



Second Just Transition Progress Report
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Kieran Mulvey
Just Transition Commissioner

Table of Contents

Section 1 – First Progress Report	1
Introduction	1
1st Report.....	1
Response of Minister	2
Response of Government	2
Implementation Plan	4
Section 2 – Response to 1 st Report	6
Response of Interested Parties	6
Media Engagements on the Report	7
Section 3 – Developments since 1 st Report	8
Introduction	8
Programme for Government	8
EU START Programme.....	10
MRTT START Engagement Process & Project Pipeline	10
START Socio-Economic Profile	11
START Future Education and Skills Paper	11
National Just Transition Fund	11
European Just Transition Mechanism & European Just Transition Fund	12
Bord na Móna’s Decision on Peat Harvesting.....	13
Possible Projects in the Midlands	14
Section 4 – Next Steps	16
Introduction	16
MRTT and Working Groups.....	16
MRTT - START.....	16
Announcement of Just Transition Fund Successful Projects	17
Territorial Plan for the European Just Transition Fund	17
Private Sector Interest	18
Local Authorities and their Services	18
Rates Income.....	18
Geology Potential of the Region	18
Section 5 - Conclusion.....	20
Appendix 1	21

Section 1 – First Progress Report

Introduction

The Terms of Reference of my appointment as the first Just Transition Commissioner require me to report quarterly to Government through the Minister for Communications, Climate Action and Environment. This report is intended to update the Minister on progress since my first report and is timely as it coincides with Mr Eamonn Ryan, TD, taking over as Minister for Communications, Climate Action and Environment in the new Government.

1st Report

My first Report was presented to the then Minister for Communications, Climate Action and Environment, Mr Richard Bruton TD, in May 2020. This followed an extensive engagement process from November 2019 to March 2020 with a wide range of stakeholders in the Midlands, at national and Government level, and with the EU START Team. Unfortunately, the process was affected somewhat by the COVID-19 health emergency, which reduced ability for face-to-face meetings and curtailed further wider engagement with Community interests. However, interactions with some stakeholders and bodies continued on-line and the final report was published by Government on 22 May 2020.

As requested by Government, the report set out several recommendations as the essential elements of a Just Transition for workers and communities affected by the ending of peat harvesting in the Midlands region. These include:-

1. Reconstitution of the Midlands Regional Transition Team (MRTT) so that it has a more regional scope and covers all the areas affected by the cessation of peat harvesting for electricity generation. This recommendation includes the establishment of subcommittees to deal with areas such as education and training, employment retention and creation, and community and social enterprise interventions.
2. The availability of the Just Transition Fund as soon as possible.
3. Coordination of existing work by Co Councils to access funds and programmes so that the best outcome for the whole region is achieved. This cooperation to be achieved through cross-county consortia to coordinate applications for both Government and EU funding schemes. Areas for coordination include:-
 - a. Infrastructure
 - b. Use of land and facilities potentially available following the cessation of peat harvesting for electricity generation at Lanesborough and Shannonbridge
 - c. Tourism, Heritage and Leisure
 - d. Centre for Climate Change and Just Transition
 - e. Incentivising green enterprises
 - f. Possibility of the Midlands as a Renewable Energy Hub
4. Streamlining planning/licensing processes and regulations
5. Possible uses of Carbon Tax
6. Electric Vehicle charging points
7. Engagement on loss of Rates income

Response of Minister

The first progress report was published on 22 May 2020. On publishing the Report, Minister Bruton said that he was *“acutely aware of the impact the early exit from peat was having on workers and their families and on the Midlands more broadly”*, which was being compounded by the COVID-19 pandemic. The Minister added that *“securing sustainable employment opportunities for the region and a just transition for those most severely affected must be at the heart of our response”*. He said that a detailed implementation plan would be prepared in response to the Report's recommendations. However, he said that urgent action must be taken in some key areas, and the Just Transition Fund would get money to those who can make a big difference.

Response of Government

The Government welcomed the first Progress Report, saying that it represents a significant milestone in addressing the impacts on Midlands' counties of transitioning away from the use of peat to meet our energy needs, and that it will also form an important element of the wider economic stimulus that will be required to address the broader and severe economic fallout from the COVID-19 crisis.

The Government said it would consider all the recommendations made, and publish a detailed Implementation Plan, which would be updated in the light of future progress reports.

The Government's immediate response includes the following:-

Agree an appropriate and efficient **Governance** arrangement for managing Just Transition in the Midlands Region – in consultation with key stakeholders, including Local Authorities, State Agencies, MRTT, EMRA and Government Departments.

The Government's **Just Transition Fund** for the Midlands amounts to €11 million in 2020, including €6 million through the Carbon Tax and €5 million from ESB. Progress made on this Fund is set out in Section 3.

€20 million of carbon tax revenue was allocated in the Budget to the Department of Housing, Planning and Local Government to support a new **energy efficiency aggregation scheme** in the Midlands, with potential to retrofit approximately 750 local authority homes.

€5 million was provided in Budget 2020 for **peatlands rehabilitation** by the National Parks and Wildlife Service of the Department of Culture, Heritage and the Gaeltacht. This scheme will rehabilitate 1,800 hectares on nine raised bog protected sites across seven counties in the Midlands. In addition, the Department of Communications, Climate Action and Environment and Bord na Móna are progressing the development of appropriate measures to facilitate the advanced rehabilitation of a further 33,000 hectares of Bord na Móna bog previously harvested for peat used in electricity generation.

In addition to existing Government funding already being invested in **Tourism, Heritage and Leisure** measures in the Midlands (including progressing sections of the Grand Canal Greenway and the Galway to Dublin Greenway), the Department of Culture, Heritage and

the Gaeltacht's Irish raised bog LIFE project is also developing a number of amenity proposals around bogs in Offaly and Galway. And a feasibility study on amenity development at priority protected raised bogs to be restored is to be undertaken in 2020 by Bord Na Móna on behalf of the Department. Also, a key focus of Fáilte Ireland's regional brand development work at present is on delivering Tourism Master Plans for the River Shannon and the Beara Breifne Way.

Bord na Móna is working with a number of partners with a view to establishing a **Peatlands Centre of Excellence** which focuses on the role peatlands can play in climate mitigation and adaptation. In addition, there will be a strong focus on the just transition in supporting communities and SMEs in developing low-carbon, sustainable and circular economy enterprises. These developments will be complemented by a Visitor Centre that promotes climate action.

The Department will write to State agencies and enterprises to identify **State or State Agency-owned land and facilities** which could be used to **develop green energy projects**.

The Department and ESB will commission a study to examine the potential for using the existing infrastructure in the West Offaly and Lough Ree power plants as a **Renewable Energy Hub in the Midlands**.

The Midlands region will benefit from the Climate Action Fund, which currently provides €10 million in support nationally, matched with another €10 million from ESB, towards upgrading existing **electric vehicle charging infrastructure** and providing new charging points across the country, and particularly with respect to the commuter belt locations and areas that are crossed by primary national routes.

Under the National Broadband Plan, 91 **Broadband Connection Points** will be provided in the Midlands by end 2020. 21 are schools and the remaining 70 provide access to high speed broadband and may offer opportunities for flexible and remote working.

Recommendations to **promote green enterprises to locate in the Midlands** region will be considered further by the relevant Departments, including in the context of Budget 2021, having regard to the very significant impact on unemployment levels nationally, and the intensified demand for enterprise supports and programmes across all regions as a result of the COVID-19 pandemic.

Recommendations in relation to the **Carbon Tax** will need to be considered by Government in the Budget and Estimates process for 2021.

The Department of Communications, Climate Action and Environment, with the assistance of the Department of Housing Planning and Local Government, are engaged in addressing the complexities of the dual system of **planning and environmental licensing processes**, with the aim of streamlining the peat extraction consenting process.

The Government, through the Department of Housing, Planning and Local Government, will engage with the relevant Local Authorities on funding matters, including **loss of Rates income**.

Implementation Plan

Following the publication of the Report, including the recommendations made across a number of areas, the Government committed to completing a comprehensive Implementation Plan as soon as possible, facilitated by the Working Group chaired by the Department of An Taoiseach. I look forward to engaging with the relevant Government bodies and stakeholders in relation to this plan when it is completed.

The commitment of Government to an Implementation Plan will ensure a structured and orderly development of programmes in the Midlands Region. I expect the Plan will be in line with the “whole of Midlands” strategy I recommended in my initial Report. It should also inform future investment strategies for the Midlands, including the 2021 and future Budgetary approaches.

The restructured MRTT and the Just Transition Commissioner, in partnership with the Department and the Intergovernmental Group under the aegis of the Department of An Taoiseach, should have a driving role in identifying key priorities and ensuring delivery of key infrastructural and operational projects within the wider region.

The restructured MRTT will include representation from DCCAE, and the DCCAE should provide regular updates to the MRTT of progress on projects to be funded under the current Just Transition Fund in order to leverage learnings for the pipeline of future projects in the region. DCCAE should also provide updates in relation to the development of the Implementation Plan.

Consultation with the MRTT by central Government in the development of the Implementation Plan will be of paramount importance in order to ensure full local support, input and commitment to the Implementation Plan from across the wider Midlands.

I do not envisage any statutory or legal impediments to this co-ordination arrangement.

I raised the future funding arrangements for Just Transition in the Midlands in my first Progress Report.

Innovative ways of managing the Just Transition Fund, to devolve as much as possible its administration to Local Authorities, without diminishing transparency of and accountability for funding, should be considered for future calls. This would help in avoiding duplication and unnecessary delay.

The new Programme for Government also commits to publishing a Just Transition Plan to frame the work of a proposed permanent Commission for Just Transition. The Plan should identify and prepare for the challenges that will arise in a number of sectors and regions, recognising that there will be a variety of different transitions, and that it is clear that there will be no simple one-size-fits-all approach.

The recently published NESC report No.149 on addressing Employment Vulnerability as part of a Just Transition in Ireland recommends that more innovative approaches be used to support SME's to allow them to undertake development projects in areas that can build

resilience in transition processes associated with low carbon through the use of new transition vouchers.

On a more macro scale the proposed EU Just Transition Mechanism anticipates the use of blended funding approaches in the transition towards a climate neutral economy by the use of a combination of direct grants, loans through the EIB or national promotional banks, and a public sector loan facility. The Mechanism is part of the European Green Deal investment plan proposed in January designed to help the most vulnerable regions deal with the socio-economic impacts of transition.

The fast-moving nature of the decisions around peat harvesting, peat-fired power generation and peatlands rehabilitation, and the resultant effects on communities and enterprise need urgent consideration. This is exemplified by the recent decision by Bord na Móna regarding the suspension of peat harvesting and the rapid move to peatland preservation/rehabilitation activities. The recent decision of the Supreme Court regarding substitute consent effectively overturns certain provisions of planning legislation and could have wider implications for the private peat harvesting sector.

Section 2 – Response to 1st Report

Response of Interested Parties

The reaction to the Report by stakeholders was generally positive. The following is a representative flavour of their responses.

Offaly County Council also welcomed the publication of the Report and the recommendations to provide support and new employment opportunities for workers and communities impacted by the acceleration of decarbonisation. Councillor Peter Ormond, Cathaoirleach of Offaly County Council, welcomed publication of the report saying, *“the urgency in creating jobs is the cornerstone of our work and we must use this report to ensure that the money earmarked is used immediately and provided to upskill the workforce”*, and adding that Offaly County Council *“looks forward to the implementation of programmes across a range of schemes and initiatives commencing shortly”*. Chief Executive of Offaly County Council, Ms Anna Marie Delaney said *“the commitment to prioritise the Midlands for Broadband connections will complement Offaly’s Digital Strategy and will facilitate increased availability of remote working hubs and co-working facilities in Offaly to add to those developed by Offaly County Council in recent years”*.

Councillor Gerard Farrell, Cathaoirleach of **Longford County Council**, also welcomed the publication of the Report and the confirmation from Government that the €11 million Just Transition Fund would be made available, adding *“it is important that groups and organisations propose projects which will support a Just Transition in Lanesboro, Longford and the wider Midlands”*. Mr Paddy Mahon, Chief Executive, Longford County Council, explained, *“The Commissioner’s report provides recommendations for addressing some of the challenges presented by the transition to a low-carbon, climate resilient society, including interventions to mitigate the impact on the local economy and communities”*.

The Report was also welcomed by the **Midlands Regional Transition Team**, recognising efforts to develop a new pathway to alternative employment opportunities across the wider Midland Region. The MRTT also welcomed the Government’s pledge to provide a detailed Implementation Plan to deliver on the recommendations, and expressing the hope that this will be dealt with as a matter of urgency for the benefit of the impacted communities throughout the wider Midlands. I presented my first progress report to the MRTT via Zoom on 4 June 2020.

The Energy Sector Group of the **Irish Congress of Trade Unions**, in welcoming the Report, said, *“the overriding imperative of any transition process must be the delivery of a genuine Just Transition for the workers and communities of the Midlands, one which will ensure quality jobs in sufficient numbers to replace those lost and the creation of new opportunities for the region”*. It said the employment of workers must be prioritised.

The Chief Executive of **Bord na Móna**, Mr Tom Donnellan, thanked the Commissioner for his very comprehensive report, adding that the Report was *“an apt reminder both of Bord na Móna’s historic contribution to the region and its future role as a mainstay of the green economy in the Midlands”*, and noting the importance the Report attaches to the company’s *“Brown to Green”* strategy.

Political parties also welcomed the Report. **Fianna Fáil** TD for Offaly, Barry Cowen, said he supported the proposals and it was vital that work begins immediately on implementing the recommendations, including the immediate release of the €11 million Just Transition Fund for reskilling and job creation. He added that *“urgent action must be taken to address shortfalls in funding for Local Authorities”*.

Sinn Féin expressed concerns about the level of funding being provided to ensure that workers are protected and projects are implemented. Mr David Cullinane, TD, said, *“This year has been a tough one for workers, families and communities in the Midlands. Ensuring that workers and communities are at the heart of a Just Transition must be central”*.

Mr Denis Naughten, TD, warned that real action is needed now on the delivery of measures within communities right across the region. *“Every time we hear of ‘Just Transition’ we are always one more announcement away from action,”* he said. *“We just don’t have the luxury of time. We must see action now”*.

Media Engagements on the Report

There was widespread coverage on national and local media to the Report. Following the publication on 22 May 2020, I undertook, as Just Transition Commissioner, a number of media interviews to discuss the contents of the Report and the recommendations I made to Government to help ensure a coordinated and effective approach to Just Transition.

I also outlined the content and recommendations in the Report in interviews with RTE, Shannonside Radio, Midlands Radio, and the Tullamore Tribune, and I participated in an Irish Rural Link Webinar with over 200 participants. An indicative list of these engagements is located at Appendix 1.

I have also participated in a roundtable discussion titled *“Regional transitions in uncertain times: insights and perspectives from regional stakeholders”* as part of the Platform for Coal Regions in Transition Virtual Week – 29 June-3 July. The event was hosted by Carlo Della Libera of the Platform, and Panel discussion by Robert Pollock, Secretariat of the Platform for Coal Regions in Transition. The Panel included the following participants from other European Regions:

- María Belarmina Díaz Aguado, Director General for Energy, Mining and Reactivating, Principality of Asturias, Spain
- Jiří Štěrbá, Deputy Assignee to Karlovy Vary Region, Czech Republic
- Maria Yetano Roche, Paul Baker and Timon Wehnert – Secretariat of the Platform for Coal Regions in Transition

The recordings of all the sessions and the presentations of the Virtual Week will be available on the [Just Transition Platform website](#) and on the [Youtube channel](#) of the EU Commission’s DG ENER.

Finally, I briefed the MRTT on my first Progress Report at a virtual meeting of the MRTT on 4th June 2020.

Section 3 – Developments since 1st Report

Introduction

A significant level of activity has been undertaken since the Report was published. Liaison between the Department of Communications, Climate Action and Environment, the MRTT, and the Just Transition Team developed criteria and processes for the **MRTT START project consultation process** and for selection and evaluation criteria for the **Just Transition Fund** call for proposals for the Midlands. The launch of the Just Transition Fund call has been advertised extensively in the region and has so far elicited a significant level of interest and response. The key objectives now must be to move ahead with the approval of projects for the Fund, the full allocation of the €11million available in 2020, the continuation of the MRTT START Programme and the publication and activation of the Government's Implementation Plan as soon as possible.

The commitments on Page 40 of the **Programme for Government, "Our Shared Future"**, in relation to a "Just Transition" are a major milestone on progressing this agenda. The proposed establishment of a Just Transition Commissioner on a statutory basis and with a separately funded office will enhance the role of the Commissioner in the future. The specific reference and commitment to the recommendations of the Just Transition in the Midlands and continued support to the Just Transition Commissioner's task is encouraging.

It is hoped that the easing of the travel and meeting restrictions due to COVID-19, albeit it in compliance with recommendations and obligations relating to social distancing, hand and respiratory hygiene, and wearing of masks where appropriate and necessary, will now facilitate a greater degree of activity at local level on progressing the work of **Just Transition** in the Midlands. This should also allow the recommendations in my first Report to have greater traction; and should assist considerably in establishing and progressing the Committees and Consortia I have proposed.

Already the work of re-establishing a wider representation on the **MRTT** has commenced.

Under the terms of reference I have continued to remain involved with the **START** team in Brussels and have participated in a Webinar series to outline to colleagues within this programme the current developments in regard to the cessation of harvesting and supply of peat in the Midlands for the two ESB peat-fired power plants following the imminent closure of both plants.

Programme for Government

The Programme for Government, "Our Shared Future", which underpins the current Coalition Government, includes several commitments that will support the Midlands Region in the Just Transition. Under the Mission Heading, "A Green New Deal", the Programme for Government, in stating that *"it is vital that a Just Transition pathway be found which delivers alternative job opportunities to sectors and regions most affected and ensures that vulnerable groups are helped as transformative policies are implemented"*, sets out several specific commitments in relation to Just Transition. These include:-

- Publish a Just Transition Plan, to frame the work of a permanent Commission for Just Transition.
- Establish the Just Transition Commissioner as a statutory office with appropriate staffing and resources.
- Ensure that financing is available and continue to grow the size of the Just Transition Fund.

In relation to the cessation of peat harvesting in the Midlands, which is the first test of the Just Transition to a low-carbon future, the Programme for Government commits to ensuring that the transition to a low-carbon, climate resilient and environmentally sustainable economy is fair. It commits to ensuring that the Just Transition in the Midlands *“works inclusively and is an example of how large communities can introduce major changes in their daily lives and workplaces and still thrive”*. Specifically, the Government will:-

- Support the Just Transition Commissioner in designing a comprehensive and inclusive response.
- Publish and implement a detailed all-of-Government implementation plan consistent with the recommendations of the first Report of the Just Transition Commissioner.
- Conduct a feasibility study into the establishment of a Green Energy Hub/Renewable Energy Hub in the Midlands, using the existing infrastructure in this region.

Other commitments in the Programme for Government that will positively impact the Midlands are:-

- Development of an integrated national greenways strategy, continuing the coordinated approach between central government, local authorities and agencies to deliver on this ambition.
- Investment programme in public transport to improve our bus, light rail, commuter and inter-city rail network across the country.
- Investment in new roads infrastructure to ensure that all parts of Ireland are connected to each other.
- Development of a sustainable rural mobility plan to ensure towns of a certain size have a service connecting them to the national public transport system, with Local Link playing a key role.
- A review of the operation and funding of the Local Link service.
- Prioritise public transport projects that enhance regional and rural connectivity.
- A range of policy approaches to incentivise use of electric vehicles (EVs), including adequate charging infrastructure.
- A pilot scheme to examine the potential for ride sharing apps to improve rural connectivity.
- Support the European Green Deal, which provides a roadmap for Europe to take advantage of the opportunities presented by moving to a low-carbon future.
- Develop a new National Digital Strategy that will utilise the increased level of connectivity being delivered by the National Broadband Plan, particularly in rural Ireland.

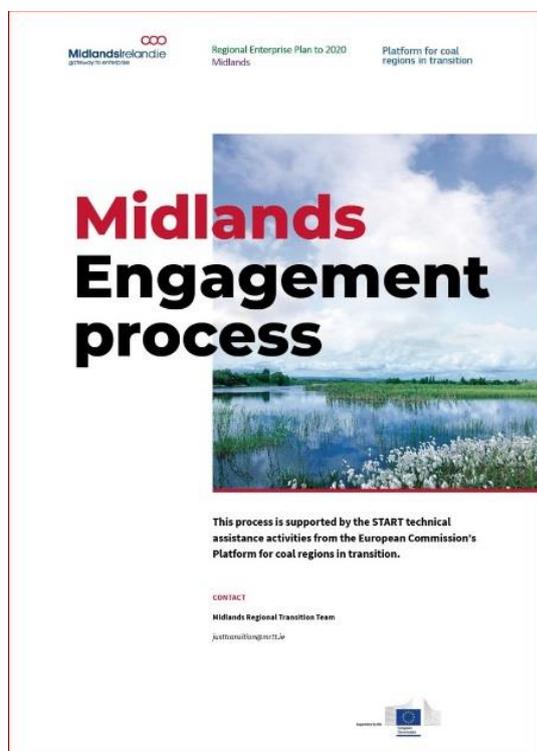
EU START Programme

Following its inclusion under the EU Platform for Coal Regions in Transition, the Midlands Region applied for and were successful in receiving technical assistance from the Platform Secretariat under its START programme (Secretariat Technical Assistance for Regions in Transition). In February 2020, a Service Level Agreement for Technical Assistance was agreed between the Secretariat and Offaly County Council on behalf of the Midlands Regional Transition Team. This programme will, *inter alia*, assist in the further refinement of potential medium-term investment needs for the region that can inform future Exchequer and EU funding decisions. The technical assistance being provided includes development of the following:-

1. MRTT START Engagement Process & Project Pipeline

A project engagement and consultation process, supported by the START, commenced on 22 May to identify projects that will support a Just Transition in the Midlands. The START engagement process was open to the wider Midlands region, defined as Laois, Longford, Offaly, Westmeath, Roscommon, East Galway, North Tipperary and Kildare, informed by my extensive consultations since my appointment as Commissioner.

The engagement process invited communities, public and private sector and third sector to propose projects to realise alternative employment opportunities for communities impacted by the transition from energy generation from peat.



The process was promoted through all channels available to the members of the MRTT, including the Steering Committee of the Midlands Regional Enterprise Plan, Local Authorities, LCDCs, Public Participation Networks, LEOs, Local Development Companies, Education and Training Boards, AIT, Chambers of Commerce, and social and regional media.

The engagement process closed on 12 June 2020, at which time over 150 projects were registered. These projects were varied in geographical focus, sectoral focus and scale, ranging from community, recreation/tourism, renewables and infrastructure.

In keeping with just transition principles, these projects must create new opportunities and reduce negative consequences on communities and individuals most affected by the move to a low carbon society. The aim of the consultation process is to create a project pipeline

for future funding from a variety of sources, including the Government's Just Transition Fund, the EU's Just Transition Fund and Project Ireland 2040 funds, subject to subsequent application to relevant funds and meeting the relevant requirements for each fund, including best practice being followed in terms of corporate governance and compliance with State Aid rules.

Not all projects identified under the consultation process will be at the same level of development and not all will progress to stage 2 of the Just Transition Fund call, as set out below. Further assistance will be given by MRTT-START to those projects which are at an early stage of development, including advice on concept development and on direction to the most suitable or appropriate funding mechanism.

2. *START Socio-Economic Profile*

The profile was published on 12 June following consultation with the MRTT and will form a baseline for the subsequent stages of START assistance to the MRTT. This document is available to view at:-

https://ec.europa.eu/energy/sites/ener/files/documents/midlands_regional_profile_start.pdf

3. *START Future Employment and Skills Paper*

Under the Service Level Agreement signed by Offaly County Council on behalf of the MRTT, the START team has prepared a Future Employment & Skills Paper. Consultation was undertaken with members of the MRTT and the Midlands Regional Skills Forum.

National Just Transition Fund

The Department of Communications, Climate Action and Environment opened the call for the Just Transition Fund on 19 June, seeking applications by 17 July 2020. A key requirement for projects seeking funding from the Just Transition Fund was that they had to be registered under the MRTT-START engagement process launched on 22 May.

The Department presented an overview of the Just Transition Fund to the Chief Executives and Cathaoirleach of the wider Midlands Region on 23 June. The Just Transition Fund will support innovative projects that contribute to the economic, social and environmental sustainability of the wider Midlands region and which have employment and enterprise potential. It will support projects that take a whole-of-Midlands strategic approach and will provide funding in a manner that is complementary with other sources of public funding. The three main priorities of the Fund are:-

- *Employment and Enterprise Supports* - Developing these and increasing the attractiveness of the Midlands as a location to both live and work will generate and sustain employment.
- *Training Supports* - Proposals which focus on training, reskilling and skills development for workers which assist local communities and businesses to adjust to low carbon transition.
- *Community Transitioning Supports* – Best practice sharing networks and frameworks, building collaborative and cross-regional connections to strengthen community engagement and dialogue.

A total of 100 applications were received by the Department by the 17 July closing date and these are currently being evaluated. Speedy evaluation will enable the impacted communities to embark on their path to 'just transition'.

EU Just Transition Mechanism & EU Just Transition Fund

The transition towards climate neutrality will provide opportunities and challenges for countries and regions, especially those more directly affected by the closure of carbon intensive industries as is the case in the Midlands.

The EU Just Transition Platform was launched on 29 June during the Platform for Coal Regions in Transition Virtual Week, which also included a series of seminars outlining the EU Just Transition Mechanism. The Just Transition Platform will replace the Platform for Coal Regions in Transition. The Platform will continue to give the Midlands region access to an EU-wide network of regions transitioning from carbon intensive industries, providing opportunities for sharing knowledge, information and ideas with other regions dependent on extractive industries.

Separately, under the Structural Reform Support Programme, the EU Commission will provide tailor made expertise through Just Transition Country Teams which will help national and regional authorities to:-

- Assess the social, economic, and environmental impacts of transition and outline the transition process up to 2030
- Assist in the dialogue between stakeholders, business, agencies, social partners, Government, Local Authorities, etc
- Identify concrete actions to achieve a successful transition.

The EU has also recently launched a Just Transition Mechanism to help vulnerable regions deal with the socio-economic impacts of transition. This consists of three pillars:-

1. An EU Just Transition Fund increased to €40 billion,
2. A Just Transition Scheme under InvestEU to provide additional investment through loan facilities, for example from the European Investment Bank, to benefit regions in transition, and
3. A Public Sector Loan Facility.

To access these funds Member States must prepare Territorial Just Transition Plans, which will have to be approved by the European Commission. They will provide a framework for support from the three pillars as outlined above. The Commission is providing technical support for the development of transition plans to 18 Member States who requested it, including Ireland. This process will be led by the Department of Communications, Climate Action and Environment.

Key actions that the EU Just Transition Fund could target include:

- Upskilling and reskilling of workers

- Job search assistance measures
- Productive investment in SME's
- The creation of new firms including business incubators
- Investment in research and innovation
- investment in the deployment of technology and infrastructure for affordable clean energy, reduction of greenhouse gas emissions, energy efficiency and renewable energy
- Enhancement of the circular economy including waste prevention, reduction, resource efficiency, reuse, repair, etc.

The work that has taken place in the Midlands region under the EU START Programme may help to inform the preparation of the Irish Government's Territorial Just Transition Plan.

The pipeline of projects established under the START Programme and the outcome of the Department's call for proposals under the Just Transition Fund will be of considerable benefit to the Irish authorities in informing the future funding priorities for the Territorial Just Transition Plan under the EU Just Transition Mechanism.

In my first Report to Government, I set out in detail the trojan work that had been done to date by the MRTT, Local Authorities, Department of Employment Affairs and Social Protection, State Agencies, ETB's, The Midlands Regional Skills Forum, AIT, Communities and NGO's in responding to the crises posed by the accelerated closure of the peat bogs and I recommended a whole of Midlands approach to resolving this complex issue. I am confident that the Midlands region will be able to actively participate in the Department's preparation of a Territorial Plan for accessing the EU Just Transition Mechanism for the region.

Bord na Móna's Decision on Peat Harvesting

In my first progress report I referred to the complexity of the dual regulatory system for commercial peat harvesting of planning consents and environmental licensing, and the issue of "substitute consent". Substitute consent, which is provided for in the Planning and Development Act 2000, provides a process to allow developments that should have been the subject of environmental assessment the opportunity to regularise previous development in terms of planning consents, where appropriate. Except for certain quarries, where substitute consent is granted under the Planning and Development Act 2000, such consent regularises the planning status of past work that has been carried out. In the context of specified peat extraction, separate planning permissions for future development, as well as Integrated Pollution Control (IPC) licences from the Environmental Protection Agency (EPA), may also be required.

Following the Decision by the High Court in September 2019 to set aside Regulations governing the extraction of peat, Bord na Móna sought leave to apply for substitute consent. On 6th May, An Bord Pleanála gave Bord na Móna leave to seek substitute consent in relation to the harvesting of peat on bogs over thirty hectares in order to regularise historic peat harvesting in terms of planning consents.

On 16th June, Bord na Móna suspended peat harvesting due to the increasing challenges since the High Court ruling in 2019. While Bord na Móna was granted leave by An Bord Pleanála to apply for substitute consent in May, and the company has lodged its substitute

consent applications, it has recognised that this application process is itself a cause of uncertainty that will have to overcome a range of legal and planning challenges. Bord na Móna will continue to progress the application but is also exploring alternatives to peat as the company continues to reduce the amount of peat required from harvesting.

In a further setback to Bord na Móna's efforts to obtain planning for peat harvesting, the Supreme Court recently ruled that the leave stage of the Irish "substitute consent" regime was inconsistent with the EU Environmental Impact Assessment (EIA) Directive because it does not provide for public participation and that sections 177D(1)(a) and 177C(2)(a) of the Planning and Development Act 2000 were deemed to be inconsistent with the EIA Directive, in that they fail to provide for a sufficient exceptionality test.

Enhanced Peatland Rehabilitation Scheme

Bord na Móna is planning to reassign impacted employees from peat harvesting works to work on the company's Enhanced Peatland Rehabilitation Scheme (EPRS). Subject to Government approval, the Scheme is planned to be supported by the Climate Action Fund and will commence the transformation of peat harvesting bogs into new areas of biodiversity and natural beauty across the Midlands. Enhanced rehabilitation involves a wide array of engineering and ecology works designed to encourage and accelerate natural recolonisation, and deliver climate action measures and restoration processes. The peatlands, once rehabilitated, will include peat forming bogs and a mosaic of wetlands, grasslands and native woodlands. The plan also involves research and analysis of the greenhouse gas (GHG) mitigation and sequestration that will accrue from the rehabilitation programme.

Possible Projects in the Midlands

Since my appointment as Commissioner, and particularly since the publication of my first Progress Report, I have had a number of approaches about potential projects in the Midlands that have the potential to create employment and contribute in a significant way to the Midlands economy.

One interesting paper I received relates to an action in the Climate Action Plan for **Geological Survey Ireland (GSI)**. Action No.133 is to *"evaluate natural resources concealed by peat cover in the Midland counties, and outline the potential for communities and industry to utilise available sand and gravel deposits, minerals, groundwater and deeper geothermal energy resources as part of a Just Transition for these areas"*. The Programme for Government contains a number of commitments in relation to infrastructure and, in particular, housing. If sand and gravel deposits in the Midlands can be extracted in full compliance with environmental designations, and in a safe, sustainable and responsible way, this could have benefits for several constituencies, including for Government Departments and Local Authorities, for the building of infrastructure and public housing. Bord na Móna and its workers have the skills and resources in the handling of large volume materials. The machinery owned, maintained and operated (and sometimes designed and built) by Bord na Móna and its employees possibly could be used in this process, in the same way as these skills and resources are utilised in bog rehabilitation programmes. This possibility could be explored as an alternative to importing similar type materials.

The paper also refers to potential for mineral deposits, such as zinc, which could be invaluable in relation to renewable energy technologies such as battery storage. A comprehensive evaluation of the geology of the region would show what potential there might be in the area.

Another sustainable technology is geothermal energy, which seems to be under-utilised in Ireland. While the demand for district heating in the Midlands may not be sufficient to make such a scheme economical, the potential for geothermal energy to support industrial heating or cooling, or horticulture industries, is worth examining.

Other areas that could be examined are the development of an Education Hub to train heavy machinery operators to specialise in production of renewable energy equipment or enabling infrastructure (e.g. floating roads, constructing foundations, transporting turbines, etc.). Bord na Móna sites could also be used for practical classes in, for example, geothermal drilling, or for test sites. Bord na Móna employees could also be retrained or reskilled as drillers. And work on understanding groundwater/surface water interactions would help Bord na Móna in its Enhanced Peatland Rehabilitation Scheme.

GSI's initial step is a full geological evaluation of the potential of the region, which includes desktop studies and fieldwork. The results of this evaluation could incentivise, for example, foreign direct investment in the region as this information would shorten the assessment work needed by potential investors in the area. It would also have the potential to link up any work currently being done by individual operators in relation to geothermal investigation.

Potential New Enterprises

I have received some representations and enquiries from private companies indicating an interest in locating renewable energy projects, developing eco hubs and building an eco-city in the Midlands. One example is the Empower Eco Innovation Hub, which envisages a centre for research, entrepreneurship, education & training, and community & social enterprise and innovation in the Midlands. Another is the Dún na Móna eco-city project. These have possibilities of new, innovative, green energy enterprises with potential to boost the economy of the region and create new jobs. They should be explored.

Section 4 – Next Steps

Introduction

As I mentioned earlier, the COVID-19 health emergency has restricted ability to progress issues as speedily as I had hoped. However, as our economy gradually opens up, albeit in a new reality where public health advice and instructions in relation to hygiene, wearing of masks and social distancing must be strictly adhered to in order to slow the spread of the virus and ultimately defeat it, we can begin to take bigger steps to manage the Just Transition in the Midlands. In this regard, I am putting forward these next steps.

MRTT and Working Groups

The easing of the restrictions on travel and meeting numbers within health guidelines should facilitate further engagement with the MRTT at local level. I will ask the MRTT to convene on the basis outlined in my first Progress Report, including progressing the establishment of the Committees for specific sectoral activity, to progress initiatives and to seek additional resources from other regional stakeholders where needed. Work programmes and targeted projects and funding will need to be explored in the context of existing and future Central/EU programmes in 2021 and beyond.

I will also be following up on the establishment of the Consortia, including the involvement of key personnel, to work together on projects of common interest and pursue appropriate funding streams.

I believe that the Just Transition Team can perform an extremely positive role in this process. In fact, there is an expectation in the Midlands that the Just Transition Team will continue its face-to-face engagement with key stakeholders in the region, and play role in developing these recommendations.

MRTT - START

The MRTT project engagement and consultation process, supported by the START, which commenced on 22 May to identify projects that will support a Just Transition in the Midlands, was also Stage 1 of the identification of projects for the Just Transition Fund. The MRTT now has an inventory of projects, and an overview of the nature and spread of potential projects for the Region. The MRTT can now identify collaboration opportunities across the wider Midlands. In addition, the MRTT can group, where appropriate, similar proposals to promote their feasibility, complementarity and efficiency.

Over the coming weeks and months, with input from the START team, the MRTT will identify which proposals require further support and development to make them viable contenders for funding when available, either in the short or longer term.

It is anticipated that projects may be eligible for funding from a variety of sources, including the Government's Just Transition Fund, the EU Just Transition Fund and Project Ireland 2040 funds. Projects which are at an advanced stage of preparation and have notable impacts and benefits will be best placed to access earlier funding.

The START programme requires a major commitment of local human resources and staff time in the next number of months, if we are to maximise the support from this initiative from the EU. Then, when the START team finishes its work before the end of 2020, the MRTT will continue to implement the programme developed, including managing the portfolio of projects identified under the consultation process.

With the START programme due to conclude in October 2020, there is a significant workload ahead of the MRTT, in terms of providing advice to projects registered under MRTT-START, but also in assisting DCCAE in its programme of Just Transition for the wider Midlands Region. In addition, engagement with other regions in Europe who are centrally involved in the Platform for Coal Regions in Transition to date, and in future in the Just Transition Platform, will be needed in order to benefit from the Platform initiative. There is an immediate requirement for funding to support the MRTT in carrying out these activities. The request for funding to cover the essential staff resources needs to be fast-tracked. The invaluable support of the Department complements the Just Transition process and is especially welcome, but there is a far too heavy reliance on one or two staff members in the core Midlands Local Authorities to initiate, manage, track and communicate the heavy administrative demands of the MRTT, the START Programme, the Coal Platform/Just Transition Platform, the Just Transition Fund and related requirements.

Announcement of Just Transition Fund Successful Projects

The call for projects under the Just Transition Fund closed on 17 July. I look forward to the outcome of this process. Analysis of the applications by the selection committee(s) must be completed as quickly as possible to ensure the existing funding can be allocated to support successful projects. It is vitally important that the decisions around selection are transparent and the potential benefits of the projects are outlined to the community at large. A special event should be organised in the Midlands for the announcement of the successful projects.

Territorial Plan for the European Just Transition Fund

The Department is progressing this Plan. Given that the wider Midlands is the area most affected by the transition to a low-carbon future, it is imperative that the views of the Just Transition Team, the MRTT, Local Authorities and all organisations involved in the just transition process inform and guide the work and development of the Just Transition Platform and Territorial Plan.

The EU Commission (DG REGIO) recently stressed the need for local involvement in the development of Territorial Plans, and that the Plan must be selective in terms of regions so that support can be concentrated where needed most. The Territorial Plan must also demonstrate how it is consistent with other relevant national, regional or territorial strategies and plans, and it must also outline the arrangements for the involvement of representatives of relevant regional, local, and other public authorities, as well as economic and social partners, in its preparation, implementation, monitoring and evaluation.

The Just Transition Platform

As mentioned above, the Just Transition Platform was launched on 29 June, replacing the EU Platform for Coal Regions in Transition.

In the Webinar discussion during the EU Platform for Coal Regions in Transition Virtual Week, there was a strong emphasis on building local capacity with technical assistance as the locals will come up with the best solutions. Country Teams, originally developed under the Coal Platform, are to be revamped and relaunched this year to advise on issues, including best use of available funds such as recovery funds, cohesion funds, LIFE, Just Transition Fund, etc., but strong stakeholder involvement was stressed.

The continued presence of the Midlands Region at the Platform, in order to share knowledge and learn from the experiences of other EU regions, is essential.

Private Sector Interest

Since the publication of the first Report a number of enterprises have indicated initial interest in investing in the Midlands and developing new industries. These will be explored further with IDA Ireland and Enterprise Ireland.

Local Authorities and their Services

Local Authorities are central to the success of the Just Transition plan for the Midlands. An early engagement between the relevant Departments and the Local Authorities on areas of mutual interest is important as is the discussion on the difficulties and impediments they are experiencing in promoting the region. This will be done under the aegis of the MRTT.

Rates Income

As I indicated in my first Report, the issue of the loss of rates income from the cessation of power generation and related enterprise activities has had a major impact on some of the Midlands Local Authorities. The impacts need to be addressed as a matter of urgency and separate to any overall assistance package to Local Authorities on a national basis as a result of the COVID-19 health emergency. The simple fact is that the provision of services in these particular Local Authority areas could have significant implications before year end.

Geology Potential of the Region

The potential of the region to contribute natural resources in the fight to tackle climate change should be examined. This includes the potential supply of mineral resources for infrastructure and renewable energy, the potential for geothermal energy, for groundwater, and the possibility of using sites for education and training, and for research. The Department should look at how the communities and industry in the Midlands can utilise available minerals, groundwater and deeper geothermal energy resources to support the relevant commitments in the Programme for Government around infrastructure, housing, energy and the environment, which would also support a Just Transition for the region.

Section 5 - Conclusion

Considerable work has been undertaken so far in the project to ensure a coordinated and effective approach to Just transition. The parameters of this work was outlined in my first Progress Report, which was presented to Government by Minister Bruton in May. This Report is to update Minister Ryan on progress since then. While COVID-19 restrictions have impacted on some of what can be done, nevertheless the MRTT START process has continued with the call for projects under the MRTT-START Engagement Process, the Socio-economic Profile, the Future Employment and Skills paper and the development of a regional plan for transition all moving forward.

In addition, specific actions in relation to Just transition are set out in the Programme for Government. Also, the Department has launched its call for projects for the Just Transition Fund, and development of the Territorial Plan under the EU Green Deal is underway. This should help provide access to the EU Just Transition Fund, now increased to €40 billion.

The continued work of the MRTT under the new structures I proposed in my first Report can begin to take shape as COVID-19 restrictions are gradually lifted. In addition, I should have the opportunity to more closely examine proposals suggested to me in relation to new industries with potential employment benefits in the Midlands.

All in all, I am very hopeful of a positive outcome to this process to ensure a Just Transition for the Midlands region. I expect to be able to report good progress in my next Report.

END

Appendix 1

Press Items in relation START Process and Just Transition Fund

Just Transition Commissioner Hopes Promised Funding Will Be Rolled Out In July - Midlands 103

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'Just Transition' report calls for €25m to be spent locally to help support employment – Shannonside

<https://www.shannonside.ie/news/local/longford/just-transition-report-calls-for-e25m-to-be-spent-locally-to-help-support-employment/>

Just Transition Commissioner hopes funding can be rolled out in July

<https://scanmail.trustwave.com/?c=17268&d=grfM3kpUvdstFMUJy4hsv1Ak9r5PyiHHbkGsiggvpdQ&s=378&u=https%3a%2f%2fwww%2eshannonside%2eie%2fnews%2flocal%2flongford%2fjust-transition-commissioner-funding-july%2f>

Centre for climate change to serve as "live memory" in midlands – Shannonside

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Longford TD calls for implementation of Just Transition report's recommendations quickly – Shannonside

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Just Transition Commissioner calls for clarity on future of BnaM and ESB workers – Shannonside

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Hopes for new power hubs to be established in soon-to-be vacant midlands' power stations – Shannonside

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Just Transition Report Calls For €11 Million To Be Spent This Year - Midlands 103

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Quality Jobs Needed For Midlands Workers - Midlands 103

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Midlands must be made green energy hub, Mulvey says

<https://www.irishtimes.com/news/environment/midlands-must-be-made-green-energy-hub-mulvey-says-1.4260328>

Bord na Móna has welcomed the first report by the Just Transition Commissioner

<https://www.bordnamona.ie/company/news/articles/bord-na-mona-welcomes-the-first-report-by-the-just-transition-commissioner/>

White Smoke for Offaly

<https://twitter.com/TullamoreTrib/status/1265629373383786496/photo/1>

Offaly County Council Press Release

<https://www.offaly.ie/eng/News/OCC-Just-Transition-Press-Release-23-May-2020.html>

Longford County Council Press Release

<http://www.longfordcoco.ie/your-council/news/press-releases/first-progress-report-of-the-just-transition-commissioner.html>

Just Transition Progress Report is Published – Just Transition Fund Open

<https://www.midlandsireland.ie/news/just-transition-progress-report-is-published-just-transition-fund-open>

MRTT welcomes the Progress Report on Just Transition & Call for Just Transition Fund (Stage 1)

<https://www.midlandsireland.ie/news/mrtt-welcomes-the-progress-report-on-just-transition-call-for-just-transition-fund-stage-1>