

Stakeholder Perspectives on Implementing a Just Transition in Romania's Coal-Intensive Areas

Alina Popescu*, Irina E. Ion, Cătălin Nechifor, Daniela Luminița Constantin

Bucharest University of Economic Studies, Romania

**alina.popescu@rei.ase.ro*

Section: S38 Economic, Social, and Spatial Inequalities in Europe in the Era of Global Mega-Trends (ESSPIN)*

Research Project: HORIZON-CL2-2021-TRANSFORMATIONS-01

1. Conceptual Background

1.1. Conceptualizing just transition. The Role of Stakeholders

The just transition is a key concept in the global energy transition, rooted in the theory of climate, energy, and environmental justice (McCauley & Heffron, 2018; Healy & Barry, 2017). It aims to mitigate the social and economic impacts of decarbonisation, ensuring that affected workers and communities are not left behind. Initially promoted by international trade unions as a mechanism to protect labour in the context of the closure of polluting industries, the concept was later adopted in international climate policies, being recognised by the International Labor Organisation and included in the Paris Agreement.

Just transition is built on three fundamental principles: distributive justice, which ensures fair sharing of the benefits and costs of the transition; procedural justice, which involves active participation of stakeholders in decision-making; and restorative justice, which aims to compensate and support communities affected by the transition (McCauley & Heffron, 2018). These principles are essential for designing public policies that ensure a just transition to a low-carbon economy.

Implementing a just transition requires the involvement of a wide range of actors, from governments and European institutions to trade unions, companies, and civil society organisations. The role of governments is to establish the regulatory framework and mobilise financial resources to support regions affected by the transition (Tarasova, 2024). The European

Union plays a central role through the Just Transition Fund, which provides financial support for regions dependent on fossil fuels. Trade unions are essential to protect workers' rights and negotiating compensation packages for those affected by industrial restructuring. Energy companies and the mining industry are also key actors, with a responsibility to integrate decarbonisation strategies into their business models (Alamoush et al., 2024). At the same time, civil society organisations play a role in ensuring transparency in decision making and mobilising local communities to influence transition policies.

However, the relationships between these actors are often characterised by power asymmetries and conflicts of interest. On the one hand, employers in carbon-intensive industries resist changes that affect their profits, and on the other hand, workers face economic uncertainty and job losses. Managing these tensions requires effective mechanisms of social dialogue and collaborative governance (Alamoush et al., 2024).

1.2. Policy Frameworks, Governance Mechanisms, and Challenges to Implementation

The just transition is supported by a set of international, national, and regional policies, designed to ensure a fair transition. At the European level, the European Green Deal and the Just Transition Mechanism provide financial and technical support to regions affected by decarbonisation (Gazmararian, 2024). National policies play a crucial role in transposing these measures into national legislation and adapting transition strategies to local realities.

A key aspect of implementing the just transition is multi-level governance, which involves coordination between European institutions, national governments and local administrations (Maliszewska-Nienartowicz & Stefański, 2024). In this context, the creation of platforms for dialogue between stakeholders facilitates the integration of diverse interests into the decision-making process. Examples of good practice from other carbon-intensive regions suggest that local economic development strategies, combining vocational retraining schemes with infrastructure investments and renewable energy incentives, are essential for a successful transition (Ateş et al., 2024).

Although the principles of just transition are well defined, their implementation faces multiple obstacles. Among the most important are the socioeconomic vulnerabilities in regions dependent on coal extraction. The transition to a green economy can exacerbate social inequalities if effective social protection and economic support policies are not implemented (Tarasova, 2024). Another significant obstacle is the local resistance to change. Communities affected by decarbonisation perceive the transition as a threat to jobs and local economic

identity (Healy & Barry, 2017). This phenomenon is aggravated by deficiencies in public policy communication, leading to distrust in the institutions responsible for managing the transition. Furthermore, financial and institutional barriers affect the effective implementation of transition measures. The lack of financial resources for investment in economic alternatives and infrastructure can delay the process and excessive bureaucracy can limit access to European and national funds (Ullah et al., 2024).

1.3. Evaluating Just Transition Policies

Evaluating just transition policies is essential to determine their efficiency, equity, and sustainability in regions affected by decarbonisation. The evaluation process should focus on three main dimensions: socioeconomic impact, governance effectiveness and the ability to adapt to structural changes in the economy (Healy & Barry, 2017).

A rigorous evaluation of just transition policies requires a clear set of indicators that measure the effects on employment, economic development, and quality of life in carbon-intensive regions. Among the most widely used indicators are: i) Economic indicators: unemployment rate among affected workers, average income in transition regions, economic diversification, and investment in alternative industries (McCauley & Heffron, 2018); ii) Social indicators: level of social protection, access to retraining programmes, community perception of transition policies, and quality of social dialogue (Gazmararian, 2024); iii) Governance indicators: level of coordination between local, national, and European authorities, transparency of decision-making, and degree of stakeholder involvement (Ates et al., 2024).

Evaluation methodologies vary depending on the complexity of the policies analysed. Quantitative evaluations use econometric models and ex ante and ex-post impact analyses, while qualitative methods, such as case studies, interviews with stakeholders and analysis of public policy documents, provide a more detailed perspective on implementation processes (Alamouch et al., 2024).

Evaluating just transition policies faces multiple challenges, including the difficulty of measuring long-term impact, the lack of reliable data, and the fragmentation of institutional responsibilities. A major problem is the incoherence of public policies, which leads to implementation delays and inefficient allocation of financial resources (Ullah et al., 2024). Social and political resistance can also distort the evaluation process. Local communities and trade unions often perceive official evaluations as being influenced by government or corporate interests, which reduces their credibility and can generate opposition to transition initiatives

(Healy & Barry, 2017). This phenomenon highlights the need for independent monitoring mechanisms, including civil society organisations and external experts.

To ensure an effective evaluation of just transition policies, it is necessary to institutionalise clear monitoring and reporting mechanisms that allow rapid corrections in the event of identified failures (Ateş et al., 2024). Creating platforms for dialogue between governments, unions, companies, and communities can improve the transparency and acceptability of implemented policies (Gazmararian, 2024). Furthermore, the development of dynamic indicators, which take into account the evolution of the labour market and the economic context, can allow the adjustment of transition strategies in real time. Successful examples from other regions suggest that policy adaptability and the integration of participatory mechanisms are essential factors to ensure a fair and efficient transition (McCauley & Heffron, 2018). Thus, the effective evaluation of just transition policies must be a continuous process, based on transparency, participation, and adaptability, in order to adequately respond to the social and economic challenges generated by decarbonisation.

2. Methodology

This study was carried out using a qualitative research methodology. Primary data were collected based on an interview guide developed within the ESSPIN project, through interviews (held between June and October 2024) and a focus group with experts (organised online on November 4, 2024). Ten experts participated in this study, coming from different types of stakeholders involved in the implementation of Just Transition Programme in the Jiu Valley region, Hunedoara county. The types of stakeholder organisations included were local authorities, central authorities, civil society, and employer organisations. All participants were informed in advance of the research and were asked for their written consent to participate in the study, according to the informed consent form provided in the ESSPIN project.

3. Research Results (Summary) : Dynamics of an ongoing transition

In the investigated region of Jiu Valley, just transition is not just a political strategy, but a complex phenomenon, a struggle between European aspirations, economic constraints, and social realities marked by uncertainty. Data collected through interviews show that beyond strategic documents and financial allocations, just transition is a process with uneven results, affected by institutional capacity, the dynamics of local actors, and public perceptions of change.

3.1. A promising vision but fragmented implementation

JTP is built on a multilevel governance model, where the European Union, the Romanian government, and local administrations must collaborate to transform coal-dependent regions. On paper, this model seems robust, but the interview data suggest that, in reality, coordination mechanisms are incomplete and affected by bureaucratic inefficiency.

The European Union provides the strategic vision and financial framework, but effective implementation is conditional on the capacity of the national government to transpose measures at the local level (I#16). In this regard, the Ministry of Investments and European Projects (MIEP) plays a central role, but the dependence of local administrations on central decisions creates institutional bottlenecks. For example, delays in the allocation of funds are frequent and the application process for funding is perceived as excessively bureaucratic (I#18).

Furthermore, local administrations do not always have the expertise necessary to effectively manage approved projects. Some mayors have limited teams and insufficient administrative resources, which affects their ability to capitalise on the financial opportunities offered by the JTP (I#17). This is essential, as the lack of coordination and autonomy of local administrations can transform the programme into a series of disparate initiatives, without a real impact on the development of the region.

3.2. Transition actors: between optimism, scepticism, and systemic blockages

In implementing a just transition, the role of stakeholders is essential, and interviews show that each involved actor perceives and influences the process from a different perspective. Business representatives see the transition as an opportunity for economic development, but access to financing remains a significant barrier. Strict co-financing requirements and bureaucracy

associated with European funds limit the ability of small and medium enterprises (SMEs) to become pillars of the new regional economy (I#14).

On the contrary, trade unions and miners' representatives perceive the transition as a threat to jobs and social stability. The union leaders interviewed expressed deep distrust in the fact that professional retraining measures can ensure sustainable jobs for former miners (I#20). Furthermore, the lack of clear social protection policies for affected workers amplifies the feeling of economic insecurity and fuels opposition to the proposed reforms (I#19).

This polarisation between the business community and unions is exacerbated by the lack of a clear framework for negotiation between the parties involved. Interviews suggest that public consultation mechanisms are often formal, without any real influence on the decision-making process (I#16). This reduces the degree of social acceptance of the implemented measures and contributes to the perception that the just transition is a process managed unilaterally by the authorities.

3.3. Investments and projects

Although the JTP includes substantial funds for the economic development of the region, the reality on the ground shows that these investments are not always directed towards sustainable and scalable initiatives. The approved projects target sectors such as tourism and renewable energy, but their implementation faces significant challenges (I#18).

Sustainable tourism, for example, is seen as a viable economic alternative, but insufficiently developed infrastructure and the lack of a coherent promotion strategy reduce the attractiveness of the region for investors (I#17). Similarly, renewable energy projects are affected by administrative delays and difficulties in obtaining the necessary permits (I#14).

Furthermore, local entrepreneurial initiatives are constrained by the conditions of access to financing, which leads to a perverse effect: funds are available, but cannot be used efficiently by local economic actors due to structural barriers (I#16).

3.4. Public perception and social acceptance: between hope and distrust

A critical aspect of the success of a just transition is the degree of social acceptance of the measures implemented. The interviews indicate that, although the programme is generally well received, there is a significant discrepancy between community expectations and concrete results (I#19).

The lack of effective communication between authorities and citizens contributes to perpetuating feelings of distrust. Some respondents consider that the programme is managed in an opaque manner, without real consultations with the local population (I#17). In addition, monitoring and reporting mechanisms are perceived as ineffective, which reduces the transparency of the process and fuels scepticism about the real impact of the transition (I#20).

4. Conclusions

The research results highlight a strong contrast between the strategic ambitions of the Just Transition Programme and the realities of its implementation. Although European funds and public policies provide a supportive framework, bureaucratic obstacles, institutional fragmentation, and the lack of a clear economic development strategy reduce the efficiency of this process.

For the transition to be truly just, greater flexibility in implementation, simplified access to financing, and deeper integration of local actors in the decision-making process are necessary. Without these measures, there is a risk that the transition will remain a technocratic process without a real impact on the affected communities, which could undermine not only the economic and social objectives of the programme, but also trust in the capacity of institutions to manage major changes.

Acknowledgement: This paper draws on the research funded by the Horizon Europe Research and Innovation Programme of the European Union HORIZON-CL2-2021-TRANSFORMATIONS-01 under grant agreement no. 1010611104, ESSPIN - ‘Economic, Social, and Spatial Inequalities in Europe in the Era of Global Mega-Trends’. Views and opinions expressed are, however, those of the authors only and do not necessarily reflect those of the European Union or the European Education and Culture Executive Agency (EACEA). Neither the European Union nor EACEA can be held responsible for them.

References:

- Alamouh, A. S., Ballini, F., & Ölçer, A. I. (2024). Management of stakeholders engaged in port energy transition. *Energy Policy*, 188, 114074.
- Ateş, A., Rogge, K. S., & Lovell, K. (2024). Governance in multi-system transitions: A new methodological approach for actor involvement in policy making processes. *Energy Policy*, 195, 114313.

Gazmararian, A. F. (2024). Fossil fuel communities support climate policy coupled with just transition assistance. *Energy Policy*, 184, 113880.

Healy, N., & Barry, J. (2017). Politicizing energy justice and energy system transitions: Fossil fuel divestment and a “just transition”. *Energy Policy*, 108, 451-459.

Maliszewska-Nienartowicz, J., & Stefański, O. (2024). Decentralisation versus centralisation in Swedish energy policy: the main challenges and drivers for the energy transition at the regional and local levels. *Energy Policy*, 188, 114105.

McCauley, D., & Heffron, R. (2018). Just transition: Integrating climate, energy and environmental justice. *Energy Policy*, 119, 1-7.

Tarasova, E. (2024). Multiple just transitions? A study of how a just transition is envisioned in Poland. *Energy Policy*, 194, 114322.

Ullah, A., Nobanee, H., Ullah, S., & Iftikhar, H. (2024). Renewable energy transition and regional integration: energizing the pathway to sustainable development. *Energy Policy*, 193, 114270.