













Procedure file

Basic information		
INI - Own-initiative procedure	2022/2170(INI)	Procedure completed
Job creation: just transition and impact investment		
Subject 4.15 Employment policy, action to combat unemployment		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Employment and Social Affairs	 MATTHIEU Sara	26/01/2023
		Shadow rapporteur	
		 FALCĂ Gheorghe	
		 LALUCQ Aurore	
		 JOVEVA Irena	
		 REIL Guido	
		 SZYDŁO Beata	
		 RODRÍGUEZ PALOP Eugenia	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Regional Development	 ECKE Matthias	05/12/2022
European Commission	Commission DG Employment, Social Affairs and Inclusion	Commissioner SCHMIT Nicolas	

Key events			
24/11/2022	Committee referral announced in Parliament		
25/10/2023	Vote in committee		
07/11/2023	Committee report tabled for plenary	A9-0342/2023	Summary

21/11/2023	Debate in Parliament		
23/11/2023	Results of vote in Parliament		
23/11/2023	Decision by Parliament	T9-0438/2023	Summary

Technical information

Procedure reference	2022/2170(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/9/10051

Documentation gateway

Committee draft report		PE746.664	05/05/2023	EP	
Amendments tabled in committee		PE750.095	30/06/2023	EP	
Committee opinion	REGI	PE746.934	24/07/2023	EP	
Committee report tabled for plenary, single reading		A9-0342/2023	07/11/2023	EP	Summary
Text adopted by Parliament, single reading		T9-0438/2023	23/11/2023	EP	Summary
Commission response to text adopted in plenary		SP(2024)25	22/03/2024	EC	

Job creation: just transition and impact investment

The Committee on Employment and Social Affairs adopted the own-initiative report by Sara MATTHIEU (Greens/EFA, BE) on job creation - the just transition and impact investments.

The report noted that the green transition, if well managed and sufficiently supported, will greatly expand economic activities related to renewable energy, energy efficiency and the circular economy, while transforming other economic activities and their potential for sustainable growth. The just transition means greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind.

The report focuses on the following areas:

Green economy and employment opportunities for the labour market

Members emphasised that a transition towards sustainable, renewable and circular economies and societies generates the potential both to create significant numbers of new jobs and to transform existing employment into green and sustainable jobs in most sectors. The report highlighted the importance of the necessary investments and streamlined procedures, as well as the involvement of small and medium-sized enterprises (SMEs).

Member States are called on to develop regional strategies to prevent structural unemployment and the deterioration of social cohesion. EU regions should be supported to retain and attract people through investments in local and regional infrastructure and education, training and adult learning. In this context, the importance of the efficient and targeted deployment of EU funds, in particular Cohesion programmes, the ESF+, the Just Transition Fund and the Recovery and Resilience Facility (RRF) is stressed.

Conceptual guidelines should be developed with a view to establishing a common EU definition of what constitutes a quality green job.

Decent work for a just transition

The report stressed that the transition must benefit both current workers, who are undergoing significant changes in their work tasks, and displaced workers, who are transitioning to new jobs, by ensuring decent working conditions for all. The green transition of the job market should go hand in hand with upward social convergence towards better working conditions, more stable employment and attractive career paths and quality jobs, including stronger collective bargaining, decent wages and good physical and mental health, not least through health and safety at work.

The Commission should propose an EU framework on maximum working temperatures, including the interruption, reduction or reorganisation of working time and longer breaks above certain temperatures, the obligation to set up effective ventilation systems for indoor working, mandatory protective equipment and compensation for working hours lost due to extreme weather events, with the support of national social security systems.

Public policy coherence to fully develop the job potential of the green transition

Members stressed that environmental, social and employment legislation must be approached in a holistic manner to ensure a just transition.

The Commission is called on to:

- ensure diligent and comprehensive impact assessments for all proposed legislation;
- reinforce the European instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE) to support short-time work schemes, workers income and workers who would be temporarily laid off in the context of the green transition;
- issue country-specific recommendations that contribute to job creation, higher employment and smaller ecological footprints, including the phasing out of counterproductive subsidies competing with green and social investments.

Both the Commission and the Member States are called on to lay the foundations for the development of green social protection schemes at national level with EU funding support, in order to strengthen social resilience against the impacts of climate change and environmental degradation by addressing the side effects of green policies on jobs and living conditions.

Investing in sustainable job creation: the role of investment

The report recognises the importance of facilitating access to funding for public and private companies and organisations addressing social, environmental and educational needs in order to address skills gaps with the explicit expectation of a measurable social and environmental return, including on employment and quality job creation. In this regard, the Commission and the Member States are called on to promote an enabling environment and support the role of cooperatives and the social economy in the just transition, in order to generate decent work, productive employment and improved living conditions for all.

Members called for the swift creation of a European sovereignty fund with newly allocated EU money to mobilise large-scale investments in green technology.

Job creation: just transition and impact investment

The European Parliament has adopted, by 349 votes to 142 with 65 abstentions, a resolution on job creation the just transition and impact investments.

The resolution stressed that a well-managed and sufficiently supported ecological transition will result in a large increase in economic activities linked to renewable energies, energy efficiency and the circular economy. The green transition will create up to 2 million jobs in the EU in the short and medium term, and up to 10 million additional jobs as the transition advances. For each investment of EUR 1 million in the energy renovation of a building, an average of 18 jobs should be created in the EU. According to studies, the circular economy could contribute to the creation of around 700 jobs in the EU by 2030.

Green economy and employment opportunities on the labour market

Members stressed that a transition to sustainable, renewable and circular economies and societies has the potential to create a significant number of new jobs and to transform existing employment into green and sustainable jobs in most sectors. The green transition has a significant potential to create high-quality jobs at European, national, regional and local level, which are difficult to relocate and which will help to strengthen European sovereignty and competitiveness.

The resolution highlights the importance of the necessary investments and streamlined procedures, as well as the involvement of small and medium-sized enterprises (SMEs). EU cohesion policy funds are essential to support the transition to climate neutrality while ensuring quality employment opportunities in the regions.

Member States are called on to develop regional strategies to prevent structural unemployment and the deterioration of social cohesion. EU regions should be supported to retain and attract people through investments in local and regional infrastructure and education, training and adult learning. In this context, the importance of the efficient and targeted deployment of EU funds, in particular Cohesion programmes, the ESF+, the Just Transition Fund and the Recovery and Resilience Facility (RRF) is stressed.

Conceptual guidelines should be developed with a view to establishing a common EU definition of what constitutes a quality green job.

Decent work for a just transition

The resolution stressed that the transition must benefit both current workers, who are undergoing significant changes in their work tasks, and displaced workers, who are transitioning to new jobs, by ensuring decent working conditions for all. The green transition of the job market should go hand in hand with upward social convergence towards better working conditions, more stable employment and attractive career paths and quality jobs, including stronger collective bargaining, decent wages and good physical and mental health, not least through health and safety at work.

The resolution highlighted the need to modernise EU occupational safety and health (OSH) rules in the context of the green and digital transitions, taking into account specific risks in new sectors, and to tackle the unequal vulnerability and exposure to risks deriving from climate change and environmental degradation such as increased ambient temperature, air pollution and extreme weather events.

The Commission is called on to enforce the social clause in the existing EU Public Procurement Directive. Members also insisted on the need to invest significantly in people and to offer quality, inclusive and subsidised education and training in areas linked to skills and competences needs that are identified in labour markets and future-oriented sectors.

Public policy coherence to fully develop the job potential of the green transition

Members stressed that environmental, social and employment legislation must be approached in a holistic manner to ensure a just transition.

The Commission is called on to:

- ensure diligent and comprehensive impact assessments for all proposed legislation;
- reinforce the European instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE) to support short-time work schemes, workers income and workers who would be temporarily laid off in the context of the green transition;
- issue country-specific recommendations that contribute to job creation, higher employment and smaller ecological footprints, including the phasing out of counterproductive subsidies competing with green and social investments.

The resolution called for the adoption of just transition plans to be negotiated by the social partners at sectoral and company level, particularly those affected by the green transition, with due consideration for the situation of SMEs and microenterprises.

Investing in sustainable job creation: the role of investment

Parliament recognised the importance of facilitating access to funding for public and private companies and organisations addressing social, environmental and educational needs in order to address skills gaps with the explicit expectation of a measurable social and environmental return, including on employment and quality job creation. In this regard, the Commission and the Member States are called on to promote an enabling environment and support the role of cooperatives and the social economy in the just transition, in order to generate decent work, productive employment and improved living conditions for all.

Transparency				
LALUCQ Aurore	Shadow rapporteur	EMPL	15/06/2023	Mouvement Impact France
CHAIBI Leila	Shadow rapporteur	EMPL	03/05/2023	industriAll European Trade Union