



Fair green and digital transitions - EU perspective

Conference on the Future of Work in Climate Change

Challenges and Opportunities

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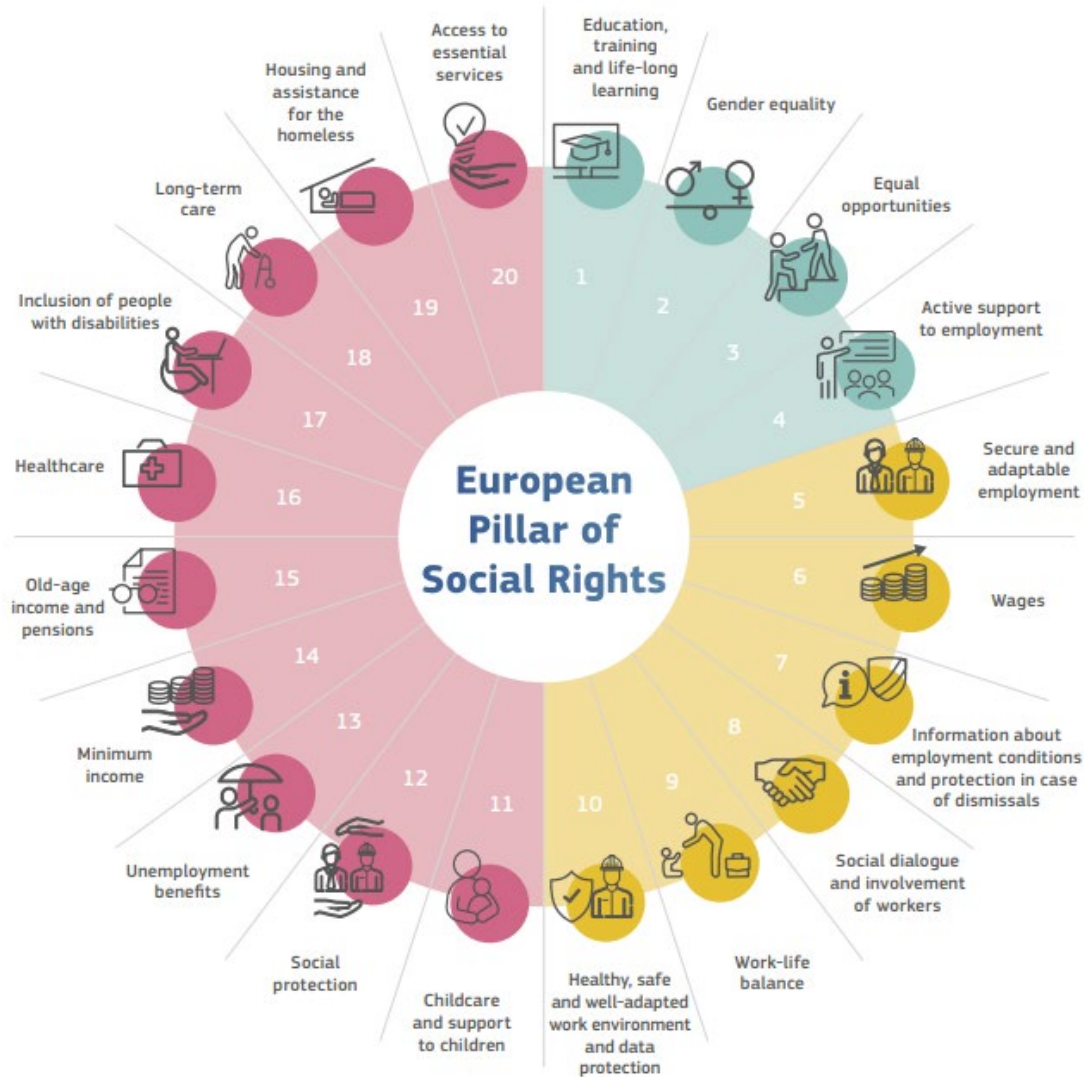
DG EMPL F.3 Fair Green and Digital Transitions, Research

The twin (green and digital) transition – a digital, sustainable and fair Europe

Linking to all political priorities:

- A European Green Deal
- A Europe fit for the digital age
- An economy that works for people
- A stronger Europe in the world
- Promoting our European way of life
- A new push for European democracy

Pillar of Social Rights – a strong Social Europe for fair transitions



20 key principles

3 main chapters, 20 principles:

- Equal opportunities & access to the labour market
- Fair working conditions
- Social protection and inclusion

Action Plan, 3 headline targets 2030:

- Employment rate of 78%
- Adult participation in training rate of 60%
- Reduction of people at risk of poverty or social exclusion by at least 15 mio (5 mio children)

The digital transition – Digital Decade



Skills

ICT Specialists: 20 million + Gender convergence

Basic Digital Skills: min 80% of population



Digital transformation of businesses

Tech up-take: 75% of EU companies using Cloud/AI/Big Data

Innovators: grow scale ups & finance to double EU Unicorns

Late adopters: more than 90% of SMEs reach at least a basic level of digital intensity



Secure and sustainable digital infrastructures

Connectivity: Gigabit for everyone, 5G everywhere

Cutting edge Semiconductors: double EU share in global production

Data - Edge & Cloud: 10,000 climate neutral highly secure edge nodes

Computing: first computer with quantum acceleration



Digitalisation of public services

Key Public Services: 100% online

e-Health: 100% of citizens having access to medical records

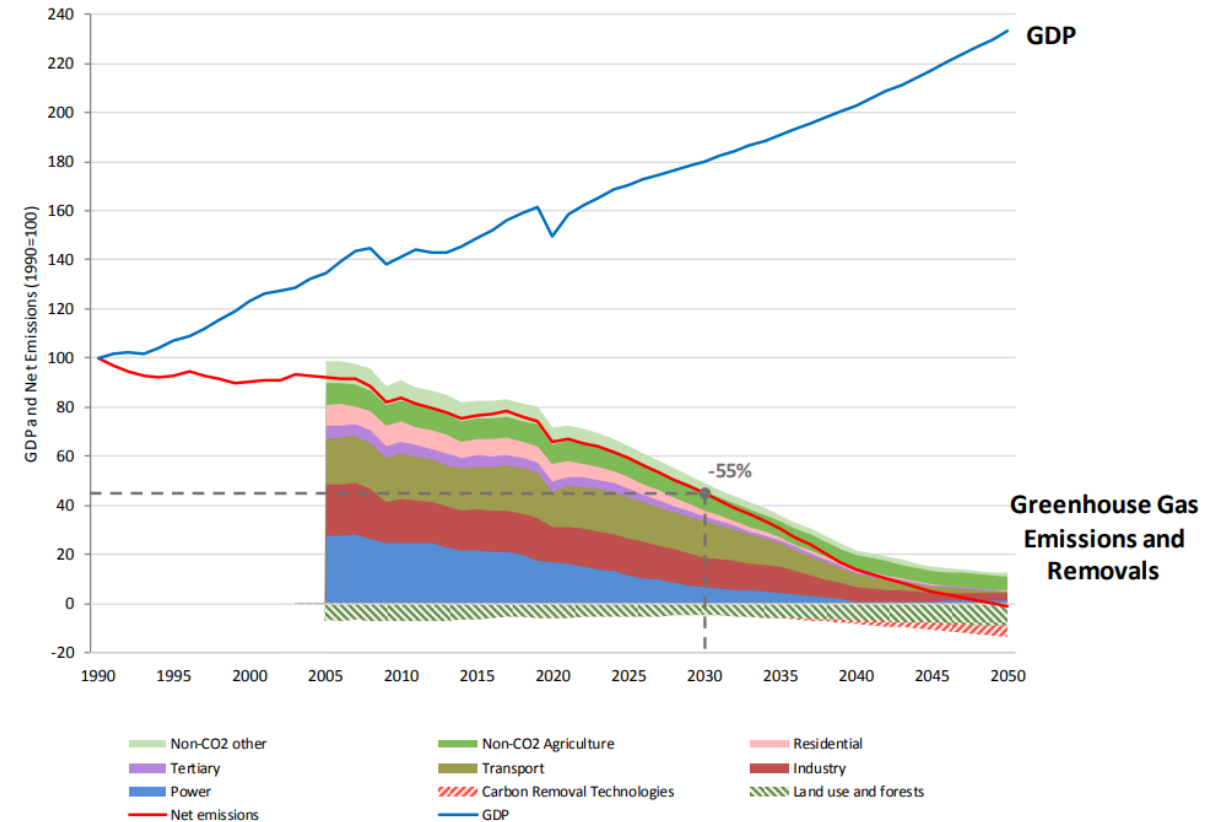
Digital Identity: 80% citizens using digital ID

The digital transition – value-based & human-centred

- Autonomous social partner agreement on digitalisation and automation
- Working conditions and job quality in the platform economy
- Digital EU citizenship: rights and principles for Europeans
- Declaration of Digital Principles; Digital Decade
- Multi-country projects and international partnerships
- Human-centred, trustworthy, ethical Artificial Intelligence

The EU climate ambition – a just transition imperative

- Climate neutrality by 2050: European Green Deal (2019), EU Long-Term Strategy to UNFCCC (2020) under Paris Agreement
- The European Climate Law, signed by MS and Parliament in June 2021, sets out:
 - climate neutrality in the Union by 2050 as a legally binding objective
 - c 2030 target to reduce GHG emissions by at least 55% compared to 1990 levels
- Imperative of a “just transition” at all levels; 2018 Solidarity and Just Transition Silesia Declaration; Glasgow Climate Pact and International Just Transition Declaration



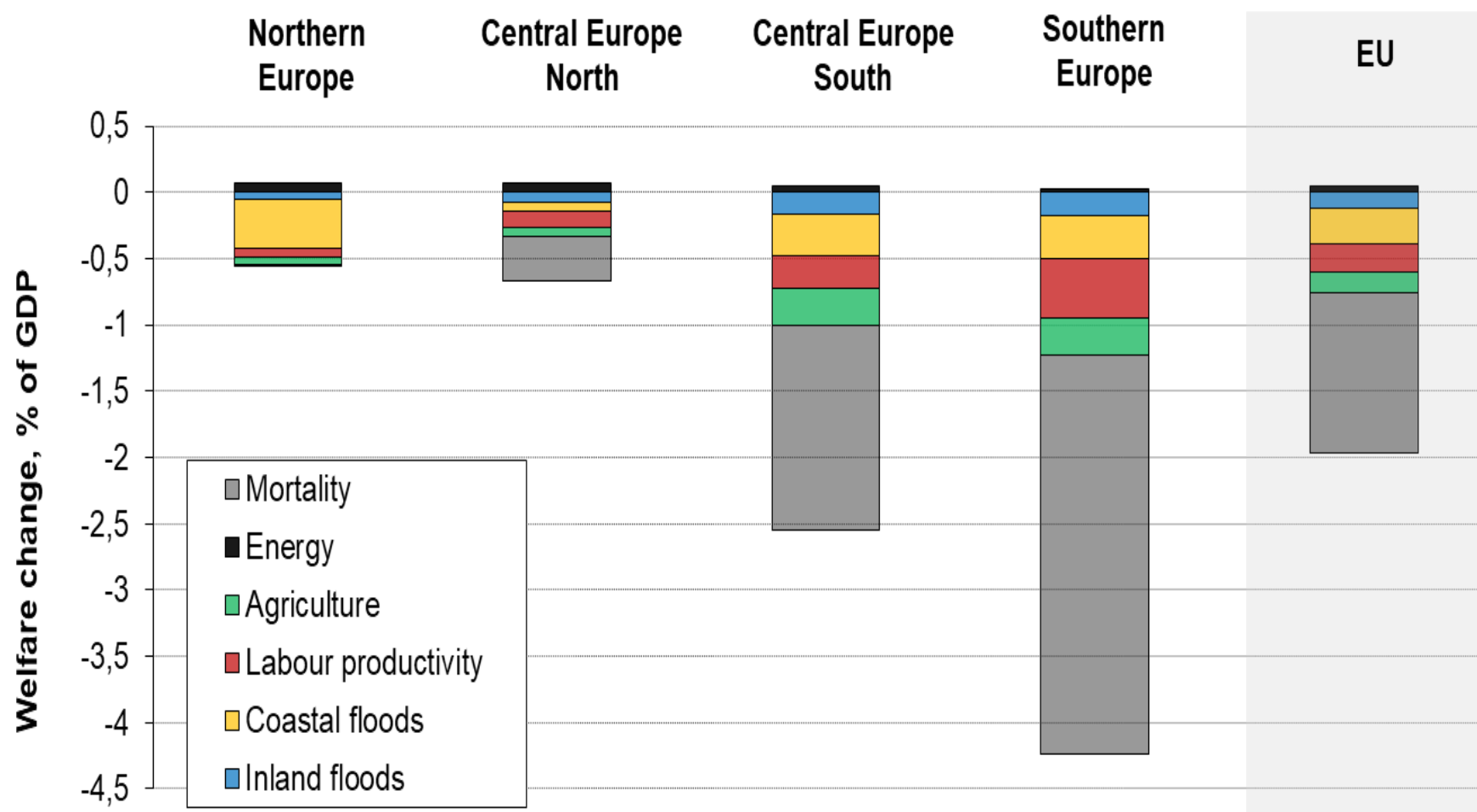


Europe is now the very first continent that presents a comprehensive architecture to meet our climate ambitions.

Our Package aims to combine the reduction of emissions, with measures to preserve nature, and to put jobs and social balance at the heart of this transformation.

Statement by President von der Leyen on
delivering the European Green Deal,
14.07.2021

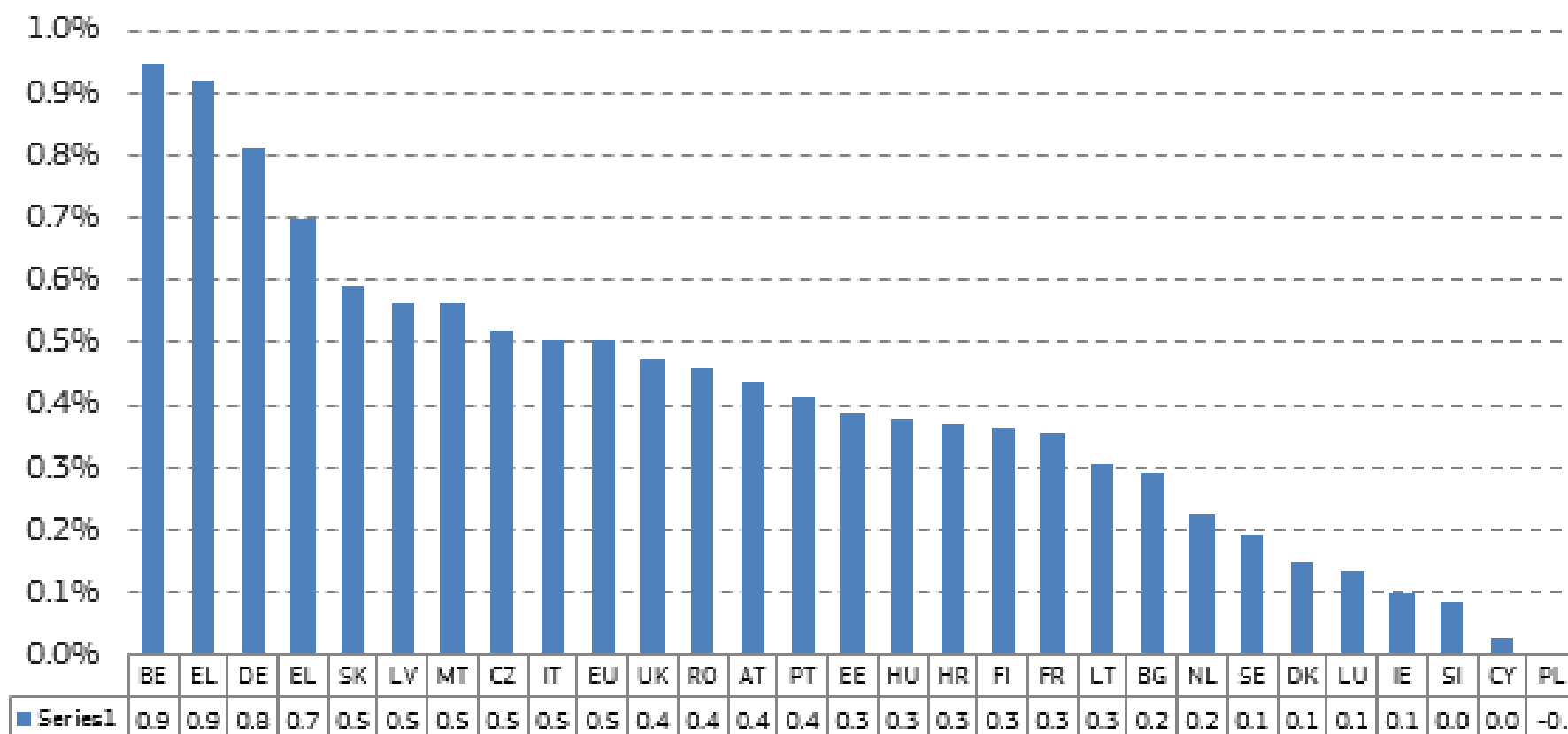
The green transition – risks of ‘business as usual’



The green transition – employment

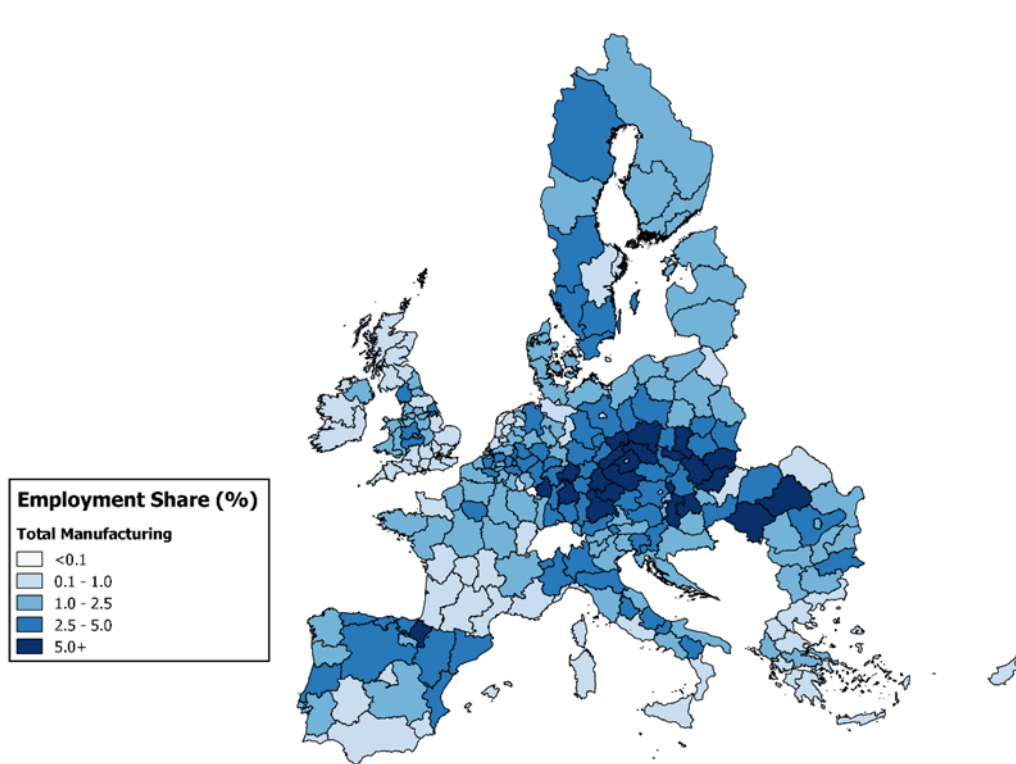
Employment implications of the Paris Climate Agreement in EU27, 2030

Note: Deviation in 2030 from the baseline in %



Source: Eurofound (2019) (ESDE 2019, Chapter 5)

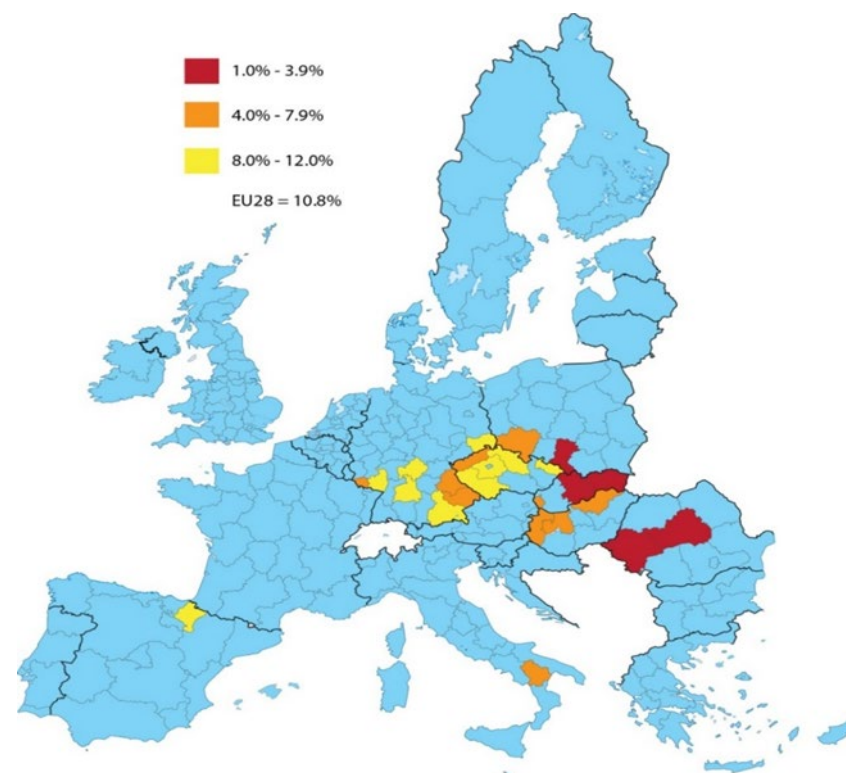
The green transition – skills, training and restructuring



Employment shares in energy intensive industries and automotive manufacturing

Sectors considered:

- Manufacture of chemicals and chemical products (C20)
- Manufacture of other non-metallic mineral products (C23)
- Manufacture of basic metals (C24)
- Manufacture of motor vehicles, trailers and semi-trailers (C29)

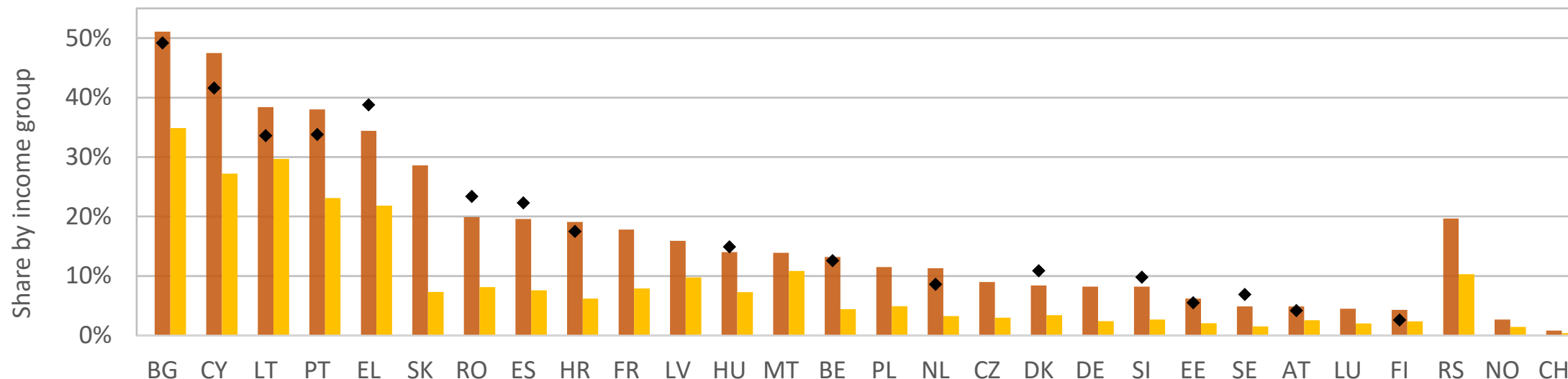


Share of adults in training in regions with high shares of employment in energy intensive industries and automotive manufacturing

Source: ESDE 2019

The green transition – (risks of) energy poverty

Inability to keep the home adequately warm affects low-income groups most, but also lower middle income groups, with strong variations across Member States



■ Share of low-income group unable to keep home adequately warm (under 60% of median income), 2019

■ Share of lower middle income group unable to keep home adequately warm (between 60% and median income), 2019

◆ Share of low-income group unable to keep home adequately warm (under 60% of median income), 2020

Source: EU-SILC

The green transition – Fit for 55 package

| Pricing | Targets | Rules |
|---|---|---|
| <ul style="list-style-type: none">• Stronger Emissions Trading System including in aviation• Extending Emissions Trading to maritime, road transport, and buildings• Updated Energy taxation Directive• New Carbon Border Adjustment Mechanism | <ul style="list-style-type: none">• Updated Effort Sharing Regulation• Updated Land Use Land Use Change and Forestry Regulation• Updated Renewable Energy Directive• Updated Energy Efficiency Directive | <ul style="list-style-type: none">• Stricter CO₂ performance for cars & vans• New infrastructure for alternative fuels• ReFuelEU: More sustainable aviation fuels• FuelEU: Cleaner maritime fuels |
| Support measures | | |
| <ul style="list-style-type: none">• Using revenues and regulations to promote innovation, build solidarity and mitigate impacts for the vulnerable, notably through the new Social Climate Fund and enhanced Modernisation and Innovation Funds. | | |

The green transition – expected effects of the package

Employment effects

- 1 million additional green jobs by 2030, compared to baseline (with the right accompanying policies)
- Sector-specific effects:
Reallocation of jobs within and across sectors
- Skill investment needs

Social effects

- Energy poverty; affordability of housing, mobility
- Consumer good price movements, resulting from increases in raw material prices, energy prices, import prices
- Improved health and well-being through decreased pollution and environmental health risks (co-benefits)

The green transition – ensuring a fair transition

Follow-up to Fit for 55: **Council recommendation on ensuring a fair transition towards climate neutrality:**

- aims delivering on ensuring a fair green transition
- provides Member States with guidance on how to address the social and labour aspects of the green transition
 - help realise the opportunities of the green transition
 - comprehensive policy packages, cross-cutting enabling factors, optimal use of funding
- scheduled for adoption by end of year

Research & innovation – support to fair transitions

- R&I actions under Horizon Europe
 - Green Deal Call under Horizon 2020
 - Partnerships to develop, test and deploy new technologies
 - Focus on social and societal impact, and role of social innovation
 - Mainstreaming of employment, skills and social aspects throughout the programme, including in other Clusters: 1 (Health), 4 (Digital/Industry), 5 (Climate, energy and mobility) and 6 (Environment, bioeconomy)
 - Missions: “Climate change adaptation”; “Smart & climate-neutral cities”
 - Stakeholder involvement, granular evidence, transparent dialogue for
- ¹⁵ fair transition policies

Thank you!