment in relation to how they affect vulnerable groups, including across intersectional indicators. Impact assessment of social investment at the EU level is necessary to ensure that these investments are actually benefitting vulnerable groups and reducing inequalities. Similarly, there should be an impact assessment of the policies and legislative frameworks in place, to understand whether and how their implementation benefits vulnerable groups.
- The EU needs to think about the just transition globally and consider how EU green policies affect other regions and people in vulnerable situations there, including how they might create or aggravate vulnerability. The consequences of EU Member States' action on global emissions and living conditions (e-fuels/ biofuels; extraction of raw materials; funding for fossil fuels; import of green hydrogen; import of liquified natural gas; agricultural subsidies/ dumping) must be scrutinised more closely.
- The EU needs to ensure appropriate funding and development cooperation to address such impacts, to acknowledge its historical responsibility for greenhouse gas emissions and its colonial legacies in terms of social and environmental harm. This should include 'loss and damage' contributions.



III. CONCLUSIONS

The points and recommendations raised within the scope of the workshop, set out in section 3, show that there is still much to be done to ensure that vulnerable and underrepresented groups can benefit from the opportunities that the green transition might bring, rather than lose out. They also show that there is already a lot of collective knowledge and experience that can contribute to the development of the programmes and policies needed to guarantee not just that 'no one is left behind', but that the green transition genuinely improves the quality of life of people in vulnerable situations, and includes and empowers hitherto marginalised and underrepresented groups. For this to happen, however, there is an urgent need to map and better understand the needs of vulnerable groups, to invest in education, training, and skills building that specifically targets these groups, as well as other support measures that guarantee a decent standard of life, and to create structures that enable people to be meaningfully involved in the decisions and policies that affect them.

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ANNEX: GOOD PRACTICES AND RESEARCH IDEAS

I. GOOD PRACTICES

The following are some of the general types of practices that participants highlighted. Concrete examples of good practices are listed below:

- Collective agreements can offer a wide range of examples of inclusive workplace policies (eg in respect of older workers, workers with care responsibilities, representation of women in decision making, etc).
- Industry inhouse training and reskilling centres, in collaboration with local public authorities and social inclusion associations.
- Positive energy districts, linking SMEs, municipalities and social actors to advance energy transition and social cohesion.
- Subsidies/benefits for compassionate leave in many EU countries, to ensure that people can care for their loved ones without dropping out of the labour market.
- Initiatives for peer learning and the development of soft skills.
- Clusters of social and ecological innovation.
- Civil service activism <u>referring</u> to all or some of the proactive initiatives civil workers take to

make the system/administration more people centred, honest, efficient, and democratically compatible.

- Integrating green skills in ESF+ calls.
- Future skills monitoring by particular industries (eg the German <u>chemical industry</u>).
- Awareness-raising campaigns by chambers and business organisations about STEM careers, and the importance of vocational training, in particular in the crafts sector (eg the German <u>Handwerk neu denken</u>).
- Good practices of participatory/democratic processes in <u>social economy</u>.

Participants in the workshop mentioned several concrete examples of good practices, which are listed below:

 There are many examples of good practices from the <u>RREUSE</u> network, which is an international network representing social enterprises active in reuse, repair, and recycling. This includes cooperations with Siemens, Alstrom, Ikea, Decathlon, and Derichebourg, both to provide a source of labour, and to integrate social enterprises into value chains.

- There are also many examples of good practices within the <u>ENSIE</u> network, which represents the interests of national and regional networks of WISEs striving for more inclusive and integrated forms of employment at European level.
- The <u>B-WISE</u> project (Blueprint for Sectoral Cooperation on Skills in Work Integration Social Enterprises) is an Erasmus+ project that aims to develop a European strategy to address the skills needs, in particular regarding digital skills, in the WISEs sector. It targets the skills needs of workers with support needs, their supporters (such as their job coaches, trainers), and their managers.
- The World Benchmarking Alliance 2021 Just Transition Assessment maps some good practices. For example, ENEL openly advocates for a just transition and works with suppliers and contractors to ensure human rights due diligence is respected along the value chain. It seeks to transition its workforce as part of the closure of its coal fired plant in Andorra and actively works with trade unions and local communities as part of stakeholder methodology engagement. The of this assessment has been extended to all climate and energy benchmark of the WBA, including for the 2022 and 2023 transport, buildings, and oil and gas benchmarks.
- Another example mentioned in this report is <u>SSE</u>, which is investing in clean energy projects, supporting communities in their transition through community benefit funds and reskilling

its workforce. It is also an example of a good connection with the Scottish government's efforts on the just transition, supporting the argument that better just transition planning from governments supports more capacity building at the company level.

- However, the WBA report also points out that a number of gaps remain. While 67 percent of companies in WBA's just transition assessment do take measures to provide skills training or education opportunities to their workers and affected stakeholders, only 23 percent have a public commitment to reskill workers displaced by the transition to a net zero economy.
- IEA has identified a number of other good green skills development practices by companies across the EU, which include the Renewable Energy School of Skills in Constanta or the Volkswagen training programme for e-mobility: see 2022 report <u>'Skills Development and</u> Inclusivity for Clean Energy Transitions'.
- Dutch schools introduced customised schedules for teachers, complementing them with teachers in training when they need to bring children to school, enabling them to work full time (important for gender equality, among other reasons).
- The US ice cream manufacturer Ben & Jerry's 'cookie dough', <u>Rhino Foods</u>, has an inclusive hiring policy that is open to anybody who applies, and invests in training hired workers, especially former convicts.



- An example from Belgium is <u>Kringwinkel</u>, a secondhand shop that offers employment training and future prospects to people who, for various reasons, have few or no opportunities in the regular labour market, while meeting environmental sustainability objectives.
- Other examples that participants mentioned more briefly are: Spanish law on public procurement and on reusing waste; a social impact label in Luxembourg; and Mondragon University in Spain.

We can also learn from good practices on the local level and how they are encouraged at the national and EU level, including the role of companies, employers' organisations, trade unions, civil society actors, and public employment services.

II. RESEARCH IDEAS

Further research is required across different dimensions of the topic to better understand the impacts of climate change and climate change policy on people in vulnerable situations, and the needs of these communities. Participants in the workshop put forward some ideas for future research projects, which are listed below (in no particular order):

- Research to define/identify green skills and jobs.
- Developing indicators to measure how environmental and social objectives are linked.
- Investigating how investment in "green" or sustainable sectors (such as the care economy

and infrastructure) has positive impacts on job creation that could help vulnerable groups.

- Further analysis of the Just Transition framework at the national and local level to determine whether the planned initiatives/measures/ policies are reaching vulnerable groups, and to identify groups that are falling through the cracks.
- Tracking actual just transition measures in a granular manner-for example, have vulnerable groups benefitted from green jobs growth? Or by differentiating by groups/key sectors and barriers/geography.
- Systematic analysis of particular problems across member states-eg workers' involvement at company level in the transition process.
- Better understanding of the types of investments that are needed for low income households to cover upfront costs.
- More data on how many people are currently in energy poverty in Europe, how many were affected by the winter gas crisis, and the distributional impact of the 860 billion euro emergency support measures.
- Further investigating whether and how energy poverty is acting as an indicator for compounding social inequalities.
- Analysing gaps regarding funding/investment needs (skills, active support): actual current gaps and modelling.



- Assessing the investment need for the renovation of the worst performing dwellings and for the decarbonisation of low income households.
- Improving our understanding of the situation of firewood users in the light of energy transition (a fuel of the poor); the most important renewable energy source (biomass); the increase in firewood prices, which is not monitored; air pollution; and how to facilitate their access to green, clean, and affordable heating.
- Acquire a better understanding of, and develop indicators for 'qualitative stakeholder involvement'.
- Researching thoroughly the costs of mining projects, carbon footprint, energy return of investment, pollution, and community impacts.
- Investigating and exchanging 'just transition' best practices, and practices that aim to strengthen social cohesion in the context of the green transition and the current economic system.
- Understanding the impact of EU green policies on its neighbourhood and on the Global South.
- Disaggregated data on the needs of older people/older workers in the labour market, particularly in the context of the green transition.
- Analysis and proposals on how EU policies can support SMEs to include vulnerable groups in the labour market.

- Mapping of cooperation between social enterprises and businesses in the context of the circular economy and developing guidance on cooperation.
- Developing a better understanding of the context for the green and digital transitions at the local level.
- Understanding the role and impact of digitalisation in social enterprise.
- Research on class analysis and inequalities.

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