



EUROPEAN ANTI POVERTY NETWORK

REFLECTION PAPER

EAPN Key Messages on
**THE EUROPEAN GREEN DEAL
AND "JUST TRANSITION"**

June 2020

EAPN Key Messages on the European Green Deal and “Just Transition”

Introduction

According to the former UN Special Rapporteur on Extreme Poverty and Human Rights, climate change will impact the poorest people and regions worst, causing climate apartheid and *“undermining not only basic rights to life, water, food, and housing for hundreds of millions of people, but also democracy and the rule of law”*.¹

On 11 December 2019, the new Commission launched its proposals to launch a radical European Green Deal² as the ‘new Green strategy for Growth and Jobs’, complemented by a Just Transition Mechanism³ and a Communication building a ‘strong social Europe for Just Transitions’⁴. President Von der Leyen confirmed that the Green Deal must ‘leave nobody behind’. We welcome these initiatives as a clear sign of the political will to tackle climate change shown by the Commission – this is a positive step in itself and should be recognised as such.

However, the EU must demonstrate that it is indeed possible to make a responsible ‘Just Transition’ for people and planet – and not just for the economy and green growth! The ‘Just Transition’ must seize the opportunity to not only protect the most vulnerable from negative impacts of climate change and transition, but ensure they benefit from the transition. This means embedding a new social compact for a socially just, rights-based EU, underpinned by the European Pillar of Social Rights (EPSR) and the Sustainable Development Goals (SDGs), as part of a coherent social and sustainable Agenda 2030 Strategy, if they are to garner the necessary support and deliver on commitments for a Europe that works for people and planet.⁵

The aim of this paper is to contribute to the ongoing debate about the European Green Deal and the Just Transition, bringing key points from the anti-poverty sector into the debate. The paper is based on EAPN’s vision of a just, sustainable and poverty free Europe, and proposes key messages which could strengthen the links between the environmental and social aspects of the European Green Deal.

¹ UN Special Rapporteur on Extreme Poverty and Human Rights [Report on Climate Change and Poverty](#) (2019)

² EC [Communication on the European Green Deal](#) (11 December 2019)

³ EC [Just Transition Mechanism](#) (14 January 2020)

⁴ EC [Communication: A strong Social Europe for just transitions](#) (14 January 2020)

⁵ EAPN: [Delivering Agenda 2030 for people and planet: EAPN Position paper on post 2020 strategy](#).

Key message 1: A Just Transition, will not be just, if the poor pay for it!

- Potential policies within the European Green Deal must be run through a **poverty/distributional Impact Assessment** to ensure the poor are not paying, that the wealthy are not the main ‘winners’ and that inequalities are not increased. Particular focus should be paid to **carbon taxes, environmental charges** and **tax incentives**, which potentially benefit the wealthy (for example, incentives for electric cars and solar panels). Policies which result in higher charges on household energy consumption are regressive and hurt the poor most - these must be avoided. We need a checklist and clear mechanisms for this Impact Assessment.
- **Social goals must not be secondary to environmental goals**, but equal & mutually reinforcing and seen as a key opportunity to reduce inequalities.

Key message 2: A European Green Deal must be a European Social Deal

- As highlighted by the former UN Special Rapporteur on Extreme Poverty and Human Rights, “**A robust social safety net and a well-managed transition** to a green economy will be the best response to the unavoidable harms that climate change will bring”⁶.
- **Strong welfare states, social protection systems**, including adequate minimum income schemes, **living wages** and **decent jobs** are the best way to mitigate the harms of climate change and the transition to a carbon free economy – levels and coverage of social protection systems must be high enough to prevent negative impacts of the transition and fairly distribute the benefits.
- **The promotion and guarantee of social rights are essential mechanisms** for ensuring that the necessary ‘green transition’ supports the development of a more just and equal society. The implementation of a concrete action plan, including hard law initiatives, through the European Pillar of Social Rights is key, i.e. A Framework Directive to guarantee an adequate minimum income that takes people out of poverty.⁷

Key message 3: Massive public investment is needed

- Massive public investments are needed to create decent green jobs, retrain those impacted and finance adequate social protection and minimum income, as well as sustainable energy, housing, transport and food - ensuring that nobody is left behind.
- The 100 billion envisaged from the **Just Transition Fund** will be crucial, however we are concerned that this is mainly **leverage of private investment**, rather than public investment for public goods. The new proposals under the EU Recovery Plan, should help. However, **a clear percentage of the budget must** be ringfenced to ensure people facing poverty and social exclusion are meaningfully protected from the impact of the transition.
- The introduction of the **Just Transition Fund requires an increase in the next Multiannual Financial Framework**. We oppose the proposal of an obligatory transfer of ESF+ and ERDF resources to the Just Transition Fund made by the EU-Commission. Instead, we propose to use and reinforce existing synergies between the different funds. Funding should not be diverted away from the ESF+, as this would undermine its key role in ‘supporting people’, reducing poverty and social exclusion.
- Investment that benefits poorer people as well as poorer regions must be prioritised – for example in **energy efficiency**, notably investing in **efficient, affordable social housing also** to reduce ‘**energy poverty**’ whilst ensuring that costs are not passed on in terms of higher rents or bills. Housing is a right and must be affordable. Conditionalities on funds should ensure that speculation is banned as part of the Green Deal.

⁶ UN Special Rapporteur on Extreme Poverty and Human Rights [Report on Climate Change and Poverty](#) (2019)

⁷ [EAPN Position on Adequate Income \(Minimum Income and Minimum Wage\) \(May 2020\)](#)

- Investing in **‘green quality jobs’** is vital, but concrete measures must be developed to ensure that **integrated pathways support** those who are currently excluded from the labour market, as well as low-paid and underprivileged workers already employed in traditional energy industries. Measures are also needed to support to **social economy/enterprises**, including the circular economy targeted to poor and disadvantaged groups.
- Significant investment is also needed to fund affordable **green public transport**, with public management and strong accessibility for people facing poverty and social exclusion. We need public transport systems that offer an affordable, reliable and sustainable alternative to the car, in urban and rural areas, particularly for people on low incomes, ensuring that costs of transition are not passed on in higher prices that penalize the poorest. A key example would be subsidising affordable rail travel, local public transport systems and ending cheap flights, introducing a substantial flight tax.
- Investment in **sustainable food production** and **food sovereignty** is key to ensure quality, affordable food through sustainable methods, rather than damaging, intensive farming. EU and national funds are essential to support small farmers, many of whom face bankruptcy and poverty, to transition to progressive farm to fork approaches. Higher prices for food will need to be matched by support to increase income levels, i.e. drastic increases in minimum income, social protection, and minimum wages.

Key message 4: The richest, the most powerful and the most polluting should pay – tax justice must be a key pillar of the Just Transition

- Many measures highlighted are about mitigation of and adaptation to climate change. However, the **richest 1% pollute 175 times more than the poorest 10%**, yet it is the richest who are best placed to cope with the impact, and the poorest who are the most affected.
- The **polluter pays principle** must be respected - companies which have the **most responsibility for creating the climate emergency must be taxed accordingly and have their subsidies removed**. At the same time, there is a need for incentives, exemptions or special regulations for companies that take effective and sustainable measures to transform. Carbon leakage should also be avoided.
- The poorest must be **protected from higher taxes or bills**, recognising the danger and the injustice of asking people experiencing poverty to pay for this transition. Recent experiences in France spell out the dangers of this approach.
- **Just financing of the European Green Deal depends on increasing tax justice** as an instrument of redistribution, promoting inequality and investing in strong social protection systems. **This should be done** through effectively tackling **tax evasion and avoidance**, closing down tax havens and promoting progressive taxation, including income tax, inheritance, property and wealth taxes. It may also need to involve borrowing with long-term repayment at low interest rates.

Key message 5: Importance of civil society and engagement of people experiencing poverty in European Green Deal and Climate Pact.

- Environmental policies conceived without considering people living in poverty frequently work against these populations. **When developing, implementing and monitoring the European Green Deal, the Climate Pact etc, it is essential that people experiencing poverty are meaningfully involved.**
- Regular **structured dialogue with social civil society organizations – including Social NGOs** - is needed on the European Green Deal and Climate Pact, and National Energy and Climate Plans.
- In order to promote coherency, build strength and avoid working in silos, environmental and social NGOs should **develop shared projects, advocacy and campaigns.**

- **Participation in eco-social projects** must be encouraged at the local level, engaging people facing poverty in socially sustainable initiatives: e.g. social and circular economy initiatives i.e recycling social enterprises, community gardens and natural spaces, as well as through education in the schools and adult education. **This helps children and adults grow, learn about sustainability, take responsibility, participate, and work together in co-creating a more equal eco-social society.**

Key message 6: Right to affordable clean energy must be a key part of the European Green Deal

- Guarantee a **right to affordable, clean energy** and introduce concrete EU legislation to ban disconnections.⁸
- Treat **Energy Services as public goods and support direct public provision, assessing the impact of privatisation of energy on prices and services.**
- Stop the **phasing out of regulated prices** in the energy sector for domestic households and support social tariffs for vulnerable customers
- Invest in **energy-efficiency measures that benefit low income households**, ear-marking public funds targeting low income households and ensuring that no additional costs in housing rents or energy bills are passed on.
- **Support large-scale EU investment in renovation/new build of affordable, energy-efficient social housing**, as well as community housing projects. **Regulation of the housing market** is essential to achieve affordable rents and tackle energy poverty.
- Encourage **community generation of alternative energy**, ensuring that returns are socially re-invested in the community and local services that can benefit the poor.
- Include **people facing energy poverty and their NGOs as key actors** in developing energy poverty and well as inclusive renovation/energy efficiency strategies, and in the regulation of energy services.

⁸ European Parliament with EAPN: [Energy Poverty Handbook](#) (2016) and [Right2Energy Coalition](#)

Annex 1. The status of this document

This is a 'Reflection Paper', intended to contribute to debate on the European Green Deal. It is hoped that the document will lead to further discussion and further work within EAPN, which may lead to a fuller policy paper in due course.

The original draft was produced by Leo Williams, Director of EAPN, with Sian Jones, EAPN Policy Coordinator based on desk research (predominantly on existing EAPN positions and alliances) and internal discussions within EAPN. This draft was then discussed in a webinar with EAPN members in December 2019, where 13 EAPN members participated and shared their feedback on the draft key messages. Key messages were then discussed by the EUISG in March 2020, and EAPN members were invited to share comments on the draft paper between 25 March and 15 April. Written comments were received from EAPN BE, DE, IE, FI, FR and NL. The policy team was able to incorporate most of the inputs received.

Diversity of opinion within civil society

Whilst EAPN members have a range of views on certain topics, all members are united in working to bring about a social Europe, free of poverty and social exclusion, with access to economic, social and cultural rights for all. Members are united by our vision and values, which can be found [here](#). During the process of writing this reflection paper, no specific contradictory opinions emerged within EAPN.

INFORMATION AND CONTACT

For more information on this publication and
EAPN's policy positions, please contact

Leo Williams – EAPN Director

leo.williams@eapn.eu – 0032 (2) 226 58 57

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The European Anti-Poverty Network (EAPN) is an independent network of nongovernmental organisations (NGOs) and groups involved in the fight against poverty and social exclusion in the Member States of the European Union, established in 1990.



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