



# Assessment for Greece (Western Macedonia (WWF EPO assessment))

Status: Final Plan

Date of plan: 16.06.2022



## Overall Plan Rating

There are also some indicators rated as not consistent with the just transition. These are marked as red on the traffic light system and should be the foremost priorities to address and improve on. The indicators are organised under their corresponding principles in the Annex to this report.

## Performance of TJTP by principle



**Principle 1:** The TJTP should be sustainable and deliver on long-term, international and EU climate commitments such as the Paris Agreement and EU 2030 and 2050 climate objectives.



**Principle 2:** The TJTP should not lead to prolonged fossil fuel use or promote false solutions to the transition to climate neutrality. As a guide, coal should be phased out by 2030.



**Principle 3:** The TJTP should lead to sustainable economic diversification at the local, regional and national level.



**Principle 4:** The TJTP should address social inequalities, improve interregional solidarity, decrease inequalities and tackle injustices.



**Principle 5:** The TJTP should not harm EU environmental and climate objectives and values.



**Principle 6:** The TJTP should respect the polluter pays principle.



**Principle 7:** The TJTP should be supported by adequate, coordinated and long-term public and private funding sources.



**Principle 8:** The TJTP should be designed, monitored and evaluated through meaningful partnerships which engage all stakeholders in an open, inclusive and ongoing process, especially at local level. Social dialogue and collective bargaining should be central pillars of the transition when it comes to the labour market and enterprises.



**Principle 9:** The TJTP should take a place-based, local approach to strategy design and implementation.



**Principle 10:** The TJTP should be developed based on high quality, independent and objective analysis of the challenges and opportunities of the transition for regions.

## Breakdown by indicator

### Principle 1

The TJTP should be sustainable and deliver on long-term, international and EU climate commitments such as the Paris Agreement and EU 2030 and 2050 climate objectives.

Indicates a commitment to at least a 55% GHG emissions reduction versus 1990 level by 2030 at regional or national level

✓ The plan will be revised to take into account the updated EU 2030 target

Comments: In May, Greece adopted an at least -55% net GHG target by 2030 and climate neutrality by 2050 - but it is not clearly reflected in the TJTP itself. It notes, The overarching 'SDAM' acknowledges the new higher 55% target at EU level. "Since the ratification of the [NECP] to date, rapid developments have taken place in energy and climate change, most notably: a) the 'Fit for 55' package of measures which introduces an ambitious climate target (55%) compared to 40% when the [NECP] was drafted, b) the joint European action "REPowerEU"... The country is monitoring current developments in the energy sector and will make appropriate adjustments if needed. "

Identifies the opportunities to increase renewable energy in the region or nationally, but no specific actions, projects or targets are proposed

Comments: Renewable energy investments (with little specification of whether they will be solar/wind/geothermal/other) are cited as actions that can be financed under the 'clean energy priority' for all plans (under the MasterPlan). Renewables will be used to produce green hydrogen according to the plan for Western Macedonia, owing in part to the 'rich water potential' of the region.

"2.4.1 Categories of indicative operations" includes potential investments in "heat pumps for heating/cooling and/or electricity generation systems from renewable energy sources,..." and for "increasing self-production from RES (GreenCities)"

Identifies the opportunities to increase energy efficiency or reduce energy use in the region or nationally, but no specific actions, projects or targets are proposed

✓ Energy efficiency indicators are included as specific project/programme results indicators

Comments: "Support to households, public/municipal buildings & infrastructure, office buildings & production units either through energy communities or individually," are indicative actions under the plan. The only specific opportunities identified however are for large enterprise investments.

Indicators:

- Output: Aim to increase public buildings, as well as dwellings, with improved energy performance 10-fold  
But no result indicators and no clear project selection criteria outlined in the plan itself.

### Principle 2

The TJTP should not lead to prolonged fossil fuel use or promote false solutions to the transition to climate neutrality. As a guide, coal should be phased out by 2030.

A complete phase-out of coal is planned or implied in the territory by 2030

No phase-out of fossil gas is planned or implied

Comments: Although not mentioned in the plan, reference is made to, ""Ptolemaida V", modernisation & operation without burning lignite will help save a significant number of jobs". We understand this unit will be replaced with gas.

Not enough information available or fossil fuel subsidies not discussed

Comments: It mentions that, "on, domestic electricity consumers in [Western Macedonia and Megaolopolis] are currently receiving a subsidy on the price of electricity to compensate for the burden of the lignite activity." The implication being this will end once lignite mining ends (before 2030).

### Principle 3

The TJTP should lead to sustainable economic diversification at the local, regional and national level.



Promotes economic diversification, but there is no consideration of the need for new industries to be sustainable

Comments: All actions have been assessed, according to the master plan (the 'SDAM') to comply with the Do No Significant Harm Principle and sustainable actions feature throughout, but it is not made clear that sustainability (in all senses) will be a criterion for project selection. It is very positive to see that generally actions included are likely to be sustainable and that there is recognition of the need to "[Develop] environmental awareness among all citizens of the country as a guarantee for the sustainability of the projects implemented. "

Consistency with other strategies, such as the "Sustainable Urban Development Strategy Operational Plan (SUDP) for Western Macedonia" should also help.



Recognises the value of SMEs and start-ups, setting out a clear plan for their support and incentivisation e.g. through dedicated incubators

✓ Includes programme specific indicators (section 2.5) to measure support to, or success in supporting, SMEs and start-ups.

✗ TJTP plans to provide excessive or unjustified support to large enterprises, particularly from the Just Transition Fund

Comments: Under Priority 1, "Competitiveness of the PME & SMEs - Digital business transformation" is a category of intervention. Examples of indicative actions include, " Promoting digital orientation. Supporting the development of digital transformation of value chains" and, "Supporting the development of Social Enterprises in sectors such as energy, information and communication technologies, environment and circular economy. "

The categories of intervention for supporting SMEs on page 14 of the Western Macedonia TJTP include "Upgrading existing, supporting the creation of new organized spatial receptors of productive activities on restored land & facilities. Flagship project: creation of an eco-industrial area"

On large enterprises, it is noted that investments in large enterprises will be needed to replace all jobs lost. This could be qualified in more detail, but it is positive that no, "[Investments] in businesses to achieve reductions in greenhouse gas emissions listed in Annex I to [ETS] Directive" are foreseen.



Indicates a link to and a need for consistency with the NECP's objectives. Provides a clear prioritisation of funding and investment needs into different sectors, labour market adjustments and for relevant reskilling and upskilling in line with - or going further than - the most up to date NECP for sustainable economic diversification and to create decent, sustainable and resilient jobs

Comments: This is tenuous, the regional TJTP outlines that "according to the Master Plan, the immediate needs for re-skilling are primarily related to the temporary staff of PPC (~800 people), employees of PPC contractors (~1,850 people), other employees in areas related to the lignite activity and a part of the regular PPC staff (57% of 3,300 people) who will not have established pension rights by 2028. " The SDAM sets aside specific budget lines for skilling (including for SMEs), but there could be more detail.

The NECP must also be updated and so further detail should be added when an update is adopted to strengthen this TJTP.



## Principle 4

The TJTP should address social inequalities, improve interregional solidarity, decrease inequalities and tackle injustices.



Justifies why certain regions should receive support with reference to the underlying economic and employment impacts of the transition, and justifies the choice objective criteria or comparative data



Prioritises employment support and job search assistance for workers directly losing their jobs as a result of the transition AND other worker groups, including those who may be indirectly affected

Comments: Notably points to women and; but project selection criteria will be key to ensure this is achieved. It notes, "Particular emphasis will be placed on the recording and monitoring of the specific conditions and parameters that shape/affect the professional and social integration of the inhabitants of the area, contributing to more targeted actions for social cohesion. "



Identifies the existing and future skills, training and education gaps for all workers and sectors, including future generations, at regional level on the basis of objective and quality skills forecasts or clearly sets out a process to identify them

Comments: Basis of reskilling is linked to adopted, or to be adopted Smart Specialisation Strategies. The reskilling is not limited to workers losing their jobs, there are indicators linked to reskilling of SME employees in line with the SSS,

- Foresees targeted investments sufficient to remedy these gaps and create decent, sustainable and resilient jobs for all current (and future) workers in the region
  - ✓ Includes programme specific indicators (section 2.5) to measure the uptake of skills courses or training
- Recognises the risk that new jobs created don't offer the same quality or wages as jobs in declining industries and the need to include measures to tackle this, but doesn't consider all factors of decent work, such as access to collective bargaining, or safe, healthy working conditions and reasonable working hours
 

Comments: However, there is no indication of the quality of new jobs created, beyond wage level. Development needs include "Supporting RTD activities, to develop high value-added businesses, products & services, creating jobs above the average wage level,..."
- Recognises some inequalities and identifies some measures to address those arising from the transition, such as a minimum income support, energy poverty reduction or early pensions. But the TJTP does not consider existing inequalities or address all inequalities identified with planned measures
 

Comments: Notes that, "the [plan] should fill an important gap in relation to saving, self-production and energy upgrading of buildings in order to address the problem of energy poverty."

Inequality of female employment is also referenced and the plan highlights the developmental aim, "to strengthen women's participation in the labour market & women's entrepreneurship, with targeted training programmes in dynamic sectors of economic activity (R&D, agri-food, tourism/culture, creative industries, etc.), but also support for social infrastructure for the purposes of childcare & elderly care.

Priority 4: Fair Labour Transition focuses mainly on high-skilled job creation to guarantee quality jobs, although it does plan to target support at vulnerable groups (Master Plan). In the Territorial plan, one category of intervention includes "For vulnerable population groups: implementation of specialised counselling and empowerment programmes at local level, strengthening the relevant infrastructure for their socio-economic integration."

Result indicators in the Master Plan (SDAM), are limited:

  - Annual users of new or modernised social care facilities (303/year by 2029)
  - Rehabilitated land used for green areas, social housing, economic or other uses (1156 ha or 12km<sup>2</sup>)
- Identifies the potential changes to quality of life arising from the transition and includes some targeted measures to address residual negative factors, such as air and water quality issues
 

Comments: Priority 5 "Integrated small-scale interventions" includes a category of intervention, "Quality of life & integrated development interventions in urban & rural areas", which can finance interventions identified through integrated territorial strategies. They 'emphasise the tourism-culture diptych' and could include restoration of sites of archaeological or cultural interest within the lignite mines

for the development of alternative economic activities, digital applications, promotion of sustainable mobility through zones & roads, cycle paths, etc.

The SDAM recognises that such interventions can be good for the local economy as well as enhance quality of life. It notes for Western Macedonia and Megalopolis, "the focus of the [TJTP] is on areas within lignite fields or closer to lignite mines and power plants as they are the ones that are primarily affected by the dual socio-economic and environmental degradation."

Two relevant result indicators include:

  - 042. Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures compliant with energy efficiency criteria
  - protection, development and promotion of cultural heritage and cultural services

They are not considered sufficient for this analysis because they are not clearly linked to needs or quality of life improvement.
- makes reference to the importance of supporting gender equality but does not propose any dedicated activities or priorities to achieve this



## Principle 5

The TJTP should not harm EU environmental and climate objectives and values.



Does not include activities which would negatively impact environmental and biodiversity indicators relating to:

- Biodiversity
- Air pollution
- Accessible greenspace (land take)
- Water quality

AND neither does it include significantly harmful activities as defined by the EU Taxonomy or which would lead to unsustainable use of natural resources or which would lead to ecosystem harm

Comments: This is dependent on the eventual project selection criteria.



Foresees no investments in infrastructure which could directly or indirectly lead to greater greenhouse gas emissions

Comments: However, we are aware of plans to convert 1 remaining coal power plant to gas by 2028.



Identifies actions or activities to improve a wide range of environment and biodiversity indicators in the regions concerned. It includes, as a minimum, actions or activities relating to at least 3 of the following categories:

- Biodiversity
- Air pollution
- Accessible greenspace (land take)
- Water quality

Comments: Includes categories of intervention, under priority 3, "land use adjustment and circular economy" that ing PAF), infrastructure for efficient use of natural resources, in particular water,..."

"National Biodiversity Strategy 2014-2029: It aims to ensure the protection of ecosystems and natural wealth and the more efficient use of resources, priorities directly linked to the equitable development transition of the areas affected by fossilisation. In addition, the development of sectors such as agri-food and tourism will be pursued."

The end of coal mining and combustion will improve air quality and some reference is made to the need to create 'green spaces', as well as to Green Cities and green mobility (which should be qualified).

But detailed criteria are lacking and will need to be refined in project selection criteria. Results indicators are also seriously lacking.



Foresees no new investment in waste incineration or landfill capacity.

AND

Includes or prioritises new activities which would favour a circular, rather than a linear economy and which will not increase greenhouse gas emissions.

Comments: Circular economy is a priority and there are multiple relevant results indicators for waste management (recycling, separate collection and sorting etc.). Resource efficiency is also referenced, but could be better qualified.



## Principle 6

The TJTP should respect the polluter pays principle.



The TJTP identifies - or commits to identify - the entities responsible for existing environmental damage, but does not establish how the Polluter Pays Principle will be respected when making investment decisions

Comments: The plan notes the Principle, "A key parameter in this process is to respect the "polluter pays" principle by ensuring that the value of the land to be transferred - which will be carried out by an independent valuer - will be at least equal to the cost of the required restoration works. (Annex, Chapter 2.4)". However, there are concerns about the independence and quality of the land valuation, and whether the money set aside for restoration will suffice, or whether the value of the restored land will equal or exceed the restoration costs.

Most of the money for land restoration is expected to come from the RRF, although 44,200,000 EUR is set aside for "Rehabilitation of industrial sites and contaminated land" from the JTF according to the Master Plan budget breakdown.



## Principle 7

The TJTP should be supported by adequate, coordinated and long-term public and private funding sources.

- Relies on EU funds only to deliver the just transition (although not limited to the Just Transition Fund and the Pillar III of the Just Transition Mechanism)  
AND/OR there is no clear targeting of funds for the most appropriate activities or to address funding gaps  
Comments: Synergies with RRF are noted and the Master Plan sets out planned transfers from the Cohesion Policy Funds. It is not clear what additional national financing, apart from cofinancing, is foreseen.
- Private funding sources are identified alongside public funding sources, with an indication of how private funds may be leveraged, mainly or exclusively relying on Pillar II of the Just Transition Mechanism  
Comments: There is one results indicator pertaining to private investment, "Private investments matching public support (of which: grants, financial instruments)" But no detail is given on how much and for which projects private investment under InvestEU and others will be encouraged.

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## ● Principle 8

The TJTP should be designed, monitored and evaluated through meaningful partnerships which engage all stakeholders in an open, inclusive and ongoing process, especially at local level. Social dialogue and collective bargaining should be central pillars of the transition when it comes to the labour market and enterprises.

- A coordination body is established but membership of the coordination body requirements and composition may be unclear.

AND / OR

Details on procedures are vague without transparency on timing and schedules for such meetings, or on how, when or where information on process and relevant documents will be published in an accessible place. Alternatively the majority of information must be directly requested from the institution responsible rather than openly available.

Comments: Civil society notes that the governance is very top-down and that transparency has decreased towards the implementation phase.

- Includes no identification of stakeholders, their roles and status in the process

OR

Includes an incomplete identification of stakeholders, missing key groups and which is inconsistent with the comprehensive list identified in Article 3 of the European Code of Conduct on Partnership, even if roles and status of the stakeholders identified in the process are indicated

Comments: On partnership, it is noted that, "The Coordinating Committee of the SDAM, in cooperation with the regional authorities, organised the partnership under Article 8 of the CPR in order to establish the appropriate format involving local authorities, economic and social partners, representatives of scientific and academic institutions, research centres, chambers of commerce, labour centres/workers' associations, etc." But this is very vague and there is no mention of civil society or clear reference to trade unions.

- Limited detail on how stakeholder views and consultation inputs were integrated into the final plan, or how they will be (beyond a commitment to a consultation, for example). Detail on stakeholder engagement plans for the preparation, implementation, monitoring and evaluation of the TJTP is also limited.

- Public consultation and engagement of all stakeholders while all options are open is provided for, but the period of consultation and engagement is launched with less than 4 weeks prior notice

AND/OR

The period for consultation and engagement lasts for less than 12 weeks

AND/OR

There is less than 4 weeks to comment on the final draft

AND/OR

Not all relevant stakeholders have been given the opportunity to participate in a public consultation.



Social dialogue is not a part of the planning process, or is mentioned only passively. Labour unions and social partners have not been engaged in social dialogue during the development of the TJTP.



## Principle 9

The TJTP should take a place-based, local approach to strategy design and implementation.



Identifies NUTS 3 regions which will require targeted action and prioritises measures for the specific NUTS 3 regions concerned

Comments: Detail on specific projects is somewhat lacking, but under section 2.4, "types of operations envisaged" Flagship projects and 'Emblematic work' are noted, such as a 'Green School in OAED' and the "creation of an eco-industrial area".



Notes the need for community engagement and acknowledges existing or planned community initiatives, but does not indicate how these will be integrated into the TJTP or how the community will be engaged and informed

Comments: The Master Plan notes that, "for the fuller information of the local communities, an online platform is available on which all strategic and programmatic documents as well as the minutes of the meetings of the Coordination Committee, during which a fruitful institutional dialogue with the Regional Governors of Western Macedonia and Peloponnese was developed. There is also a presence in the Social Media."

The TJTP flags that, "two rounds of consultation with a specific structured questionnaire were conducted for the draft NAPM DM with a specific structured questionnaire for the convenience of stakeholders from 8-2-2021 to 19-3-2021 and from 8-6-2021 to 25-6-2021 in the framework of the PDPM." and that, "The response from stakeholders has been strong, both with responses to the questionnaires and with responses by letters reflecting relevant proposals."



## Principle 10

The TJTP should be developed based on high quality, independent and objective analysis of the challenges and opportunities of the transition for regions.



The indicators and/or data included in the TJTP are focused at the regional level and are high quality, appropriate to the goals of the fund to address the socioeconomic challenges arising from the transition to climate neutrality and they are comprehensive, encompassing both quantitative and qualitative measures

Comments: The indicators are included in the Master Plan, but will presumably be reported for each TJTP. As noted, while most are good, there are some that are missing.



The TJTP foresees a revision process by the Member State but the process is vague, for example it does not include a date, or an evaluation of implementation so far

Comments: In the national 'masterplan', it notes that, "The country is monitoring current developments in the energy sector and will make appropriate adjustments if needed."

**For further information on the TJTP assessment tool**

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