



# Assessment for Romania (Gorj)

Status: Draft Plan

Date of plan: 29.03.2021



## 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: Mentions 'the objectives of the Strategy will be to align with the Union's targets for 2050' but no specific 2030 targets.



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

Comments: no specific targets but actions such as increasing energy efficiency, PV panels, wind and heat pumps installation. Increasing RE in transport sector is also mentioned but no specific plans.



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: It is mentioned under objective 3, under 'type of project' with regards building retrofitting but no details are given



### 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 phase-out of coal is planned or implied (the fossil fuel is recognised as in terminal decline), but the end date is after 2030 or undefined

Comments: makes only one mention of coal phase out and it plans to maintain coal production post-2030



No phase-out of fossil gas is planned or implied

Comments: mentions plans to build two natural gas-fired power plants with a total installed capacity of 1,325 MW. They mention switching to natural gas as a positive way to diversify.



Not enough information available or fossil fuel subsidies not discussed



### 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



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: Objective 1 is dedicated solely to this 'Development of entrepreneurship, SMEs, research and innovation and digitisation'. However, it says that it is fully justified to finance productive investments in enterprises other than SMEs with regards to large fossil fuel companies Complexul Energetic Oltenia and ARTEGO S.A



Provides no link to - or indication of need for consistency with - the NECP's objectives

Comments: it does not mention the NECP



## 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: mentions providing opportunities for young people and pensioners in the form of lifelong learning centres, diversified practical training programs and programs for young people regarding sustainable development and circular economy.



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: mentions many activities but contains no numbers or ways to measure.



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: mentions the need to improve the 'quality of life' of citizens many times - mostly in relation to 'quality of municipal household services and the environment in which they live'. It does not reference the quality of work though.



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: present inequalities are not mentioned but it does mention the inequalities that will come about as a result of the transition.



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

✓ Includes programme specific indicators (section 2.5) to assess change in quality of life or project selection criteria to prioritise quality of life improvements



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

Comments: gender is not mentioned



## 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 the need to address air pollution and need for green spaces multiple times (and outlines them in activities) but also outlines CE Oltenia's plans to switch to natural gas and lignite pits in a positive manner.

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Foresees investment in new fossil fuel infrastructure, including for example for power generation, heating, fossil fuel-based chemicals manufacture or aviation capacity. A red rating is also given if the TJTP foresees investments which would prolong the life of existing fossil-based infrastructure, for example retrofits in existing EU ETS installations

Comments: Again, they mention CE Oltenia's plans to invest in lignite pits and natural gas but it is not mentioned in the activities.
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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

✔ Includes programme specific indicators (section 2.5) to measure biodiversity or environmental quality

Comments: investment in land restoration and conversion projects, including water management measures and the creation of green infrastructure in urban areas; and reference to reducing air, water and noise pollution;
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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 activity is investment in improving the circular economy, including waste prevention, reduction, resource efficiency, reuse, repair and recycling



## 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: it mentions the polluter pays principle in relation to green infrastructure projects but does not outline how to achieve it and also praised CE Oltenia for constructing new lignite pits and natural gas projects...



## Principle 7

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



EU funds and national public funds are identified to support the just transition: other sources of public funding than the Just Transition Fund and the Pillar III of the Just Transition Mechanism are identified, including national sources. Funding sources are targeted to the most appropriate activities or to address funding gaps

Comments: The Horizon Europe Programme 2021-2027 and modernisation fund are mentioned as funding options. Interventions to support SMEs are also complementary to the following EU programmes: EASME, InvestEU, Digital Innovation and Scale-up Initiative.



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: although it does reference CE Oltenia funding certain operations.



## 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.

The deadline for all CJs to submit to MIPE, the draft PTTJ accepted at the working group level, is July 5!



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.



Concrete detail on stakeholder engagement plans (e.g. meeting and consultation schedules and arrangements), as well as provisions to address stakeholder capacity-building needs

AND the TJTP includes sufficient details on how stakeholders have or will be involved in the preparation, implementation, monitoring and evaluation of the TJTP and how their views and inputs were integrated into the final plan

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

Comments: Concretely 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



## 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: The population of Gorj county on 1 January 2020 was 311,918 inhabitants, representing 16.3% of the region's population and 1.6% of the country's population.
  - Takes into account the need for community engagement, indicates how existing and planned community initiatives may be integrated into the TJTP and makes clear provision to engage and inform the local community  
  
Comments: They have a detailed report on stakeholder engagement from April <https://mfe.gov.ro/wp-content/uploads/2021/04/b1bb465b26d93ea35cdf52fa0295331b.pdf>
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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 are high quality, focused at the regional level and are appropriate to the goals of the fund to address the socioeconomic challenges arising from the transition to climate neutrality, but do not cover all aspects of the just transition, focusing for example on the energy transition only

Comments: no quantitative measures are given, and there are only qualitative descriptions of the benefits given e.g. reducing the amount of waste landfilled by investing in recycling and reuse projects



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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