



Preliminary Report WP3: Social Dialogue and Industrial Relations in Just Transition Processes

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Jeffrey David Turk

Yennef Vereycken

Valeria Pulignano



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1. Introduction

1.1 Background

The transition towards environmentally sustainable economies and societies, known as the 'green transition', is both a formidable challenge and a significant opportunity for contemporary Europe. It represents more than a shift in environmental policy; it signifies a profound transformation in social norms and economic structures. Industries are adapting to new sustainability standards, labour markets are evolving in response to green technologies, and economies are reshaping to embrace sustainable practices. At the heart of this multifaceted transition is the role of social dialogue and industrial relations, vital for navigating these changes by ensuring that they are conducted equitably, inclusively, and effectively.

Social dialogue, encompassing negotiations, consultations, and information exchange between employers, workers, and government representatives, plays a crucial role in guiding the green transition. It functions as a platform where diverse needs - from reducing carbon emissions to protecting jobs and promoting economic growth - are harmonised. In the European Union, the diversity in industrial relations systems and the degree of social partner involvement enrich the dialogue but also present unique challenges. For example, while some member states have well-established mechanisms for social dialogue, others are still developing these frameworks, leading to varied approaches in implementing green policies.

Prominent international and European institutions have underscored the critical role of social dialogue as an essential governance tool in the green transition. The International Labour Organization, for instance, emphasises social dialogue as a means to ensure that transitions to sustainable economies are inclusive and just. Similarly, the European Commission and the European Economic and Social Committee have been vocal in their support for robust social dialogue mechanisms, viewing them as vital to reconciling the diverse interests of workers, employers, governments, and the broader society. Initiatives like the European Pillar of Social Rights reflect this stance, aiming to ensure equitable distribution of benefits and responsibilities in the transition towards a sustainable future. (Refer to Table 1.1 for an overview of key institutions and their roles in the green transition).

The European Union is navigating the dual challenge of pursuing ambitious climate targets outlined in the European Green Deal and ensuring social fairness alongside economic competitiveness (European Commission, 2020a). This balancing act, called the 'Just Transition', is exemplified in efforts to decarbonise industries while protecting jobs and fostering economic growth. The interplay between environmental policies and industrial relations is intricate, calling for adaptive and innovative approaches to social dialogue. This report offers an in-depth exploration of social dialogue's role in

managing the green transition, with a focus on analysing key documents, trends, and policy developments. It aims to provide a comprehensive understanding of the current landscape and future outlook, particularly considering the EU's climate goals and their transformative impact on industries and employment.

Table 1.1: Key International and European Institutions and Their Roles in Green Transition

Institution	Role in Green Transition
International Labour Organization (ILO)	Provides guidelines for a just transition towards sustainable economies, emphasizing social dialogue.
European Commission	Drives the European Green Deal and proposes policies to strengthen social dialogue within EU member states.
European Economic and Social Committee (EESC)	Offers opinions on EU policies, focusing on social dialogue in the green transition.
United Nations Framework Convention on Climate Change (UNFCCC)	Sets the global agenda for climate action, indirectly influencing social dialogue.
European Parliament	Enacts legislation impacting social dialogue and industrial relations in the context of environmental policies.
Council of the European Union	Co-legislates on EU policies, balancing national interests with collective European goals in green transition.
European Trade Union Confederation (ETUC)	Represents European workers' interests, advocating for fair transition measures and shaping social dialogue.
BusinessEurope	Represents enterprises in Europe, contributing to dialogue on sustainable transition and economic viability.
European Centre for the Development of Vocational Training (Cedefop)	Provides insights on the impact of green transition on skills and jobs, supporting social dialogue processes.
European Environment Agency (EEA)	Offers data and analysis on environmental issues, supporting informed decision-making in green transition.

1.2 Objectives of the Preliminary Report

This report has several key objectives, each contributing to a thorough understanding of the role of social dialogue in navigating the green transition. It draws upon the policies and insights of major international and European institutions to offer a detailed exploration of this vital area:

1. **Examine International and European Perspectives:** This report will undertake a detailed examination of the perspectives and policies of key international and European institutions, such as the ILO, the European Commission, and the EESC. It will specifically focus on their approaches to social dialogue in the green transition, including an analysis of pivotal documents like the ILO's Guidelines for a Just Transition, the European Commission's communications on social dialogue, and the EESC's opinions on industrial relations. This examination will be informed by an understanding of the key policy developments (see Table 1.2) and a comprehensive overview of relevant documents (see Table 1.3). The aim is to understand how these institutions shape the discourse and policy-making in the green transition, reflecting their distinct roles and recommendations.
2. **Analyse Key Documents and Communications:** This report will conduct an in-depth analysis of influential documents and communications that have shaped the understanding and implementation of social dialogue in the green transition. Specifically, it will critically evaluate the ILO ACTRAV Guidelines, the European Commission's communication on social dialogue (European Commission, 2023a), and other significant proposals (see Table 1.3 for a comprehensive overview of these documents). The analysis aims to assess the impact of these documents on policy and practice, elucidating how they have contributed to the evolution of social dialogue strategies in the green transition.
3. **Identify Challenges and Opportunities:** This report will delve into the various challenges and opportunities associated with implementing effective social dialogue strategies within the EU's diverse landscape. It will explore specific barriers, such as the varying degrees of social partner engagement across member states, and opportunities like the role of social dialogue in facilitating transitions in industries heavily impacted by environmental regulations. The report will also highlight best practices and innovative approaches that have emerged in different European contexts, contributing to more inclusive and just transition strategies (see Table 1.2 for a timeline of key policy developments).
4. **Propose Insights and Recommendations:** This report will culminate in offering actionable guidance and strategic recommendations aimed at strengthening social dialogue and industrial relations within the context of the green transition. These recommendations will be particularly focused on areas such as policy reform, stakeholder engagement, and the

adaptation of industries to sustainable practices. They are designed to provide valuable insights for policymakers, social partners, and other stakeholders, enabling them to effectively manage the nuances and challenges of the green transition. The formulation of these recommendations will be informed by an in-depth analysis of current policies, initiatives, and case studies (see Table 1.3 for key document references).

Table 1.2: Timeline of Key Policy Developments in Social Dialogue for Green Transition

Year and Month	Policy Development	Details
December 2008	European Commission's Climate and Energy Package	Set targets influencing green transition dialogue.
December 2015	Paris Agreement under the UNFCCC	Influenced policies and dialogue on green transition.
2016	ILO's Guidelines for a Just Transition	Framework emphasizing social dialogue in sustainable transition.
December 2019	European Green Deal Announcement	Emphasized social dialogue in Europe's climate-neutral goal.
June 2021	European Climate Law	Legal commitment to climate neutrality, influencing dialogue.
2022	EESC Opinion on Social Dialogue within the Green Transition	Highlighted social dialogue in green collective bargaining.
2023	European Commission's Communication and Proposal on Strengthening Social Dialogue	Focused on strengthening social dialogue in EU's green transition context.

Table 1.3: Overview of Key Documents and Their Relevance to the Report

Document Title	Relevance to Report	Reference
ILO ACTRAV Guidelines for a Just Transition	Guidelines for sustainable transition, emphasizing social dialogue.	(ILO, 2016)
European Commission Communication (COM[2023] 38 final)	Discusses strengthening social dialogue in the EU.	(European Commission, 2023a)
European Commission Proposal (COM[2023] 40 final)	Proposal for recommendations on social dialogue in the EU.	(European Commission, 2023b)

EESC Opinion on Social Dialogue within the Green Transition	EESC's perspective on social dialogue in green transition.	(EESC, 2022)
European Green Deal	The EU's roadmap for making its economy sustainable, emphasizing social dialogue.	(European Commission, 2019)
European Pillar of Social Rights	Framework emphasizing fair working conditions and social inclusion in the EU.	(European Commission, 2017)
UNFCCC Paris Agreement	International agreement influencing policies on green transition and social dialogue.	(United Nations, 2015)
Eurofound Report on Social Partners in Just Transition Plans	Examines the role of social partners in supporting regional just transition plans.	(Eurofound, 2023)
European Commission's 'Fit for 55' Package	EU's plan to reduce emissions by 55% by 2030, impacting industrial relations and social dialogue.	(European Commission, 2021)

Through these objectives, the report aims to contribute significantly to the dialogue and development of strategies around the green transition in Europe, combining theoretical insights with practical applications and considerations.

Chapter 2: International Recognition of Social Dialogue in Green Transition

2.1 ILO ACTRAV Guidelines for a Just Transition

Overview of the ILO ACTRAV Guidelines:

The ILO's ACTRAV Guidelines for a Just Transition present a detailed framework crucial for guiding countries towards sustainable economic and social development. These guidelines encapsulate a series of principles and recommendations aimed at ensuring environmentally sustainable transitions in various sectors, from energy to manufacturing. Central to these guidelines is the emphasis on social dialogue as a mechanism to achieve transitions that are not only environmentally sound but also socially equitable. This includes fostering collaboration between governments, employers, and

workers to address challenges and harness opportunities in the shift towards sustainability (International Labour Organization, 2015).

Emphasis on Social Dialogue:

In the framework of the ILO's guidelines, social dialogue stands out as a vital mechanism for addressing the complexities of the green transition. The guidelines strongly advocate for inclusive and participatory discussions, bringing together government bodies, employers, and workers to collaboratively shape policies. This approach is pivotal in promoting decent work, establishing robust social protection floors, and ensuring that communities, especially those heavily reliant on transitioning industries, are actively supported. Social dialogue, as envisioned by the ILO, plays a critical role in balancing economic, environmental, and social interests, fostering a transition that is both sustainable and equitable (International Labour Organization, 2015).

Application in the European Union:

In the European Union, the ILO's ACTRAV Guidelines have significantly influenced the formulation of strategies and policies, notably within the framework of the European Green Deal. EU member states have actively integrated these guidelines into their national policies, tailoring them to address specific challenges and opportunities. For instance, policies in countries like Germany and Spain have focused on worker re-skilling and social protection measures, particularly in sectors like renewable energy and automotive manufacturing, which are undergoing rapid transformation due to environmental regulations. These adaptations highlight the diverse yet cohesive approach of the EU in ensuring an equitable and effective transition to sustainability (European Commission, 2020a; International Labour Organization, 2015).

Guidelines and the Just Transition Mechanism:

The Just Transition Mechanism, a cornerstone of the European Green Deal, distinctly echoes the principles outlined in the ILO's guidelines. This Mechanism is designed to provide comprehensive support to regions and sectors most challenged by the transition to a climate-neutral economy, such as coal-dependent areas in Eastern Europe. It underscores the EU's dedication to incorporating social dialogue as a foundational element in shaping these transition strategies. By engaging with social partners, including trade unions and industry groups, the Mechanism seeks to ensure that the shift to a greener economy is both fair and inclusive, addressing the socio-economic impacts and fostering shared responsibility (European Commission, 2020a; International Labour Organization, 2015).

Challenges and Opportunities in Implementation:

Implementing the ILO's ACTRAV Guidelines within the diverse context of the European Union brings a spectrum of challenges and opportunities. Balancing economic growth, environmental sustainability,

and social equity forms a complex triad, particularly visible in sectors at the heart of the green transition. The EU's strategies, infused with the ILO's principles, provide valuable insights into navigating these complexities:

1. **Renewable Energy Sector:** As the EU pivots towards renewable energy, challenges emerge around workforce transitions, particularly in regions historically dependent on fossil fuels. Adapting the workforce for new green technologies, as seen in countries like Denmark and Spain, reflects the guidelines' emphasis on job preservation and skill development in the face of industrial change (European Commission, 2020a; International Labour Organization, 2015).
2. **Automotive Manufacturing:** The transformation of the automotive industry, especially the shift to electric vehicles, presents a significant upheaval in skills and production methods. The application of social dialogue in this sector, exemplified in Germany's automotive industry, showcases how the ILO's guidelines help in navigating these shifts, ensuring that the workforce adapts effectively to new technological demands (European Commission, 2020; International Labour Organization, 2015).

The exploration of these sectors — renewable energy and automotive manufacturing — underlines the multifaceted nature of the green transition and the instrumental role of social dialogue, as guided by the ILO's ACTRAV Guidelines. It illustrates the EU's commitment to a holistic and inclusive approach, balancing environmental imperatives with socio-economic considerations. These case studies not only highlight the challenges but also showcase the opportunities for innovation and resilience in the face of transformative change.

2.2 United Nations Perspectives on Social Dialogue in Environmental Transitions

UN's Advocacy for Social Dialogue:

The United Nations, notably through the UN Framework Convention on Climate Change and the United Nations Environment Programme, has been instrumental in promoting social dialogue as a cornerstone of environmental policy and sustainable development. These agencies have initiated various programs and policies that emphasize the critical role of inclusive and participatory approaches in climate action. For instance, the UNFCCC's involvement in the Climate Dialogues places significant emphasis on stakeholder engagement, including workers' representatives, to ensure comprehensive and effective climate responses. Such initiatives highlight the UN's recognition of the need for active involvement from all societal segments, particularly the workforce, in shaping environmental policies (United Nations Framework Convention on Climate Change, 2015).

Impact of the Paris Agreement on Social Dialogue:

Engagement and Global Impact: The United Nations' commitment to integrating social dialogue into environmental policy-making has profoundly influenced the European Union's strategies. This is especially evident in the EU's approach to climate change under the European Green Deal, which mirrors the UN's global directives. The European Green Deal's Just Transition Mechanism exemplifies this alignment, as it embodies the UN's principles of social dialogue by focusing on a fair and inclusive transition to a green economy. This Mechanism ensures that the transition does not disproportionately impact vulnerable communities and sectors, reflecting a concerted effort to incorporate social dialogue in decision-making processes (European Commission, 2020a; United Nations Framework Convention on Climate Change, 1992).

Engagement, Global Impact, and Challenges in Collaborative Efforts:

The United Nations, through the UN Framework Convention on Climate Change (UNFCCC), has played a pivotal role in shaping global and EU environmental policies (United Nations Framework Convention on Climate Change, 1992). These efforts highlight the importance of social dialogue in developing and implementing effective climate change strategies. The European Green Deal, inspired by these global directives, is a testament to the UN's principles of inclusive and sustainable development (European Commission, 2019). While the implementation of these initiatives presents challenges, such as ensuring diverse stakeholder engagement and balancing varied national interests, the overall approach exemplifies the UN's commitment to fostering inclusive social dialogue as a key component in environmental policymaking.

2.3 Global Initiatives for Social Dialogue in Sustainable Economies

Social Dialogue's Role in Achieving Sustainable Development Goals (SDGs):

The integration of social dialogue in the pursuit of the United Nations Sustainable Development Goals is crucial for their effective realization. Particularly, goals such as SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry, Innovation, and Infrastructure) highlight the need for broad stakeholder participation in the policy-making process. This inclusive approach ensures that the policies and actions taken to achieve these goals are equitable, sustainable, and widely supported by society. Through social dialogue, diverse groups, including workers, employers, and government entities, collaboratively contribute to the development of strategies that align with these goals, fostering widespread adherence and contributing to balanced and equitable development initiatives (United Nations, 2015b).

Examples of Social Dialogue in Action:

1. Decarbonisation in the Italian Energy Sector: Enel's Transition

Enel's transition in Italy exemplifies effective social dialogue in decarbonisation. The transition to renewable energy, driven by collaboration among management, workers, and unions, showcases social dialogue's role in ensuring equitable and sustainable changes in the energy sector. This case study from Italy illustrates how environmental objectives and workforce considerations are balanced in the energy transition (Rugiero, S., 2019).

2. Adapting to Electromobility: France's Automotive Sector

France's automotive sector demonstrates social dialogue's structured role in transitioning to electric vehicles. Annual strategic consultations, involving works councils, address employment impacts and skill evolution. The initiatives at Bosch in Rodez and ACI in Villeurbanne exemplify joint commissions developing strategies for electromobility, highlighting employee participation in addressing industry challenges (Sonzogni, M., & Schulze-Marmeling, S., 2019).

Global Relevance and Future Directions: Enhancing Social Dialogue for Sustainable Development:

The global importance of social dialogue transcends regional boundaries, proving vital in diverse sectors worldwide. It plays a crucial role in balancing economic growth with environmental sustainability and social equity. As we face the evolving challenges of global sustainability, the strategic integration of social dialogue into environmental and economic policies becomes increasingly important.

The future demands not only adapting social dialogue to new economic realities and environmental challenges but also innovating its mechanisms to address emerging sustainability issues effectively. The effectiveness of global sustainability efforts hinges on our ability to foster a dynamic and responsive social dialogue, ensuring that sustainable development goals are achieved in a manner that is equitable, inclusive, and economically viable.

Chapter 3: European Union's Commitment to Social Dialogue in Green Transition

3.1 European Green Deal and Its Emphasis on Social Dialogue

The European Green Deal, a cornerstone initiative of the European Union, aims for a sustainable, competitive economy with net-zero greenhouse gas emissions by 2050. Integral to this plan is social dialogue, which involves collaboration between governments, businesses, trade unions, and civil

society. This process ensures the economic transition towards sustainability is fair and inclusive, addressing social impacts such as job transitions and reskilling needs. Recognising that effective environmental policies require broad support, the Green Deal places significant emphasis on engaging all social partners to create balanced and effective solutions (European Commission, 2019).

The EESC Opinion on Social Dialogue in the Context of Green Transition

The European Economic and Social Committee's opinion on social dialogue in the green transition (EESC, 2022) focuses on the crucial role of inclusive and equitable approaches to environmental sustainability. The EESC recommends the active involvement of all social partners in the development and implementation of green policies. This involvement ensures that the transition to sustainable economies is just, considering the social and economic impacts on various groups. The Committee advocates for a collaborative approach, integrating perspectives from workers, employers, and other stakeholders to balance environmental goals with social and economic needs. The EESC's recommendations align with the European Green Deal's goals by emphasizing the necessity of inclusive and equitable approaches in environmental policies. The EESC advocates for engaging all social partners in policy development, which aligns with the Green Deal's objective of ensuring a fair and inclusive economic transition towards sustainability. This approach by the EESC supports the Green Deal's focus on addressing social impacts, such as job transitions and reskilling, thereby reinforcing the Green Deal's commitment to balancing environmental objectives with economic and social needs.

Specific Case Studies under the Green Deal

1. Renewable Energy Transition in Spain:

In Spain, social dialogue has been key in managing the transition to renewable energy. This transition, particularly significant with the closure of coal and peat power plants, was supported by the European Commission's approval of a €2.1 billion scheme to compensate for early closures. The scheme exemplifies how social dialogue can address the challenges of transitioning energy sectors, focusing on protecting workers' rights and fostering sustainable local development in affected regions (European Commission, 2022).

2. Sustainable Transportation in France:

France's transition to sustainable transportation, particularly in electric vehicles, has been shaped significantly by social dialogue. Stakeholders, including government, automobile manufacturers, and trade unions, have been actively involved in discussions to manage the industry's shift. This transition includes a focus on job preservation and retraining of workers, which is crucial in the context of France's broader energy transition strategy

towards electrification. The document "From cradle to grave: e-mobility and the French energy transition" provides a detailed overview of this transition and the associated social dialogue processes (European Climate Foundation, 2019).

3.2 European Pillar of Social Rights and Its Role in Green Transition

Overview of the European Pillar of Social Rights

The European Pillar of Social Rights serves as a fundamental framework in the EU, outlining key principles and rights for fair labour markets and welfare systems. Comprising three main categories — equal opportunities, fair working conditions, and social protection — the Pillar is instrumental in guiding the green transition to be inclusive and socially protective. It highlights the EU's commitment to maintaining high social standards and safeguarding workers' rights amidst environmental and economic shifts (European Commission, 2017).

Linking Social Rights to Green Transition

The European Pillar of Social Rights directly contributes to the green transition by ensuring that social rights are integral to sustainable development policies. This linkage emphasizes the necessity of fair employment practices, adequate social protection, and inclusive policies in the context of ecological transformations. The Pillar advocates for measures such as reskilling and upskilling workers affected by the green transition, promoting job creation in emerging green sectors, and ensuring equitable access to these new opportunities. This approach aims to balance economic and environmental objectives with social justice, thereby fostering a just transition that benefits all segments of society.

Role of Social Dialogue in Implementing the Pillar

Social dialogue plays a crucial role in the implementation of the European Pillar of Social Rights, particularly in the context of the green transition. It serves as a platform for discussing and negotiating terms that align with the Pillar's objectives, ensuring that transitions in the labour market are managed in a socially responsible manner. This includes engaging various stakeholders in discussions about job creation in new green sectors, adapting social protection systems, and addressing the challenges faced by workers. The process fosters a collaborative environment where the needs and rights of workers are considered in tandem with environmental and economic goals.

3.3 In-depth Analysis of Commission Communications (COM[2023] 38 final)

Overview of COM[2023] 38 final: Strengthening Social Dialogue

The European Commission Communication COM[2023] 38 final is a key document focusing on enhancing social dialogue within the EU. It sets out the Commission's strategies for reinforcing social dialogue as a crucial mechanism in economic and environmental policy-making. The communication stresses the importance of active engagement of social partners in policy development, ensuring

inclusive transitions and representation of workers' interests. This document highlights the critical role of social dialogue in navigating the challenges of the green transition, advocating for a collaborative and participatory approach to governance (European Commission, 2023a).

Analysis of Social Dialogue Aspects in COM[2023] 38 final

The European Commission's COM[2023] 38 final focuses on strengthening social dialogue, an essential tool in shaping sustainable economic policies in the EU. Key aspects include:

- 1. Enhancing National and EU-level Dialogue:** The document proposes measures to boost social dialogue at both national and EU levels, encouraging active participation of social partners in policy-making processes. This is aimed at creating a more inclusive approach to addressing economic and environmental challenges.
- 2. Empowering Social Partners:** The communication emphasises the role of trade unions, employer organisations, and other social partners in contributing to the formulation of sustainable policies. It recognises their vital input in ensuring that the green transition is fair and beneficial to all stakeholders.
- 3. Navigating Economic and Environmental Challenges:** The document highlights the importance of social dialogue in managing the complexities that arise from integrating environmental objectives with economic development. It underscores the need for collaborative strategies to ensure a balanced approach to the green transition.
- 4. Supporting Workers and Employers:** Special attention is given to the support mechanisms for workers and employers impacted by the green transition. This includes initiatives for reskilling, upskilling, and adapting employment policies to new green economy requirements.

In summary, COM[2023] 38 final underscores the European Commission's commitment to leveraging social dialogue as a key element in the green transition. It highlights the pivotal role of collaborative efforts among EU stakeholders in shaping policies that balance environmental ambitions with economic and social imperatives.

Concluding Analysis: Implications and Future Directions for Green Transition in COM[2023] 38 final

COM[2023] 38 final's emphasis on social dialogue holds significant implications for the green transition in the EU. This document aligns closely with the European Green Deal, advocating for the incorporation of social dialogue in transitioning industries towards sustainability. It underscores the need for an integrated approach, combining environmental objectives with socio-economic considerations. Looking ahead, the communication highlights opportunities and challenges, stressing the importance of ongoing dialogue and collaboration. The future direction suggests continuous

adaptation and innovation in social dialogue practices to effectively address the evolving landscape of the green transition.

Chapter 4: Commission Proposals and Recommendations

4.1 Enhancing Social Dialogue: Analysis of COM[2023] 40 final

COM[2023] 40 final, a key proposal from the European Commission, focuses on strengthening social dialogue across the EU. It presents a framework for intensifying the participation of social partners in policymaking, especially in sectors influenced by the green transition. The proposal highlights the importance of an inclusive approach to EU policy development, underscoring the vital role of social dialogue in achieving equitable and sustainable economic progress. This initiative signifies the Commission's dedication to advancing dialogue mechanisms and promoting democratic decision-making (European Commission, 2023b).

4.2 Impact of Commission Communications on Social Dialogue

Evaluating the Impact of COM[2023] 38 final and COM[2023] 40 final on Social Dialogue

The effectiveness of COM[2023] 38 final and COM[2023] 40 final in enhancing social dialogue has significant implications for the EU's green transition. These communications are expected to lead to:

1. **Stronger Worker Participation:** By advocating for enhanced social dialogue, these documents aim to ensure that workers have a more significant voice in policy development, particularly in sectors undergoing green transitions.
2. **Balanced Policy Making:** The emphasis on social dialogue contributes to more balanced and inclusive policymaking. This approach is crucial in addressing the social impacts of transitioning to a sustainable economy.
3. **Facilitating Labour Market Transformations:** The communications focus on mechanisms that support labour market transformations, such as reskilling and upskilling initiatives, and address the challenges posed by the shift to greener economies.
4. **Enhanced Collaboration Among Stakeholders:** These documents encourage collaboration among governments, employers, and trade unions, fostering a cooperative environment for tackling environmental and economic challenges.

The outcome of these communications is a more integrated approach to the green transition, where social dialogue is a central component in achieving the EU's sustainability goals.

4.3 Collaborative Initiatives and Impact

European Climate Pact: Engaging Stakeholders in Climate Action

The European Climate Pact marks a significant effort by the EU to involve various stakeholders in its green transition. This initiative encompasses a broad range of participants, including individuals, communities, and organizations, fostering collaborative action towards environmental sustainability. It emphasizes the importance of dialogue and sustainable practices across member states, aiming to build a more cohesive and environmentally conscious Europe. The Pact represents a holistic approach, integrating public engagement with climate policy initiatives (European Commission, 2020b).

Just Transition Mechanism: Supporting Fair Green Transitions

The Just Transition Mechanism, integral to the European Green Deal, plays a pivotal role in supporting regions undergoing significant changes due to the shift to a green economy. This initiative focuses on ensuring fairness and inclusivity in the transition process, offering financial and policy support to the most impacted areas. It addresses the socio-economic challenges posed by the transition, aiming to balance environmental objectives with the need for sustainable regional development and job creation (European Commission, 2020a).

EU Social Dialogue Committees: Facilitating Sector-Specific Dialogue

EU Social Dialogue Committees are instrumental in facilitating dialogue across various sectors within the EU. These committees involve social partners in discussions specific to each industry, addressing challenges and opportunities presented by the green transition. The committees exemplify the EU's commitment to inclusive dialogue, ensuring that all voices are heard and contributing to the development of balanced, sector-specific solutions (Eurofound, 2019).

European Semester 2024: Green Collective Bargaining

The European Semester 2024, as highlighted in the meeting of the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO) on 27 November 2023, will focus on the integration of green collective bargaining in EU policies. This initiative emphasizes the importance of social dialogue in shaping sustainable labour practices aligned with environmental objectives. It represents a strategic move to incorporate environmental sustainability into collective bargaining agreements, reinforcing the EU's commitment to a holistic approach in its green transition (Council of the European Union, 2023a,b)."

Chapter 5 Role of Social Partners in Just Transition Plans

5.1 Social Partners' Contributions to Regional Just Transition Plans

Social partners, comprising unions and employer organizations, play various roles in ensuring a just transition to greener economies (Eurofound, 2023). Their contributions include:

1. Advocating for workers' rights and job security as industries evolve towards sustainability.
2. Participating in policy development to ensure social and economic factors are considered in environmental decisions.
3. Facilitating workforce reskilling and retraining programs to align with new green job requirements.
4. Promoting social dialogue to balance different interests and perspectives in the transition process.

Social partners are integral to shaping and implementing just transition plans as they represent the interests of workers and employers, who are directly impacted by the transition to greener economies. Their involvement ensures that the policies and strategies developed are realistic, effective, and socially equitable. By engaging in dialogue, negotiation, and cooperation, social partners help to balance economic, environmental, and social goals, contributing to sustainable and inclusive growth. Their role is crucial in addressing challenges such as job losses in traditional industries and ensuring effective reskilling and workforce transitions.

Eurofound (2023) provides examples of effective partnership models and ways in which social partners collaborate with governments and communities. These include:

1. Sectoral Agreements: Agreements within specific industries focusing on sustainable practices and transition strategies.
2. Regional Pacts: Partnerships at regional levels addressing specific local challenges of the green transition.
3. National Dialogues: Forums where social partners collaborate with governments to shape national policies on sustainability.

These models highlight collaborative efforts in addressing the challenges and harnessing the opportunities of the green transition, ensuring that it is equitable and inclusive.

5.2 Challenges in Social Partners' Engagement

Eurofound (2023) identifies several challenges faced by social partners in engaging with just transition processes. These include complexities such as adapting to new green technologies, managing workforce transitions in sectors affected by environmental policies, and negotiating fair outcomes for

workers and employers. Unions and employer organizations also grapple with aligning diverse stakeholder interests and ensuring adequate representation in policy dialogues. These challenges highlight the need for robust strategies to facilitate effective collaboration among social partners during the transition to greener economies.

An instance of resistance to change can occur when industries heavily reliant on fossil fuels face the need to adopt renewable energy technologies. Stakeholders in such industries may resist due to concerns over job security and the cost of transitioning technologies. Policy gaps that can hinder implementation include lack of clear guidelines for transitioning sectors, inadequate support mechanisms for affected workers, and insufficient incentives for adopting green technologies. These gaps create uncertainties and can impede stakeholder collaboration and effective policy execution.

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5.3 Success Factors in Social Partners' Involvement

Eurofound (2023) identifies successful strategies in social partner involvement, emphasizing collaboration, open dialogue, and shared goals. It highlights best practices like inclusive participation and adaptability in various regions and sectors, contributing to positive outcomes in the green transition. Effective communication and joint decision-making are underscored as vital for aligning diverse interests. A comprehensive set of case studies across all the states of the European Union are used to illustrate practical applications of effective collaboration, open dialogue, and shared goal-setting across different regions and sectors. They showcase diverse approaches to social partner involvement in green transition processes. These examples highlight how collaboration and dialogue among social partners contribute to effective implementation of environmental policies. They illustrate the importance of adapting strategies to local contexts and the benefits of inclusive participation for successful green transitions. They further highlight how inclusive participation, communication, and adaptability contribute to achieving positive outcomes in environmental sustainability initiatives.

Some of the biggest challenges include adapting to new technologies, managing workforce changes, and aligning diverse stakeholder interests. Solutions demonstrated involve effective communication, inclusive decision-making processes, and strategic partnerships among social partners, businesses,

and governments. These examples provide real-world insights into overcoming challenges and successfully implementing environmental policies.

Chapter 6 EU Support and Challenges in Social Dialogue for Green Transition

6.1 Funding Programs Facilitating Social Dialogue

There are various sources of funding available in support of social dialogue in the green transition. These include:

1. European Social Fund (ESF): Supports employment, education, and social inclusion in green transition initiatives, funding projects that promote worker re-skilling and social integration.
2. Horizon Europe: Provides research and innovation funding, focusing on the social dimensions of green transitions, including the impact on communities and labor markets.
3. LIFE Programme: Allocates funds specifically for environmental and climate action projects, with a potential focus on incorporating social dialogue for comprehensive policy development.
4. European Investment Bank (EIB): Offers financing for larger-scale sustainable development projects, supporting the integration of social aspects into environmental initiatives.
5. European Regional Development Fund (ERDF): Targets regional and urban development, potentially funding projects that involve social dialogue in green initiatives at a regional level.

For more detailed information on these funding sources and their roles in supporting social dialogue in green transitions, please visit the European Commission's webpage on social dialogue and involvement of workers (European Commission, 2023c).

6.2 Capacity Building Initiatives for Social Partners

EU programs and initiatives aimed at enhancing the capabilities and skills of social partners for effective engagement in green transition processes typically include training programs, informational workshops, and collaboration platforms. These initiatives are designed to educate and empower stakeholders about sustainable practices, policy developments, and the social aspects of environmental changes. Such programs play a crucial role in equipping social partners with the

necessary knowledge and tools to actively participate and contribute to the green transition dialogue and implementation.

The European Centre for the Development of Vocational Training (Cedefop) also plays an important role in developing training programs and workshops for social partners involved in green transitions. Cedefop focuses on enhancing vocational education and training to meet the demands of evolving labour markets, including those impacted by green transitions. It provides research, analysis, and guidance on skill development, helping social partners adapt to new environmental standards and practices. More information can be found on the Cedefop website (Cedefop, 2022).

Below are examples of European initiatives:

1. **Vocational Training Programs:** Offered by organizations like Cedefop (2023). These programs provide skills development in green technologies and sustainable practices.
2. **Workshops and Seminars:** Covering topics like green policy development, renewable energy, and environmental impact assessment. The European Commission Directorate-General for Employment, Social Affairs and Inclusion (2023c) supports such activities.
3. **Online Collaboration Platforms:** Such as the European Circular Economy Stakeholder Platform, facilitate knowledge sharing and networking among stakeholders involved in sustainable economic practices. This promotes partnership building among social partners, policymakers, and industry experts (European Circular Economy Stakeholder Platform, 2023).

6.3 Evaluating the Effectiveness of EU Funding and Support Mechanisms

The effectiveness of EU funding and support mechanisms for social dialogue in green transitions is multifaceted. Funding programs like the ESF and ERDF have been crucial in enabling social partner participation in green initiatives. Training and capacity-building efforts led by Cedefop and supported by Horizon Europe have enhanced stakeholder skills and knowledge. However, there is room for improvement in aligning these mechanisms more closely with on-the-ground needs and ensuring wider reach and impact. Overall, these mechanisms have significantly contributed to advancing social dialogue in the green transition. While a more thorough evaluation of the support mechanisms is well warranted, it is beyond the scope of this preliminary report. Ongoing research within the Social Green Deal project, of which this is a preliminary report, is intended to explore this topic in greater depth.

Chapter 7 Conclusions and Recommendations

7.1 Summary of Key findings

Perhaps the most important finding of the report is the critical role of inclusive and equitable social dialogue in ensuring a just transition to greener economies, as emphasized by the EESC. This encompasses the need for collaboration among workers, employers, and governments to address the challenges and leverage opportunities in the transition process. The report underscores the significance of integrating social perspectives and priorities into environmental policy development and implementation to achieve sustainable outcomes. This finding is crucial for the industrial relations community because it highlights the need for integrating social concerns into environmental policy-making. Recognizing the importance of social dialogue ensures that the transition to greener economies is not only environmentally sustainable but also socially equitable. This understanding is vital for experts to develop strategies that are both environmentally effective and socially responsible, balancing ecological goals with the well-being of workers and communities.

The European Green Deal's emphasis on social dialogue, the various EU funding sources like ESF and Horizon Europe, and capacity-building initiatives have also been instrumental in facilitating this dialogue. Challenges such as adapting to new technologies and aligning diverse stakeholder interests were identified, along with the significant impact of EU support mechanisms in advancing social dialogue for green transitions.

7.2 Strategic Recommendations

Based on the report's findings, this section provides strategic recommendations for enhancing social dialogue in green transitions. Key suggestions include:

1. **Enhancing Collaboration:** Foster stronger cooperation between all social partners, including workers, employers, and governments, to ensure a balanced approach to environmental policy-making.
2. **Policy Integration:** Advocate for the integration of social concerns into environmental policies, emphasizing the need for policies that are both environmentally sustainable and socially equitable.
3. **Capacity Building:** Continue to support and expand capacity-building initiatives for social partners, ensuring they have the necessary skills and knowledge to contribute effectively to green transitions.
4. **Expanding Funding:** Increase and diversify funding sources, such as those from the ESF and Horizon Europe, to support a broader range of social dialogue initiatives in green transitions.

These recommendations aim to strengthen the role and impact of social dialogue in achieving sustainable and equitable green transitions. In particular we stress enhancing collaboration among all social partners. This is crucial as it ensures that the transition to greener economies is not only environmentally sound but also socially responsible. Effective collaboration leads to balanced decision-making, where the interests of workers, employers, and governments are harmoniously integrated. This approach fosters policies that are more likely to be successful and sustainable in the long term, crucial for those who aim to navigate the complexities of green transitions effectively.

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