



# Assessment for Romania (Hunedoara)

Status: Draft Plan

Date of plan: 01.05.2021



## 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

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### 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 reduce GHG emissions but by < 55% emissions reduction versus 1990 levels by 2030 OR it does not indicate a need to reduce emissions at all

- ✓ Greenhouse gas emissions reduction is part of the project selection criteria or specific project/programme results indicators

Comments: In 2030, total carbon dioxide emissions from economic sectors are projected to be reduced by about 50% compared to 1990. In section 2.4, energy efficiency is mentioned in relation to reducing greenhouse gas emissions.



Identifies the opportunities to increase renewable energy in the region and specific actions, projects or targets are proposed



Identifies the opportunities to increase energy efficiency or reduce energy use in the region and specific actions, projects or targets are proposed

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

Comments: one objective in itself

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### 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

Comments: The closure of coal mining and coal-fired power generation is imminent, with the last closures expected before the end of the current decade.



No phase-out of fossil gas is planned or implied

Comments: For the Hunedoara Energy Complex, within the Mintia Thermal Power Plant, it is proposed to build an integrated energy complex consisting of a gas-fired power plant with an installed capacity of 845 MW, a photovoltaic park with a capacity of 100 MW and a green hydrogen production plant. Also make reference to blending green hydrogen with natural gas.



Not enough information available or fossil fuel subsidies not discussed

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### Principle 3

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



Promotes economic diversification, and explicitly recognises (e.g. in the assessment of the transition challenges) that all sectors of the economy must become sustainable

Comments: explicitly says 'Supporting economic diversification and ensuring the transition to a sustainable economy with low-carbon economy '.



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

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

Comments: One objective is to increase the resilience of the local economy and create new opportunities for the workforce through entrepreneurship development. But also mentions 'investment in enterprises other than SMEs' and identifies beneficiaries as large enterprises.



Indicates a link to and a need for consistency with the NECP, but does not clearly link investments for sustainable economic diversification and decent job creation to it

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## 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: Reduce the risk of social exclusion of vulnerable groups, especially children, the elderly and people affected by the climate transition process



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



Foresees targeted investments sufficient to remedy these gaps and create decent, sustainable and resilient jobs for all current (and future) workers in the region

Comments: section 2.5 is not filled in



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



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



Identifies the potential changes to quality of life arising from the transition and includes measures to address both residual negative factors, such as air and water quality issues and identifies proactive measures to improve quality of life, such as creation of recreation spaces and addressing corruption



fails to recognise the importance of supporting gender equality in the just transition plan

Comments: no mention of women



## 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: It mentions nuclear and hydro in section 1.1



Not enough information, but no explicit exclusion of fossil fuel investments

Comments: not under the specific actions though - in section 1.1?



Identifies actions or possible activities to improve some biodiversity and environmental indicators. These activities and actions cover at least one of the following categories:

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

- 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: One objective under 2.4 is to strengthen the circular economy by stimulating new consumption patterns that prevent waste generation and waste reduction, efficient reuse and recycling

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## ● Principle 6

The TJTP should respect the polluter pays principle.

- The TJTP does not identify the entities responsible for existing environmental damage.

AND/OR the TJTP recommends to use JTF resources to pay for land restoration without an analysis - or commitment to an analysis - of the possibility and applicability of the Polluter Pays Principle

Comments: it does identify large enterprises as potential beneficiaries of some objectives under the TJTP - but does not say what type

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## ● 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: makes reference to regional operational programme, talks about attracting investment many times but does not specify from where.

- Private funding sources are not identified and public funding appears to be the sole source of funding identified for the activities and the investments outlined in the TJTP

Comments: they make reference to private funding but no details on how to achieve

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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: There are 'county working groups' for the plans, and in recent times there have been bilateral discussions set up to discuss this draft plan with the coordinator of each county group.

- Clearly and comprehensively identifies stakeholders to be involved in the process, consistent with the groups identified in Article 3 of the European Code of Conduct on Partnership and a clear and justified description of their roles and status in the process

Comments: Regarding the involvement of stakeholders in the development of PTTJs, MIPE organized from mid-September several discussions with representatives of Regional Development Agencies (RDAs), County Councils (CJ), municipalities and cities involved, as well as relevant actors. from a social and economic point of view at national, regional and local level. A multi-level coordination of GL, national MIPE, regional ADR and local CJ was selected. This choice should ensure transparency, social dialogue and cooperation between all relevant stakeholders as well as increase the level of accountability and commitment at local level.

- 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.

- ✓ The plan recognises the need to support capacity building of some stakeholders, particularly those with limited resources, to enhance their engagement

Comments: oncretely set out: <https://mfe.gov.ro/wp-content/uploads/2021/04/b1bb465b26d93ea35cdf52fa0295331b.pdf> but no mention of social dialogue or collective bargaining

- 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.

Comments: the stakeholders outlined in the public consultation process do not include communities or civil society

- Tripartite social dialogue is part of the planning process. At least some labour unions and social partners have been engaged in social dialogue during the development of the TJTP. Social dialogue is conducted to address the impacts of the transition on sectors which are phasing out and transforming, but not necessarily for emerging sectors.

Comments: no details given of the discussions with trade unions

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## ● 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

- 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

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## ● 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 focus on national-level goals such as economic growth only and may not be high quality

AND/OR

are inappropriate to, or contradict the goals of the fund to address the socioeconomic challenges arising from the transition to climate neutrality

Comments: section 2.5 is not filled in

- 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

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

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