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Aeráide agus Cumarsáide**
Department of the Environment,
Climate and Communications

Draft Territorial Just Transition Plan

EU Just Transition Fund

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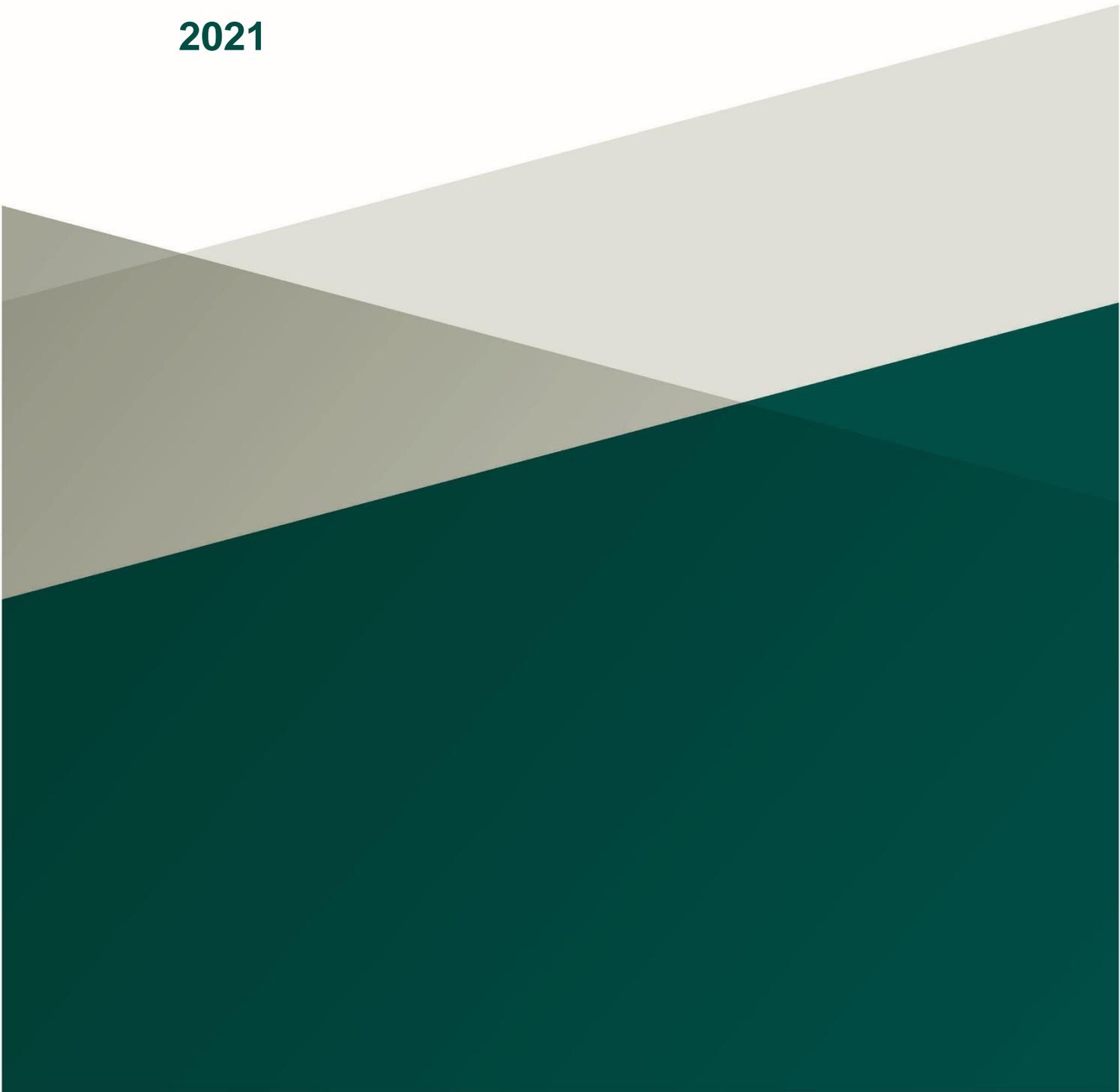


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1. Outline of the transition process and identification of the most negatively affected territories within the Member State

1.1 Outline of the expected transition process towards the Union's 2030 targets for energy and climate and a climate-neutral economy of the Union by 2050, in line with the objectives of the integrated national energy and climate plans and other existing transition plans with a timeline for ceasing or scaling down activities such as coal and lignite mining or coal-fired electricity production

Climate Action and Low Carbon Development (Amendment) Act 2021

Ireland's Climate Action and Low Carbon Development (Amendment) Act 2021 establishes a legal obligation to achieve a 51% reduction in emissions by 2030 relative to 2018 levels and a national climate objective of a climate resilient, biodiversity rich, environmentally sustainable and climate neutral economy no later than 2050. The Act provides the framework for Ireland to meet its international and EU climate commitments and to become a leader in addressing climate change.

To enable the achievement of the national climate objective, there will be a system of carbon budgets, sectoral emission ceilings, annual updates to the Climate Action Plan, a national long term climate action strategy every five years and a national adaptation framework. Local Authorities must prepare individual Climate Action Plans which will include both mitigation and adaptation measures. The first draft carbon budget programme under the new legislation was proposed by the Climate Change Advisory Council in October 2021. The proposed carbon budgets must be approved by the Oireachtas within four months.

Promotion of a just transition is supported by Ireland's Climate Action and Low Carbon Development (Amendment) Act 2021 which situates a just transition to a climate neutral

economy as a process, within the wider statutory framework of climate action, which endeavours, in so far as is practicable, to maximise employment opportunities, and support persons and communities that may be negatively affected by the transition.

National Energy and Climate Plan 2021-2030

Ireland's National Energy and Climate Plan 2021-2030 (NECP) was prepared and submitted in accordance with Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action. The NECP incorporates all planned policies and measures that were identified up to the end of 2019 and which collectively deliver a 30% reduction by 2030 in non-ETS greenhouse gas emissions (from 2005 levels) to meet Ireland's obligations under the current EU Effort Sharing Regulation (Regulation (EU) 2018/842). Ireland will prepare an updated NECP to bring it in line with the statutory target emissions reduction target for 2030 contained in the Climate Action and Low Carbon Development (Amendment) Act 2021.

Relevant measures in the NECP include commitments to phase out peat and coal for power generation, by 2028 and 2025 respectively. The NECP further noted the decision by ESB to close two peat generation facilities in the Midlands by the end of 2020 (West Offaly Power Station in County Offaly, Lough Ree Power Station in County Longford), bringing forward significantly the expected closure -dates for these power stations. The existing planning approval for the remaining plant, Edenderry Power Station in County Offaly, using biomass and peat under its current configuration, is due to expire in 2023. Relevant measures included in the NECP to respond to this early closure announcement included the participation of the Midlands region in the EU Coal Regions in Transition Platform and the implementation of a cross-Government approach to supporting employment in the Midlands region, comprising:

- the appointment of a Just Transition Commissioner;
- the establishment of a Just Transition Fund to support the retraining and reskilling of workers and assist local communities and businesses in the Midlands to adjust to the low carbon transition;
- the allocation of funding for bog restoration and rehabilitation which will restore bogs to their natural habitat and become sinks that absorb carbon; and
- providing funding to pilot a new model to group housing upgrades together, targeted at the Midlands region.

In line with the decision of the ESB to close its two peat-fired power stations in the Midlands, the Environmental Protection Agency reported in its 2020 greenhouse gas emission inventory that peat-fired electricity generation fell by 51% in 2020 which contributed to a 7.9% reduction in power generation emissions. The exit from peat from power generation is expected to avoid at least 1.25 million tonnes of carbon dioxide emissions each year.

Just Transition Commissioner

The Government appointed a Just Transition Commissioner in November 2019 to help ensure a co-ordinated and effective approach to a just transition for the communities and workers affected by the ending of peat harvesting for power generation in the Midlands region. The Commissioner was tasked with making recommendations to the Government, on the basis of engaging with local stakeholders and in light of experience and good practice in other areas domestically and internationally, on the essential elements of a just transition for workers and communities most affected. Since his appointment, the Commissioner has prepared three reports for the Government on the delivery of a just transition in the Midlands region and will prepare a further report prior to the conclusion of his current mandate at the end of 2021.

Climate Action Plan 2021

The 2021 Climate Action Plan, published in November 2021, set out the policy commitments and indicative ranges of emissions reductions required in each sector of the economy in order to meeting the legally binding requirement to achieve a 51% reduction in emissions by 2030 relative to 2018 levels.

In this context, the Climate Action Plan has also committed to ambitious decarbonisation of Ireland's electricity system over the coming decade, with a target to reduce emissions from the sector from 10.6 million tonnes of CO₂ in 2018 to between 2 and 4 million tonnes by 2030. In addition to closing a number of older fossil fuel power plants, Ireland will increase the share of electricity demand generated from renewable sources to up to 80% where achievable and cost effective, without compromising security of electricity supply.

The Climate Action Plan sets out a just transition policy framework to ensure that Ireland effectively monitors and manages its transition to a climate neutral economy through the structures and responses which are in place and planned, that responses remain flexible,

and that areas in need of support are targeted. This policy framework is based on four principles:

1. An integrated, structured, and evidence-based approach to identify and plan our response to just transition requirements
2. People are equipped with the right skills to be able to participate in and benefit from the future net zero economy
3. The costs are shared so that the impact is equitable and existing inequalities are not exacerbated
4. Social dialogue to ensure impacted citizens and communities are empowered and are core to the transition process

The Climate Action Plan sets out an implementation plan for the Midlands region in response to the recommendations of the Just Transition Commissioner, focused on five key areas of action:

1. Peatlands Restoration Measures
2. Agricultural and Geological Research and Development Projects
3. Midlands Retrofit Programme for Local Authority Homes
4. National and EU Just Transition Funds
5. Training, Education and Enterprise Supports

This implementation plan also identifies the Midlands Regional Transition Team, an initiative of the Midlands' local authorities, as having an important role in coordinating regional and local strategic partnerships, pursuing funding opportunities to develop alternative forms of employment, attract investment, and maximise existing employment opportunities and resources. The Midlands Regional Transition Team has developed a framework for planning and co-ordinating transition in the region, with support from the European Commission's Secretariat Technical Assistance to Regions in Transition (START) facility which aims to leave a legacy of enhanced transition-related expertise, capabilities, and capacities in the coal regions that receive support.

1.2 Identify the territories expected to be the most negatively affected and justifying this choice with the corresponding estimation of the economic and employment impacts based on the outline of Section 1.1

Peat Resources and Bord na Móna

Ireland has extensive peat resources, much of which has been managed for commercial-scale peat extraction over decades by the semi-state company Bord na Móna (“Peat Board”). Bord na Móna was established in the 1940s with a mission to develop the peatlands of Ireland primarily as an indigenous fuel resource. The land under management by Bord na Móna extends to about 80,000 hectares, with over 130 individual bogs managed as bog groups.

Largely concentrated in the Midlands, these bogs were industrially developed for turf in the early years and subsequently for milled peat from the 1950s onwards. The milled peat method (in powder form as opposed to sod peat which is used for domestic heating) took bog development to a scale not experienced before in Ireland. Commercially extracted peat has also been used as a feedstock for the production of peat briquettes for domestic heating and as an input for the horticultural industry.

Peat extraction in Ireland is highly concentrated in the four counties of the Midlands NUTS 3 region (Laois, Longford, Offaly, Westmeath) as well as in parts of the adjoining counties of Roscommon, Galway, Tipperary and Kildare. Peat extraction mainly focused on the largest, most extensive bog areas such as the Bog of Allen complex in Kildare, the Clonsast and Derrygreenagh Bogs in East Offaly, the Boora and Blackwater complexes in West Offaly and East Galway, the Mountdillon Bog complex in Longford/Roscommon along the River Shannon, and the Littleton Bogs in North Tipperary.

Midlands Power Stations

The Electricity Supply Board (ESB) was established as a statutory public corporation in the Republic of Ireland under the Electricity (Supply) Act 1927. ESB operates across the electricity market from generation through to transmission and distribution to supply and has a regulated asset base of approximately €9 billion with 43% of electricity generation capacity in the all-island market.

Between 1950 and the late 1960s, ESB installed more than 400 MW of generating capacity based on the use of turf and at one time, peat constituted approximately one third of ESB's total capacity and was a valuable component of diversifying fuel sources. Peat had a large impact on rural development at that time, supporting the rural electrification programme, and this was particularly so in the Midlands area of Ireland.

Working in partnership with Bord na Móna, the ESB opened the power station in Lanesboro in 1958 which was designed to use milled peat, locally produced by Bord na Móna, in an attempt to reduce Ireland's dependence on imported fossil fuels in the wake of World War II. The station was decommissioned in 2004 and replaced by the newly constructed Lough Ree Power station. Shannonbridge was opened in 1965 and burned milled peat from surrounding bogs, covering 13,500 acres across counties Offaly, Galway, Roscommon and Westmeath. At the time it was built, Shannonbridge was the largest of five peat stations in Ireland and burned approximately 1 million tonnes of peat annually, delivered to the power station using a narrow railway gauge. Shannonbridge station was decommissioned in 2003 and replaced by the West Offaly Power station which opened in 2004 and was one of the largest peat burning facilities in the world. At the end of 2020, a number of years earlier than had been planned, both power stations ceased operations.

Two milled peat stations had also previously been operational in the Midlands, Rhode station and Ferbane station in County Offaly, which were both decommissioned in the early 2000s and were not replaced. There was also a peat power station in County Mayo, Bellacorrick, which was decommissioned in 2003. The sole remaining peat power station in the region and the country, Bord na Móna's Edenderry Power Station in County Offaly, is scheduled to continue to operate using biomass and peat under its current configuration and planning permissions until 2023.

Regional Impact

The peat industry, power generation and industrial heritage have been hugely significant for the Midlands region economically, culturally and socially. Bord na Móna and the ESB have been key sources of employment and have contributed to creating and maintaining communities which have traditionally been economically dependent on agriculture, peat harvesting and the energy industry. Both companies have had a strong economic and social role for several decades through the provision of well-paid employment, providing support for

local communities and sports clubs, and Bord na Móna funded the development of a number of housing schemes for its employees across the region

In 2018, Bord na Móna announced its Brown to Green Strategy setting out its commitment to move away from a traditional peat business into becoming a climate solutions company, and announced it would end its peat harvesting operations in 2021. The cessation of peat from power generation will bring climate, biodiversity and economic benefits, however the accelerated closure of the two ESB power stations and the decision of Bord na Móna to cease all peat harvesting has had a significant impact on the regional economy. The transition challenges relate to the loss of direct jobs in both the harvesting and supply of peat and operation of the power stations, as well as the loss of indirect employment through local contractors and suppliers and the ending of rates to the impacted local authorities.

As noted in the Just Transition Commissioner's reports and territorial analysis undertaken by the European Commission START team, this had clearly impacted the four Midlands counties and also the neighbouring counties of Roscommon, Tipperary, Galway and Kildare. They have experienced the transition challenges due to the fact that some of the bog groups and power generation infrastructure and works are based in these counties, or that employees reside in these neighbouring counties. These counties were subsequently included in the scope of the national Just Transition Fund.

European Semester 2020 Country Report

The 2020 European Semester Country Report for Ireland identified that Ireland's transition away from carbon-intensive sources of energy towards more sustainable, renewable energy sources will have a significant impact in the Midlands region and the workers in its electricity-generating industry. The Country Report recommended that the Just Transition Fund be concentrated on the Midlands NUTS 3 region (counties Laois, Longford, Offaly and Westmeath) and that investment seek to diversify the regional economy to make it more competitive and to alleviate the socio-economic costs of the transition.

Most Negatively Affected Territory

Analysis was carried out by consultants through the European Commission's Structural Reform Support Programme to assess the most impacted territory, building on the initial framework presented in the European Semester Country Report. It examined the eight

counties covered by the domestic just transition policy, together with County Clare due to the expected closure of ESB's coal fired power station, Moneypoint, later in this decade. The report identified the Midlands NUTS 3 counties as well as County Roscommon as the most negatively impacted territories.

This draft Plan has had regard to the recommendations of the European Commission and is aligned with the territorial coverage of the national Just Transition Fund. It provisionally identifies East Galway, North Tipperary, Longford, Laois, Offaly, Westmeath, West Kildare and Roscommon as the territories to be targeted.

The selection of the most negatively affected territory will be complemented by additional territorial analysis to consider potential negative impacts in parts of counties included in the analysis of the Just Transition Commissioner and European Commission START reports.

1.3 Identify the outermost regions and islands with specific challenges within territories listed under Section 1.1 and the specific amounts allocated for those territories with corresponding justification

Not applicable.

2. Assessment of transition challenges for each of the identified territories

2.1 Assessment of the economic, social and territorial impact of the transition to a climate-neutral economy of the Union by 2050

Peat for Power Generation as a Declining Sector

In the context of the EU Just Transition Fund, as per the European Semester Country Report, the relevant transition is the accelerated transition away from peat harvesting for peat fired power generation in the Midlands region. This immediate transition presents challenges for a predominantly rural territory that faces a number of social and economic disparities.

The transition to a low-carbon economy in Ireland will create challenges and opportunities throughout the Irish economy. Analysis conducted by the ESRI (De Bruin et al., 2019) reviewed sectors and regions set to face disproportionate labour impacts as a result of the transition process. The analysis indicates that the main labour market impact of the transition will be on the fossil fuel and transport sectors and it estimates a 31% decrease in labour demand by the peat sector. In the fossil fuel industry, the subsector of note is peat where the downstream effects are more significant as compared to coal which is imported rather than mined locally. Peat for power generation has been in decline in Ireland for a number of years and represented approximately 3% of total electricity demand in 2020.

This move away from peat extraction for power generation has become necessary because of the need for Ireland to reduce its greenhouse gas emissions to meet its climate change obligations. Peat harvesting activities had also been sustained through government support in the form of a Public Service Obligation (PSO) which obligated the ESB to purchase a fixed amount of peat-fired electricity. PSO funding for the ESB's purchase of peat for electricity generation ended at the end of 2019.

The Irish planning body, An Bord Pleanála, did not grant permission to ESB to transition the West Offaly power plant from peat to biomass by 2027. As a result, ESB decided not to pursue its planning application to Longford Co. Council for the Lough Ree plant in light of the reasons set out by An Bord Pleanála. A review of options for both West Offaly and Lough

Ree power stations revealed no viable business under the existing plant configuration model beyond 2020 and, therefore, both ESB stations, which burned two million tonnes of Bord na Móna peat each year, ceased generating electricity at the end of 2020. As noted in Section 1.2, the remaining power station, Edenderry, has permission to co-fire peat with biomass until 2023.

Socio-Economic Impact

The primary challenge during the transition out of peat has been the impact on jobs and communities in the impacted region as the labour-intensive industry of peat harvesting is wound down and replaced by less labour-intensive industries such as wind energy. Given the influence of both Bord Na Móna and ESB on the wider Midland region as both employers and drivers of regional economic development, their transition away from peat fuelled electricity generation has, and is likely to continue to have, had a negative clear impact.

The major employer in the peat power generation sector has been Bord na Móna. In 1980, BNM employed 7,100 people, with many others employed in seasonal peat extraction jobs with the company. The ESB, as operator of Lough Ree and West Offaly power stations, has also been an employer in the region; however, as a proportion of its overall workforce (approximately 8,000), these plants had a relatively small number of employees.

Employment levels in the peat extraction industry have declined over time. Prior to the closure of the two ESB power stations, Bord na Móna had taken steps to reduce the peat-related part of its business. In May 2017, in order to ensure the continuing viability of the peat briquette business, a decision was taken to close the Littleton briquette factory and to concentrate production at the Derrinlough facility. This decision resulted in the loss of up to 125 jobs at the Littleton facility, County Tipperary, in early 2018 and wider jobs in the peat supply chain. The closure of its coal distribution centres led to the loss of 45 jobs. Bord na Móna announced further redundancies as a result of wider economic factors including a fall in commercial revenues and horticultural sales as a result the COVID-19 pandemic.

Direct Job Impacts

It is estimated that 68 ESB staff in the West Offaly and Lough Ree power stations were impacted by the closure of the stations, comprising a mix of voluntary severance, voluntary early retirement and transfers to other parts of ESB, with no compulsory redundancies

applied. Of the staff who transferred to other roles within the company, the majority secured permanent roles with limited alterations to terms of employment.

Between January 2019 and May 2021, an estimated 1,000 employees were impacted in Bord na Móna, including seasonal workers, many of which were as a result of the closure of the two ESB power plants. It is estimated that 560 staff took voluntary redundancy, almost 150 availed of early retirement, and the remaining 350 transferred to other parts of the business. The majority of impacted employees were reported as being resident in the wider Midlands counties of Laois, Offaly, Westmeath, Kildare, Roscommon, Longford, Tipperary, and Galway. Over half of those who left the company were over 60.

By July 2021, approximately 350 BnM employees had transitioned from working in peat related activities (mostly peat harvesting, haulage etc.) to operating the Enhanced Decommissioning, Rehabilitation and Restoration Scheme (EDRRS). EDRRS is undertaking an ambitious rehabilitation and restoration programme of over 33,000 hectares across 82 Bord na Móna bogs which will protect the storage of 100 million tonnes of CO2 emissions, enhance biodiversity and will contribute to Ireland's target of being carbon-neutral by 2050. This has mitigated to some extent the expected negative job impacts by providing a transitional role and sustaining employment in the short to medium term. However, it is expected that this programme will have a specific lifespan and will eventually conclude. In addition, it is expected that the continued winding down of peat-related activities in the region, including at the briquette factory at Derrinlough (County Offaly), and potentially the power station at Edenderry (County Offaly), may have further negative economic and employment impacts in the region.

Indirect Job Impacts

In addition to examining the direct effects on Bord na Móna and ESB employees, it is also important to consider the wider employment effects on the regional economy through exploring the indirect and induced employment impacts. The indirect impacts are the estimated downstream impacts such as the reduction in indirect employment and business spend and indirect employment includes the hiring of external contractors, labourers, caterers and cleaners which would therefore be affected as plants and operations shut down. A 2018 report, prepared for Bord na Móna, estimated an indirect employment impact of the company's activities of 800 indirect jobs created within the region (Power, 2018). In

addition, the report estimated that on the basis of five jobs being created per €1m spent, the induced employment across the regional economy was approximately 400 jobs.

Planned diversification of company activities

Bord na Móna

The key challenge for Bord na Móna has been to transition from a business historically based on fossil fuels (peat) to a business, consistent with Government policy, which is primarily focused on renewable energy, whilst endeavouring to maintain employment and economic development in the Midlands. In recent years, Bord na Móna has moved to diversify its business away from a reliance on peat harvesting and company revenue generated from peat has declined significantly over the years. In January 2021, Bord na Móna confirmed it would permanently cease harvesting peat on its lands and focus its business on renewable energy, recycling, peatland restoration and the provision of other low carbon goods and services.

Its strategy to accomplish this goal has a number of facets including leveraging land assets to deliver renewable energy solutions (both wind and solar) and diversify into other business areas such as resource recovery. The company has re-entered a growth phase after a period of decline, which has been made possible by restructuring and taking out over €50m of costs, and reshaping business units and management teams to enable new developments. In addition, key to responding to the changing nature of power generation is having an agile and skilled workforce within the region and ensuring the required skill sets are available.

As a result of the ongoing transition away from peat, peat harvesting operations reduced to 10,000ha from 18,000ha in 2018 and this ongoing reduction means Bord na Móna's peat operations now account for one per cent of the nation's peatlands. Examples of the company's diversification away from peat include the below:

- In 2007, the company bought a waste recycling company - Advanced Environmental Solutions (AES) – and by 2019, approximately 500 people were employed in this part of the business.
- In 2015, it began operating the Mount Lucas Wind farm on 1,100 hectares of cutaway bog land in County Offaly. The windfarm generates 84MW of electricity per year, enough to power 45,000 homes, and employs around 50 people.

- Bord na Móna operates a landfill gas utilisation facility in County Kildare which generates renewable electricity for 8,500 homes.
- With 80,000ha of peatlands, land has been identified as one of its most significant assets which provides a multitude of commercial and non-commercial opportunities including biodiversity and ecosystem services. 15,000ha of peatlands have been rehabilitated and are available for non-peat commercial use.

ESB

ESB is also currently developing planning applications for both the Lough Ree and Shannonbridge power station sites as renewable energy centres to facilitate growth in the green technologies sector. This is in anticipation of future competitive tenders to be held by EirGrid and the Commission for Regulation of Utilities (CRU). The proposed technology includes synchronous condensers and energy storage capabilities at both locations.

2.2 Development needs and objectives by 2030 in view of reaching a climate neutral economy of the Union by 2050

Territorial Development Needs

A number of potential development needs and objectives have been identified to address the transition challenges in the period to 2030 and contribute to reaching a climate neutral economy by 2050, consistent with the Just Transition Fund scope of support and the intervention logic.

1. Modernise the Business Environment and Create Employment Opportunities
2. Enhance the Skills Profile
3. Focus on Environmental Sustainability and Industrial Heritage
4. Enhancing potential of region as a place to live and work

1. Modernise the Business Environment and Create Employment Opportunities

A key development need identified through the engagement process undertaken to support the Structural Reform Support Programme analysis was the provision of sustained employment for displaced workers and creating new economic opportunities for future

generations. The region has been identified as in need of developing jobs of the future and new opportunities for businesses to cluster, expand, innovate, particularly in the renewable energy and low carbon sectors. This would continue to leverage the region's assets, built over many decades, in energy production and engineering.

Support for research and development in industries in the region, such as green energy or peatland rehabilitation, will require coordination with Higher and Further Education Institutions and state training bodies in, or close to, the region. This could be developed as part of a cluster approach to ensure good matches between the skill needs of local businesses and skills development. There is a development need for the region to play to its strengths and engage in smart specialisation by utilising expertise developed in the areas such as Life Science, Advanced Manufacturing, Light Engineering, Food and Beverage, Biodiversity, Renewable Energy, Horticulture and Tourism. There is also scope to consider further potential funding for peatlands rehabilitation in the region.

A proposed objective is the creation of new job opportunities to address direct and indirect employment impacts identified in Section 2.1. It should be expected that through the implementation of this priority there will be additional economic opportunities and an improved, modernised business environment which encourages enterprises to establish and/or expand in the region and to invest in research and innovation. In terms of the intervention logic it is expected that this intervention type could contribute to job creation.

2. Enhance the Skills Profile

A central development need of the region and connected to the development need above is to enhance the productivity of the region.

Following the closure of assets associated with peat extraction, power generation training opportunities for directly and indirectly impacted workers could enable the acquisition of in demand, relevant labour market skills. The findings of the SRSP report on the challenges, needs and recommended actions were that the current availability of training opportunities in the region does not represent a major constraint to a just transition in the short term and that effective systems, operational structures, and targeted opportunities have been put in place for impacted workers, for example through the relevant Education and Training Boards and Department of Social Protection/Intreo labour market activation job fairs and skills assessments. There has been a high level of training provision in the region, reflecting national provision across the regions, through the regional Education and Training Boards and associated training centres, such as Mount Lucas in County Offaly and this has been relatively successful in responding to business needs and identifying training gaps. In

addition, the national Just Transition Fund has approved a grant of €590,000 specifically for impacted Bord na Móna employees to facilitate training and upskilling.

Notwithstanding this, additional interventions in the area of training, upskilling, career guidance and skills matching services could be beneficial to offer tailored support to the needs of the region or improved levels of existing service provision.

The territory has a lower level of educational achievement than the national average and a higher rate of young people not in education, employment or training (NEETs). This could partly be addressed through improved linkages between secondary education level and regional employers through enhanced career guidance.

3. Promoting Environmental Sustainability and Industrial Heritage

The Midlands region is well endowed with natural and industrial heritage infrastructure. Both ESB and Bord na Móna continue to have substantial landholdings and assets located in the region which is a major advantage to the territory in the long-term and offers diversification potential.

The Bord na Móna EDRR scheme and wider Brown to Green Strategy will ensure that industrial activity and investment continues in the region whilst supporting the role of peatlands as carbon sinks and potentially, where appropriate, as locations for renewable energy infrastructure development. Similarly, ESB's plans in relation to the development of the sites of the two power stations demonstrate a commitment to invest in renewable energy generation and energy storage in the region on a long-term basis. Bord na Móna is also exploring new activities to leverage its significant land holdings in the areas of biodiversity and tourism which are likely to bring spin-off benefits for the territory.

The presence of Bord na Móna in the impacted territory since the 1940s has had a significant cultural impact and likewise for the ESB power generation infrastructure. The National Economic and Social Council has stressed the importance of recognising the historical and cultural context of places and communities in a just transition process (NESC, 2021). Cultural and industrial heritage should be preserved in order to maintain a sense of strong community and pride of place.

Lough Boora is a living example of combining environmental sustainability and industrial heritage to create new economic opportunities and contribute to improved amenities and quality of life. It once supplied over a million tonnes of peat every year and is now a sanctuary for wildlife, with a visitor centre and 24 land sculptures, inspired by the area's

industrial heritage. It is a prime outdoor recreation attraction with an extensive network of off-road walkways and cycle paths.

Objectives to be pursued through supported operations could recognise the historical and cultural context of the impacted territory and communities by harnessing the 'collective passion' expressed for the bog lands. This could be developed through supporting operations which facilitate appropriate tourism and cultural heritage projects to strengthen the attractiveness of the territory as a destination to visit and contribute to job creation.

4. Enhancing potential of region as a place to live and work

Communities which suffer negative transition events are often unable to retain their population and skilled workers in particular. A focus of the implementation of the Just Transition Fund priority could seek to retain people in the region by providing opportunities for work and education and developing regional resilience. Prior to Covid-19, according to CSO data, 24,000 people exited the region for work and study purposes on a daily basis. While this trend is not unique to the Midlands region given employment concentration in the main cities and other large urban centres, the creation of more employment opportunities and development of the enterprise base could provide be a counter-balance to this trend.

A shortage of new business and office space and enterprise and digital hub space in the region has been identified, particularly close to impacted towns. Support could be considered for the objective of creating additional office space and remote working facilities, and to develop business and innovation hubs which offer businesses attractive landing spaces and employees the potential for remote work within their locality. Support could also be considered for infrastructure investments that help to promote intra-regional access and connectivity.

The Midlands has one of the highest shares of young people in the country, which offers important development opportunities as if young people can be convinced to remain within the region for work and study it will ensure a regional vibrancy and resilience for the next generation. Thus, considering the opportunities for young people within the region is fundamental to a successful transition and closely aligned with creating employment opportunities and education and training supports.

2.3 Consistency with other national, regional or territorial strategies and plans

National Planning Framework

The National Planning Framework put forward ten National Strategic Outcomes (NSOs) which are aligned with the UN Sustainable Development Goals (SDGs). The most relevant NSO to the EU Just Transition Fund is Objective 8 ‘Transition to a Low Carbon and Climate Resilient Society’ which includes green energy and new energy systems. This objective will shape investment choices over the coming decades in line with the National Mitigation Plan and the National Adaptation Framework. The objectives could also contribute towards achieving National Strategic Outcome 5: ‘A Strong Economy Supported by Enterprise Innovation and Skills’ and NSO 7 ‘Enhanced Amenities and Heritage’. The Just Transition Fund could contribute towards leveraging the impacted region’s central location to enable strategic investment by developing employment, infrastructure, improving quality of life and strengthening county towns and principal settlements as indicated in the National Planning Framework (2018).

National Development Plan 2021-2030

EU Just Transition Fund supports will need to ensure consistency with the priorities set out Ireland’s National Development Plan strategic investment priorities. In particular, this could be in relation to rural development, enterprise skills and innovation capacity, cultural heritage, sustainable public transport, and sport and climate action. The National Development Plan will provide energy research funding to accelerate the diversification away from fossil fuels to green energy, including wind, wave, solar, biomass, biofuels, biogas and hydrogen. The long-term objective is to transition to a net-zero carbon, reliable, secure, flexible and resource-efficient energy services at the least possible cost for society by mid-century.

The National Recovery and Resilience Plan (NRRP)

Ireland’s National Recovery and Resilience Plan was endorsed by the European Commission in July 2021 and its objective is to contribute to a sustainable, equitable, green and digital recovery effort in a manner that complements and supports the Government’s wider recovery efforts.

Advancing the green transition is one of the three priorities of Ireland's National Recovery and Resilience Plan. Enhanced rehabilitation of Ireland's peatlands will also be supported under the NRRP. The development needs and objectives of the EU JTF as outlined will support the NRRP by contributing to advancing the green transition priority investments. In particular, this will relate to supports to enterprise to support their engagement in green research, development and innovation.

Climate Action Plan 2021

As outlined in Section 1.1, the 2021 Climate Action Plan outlines four principles of a Just Climate Transition and sets out a Just Transition implementation plan for the Midlands region. Development of the Territorial Just Transition Plan and Programme are included in the 2021 Climate Action Plan and there will be alignment between the 2021 Climate Action Plan and the EU Just Transition Fund in the development of actions.

National Smart Specialisation Strategy

The Department of Enterprise, Trade and Employment is developing an updated Smart Specialisation Strategy (S3) for Ireland, covering the period to 2027. It will incorporate regional level consultation, including through revised Regional Enterprise Plans (REPs), which will give a local and regional insight to innovation priorities. Ireland's approach to Smart Specialisation will be reflected in Ireland's new research and innovation strategy, the development of which is being led by the Department of Further and Higher Education, Research, Innovation and Science.

The consultation document for the S3 Strategy notes the rising level of intra-regional disparities in the Eastern and Midland region between Dublin and the Midlands, with the difference in disposable income per capita between Dublin and the Midlands increasing from a gap of €3,201 per capita in 2009 to a gap of €9,028 in 2019. Further challenges are evident from several indicators related to the productive capacity of the region's economy, including the distribution of urban centres, research and innovation capacity, high-value added sectors, third level attainment rates and exporting capabilities. It identifies the low carbon economy and manufacturing processes and technologies as areas of economic opportunity for the Midlands.

Rural Development Policy: Our Rural Future 2021-2025

The Rural Development Policy 2021-2025 states that the challenges likely to face rural Ireland over the coming years are consistent with patterns affecting rural areas globally. These challenges will be driven by trends such as the impacts of ageing populations, urbanisation, the rise of emerging economies, climate change and environmental pressures, increased globalisation, and technological breakthroughs. Ensuring the most affected territory continues to develop and realise its potential requires building resilience to deal with the transition by the provision of measures for sustainable growth.

National Peatlands Strategy 2015

The National Peatlands Strategy 2015, which is currently undergoing a mid-term review, outlines general principles in relation to the use and management of peatlands. It notes that Ireland's peatlands will continue to be used for many purposes including agriculture, development, peat extraction, forestry, conservation and amenity. There is alignment between the aims and objectives of the EU Just Transition Fund and the National Peatlands Strategy regarding the future uses of peatlands including alternative energy, agriculture and horticulture, forestry, biodiversity and ecosystem services, amenity, and tourism.

Other relevant national plans and strategies include:

- Action Plan for Apprenticeships 2021-2025
- Further Education and Training Strategy 2020-2024
- Making Remote Work - National Remote Work Strategy
- National Skills Strategy 2025
- Pathways to Work 2021-2025

Eastern and Midland Regional Spatial and Economic Strategy (RSES) 2019-2031

The RSES for the Eastern and Midland Region, adopted in 2019, sets out the long-term spatial, economic and climate policies for the region within the context of an investment framework for the Eastern and Midland Region (EMR), comprising 12 counties. The EMR includes the four NUTS 3 Midlands counties of Laois, Longford, Offaly and Westmeath and County Kildare. Regarding the wider midlands, the counties of Galway and Roscommon are included in the Northern and Western Regional Assembly (NWRA) area and county Tipperary is in the Southern Regional Assembly (SRA) area. The NWRA and the SRA each have their own RSES, both of which were adopted in 2020.

The EMRA Strategy describes the Midlands as a dynamic region, centrally located in the heart of Ireland with a high-quality environment and quality of life and unparalleled national interconnectivity. The Economic Strategy is based on five key principles including smart specialisation and a strategic approach to clustering to reinforce regions in their most advanced industrial sectors and to diversify economic bases. The Spatial Strategy prioritises investment in key locations of scale that support their wider hinterlands in order to build critical mass in population and the enterprise base of settlements to attract and retain investment and talent.

The Midlands is categorised as the gateway region in the growth strategy and Athlone, County Westmeath, is named as a Regional Growth Centre to act as a regional economic driver and support its wider catchment areas. It sets a vision of the key Midlands town of continued growth with a focus on quality of life and securing the investment to fulfil its role as a key regional growth centre and economic driver in the centre of Ireland and to act as a lead town for the Midlands.

Some areas in the region have emerged mainly as commuting towns experiencing high rates of population growth but with a weak level of services and functions for their resident populations. These towns require catch-up investment in local employment and services in order to become more self-sustaining. The Hidden Heartlands, the tourism branding strategy for the Midlands led by Failte Ireland, is a key regional development objective.

The RSES sets out a list of sectoral opportunities for the region's economic engine which should be considered in the regional economic context for smart specialisation based on Regional Enterprise Plans, Local Economic and Community Plans and localised enterprise strategies. The presence of the third level institute in Athlone is identified as enabling the region to play an increasingly strong role as key driver of economic growth. Identified sectoral opportunities for the Midlands include:

- Advanced manufacturing, smart manufacturing, medical devices, pharma/bio, food and engineered products,
- Food and Beverage Industry including sustainable foods, meat products, agri-biologicals, bio-refining,
- Tourism including experiential tourism,

- Other, including precision farming, global engineering services outsourcing, renewable energy.

The Regional Spatial and Economic Strategy highlights the need for tailored investment to deliver a just transition for the wider Midlands area. Furthermore, investment to manage economic structural change in sectors, including agriculture, is required. The investment will be required to manage the impact of Brexit and, in particular, the impact on the agriculture sector. The need to support rural towns and communities is highlighted, including through improving connectivity, providing serviced sites in rural towns and villages, and supporting job creation.

The RSES also prioritises the delivery of a network of strategically connected National and Regional Greenways, including the Dublin-Galway Greenway and a connected network of greenways, blueways and peatways. This serves a wide variety of biodiversity and recreation functions as well as significant potential for tourism and diversification of rural and local economies. Guiding principles are set out which advise consideration of the potential contribution of peatlands to climate change mitigation and adaptation. This would include support for the rehabilitation of suitable peatland habitats in line with the ongoing rehabilitation scheme.

Regional Enterprise Plans

Regional Enterprise Plans are developed by regional stakeholders and focus on undertaking collaborative initiatives that can help realise enterprise growth and job creation in each of the nine regions across Ireland. These ‘bottom-up’ plans complement and build on core strategies of the Enterprise Agencies, the Local Enterprise Offices and the wider range of State Bodies directly involved in supporting enterprise development in the regions. They aim to garner added value and increased impact through regional and local actors working collaboratively on vulnerabilities and new enterprise development opportunities in the regions.

Implementation of each Regional Enterprise Plan is overseen by a Regional Steering Committee comprising representatives of the Local Authorities, LEOs, Enterprise Ireland, IDA Ireland, Regional Skills Forum, Higher and Further Education Institutes, Education and Training Boards, private sector, and others, and is chaired by a senior level private sector

person. It is expected that Regional Enterprise Plans for the period to 2024 will be finalised early in 2022.

County Development Plans

The objective of a County Development Plan is to outline a strategic framework for the sustainable development of the specified Local Authority area. Most existing County Development Plans are currently under review and will be adopted by each County Council in the coming months. The County Development Plans from the local authorities in the impacted territory refer to supporting employees and communities in the just transition process.

Local Economic and Community Plans (LECP)

The purpose of a LECP is to set out the objectives and actions needed to promote and support the economic development of the relevant local authority area. The latest LECPs are from 2016 and are due to come to expire during 2021/2022. The Government has recently published guidelines on the preparation of new LECPs to cover the next six-year period. These guidelines anticipate that the LECP is a key framework through which climate action interventions can be delivered at the local authority level and that consideration of the role of the LECP in supporting the delivery of actions in Local and National Climate Action Plans should form part of the LECP with specific actions included in Implementation Plans as appropriate.

Local Climate Action Plans

The Climate Action and Low Carbon Development (Amendment) Act, 2021, requires all Local Authorities to prepare individual Climate Action Plans which will include both mitigation and adaptation measures. These plans must be aligned with County Development Plans. All Local Authorities currently have Climate Change Adaptation Strategies covering the period 2019 to 2024.

2.4 Types of operations envisaged

In order to develop the Territorial Just Transition Plan and programme, the Department as Member State and EMRA as Managing Authority are required to identify the types of operations which could be supported by the EU Just Transition Fund for the negatively impacted region.

Actions should directly contribute to alleviating the impact of the transition by mitigating the negative repercussions on employment and by financing the diversification and modernisation of the local economy. All activities supported by the EU Just Transition Fund must be linked to its specific objective and contribute to the implementation of the Territorial Just Transition Plan. JTF investments should therefore focus primarily on diversifying local economies and reskilling or upskilling workers and jobseekers. Other activities covered by the thematic scope of the JTF Regulation can also be supported if their contribution to alleviate the impact of the transition is justified in the Territorial Just Transition Plan. All operations must benefit the Territorial Just Transition Plan territory.

So that territories impacted by the transition can achieve greater economic diversification, the JTF can provide support to enterprises and economic stakeholders such as support for productive investment in SMEs (including micro-enterprises and start-ups). It can also invest in the creation of new firms, including through business incubators and consulting services. Importance should be given to sectors with a strong job creation potential to mitigate negative repercussions on employment, particularly in sectors with growth potential.

To mitigate the negative repercussions on employment, the JTF can support the upskilling and reskilling (including training) of workers and jobseekers in sectors with a local employment potential (either existing or to be created). It can also support job-search assistance (guidance and counselling, assessment, and validation of prior learning) for jobseekers and support their active inclusion in the labour market.

The assistance to jobseekers can benefit workers who have lost their job in sectors in the Territorial Just Transition Plan territory even if they are not residing in that territory. The JTF cannot finance early retirement schemes or compensation schemes for workers who have been laid off.

Economic diversification and upskilling or reskilling are related to the objectives and support provided through smart specialisation strategies and thus there must be consistency with the

national Smart Specialisation Strategy. Support for new economic activities should be focused, where relevant, on areas identified as promising in these strategies - the JTF should support a development path in line with the endogenous potential and capabilities of territories.

JTF support for economic diversification can only focus on activities that are in line with the European Green Deal so cannot support economic activities that would do significant harm to environmental objectives (including climate change mitigation), such as unsustainable biomass. Therefore, when considering JTF support for other economic activities, activities should be carefully assessed to determine whether they respect the 'do no significant harm' principle and avoid lock-in into pathways that are not compatible with climate neutrality.

While the JTF should primarily support economic diversification and measures to address negative employment impacts, other activities are eligible as well. These include research and innovation, investments in energy efficiency and renewable energy, smart and sustainable local mobility, digitalisation, soil regeneration, circular economy and social infrastructure for the purposes of child- and elderly-care facilities and in training centres, including local social services.

These activities can only qualify if they are directly linked to the JTF specific objective and contribute to the implementation of the Territorial Just Transition Plan. Any investments in these areas need to be justified by their contribution to mitigating the impacts of the transition and their link to the transition challenges identified in the Territorial Just Transition Plan. Investments that do not help to alleviate the impacts of the transition or are not linked to the transition challenges identified in the Territorial Just Transition Plan should not be funded by the EU JTF.

The Territorial Just Transition Plan may also include an indicative list of operations and enterprises other than SMEs to be supported and for each of them a justification of the necessity of such support through a gap analysis demonstrating that the expected job losses would exceed the expected number of jobs created in the absence of the investment.

In addition, the Territorial Just Transition Plan may also propose a list of operations to be supported to provide investments to achieve the reduction of greenhouse gas emissions from activities listed in Annex I to Directive 2003/87/EC (the EU Emissions Trading System Directive) and a justification that they contribute to the transition to a climate- neutral

economy and lead to substantial reductions in greenhouse gas emissions going substantially below the relevant benchmarks established for free allocation under Directive 2003/87/EC and provided that they are necessary for the protection of a significant number of jobs.

Recommended Actions from Structural Reform Support Programme Analysis

The Structural Reform Support Programme consultancy to support the preparation of Ireland's Territorial Just Transition Plan identified a number of potential specific interventions based on a just transition intervention logic and in line with the provisions of the EU JTF in terms of the mitigation of the social, economic, and environmental impacts on the most-affected territory.

It should be noted that these proposed interventions do not yet represent comprehensive proposals for implementation by relevant Departments or agencies. Consideration by the Department of the Environment, Climate and the Environment, in conjunction with other relevant Government Departments, will be further informed by feedback from consultation on the draft Territorial Just Transition Plan.

The selection of interventions for the final Territorial Just Transition Plan must also align with national and regional policy and investment priorities and be coherent with planned investment under the National Development Plan and relevant EU funds.

The recommended interventions have been grouped into the four proposed development needs identified in section 2.2.

Development Need 1: Modernise the Business Environment and Create Employment Opportunities

Action 1: Midlands Green Energy Cluster: Dedicated Staff and Development Plan

A green energy cluster located in the Midlands, supporting the development of renewable and sustainable energy technologies. Would entail creating a development plan which would include dedicated staffing to develop the proposal, carry out a cluster mapping exercise and co-ordinate a vision to carry forward into implementation stage.

Action 2: Midlands Green Energy Cluster: Business Supports and Advice

Support the skills capacity for the development of the green energy cluster and the

Midlands Retrofit Programme through providing business supports and advice for construction workers and businesses on how to establish and grow one-stop-shops for retrofit projects.

Action 4: Entrepreneurship and Social Enterprise Training & Support for Low-Carbon Services

Fund staff and training to create business incubators focusing on supporting enterprises to set up in the green economy. Could include technical advisors to evaluate and mentor emerging low carbon projects and advise businesses on how to transition to more sustainable practices and engage with the green energy cluster. Provide mentorship within communities.

Action 12: Expand Midlands Retrofit Programme to Private Housing and Retrofitting Public Buildings

In line with energy efficiency priorities, retrofit private housing to be part of an expanded Midlands Retrofit scheme which is focussed on social housing. Also to consider improving the energy efficiency of all public buildings in the region to a level that is commercially viable.

Action 13: Supporting Smart Specialisation Strategies

A number of smart specialisation strategies have been identified as areas which could be further supported to enhance the productivity of the region, for example: a Food and Drink cluster, Robotics, Telecommunications and Sustainable Advanced Manufacturing.

Development Need 2: Enhance the Skills Profile

Action 3: Midlands Green Energy Cluster: Training Centres of Excellence

This action would develop and enhance training facilities to enable the region to operate as a retrofit training centre of excellence, also supporting the development of the Midlands Green Energy Cluster, the Midlands Retrofit Programme and the National Recovery and Resilience Plan's Green Skills Action Programme.

Action 5: Green Ambassador Enhanced Employment Scheme

Develop an enhanced (supported) employment scheme for impacted employees in "Green Ambassador" roles. These roles could be linked with the green energy cluster, circular economy and sustainable waste management objectives. Further training could

be offered to provide skills in areas such as baseline energy audits and retrofit of public buildings.

Action 6: Career Guidance Personnel for Secondary Level Students

Fund regional career guidance personnel to co-ordinate and provide information to existing career guidance services so that secondary level students are more efficiently matched to further and higher education and job opportunities in the region.

Development Need 3: Promoting Environmental Sustainability and Industrial Heritage

Action 11: Developing the Midland's Tourism Potential

Support tourism initiatives in the Midlands links to build on the national JTF tourism projects and Fáilte Ireland's Hidden Heartlands. Tourism is growing in the Midlands on the back of both the new Ireland's Hidden Heartlands brand and on the renewed interest in the region from the domestic market during 2020 and 2021.

Action 10: Extension of Peatlands Restoration

Expand the current peatlands rehabilitation scheme - the current Enhanced Decommissioning, Rehabilitation and Restoration Scheme (EDRRS) - from 33,000 hectares to cover additional hectares designated for rehabilitation or develop an additional/distinct programme for National Parks and Wildlife Service (NPWS) sites.

Action 15: Support for the EU LIFE Project/Agricultural Training

Peatlands and People project includes Just Transition Accelerator, Peatlands Knowledge Centre of Excellence and People's Discovery Attraction. Skills development in agricultural practices through upskilling former peat workers to assist in creating local job opportunities. Support, animation and training services to upskill farmers for opportunities in sustainable agricultural activities.

Development Need 4: Enhancing potential of region as a place to live and work

Action 7: Scoping for Development Sites - FDI, Business and Community Facilities

Carry out a scoping exercise to identify suitable sites for workspace investment including workplaces suitable for IDA and LEO businesses, remote working hubs and community facilities. This could include unused buildings which could be repurposed for regeneration

of towns.
<p>Action 8: Repurposing of Existing Sites - FDI, Business and Community Facilities</p> <p>Further to Action 7 above, a dedicated fund would be made available to repurpose the existing sites including refitting technology and facilities. This may include unoccupied office space, factories, manufacturing centres, or other spaces.</p>
<p>Action 9: Community Support Fund for Microenterprise, Active Mobility & Circular Economy</p> <p>A community support fund to enable Local Action Groups to support employment and economic development through micro-enterprises, active mobility and the circular economy. Targeted at supporting small enterprises. Could play a beneficial role in terms of creating direct employment opportunities for displaced workers.</p>
<p>Action 14: Improved Local Mobility</p> <p>Put in place improved regional transport links and improve bus links between towns, remote working hubs/offices and educational institutions to ensure better public transport infrastructure for potential employees and address rural isolation. May include electric vehicle charging points.</p>

2.5 Synergies and complementarities of the envisaged operations with other relevant Union programmes under the Investments for jobs and growth goal (supporting the transition process), other financing instruments (the Union Emissions Trading Modernisation Fund) to address identified development needs

In order to ensure Ireland maximises the use of the EU funding it receives, particular attention to examine potential synergies and complementarities between funds is necessary, as well as potential for overlap between interventions and duplication of funding.

At a strategic level, there are clear potential synergies between just transition supports and the European Regional Development Fund (ERDF) and European Social Fund Plus (ESF+) priorities. As currently presented, the two ERDF programmes will focus on PO1 “A smarter Europe” around the implementation of smart specialisation, support to businesses, and collaboration between research bodies and industry which could align to the JTF territory. ERDF will also support actions under the priority “A Greener Europe” which aligns with the overall aim of the JTF and development needs. ESF+ will focus on employment, skills and

lifelong learning, activities which are broadly aligned with the objective of the JTF to address the social impacts of the transition.

The Recovery and Resilience Fund (RRF) presents potential for synergies with the EU JTF. As outlined in Ireland's National Recovery and Resilience Plan (NRRP), the first priority is to advance the green transition which includes, inter alia, the enhanced rehabilitation of peatlands and an overall acceleration of the decarbonisation of the enterprise sector. The third priority of the NRRP relates to social and economic recovery and job creation, objectives that are in line with the aim of the JTF. Other thematic EU funding programmes could offer interesting complementarities with actions supported by the EU JTF, including Horizon Europe, Life+ programme and Erasmus+.

Once finalised, all envisaged operations will be reviewed to ensure they demonstrate synergies and complementarities with other relevant Union programmes under the Investment for jobs and growth goal (supporting the transition process) and other financial instruments to address the identified development needs. The respective managing authorities of the Funds will explore ways in which synergies and complementarities can be further developed between EU funding programmes during the lifetime of the programmes.

2.6 Synergies and complementarities with planned support from the other pillars of the Just Transition Mechanism

Investments under the Just Transition Fund may be complemented by a combination of grants and loans to private sector entities under a dedicated window of the EU's InvestEU instrument (Pillar 2) or through a specific Public Sector Loan Facility managed by the European Investment Bank (Pillar 3). Proposed investments in larger projects, for example, in relation to transport, energy efficiency, or retrofitting, may be better suited to seeking support from these pillars, particularly if sponsored by larger private sector entities or by public bodies.

Under Pillar 2, the InvestEU Just Transition Scheme will provide a budgetary guarantee under the InvestEU programme and the InvestEU advisory hub will act as a central entry point for advisory services. It will provide around €1.8 billion from the EU budget to the InvestEU Programme and is expected to mobilise €45 billion in mostly private sector investments across the EU. It could, for example, include projects for decarbonisation, economic diversification of the regions, energy, transport and social infrastructure. The

InvestEU Just Transition Scheme may enable investments in a wider range of projects than the Just Transition Fund.

Under Pillar 3, a new Public Sector Loan Facility (PSLF) (Regulation 2021/1229) will combine €1.5 billion of grants financed from the EU budget with €10 billion of loans from the European Investment Bank. The PSLF aims to provide subsidised financing to public sector projects for the benefit of the regions concerned, targeting projects which do not generate revenue and would otherwise not get financed. For example, investments in energy and transport infrastructure, district heating networks, renovation or insulation of buildings, environmental infrastructure for smart waste and water management, transition to a circular economy, land and ecosystem restoration and decontamination up-skilling, re-skilling, training and social infrastructure including care facilities and social housing.

Investments under the Just Transition Fund may be complemented by a combination of grants and loans to private sector entities under a dedicated window of the EU's InvestEU instrument (Pillar 2) or through a specific Public Sector Loan Facility managed by the European Investment Bank (Pillar 3). Once finalised, all envisaged operations will be reviewed to ensure they demonstrate synergies and complementarities with planned support from the other pillars of the Just Transition Mechanism and sectors and thematic areas envisaged to be supported under the other pillars.

3. Governance Mechanisms

3.1 Partnership

In line with Article 8 of the Common Provisions Regulation (CPR) in relation to the partnership principle, the development, implementation and monitoring of the Plan will benefit from the involvement of key stakeholders representing a multi-level governance. The territorial plan and programme will build on already existing key relationships developed over the years in relation to the Just Transition process in the impacted territory, in particular, the work carried out by the Just Transition Commissioner and the Midlands Regional Transition Team. This section of the territorial plan will be completed following the consultation process and finalisation of the plan.

To inform the preparation of the EU Just Transition Fund supports, a broad range of stakeholders have been consulted on the type of actions that should be supported, ranging from local authorities to impacted businesses, key social and regional actors, agencies and

research bodies. Relevant Government Departments have also been consulted with on potential types of operations to ensure consistency and coherence at national level.

The Eastern and Midland Regional Assembly as managing authority will build on its strong relationships with local authorities and other regional stakeholders to facilitate their involvement in the development of the Plan. When it comes to implementing the Plan, the managing authority will consider the added value of the appointment of Intermediate Bodies in compliance with the CPR in relation to the management and control system.

3.2 Monitoring and evaluation

A key tool for the monitoring of the implementation of the Plan will be the programme monitoring committee. In accordance with Article 39 of the CPR, the composition of the monitoring committee should include relevant stakeholders to ensure representation across economic, social and environmental dimensions.

In addition, as per the regulation, the managing authority, in association with the Member State, will carry out evaluation measures of the programme, focusing on key dimensions including effectiveness, efficiency, relevance, coherence and EU added value. An evaluation plan will be drafted after the adoption of the plan and the programme and will be submitted to the monitoring committee for approval.

The monitoring of the programme and plan implementation, as per the CPR, must be based on the performance framework designed for it. Output and result indicators will be selected in line with the priorities of the Fund, including the setting of targets and milestones for output indicators. Specific monitoring actions will be put in place. The Member State and managing authority will ensure that progress on the implementation of the plan is reported alongside the evaluation of the programme, including activities supported under Pillars 2 and 3 of the Just Transition Mechanism if relevant.

As per the CPR, a mid-term evaluation of the programme must be prepared in 2025 outlining the progress made in achieving milestones for output indicators delivered through the plan.

3.3 Coordination and monitoring body/bodies

The Department of the Environment, Climate and Communications (DECC) is the Member State authority and will have overall responsibility for the implementation of the plan. The Eastern and Midland Regional Assembly is the managing authority for the EU JTF. As per

the Common Provisions Regulation, EMRA as managing authority will be responsible for the overall management of the Fund which will include functions such as the selection of operations, monitoring and reporting on performance, communicating about the programme and its results, monitoring the implementation of the Plan in conjunction with the monitoring committee. At national level, a Partnership Agreement Monitoring Committee is established which comprises all programme bodies and a wide range of stakeholders to monitor the implementation of all the Funds covered by the CPR in Ireland.