

Joint statement on the European Parliament's INL on just transition directive in the world of work

14 January 2026

*Employers and business representatives call upon the European Parliament to reject the most problematic provisions in the INL report 2025/2131(INL) “Just transition directive in the world of work: ensuring the creation of jobs and revitalising local economies”. Our call is to ensure **effective just transition framework** helping employers and workers navigate transition-induced changes in the world of work.*

European companies and workers manage transitions every day. Transitions are caused by different situations depending on sector and geography but are essential to innovate to more productive business-models, that will become the foundation for European jobs and wealth in the future. Supportive frameworks should complement their efforts instead of ‘one-size-fits all’ legislation, that will slow and drive-up costs for the transitions.

From the very beginning employers **have been firmly opposing the idea of a just transition directive** as this will increase complexity in an already heavily legislated area. We were not alone: in March 2025 the European Parliament has already rejected the call on the Commission to present a proposal for a directive for a Just Transition.

Our main arguments against more regulations on just transition are the following:

1/ The main legislative framework for the green transition is already in place

An unprecedented number of legislative initiatives has been adopted under the Green Deal, including the “Fit for 55” package. On top, very thorough EU and national legislation is already in place to consider social aspects in transitions and also take on board the understandable worries of workers, such as information and consultation mechanisms, labour law, active labour market policies, social benefits etc. This is often supported by instruments of the social partners. The priority should now be to ensure the effective implementation of these measures, to create a robust business case for decarbonisation and simplify, where needed.

2/ Managing green transition is the most effective at the national level

The focus should be on more effective measures for workers supporting their employment in transitions, such as re- and upskilling, unemployment benefits, active labour market policies and effective support by public employment services to find new employment. The responsibility for such measures is primarily in the Member States together with the national social partners, with EU having a supportive role.

The EU must avoid introducing new burdens, which would add up costs hindering our competitiveness and risks having little to no added value, and focus instead on supporting Member States in measures that are appropriate to address the challenges.

An EU non-binding framework for just transition is useful and appropriate: it has the potential to facilitate exchange of practices, lessons learnt and effective solutions across Europe. The right instrument for this is the 2022 Council recommendation on ensuring a fair transition towards climate neutrality (2022/C 243/04).

More particularly, any EU initiatives seeking to increase training and upskilling must focus on increasing the productivity of work through a good use of technology, alleviating skills and labour shortages and increasing employment. Employers recognise the need for an EU vocational education and training strategy notably to increase the relevance of training to labour market needs and adults' participation in training. However, legislating on training is a prerogative of the member states and clearly outside EU legislative competences. Therefore, the EU should secure the flexibility needed to design training solutions in light of the local/sectoral/national contexts. Imposing the envisioned one-size-fits-all EU-wide right to training is not an appropriate solution.

3/ Climate ambition must go hand-in-hand with competitiveness

Economic growth and strong industries are the basis for creating and maintaining jobs as well as financing adequate and sustainable national social protection systems. Existence of competitive companies that can afford investment in new technologies and human capital is a prerequisite for making the green transition a just one.

In line with this, National Social Climate Plans should balance direct income support with investments crucial for implementing structural changes, with the latter much more likely to protect vulnerable populations in the long-term.

Furthermore, any possible future continuation of SURE should be carefully designed and reconsidered in the light of the new social challenges without mutualisation of unemployment insurance at EU level.

For these reasons, BusinessEurope calls on the Members of the European Parliament to reject the INL in its entirety or at least reject the following paragraphs that are particularly problematic:

- ⇒ **Paragraph 4: Delete** the call for a **just transition directive** as it would negatively impact competitiveness and add another administrative burden.
- ⇒ **Paragraph 4 point (b): Delete the call to introduce an EU right to training**, and call instead for improved EU and national financial support mechanisms aiming to strengthen re- and upskilling measures.
- ⇒ **Paragraph 4 point (a): Delete** the call for a new dedicated framework to make mandatory collective bargaining, social dialogue and information and consultation on the design of just transition measures and mechanisms. Social dialogue at the company level is very important, but employers are responsible for organising work. The **existing framework for workers' information and consultation is sufficient** and can be used for discussions on managing green transition.
