



The impact of green transition policies in employment growth: Sharing information on European policies and respective impacts, including regional and global employment data and policies, sharing good practices and providing possible policy recommendations.

1. *Submitting organization:*

European Commission

2. *Short description of the study:*

The European Commission's case study will examine the positive employment impact of the climate policies implemented by the EU and the forecasted impact of the policies put forward to implement the European Climate Law (target of climate neutrality by 2050 along with the intermediate target of reducing net GHG emissions by 55% by 2030, compared with 1990 levels).

Over the past five years, the European Union implemented a series of measures that are leading to the transformation of the European energy sector. The shift to a more sustainable energy system, includes the switch from fossil fuels to low-carbon and renewable sources, as well as improving energy efficiency.

Energy transition policies must take into account socio-economic impacts. These vary depending on the sector, region and country. However, the most common impacts relate to the restructuring of industrial systems, job-to-job transitions and reallocations, investments needed in skills and the expenditure associated with switching to cleaner technologies, both in industrial processes and in daily life.

The case study will look at how the measures/policies in relation to the energy transition have had positive impacts on employment, while minimising the negative impacts at regional and global level. For that, the case study will draw on global data on employment impacts of clean transition policies from reports from international organisations (IEA, OECD, JRC, Eurofound, ETF etc.) In parallel, the study may also showcase evidence-based co-benefits on subtopics related to health, pollution, well-being, livelihood and socio-economic benefits.

An component of the case study is that it will reflect on methodologies for defining and forecasting the impacts and analysing the impact assessment of the aforementioned policies and in particular aim to provide useful information to Parties interested in undertaking a similar approach to defining their actions. Hereby, the Better Regulation practice of impact assessment, the Commission Communication on distributional impacts, as well as the modelling undertaken by the EC's Joint Research Centre and the European Environmental Agency could offer valuable information for interested parties.

The case study aims to foster and encourage a discussion among Parties on how green policies related to the energy transition can have positive employment impacts, including



secondary impacts on the relevant communities. It also aims to share good practices and their impacts, as well as existing methodologies in order to provide shared insights and recommendations into how countries can utilise

3. *Geographical Region:*

Europe and potentially OECD and G20 countries

4. *Area of climate policy:*

Other: Energy Transition (including energy efficiency and renewable energy), as well as the EU's Green Deal and the European Commission's Fit for 55 proposals;

5. *Short description of the policy(ies):*

Concrete policies put forward are:

- Renewable Energy Directive revision -REDIII & EU targets for specific RES (Solar/wind power)
- Energy Efficiency Directive revision
- Energy Performance of building
- Council Recommendation on Fair Transition towards climate neutrality
- EU Fair Transition Observatory (to be launched in q1 2025)

6. *Work programme Area to be covered by the Study:*

Just transition of the workforce and creation of decent work and quality jobs ;

7. *If the case study will cover assessment and analysis of the impacts of the implementation of response measures, the impacts to be studied:*

Social; Economic; Environmental;

8. *If the case study will cover assessment and analysis of the impacts of the implementation of response measures, the type of assessment (Qualitative/Quantitative/Both):*

Both

9. *If the case study will cover assessment and analysis of the impacts of the implementation of response measures, the methodology or tool used for impact assessment:*

JRC Modelling (Poles-JRC model) and specifically the models used for the Global Energy and Climate Outlook (GECO 2023), as well as complementary modelling by the European Environmental Agency (EEA). In addition to certain elements covered in the EU's Better Regulation toolbox (Chapter 3). As well as AMEDI+ project of EMPL and JRC and other relevant studies and methods, for instance on the definition and measurement of green jobs and the impact of heat waves on workers.



10. Status of proposed case study:

Case study is in progress or partially completed and will be continued in collaboration with the KCI

11. If the case study is completed and published, link to the case study:

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12. Elaboration on how the submitter would contribute to the development of the case study:

The European Commission is able to provide materials on existing studies to support the case studies (e.g. JRC GECO 2023 and 2017). Other reports that could be used are OECD Employment Outlook Report 2024; IEA's World Energy Employment outlook), as well as relevant regulatory documents providing insights into both how the positive impacts of response measures are modelled and assessed within the EU Policy-Making Framework.

We will plan a call with the secretariat to discuss further details on the practicalities surrounding the contract.