



Council of the  
European Union

162181/EU XXVII. GP  
Eingelangt am 17/11/23

Brussels, 17 November 2023  
(OR. en)

15439/23  
ADD 1

SOC 787  
EMPL 564  
CLIMA 560  
ECOFIN 1189

#### NOTE

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From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Key messages from EMCO and SPC on the implementation of the Council Recommendation on ensuring a fair transition towards climate neutrality

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With a view to the EPSCO Council on 27 and 28 November 2023, delegations will find attached the Country specific conclusions of the EMCO PAG Review of the Council Recommendation on ensuring a fair transition towards climate neutrality for monitoring.

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**EMCO PAG Review of the****Council Recommendation on ensuring a fair transition towards climate neutrality****26-27 October 2023****Country-Specific Conclusions****Contents**

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## **BELGIUM**

Belgium has put in place many policies, programmes, measures, and funds to fulfill the objective of the Fair Transition Recommendation. The study on the implications of the climate transition and the broad stakeholders' forum can be considered best practices. However, a comprehensive and coherent policy package for ensuring a fair green transition in Belgium is still lacking. Specific know how developed at regional level could profitably be shared with the other federated entities (i.e. Social Economy Action Plan and Just Transition Fund (JTF)) to raise their awareness on how to better address the employment challenges resulting from the green transition. This is the case, in particular of jobseekers and vulnerable groups who receive specialized assistance for an effective support to access the labour market with direct involvement of businesses for their recruitment.

Belgium has developed financial support for businesses contributing to climate and environmental objectives, including the green objectives of the fair transition for the creation of quality jobs. Finally, the broad participation of stakeholders towards a fair transition and the development of the green economy will facilitate the creation of more and better green jobs and skills.

## **BULGARIA**

Bulgaria has started the transition to a climate neutral economy; however, the planned interventions are at an early stage. The Advisory Council of the European Green Deal has been established. Some initiatives are targeted to employment services and quality of employment; however, these are not explicitly tied to green and fair transition goals. The active involvement of all stakeholders is necessary for the creation of a skills forecasting tool to provide trainings towards sectors and jobs suffering from labour shortages, resulting from the green transition.

State subsidies for the creation of green jobs have been introduced for the employers.

Delays in the implementation of the 3 Territorial Just Transition Plans (TJTPs) need to be compensated. The measures to be offered by PES to workers involved in the transition to climate neutrality in the three coal regions should start soon. Incentives to accompany job-to-job transitions, upskilling and reskilling and mobility across sectors and regions should be properly designed to facilitate the green transition.

Bulgaria has started specific support programmes for social entrepreneurship and for SMEs under the Cohesion policy funds and NRRP, specifically for financing the green and climate neutrality innovations in businesses.

Bulgaria has strengthened social dialogue at the national level, as well as labour inspections, and health and safety at work, but the focus on the twin transition is less evident.

## **CZECHIA**

Czechia is one of the European countries that face the most significant challenges in its transition towards climate neutrality. Energy-intensive industries still employ 6.7% of the workforce and the greening of Czech economy is expected to create profound labour market and social changes.

The labour market is performing well, but shortages are affecting critical sectors such as construction and professional, scientific, and technical activities. To achieve a fair transition towards climate neutrality it will be then essential to reskill and upskill its workforce as well as to ensure access to funding for SMEs, in particular in the sectors and regions most affected by the green transition.

While Czechia is making good efforts in providing support to those most affected by the transition, in particular through active labour market policies and investments in Early Child Education and Care (ECEC), a number of challenges are yet still to address. An operational definition of green jobs would help integrate environmental targets into vocational training and upskilling and reskilling measures.

Czechia would benefit from the strategic horizontal policy orientation in the area of fair green transition, addressing research gaps related to the labour and social aspects of the green transition and analyse its impact on the labour market. A public body tasked with coordinating policymaking for a fair and just transition across all policy areas should be established with benchmarks and accountability system to be able to properly monitor progress. Effective coordination and involvement of the social partners, civil society organisations, and key stakeholders (i.e., representatives of small and middle-sized enterprises, and local and regional actors) would help to ensure engagement and ownership in the green transition, including through specific funding, where relevant. In the framework of the OP Just Transition, Czechia is making steps in the right direction for ensuring a fair transition towards climate neutrality. It will be crucial to ensure that available resources will be also allocated to ESF-type of measures in employment, education, and social inclusion, including programmes to support social economy and employment of women.

## **DENMARK**

Denmark is taking measures to enhance quality employment and skills in the labour market, however more efforts are needed to address the upcoming challenges of the green transition. Upskilling and reskilling policies as well as the enrichment of VET curricula in this field are positively noted. According to the national RRP and the country report, Denmark is placing several investments to reach its green targets in several areas, including green taxation policies and energy efficiency investments for SMEs but policies to enforce adequate skilled labour force for green jobs need to be further elaborated. With regard to the public healthcare and social protection system, the presented measures are showing adequate coverage.

## **GERMANY**

Germany is implementing several ambitious measures to facilitate up- and reskilling and training for the green transition, also thanks to the very strong active labor market policies system and programmes already existing. However, the shortage of skilled labour, particularly in sectors and regions concerned by the green transition, remains a challenge. More measures could be specifically designed to support job-to-job transitions towards green jobs for redundant workers in those sectors and regions. Measures in favour of vulnerable groups are currently implemented although not directly connected to the green transition even though they could improve fairness perceptions among the population. The participation of women in the green sectors and science, technology, engineering, and mathematics (STEM) training/education could be further improved as well as the provision of care services for children.

## **ESTONIA**

Estonia has taken several measures to address the transition towards climate neutrality and promoting inclusive labour markets. Most of the activities and measures are in various stages of planning or at early stage of implementation. There are existing reskilling measures in place for those impacted by green transition through public employment services. However, measures targeting the most vulnerable groups in the green transition is less evident.

Estonia has a comprehensive approach to the use of the Cohesion policy fund, JTF and RRF. The JTF Plan will help alleviate the socio-economic costs triggered by the climate transition and to create quality jobs by supporting upskilling and reskilling of redundant workers in the shale oil industry, including a new support for acquiring micro-credentials and allowance for job-to-job transition to be introduced in 2024.

Estonia is preparing an analysis for the new subsistence income to adapt social protection system. Estonia has set up a clear institutional infrastructure which incorporates stakeholder engagement at the national and regional level. Estonia has developed the new Green Reform Action Plan which is expected to facilitate the transition to climate neutrality.

## **IRELAND**

Ireland's commitment to a fair transition is clear and is underpinned by the Just Transition framework, endorsed in the Climate Action Plan. Key administrative branches and organizations are involved in implementation of the different measures. Yet the transition is still in progress, and it is needed to measure the impact of the implemented policies. To promote fair transition Ireland is taking advantage of the available EU funds and national resources especially in the regions most affected by the green transition. Public employment services support people most affected by the green transition for improving occupational and geographical mobility. In support of this mobility, Ireland's efforts to enhance the lifelong learning participation rate, in particular take up of its range of flexible and accessible adult learning opportunities especially on green skills, are welcome.

Policy measures aimed at adapting social protection systems, including social inclusion policies, highlight a comprehensive approach to solving the challenges and problems deriving from the green transition.

Ireland is making efforts to effectively involve stakeholders and the wider public in policy planning. Regulations in the field of occupational safety and health are positively focused on trends of the green economy and new renewable energy sources.

As regards public procurement, the Green Public Procurement Guidance for the Public Sector contains sustainable and green requirements. Ireland plans to gradually increase carbon tax rates until 2030 and to allocate the revenues to support the green transition.

## **GREECE**

Greece has made efforts to promote jobs in the green economy especially strengthening the acquisition of skills relevant for the green transition. Greece has implemented several measures to meet the challenges of transitions. Tax reliefs and discounts in expenses have been introduced in 2023 for SMEs contributing to climate and environmental targets. However, there is limited indication of the use of evidence-based approach in developing and implementing these measures. The new governance framework for ALMPs including in the regions most affected by the green transition is still to bring the expected results. The development of up-to-date labour market and skills intelligence and foresight through the national Labour Market Needs Diagnostics Mechanism will help identifying and forecasting occupation-specific and transversal skills need. There is scope for providing more targeted employment support based on individual and labour market needs and in line with the transition plans. Further social protection measures specifically targeting vulnerable groups and the social effects of the transition more broadly, may be crucial to be achieved. Greece is encouraged to activate all relevant EU funding to address the social and labour market challenges in progress towards a greener economy.

## **SPAIN**

Amongst European Member States, Spain is one with the most comprehensive approach to fair green and digital transitions. The number of green jobs in Spain is on the rise, and particular attention will be needed to monitor possible shortages – especially in highly male dominated sectors - that may hamper further expansion of the green industries.

The new Law on Vocational Training is a positive step in addressing the need to anticipate potential skills shortages in a context of a rising demand for qualified jobs for the green transition. Similar efforts could be required in the context of Active labour market policies, especially in those sectors most affected by climate change, such as tourism, agriculture, or fisheries.

Spain could expand the lessons learnt under the Just Transition Strategy to other regions and sectors. Although the longer-term results need to be assessed in the next years, the multilevel and participatory governance framework of the Just Transition Strategy may prove valuable for other labour market policies oriented to the green transition.



Spain has taken broad employment, social security and social measures that might also contribute to reinforce the transition to a greener economy. Although not specifically targeted to this end, Spain has improved, under the RRP and the ESF+, upskilling and reskilling of workers of companies in crises with the RED Mechanism; it has amended the pensions system and has reformed the minimum income, which should reinforce the safety net for workers, including those more vulnerable.

Spain has also tried to mitigate regressive impacts of recent energy and cost-of-living prices rise, with limitations on the increase in electricity prices and untargeted economic support of public transport, which could also be instrumental for the green transition.

## **FRANCE**

France is implementing many policy measures that support the green transition in some of the key fields covered by the recommendation, including the labour market and income security. However, aspects of the green transition are often only mainstreamed in existing policies and a further adjustment of these policies could help the green and fair transition especially as far as the attractiveness and working conditions of green jobs are concerned. Significant investments in upskilling and reskilling are already in place. Efforts with regards to the mapping of green skills have been made, including the set-up of the ROME 4.0 skills directory. Still, France should foster access and use of training opportunities in declining sectors as well as energy intensive industries for the efficient relocation of workers towards green jobs. Specific attention should be given to the available resources under the JTF to support workers in declining and transforming sectors in regions and territories most affected by the transition. France has put in place several instruments to promote entrepreneurship and access to finance for enterprises. However, specific incentives for the sectors of the green economy could help speed up the fair transition. As regards the involvement of social partners, while France has measures already in place to support their association; bolstering their engagement for the achievement of the green transition could be beneficial.

## **CROATIA**

Croatia is at a good starting point in the implementation of the Fair Transition Recommendation. A wide range of measures and services are in place that support, at least indirectly, a fair transition. Several reforms and measures in the field of employment are implemented by PES in cooperation with employers, especially regarding jobseekers and self-employed persons. Similarly, social policy reforms under the NRRP address several key challenges.

Croatia has in place State subsidies and training vouchers for both employed and unemployed people and those most in need, however most vulnerable people appear not benefiting sufficiently from the available upskilling and training opportunities. In view of matching present and future labour shortages resulting from the green transition more targeted upskilling and reskilling measures should be more promoted.

Future measures in the field of social policies should keep targeting people and households most affected by the green transition.

The definition of a clear vision as well as the integration and harmonization of measures as well as the involvement of the private and third sectors in the design and implementation could push the green and fair transition goals.

## **ITALY**

Italy is taking steps to increase the employability of its labour work force, to address the mismatch between labour supply and demand and increase the upskilling and reskilling policies with a focus on green and digital skills. To this direction, the GOL programme and the reforms of ANPAL are promising however there is a need to focus more on green upskilling and reskilling policies and on how to address upcoming labour shortages in this field. The National Recovery and Resilience Plan (NRRP) is expected to play an important role in overcoming these challenges.

A great number of funds is allocated to support businesses including circular economy, however evaluation of these measures on whether they are successfully implemented and monitored is challenging and will require time. The research network of the INAIL with the aim to assess emerging risks from digital and green transition is positively noted. Further efforts are necessary to improve data collection with regard to green jobs and skilling and to provide efficient tax incentives to green businesses.

## **CYPRUS**

Cyprus has a well-developed system of Active Labour Market Policies in place that aim to promote employment and training opportunities. However, also in light of the expected reallocations in the labour market, a more targeted focus on the green transition could be needed, including by introducing measures on adequate income security in the labour market. In addition, Individual Learning Accounts could be used to promote the acquisition of green skills.

The measures which have a specific focus on the green economy such as the awareness raising measures, the construction of the new Green Vocational Education and Training School, and the training programmes related to specific green occupations included in the National Action Plan of Cyprus for the European Year of Skills are welcome.

Overall, Cyprus would benefit from the strategic horizontal policy orientation in the area of fair green transition, addressing research gaps related to the labour and social aspects of the green transition and analyse its impact on the labour market. Coordinating policymaking for a fair and just transition across all policy areas, with benchmarks and accountability system proper monitor progress, is essential. The announced revision of relevant legislation on occupational health and safety to include the risks emerging from work related to the green, digital and demographic transitions would be a positive step forward to factor in the impacts of the transition and climate change in the workplaces. Cyprus should also consider implementing measures to adapt its taxation, social security systems and health and long-term care services to the employment and social challenges posed by the green transition.

## **LATVIA**

Latvia is taking steps to improve upskilling and reskilling policies and increase adult participation in training. However, according to the National Recovery and Resilience Plan (NRRP), labour shortages in key sectors of the green economy remain. In this respect, additional efforts by the government are needed to intensify the promotion of green skills to the labour force. The government's support to social entrepreneurs and SMEs is welcomed. In this regard, steps should be taken to strengthen the regional approach for the implementation of green programmes in targeted sectors. Well noted are the Occupational Safety and Health (OSH) regulations with regard to monitoring arrangements and the tax alleviation to vulnerable households. Tripartite social dialogue on green employment needs to be reinforced too. Overall, Latvia also would need to strengthen the use of evidence-based approach in developing and implementing green transition measures.

## **LITHUANIA**

Lithuania is implementing several measures relevant for the green and fair transition. ALMPs are available also to persons affected by the green transition after registration with the public employment services. The NRRP includes actions for the creation of jobs related to the green and digital transition and for promoting the circular economy as well as training for the staff of PES on green economy. Lithuania's approach to upskilling and reskilling its workforce, including the vulnerable groups in rural areas is worthy of mention, however it appears not to be linked to the green transition goals. Better targeted measures will be needed.

The enhancement of existing tools for analysing and forecasting the demand for jobs and skills in the green (and digital) economy would enable PES to better address skills mismatches and labour shortages in sectors and regions affected by the green transition.

JTF Plan is designed to attract foreign and local investors as well as to reskilling, upskilling, and retaining workers in these regions. However, those actions are still in the very early stage of implementation. A swift implementation of all the measures and investments included in the NRRP and JTF Plan would accelerate the achievement of the fair transition goals as well as alleviate the conditions of workers affected by the green transition. As regards green procurement, has introduced the Guidelines of Socially Responsible Procurement.

## **LUXEMBOURG**

Luxembourg economy and labour market appear to be less affected by the changes deriving from the green transition due to the country peculiarities. Green economy is expanding and the policies in place seem appropriate to support employees for the development of digital and green skills in case of necessary changes. In view of the employment challenges arising from the green transition for certain sectors and groups of workers, Luxembourg may find worthwhile identifying these target groups and developing appropriate employment measures to facilitate their retention, return to work and job-to-job transitions. The draft law introducing a new programme of preventive workers' training including for the green transition, as well as upskilling and reskilling towards green jobs, seems promising. Luxembourg has in place measures to support access to finance and business creation by groups underrepresented in the labour market. Existing schemes to guarantee workers in case of short-time work and redundancies have proven sound, however, they do not specifically cover the case of the green and fair transition. Luxembourg has already taken steps to increase tax on carbon. Luxembourg appears institutionally well equipped to deal with the green and fair transition problems.

## **HUNGARY**

Hungary presented some measures to boost employment, and to support enterprises. Further efforts are needed to address the existing challenges in education and the upskilling of workers with an emphasis on green skills and targeted sectors. In addition, targeted efforts are needed to intensify and align the country's policies with the environmental objectives and to support the most affected and vulnerable groups. The tax incentives are positively noted; however, more labour-oriented tax policies are recommended to be considered in order to further reduce the tax wedge for low- and middle-income groups and move taxes towards other areas benefitting the green sector and environmental objectives. In addition, entrepreneurship and social entrepreneurship programmes targeted to green fields are very much encouraged.

Hungary has taken a number of measures to analyse and manage the impact of climate change based on the National Occupational Safety and Health policy. However, more measures supporting occupational health and safety would also be welcome to further aid the green transition, including the impact analysis of new investments from the OSH perspective.

Hungary is at an early stage of implementation. Hungary would benefit from an overall strategy for a fair green transition, especially to address its employment and skills challenges. The increase and effective use of European funds is key for the development and implementation of the relevant measures which will connect more effectively the employment and reskilling policies with the green transition. The prompt involvement of social partners in all relevant policy design and implementation should play a very important role.

## **MALTA**

Malta has made efforts to limit the impact of the transition on the social and economic conditions. Labour and skills shortages in key sectors and disparities exists, limiting the potential of the emerging green economy in Malta. EU funds support incentives for job creation, training, and for encouraging employees to work overtime and part-time in response to labour shortages. These could be usefully extended to green employment.

Tailored job-search facilities exist, but they are not focused on green jobs. Despite existing projects focus on skills development for the green transition, a unique strategy on green skills development, coordinating the existing efforts and setting a framework to develop future ones, is not available.

Cohesion policy funds and NRRP are used for promoting entrepreneurship also in the green sectors. Malta Development Bank assist businesses also in investments to move to renewable energy and energy efficiency. These measures should be further pursued.

Tax benefits and social protection measures to support vulnerable groups exist, still they are not specifically targeted to people most affected by the green transition and climate change. Malta would benefit by a better policy coordination on the issues of fair and green transition.

## **NETHERLANDS**

The Netherlands has a rich body of instruments aimed at ensuring a fair transition towards climate neutrality measures and supporting transition of the workforce, including upskilling of individuals at risk of losing their jobs. Measures have been also envisaged under the Just Transition Fund (JTF) for the upskilling of potential employees in green jobs and sectors, as well as mitigating potential risks for the most vulnerable, which can arise during transition process.

The Netherlands is also making efforts to seize the opportunity provided by the green transition to increase the labour market participation of, amongst others, underrepresented or vulnerable groups. Further, systematic and in-depth analytical and assessment tools for monitoring the socio-economic and distributional impacts of the green transition have also been introduced. This could also require investments in a social protection system which stimulates and rewards labour market participation as well as in labour market conditions fit for the future of work.

The Action Plan for Green and Digital Jobs addresses various labour market challenges – notably shortages in relevant sectors. However, fine-tuning these actions towards the people most affected by the transition would be welcome.

Coordination mechanisms are in place that help preventing fragmentation and streamline environmental targets into policy making. A large range of stakeholders on various levels are engaged, including social partners.

The Netherlands currently does not have explicit policies that directly shift tax burden away from labour towards sources contributing to climate and environmental objectives. It is positive to note that the government has improved the balance between the taxation of labour and capital, by decreasing the former and increasing the latter.

## **AUSTRIA**

Austria is implementing many policies and measures oriented in providing people with relevant knowledge to support their employment in the green economy and to ensure quality employment for a fair and green transition. Close cooperation of economy and LM fields is evident on the level of government as well as of PES, providing not only employment service but also entrepreneurship advice services. Austria can rely on a solid social protection system, and a well- functioning social dialogue. Policies have been introduced linking social inclusion and fair taxation. These could contribute to counteract skills shortages in strategic sectors and support specific regions in the transition. Green jobs in Austria are male dominated and a gender pay-gap still exists. Further efforts are required to improve women participation in the context of fair transition and to provide quality and accessible care services for children. Austria could benefit from further analysis to assess green jobs creation deriving from those measures targeting upskilling and reskilling for smooth labour market transitions also in the framework of the REPowerEU and the JTF Plan.

## **POLAND**

Poland has developed several measures to make green transition fairer by allocating significant amounts of the Cohesion Funds and the RRP to these measures, as well as the Just Transition Fund (JFT). The European Social Fund+ will support development of a tool for analysing and forecasting the demand for jobs and skills in the green and digital economy that is to be finalised by early 2026. It is crucial that all measures and services related to green transition and digital transformation are implemented swiftly and successfully, especially those related to education and training for green skills and jobs with particular attention to workers of the energy-intensive industries (EEI) as well as of the expanding sectors. Participation of (EEI) workers in training schemes should be encouraged. While it is welcome that Poland is working on strengthening the representation of employers and employees in the social dialogue on the European Green Deal-related policies, nevertheless Poland is invited to continuously monitor all measures in place and to start to facilitate future reviews of the Fair Transition recommendation.

## **PORTUGAL**

Portugal is developing policies, legislative reforms and programmes to address the country's labour shortages and skills mismatches in the field of the green transition, namely the Green jobs initiative and the programme "Green skills and jobs". The Sustainable Tourism Plan 2023 "Qualifying tourism professionals", aiming at providing education and training in the area of circular economy and green practices is also particularly welcomed. However, due to the early stage of implementation, the impact of the implementation of these measures remains to be seen in the future. The energy poverty observatory as foreseen in the NRRP is well noted too. With regard to taxation, more dedicated measures are needed to develop tax incentives for encouraging job-to-job transitions from energy intensive industries into green jobs and, as well as to bring businesses aligned with the green objectives. Efforts are also needed in strengthening the role of Public Employment Services (PES) to those most affected by the transition and in equipping the Occupational Health and Safety and inspections to the new emerging challenges, including those related to climate change, such as heat exposure. Furthermore, efforts need to be made in order to include tripartite and bipartite social dialogue in the fair green policy making and implementation.



## **ROMANIA**

Romania is presenting policies with a view to increasing green employment and skills. The planning for training and reskilling employees particularly in the regions most affected by the transition, with the use of JTF, RRF and ESF+ are welcomed. National entrepreneurship programmes have been presented; the legislative frameworks which have been depicted in the assessment are foreseen to play an important role in designing the appropriate green policies and adequately responding to the changes of the labour market due to the green transition. Nevertheless, the results of the implementation remain to be seen. More focus is needed on developing policy measures ensuring effective access to quality employment, education and training and social services, which are specifically targeted to the people most affected by the green transition, in particular those in vulnerable situations. Furthermore, it is acknowledged that tripartite social dialogue to address these challenges needs to be ensured.

## **SLOVENIA**

Slovenia has a number of policies in place regarding green skills and competences, but their implementation should be accelerated. Further efforts could be invested for the labour active population. Despite an operational definition of green jobs is missing, green skills are integrated in some ALMP measures will be soon integrated also into existing ALMP training schemes. Further implementation of these policies and the green and digital transition, also supported through EU funds, such as the RRF and ESF+ is essential.

Slovenia can also rely on a well-functioning social protection which includes free, sustainable, high-quality social welfare services contributing to the improving situation of vulnerable groups and which may help them to face the financial challenges brought about by the green transition. However, there is no specific green transition measure on adequate income security in the labour market in place.

Slovenia has a very well-developed system of facilitating access to finance and markets for SMEs. Eco Fund promotes development in the field of environmental protection through soft loans and grants. Just Transition Fund (JFT) provides subsidies for productive investments and RRI activities.

Slovenia would benefit from the strategic horizontal policy orientation in the area of fair green transition, addressing research gaps related to the labour and social aspects of the green transition and analyse its impact on the labour market. A public body tasked with coordinating policymaking for a fair and just transition across all policy areas should be established with benchmarks and accountability system to be able to properly monitor progress.

Slovenia would benefit from a growth-friendly and green tax reform which could enable a shift away from labour taxation and further stimulate labour supply and sustainable growth through a higher share of recurrent property taxes.

Finally, the active and meaningful participation of social partners, especially workers, and civil society in the decision-making process, should be ensured in order to achieve a just and fair transition.

## **SLOVAKIA**

Slovakia is taking measures to create more jobs and promote upskilling policies and employment incentives focusing on vulnerable groups, such as young NEETs and women. However, efforts should continue to address the challenges of the green transition, placing more emphasis on green skilling and providing or facilitating financial support to green businesses, particularly those in the circular economy. A positive development in the labour market is the Alliance of Sectoral Councils which could focus more on training and reskilling workers in green sectors in the near future. Despite the elaborated assessment of reforms and strategies to enhance the labour market and the social protection schemes as well as to stimulate businesses there is a room for improvement on adequately connecting these strategies with the green economy. In this regard the advisory role of social partners will be significant. Slovakia should make effort to lower the tax wedge on the workforce. In the area of occupational safety and health, it is important to consider impacts of climate change and also the green jobs risks.

## **FINLAND**

Finland is aware of the green transition impact on business, economy, labour market, and skills. The implementation of the Recommendation is still ongoing and in the early stage. Training programmes related to green transition and environmental issues are already implemented. The lifelong learning reform is carried on in the RRP focusing on green and digital skills. PES regularly offer jobseekers skills assessment and work ability services, but these do not appear to be directly related to the transition to a green economy. Training opportunities on green skills should be promoted for lower educated people and other vulnerable groups.

The regional JTF Plan supports measures aimed at reskilling and outplacement of dismissed workers as well as at renewable business activities and innovations. However, overall micro and SMEs are not aware of funding opportunities for the green transition. Involvement of workers and their representatives in the process of the green transition could be strengthened.

Still few social policy measures are targeted to mitigate impact of green transition.

Finland is still lacking better systematic information on the negative effects of the green transition on the labour market and about climate risks. The National Foresight System is expected to contribute also to the analysis of the impact of green transition.

## **SWEDEN**

In Sweden the green economy is further expanding, the number of green jobs is growing and the upskilling rate for the green transition is the highest in the EU. Several general labour market programmes, skill development measures and lifelong learning opportunities are in place, including the newly introduced Student Finance Scheme for Transition and Retraining.

The Swedish labour relations with a long-term tradition of collective bargaining provides a suitable framework for managing digital and green transitions and their impacts on employment and jobs.

Overall, there is some room for further improvements to fully meet the provisions of the Recommendation. Targeted social protection and active labour market measures for a fair green transition such as temporary direct income support could be expanded.

Existing knowledge gaps on the potential social and distributional impacts of the overall climate policy, as well as the implications of the green transition for the Swedish labour market could be filled. There are some examples of an evidence-based approach in the area, however, no specific measure is provided as regards analysing the social impacts of green transition. EU funding (ESF+) promotes green skills and jobs.