Polish Green Network

MFF PL Policy Papers

A Just Competitiveness?

Placing the Just Transition at the Heart of EU Competitiveness Policy

by Krzysztof Mrozek

TL;DR (Executive Summary)

Let us start with a thesis: the just transition of coal-mining regions (and, in the longer term, other high-emission regions and sectors) should be at the heart of competitiveness policy, because support for industrialised regions grappling with the negative socio-economic consequences of decarbonisation strengthens their competitiveness in the EU market, creates incentives to shorten supply chains and develop local content, and fulfils the Union's Treaty obligations to strengthen cohesion and regional development. Such 'just competitiveness' should combine measures to increase the absorption of funds in regions undergoing transition, improve access to jobs, strengthen local value chains and enhance social resilience.

However, this is not the case in the proposal for the Multiannual Financial Framework for 2028–2034. Competitiveness policy is primarily geared towards supporting European champion industries, whilst the just transition – a separate policy with a dedicated fund in the current MFF 2021–2027 – has been reduced to a significant but general and unfunded principle in the draft MFF 2028–2034.

There is still time to wisely combine just transition and competitiveness policy, whilst strengthening the social and economic resilience of the Union and its regions. This requires action now: amendments to the regulations on National and Regional Partnership Plans (NRPP) and on the European Competitiveness Fund (ECF), as well as government action during NRPP programming and the adoption and subsequent implementation of an industrial strategy.

Introduction

The proposal for a new EU budget for 2028–2034, presented by the European Commission in mid-2025 and currently under negotiation and wide discussion, raises the question of whether the new MFF will continue the process of just transition in coal regions and how this can align with the EU's increasingly important competitiveness policy.

Decarbonising the economy is difficult, but technically – although there are various scenarios in public and expert debate – we know how to do it: phase out fossil fuels, increase the energy efficiency of processes, develop renewable energy sources, and so on. This requires huge financial outlays, but the path is essentially clear. A far greater problem is the social impact of the transition. On paper, it is easy to replace mines or power stations with renewable energy sources, but every such move means hundreds or thousands of people fearing for their jobs, losing their livelihoods or – conversely – industry facing a shortage of workers in new sectors.

At the same time, we must not lose sight of another challenge: how to maintain the competitiveness of the EU economy, as well as that of individual countries and regions, whilst introducing ambitious climate standards. The question is, where do the regions that have already begun the process of just transition fit into all this? A process that is not a bureaucratic exercise, but proof that, as the EU, we are learning from past experiences – from the mines closed by Margaret Thatcher in the UK in the 1980s, to the trauma of the Wałbrzych 'poverty mines' at the turn of the 20th and 21st centuries.

So the challenge facing the European Union, as it grapples with geopolitical turbulence, the rise of populism, disinformation and a decline in competitiveness (also due to the accumulation of capital and influence by international, non-European big tech companies), is how to achieve climate neutrality in a way that benefits, rather than harms, society, whilst having the funds to do so without going bankrupt. Because competitiveness is not just about keeping the EU economy at the forefront of the world and GDP growth, but also simply about tax revenues funding our welfare state systems or investments from the EU budget, namely, among other things, decarbonisation. The European Union can only aim to achieve climate neutrality by 2050 by financing investments through the strength of its economy.

In mid-2026, the European Parliament is preparing detailed comments on the draft regulations put forward by the European Commission in July 2025. At the same time, Member States in the Council remain divided over the size and priorities of the MFF. Across the Member States, the process of programming national allocations from the EU budget is now beginning. Given this complex landscape, there is a clear need to initiate a structured discussion on the social and regional dimensions of competitiveness policy, particularly regarding the future of the just transition in coal-mining regions.

The MFF 2028–2034 proposal

The MFF proposal may appear to be an attempt to reconcile irreconcilable contradictions: how to continue supporting long-term objectives (decarbonisation, agriculture, social cohesion) and new priorities (competitiveness, security and defence) with a budget virtually the same size as in the current financial framework.

The European Commission is seeking to address the challenges highlighted in the often conflicting demands of Member States[1], the call for greater cohesion in the 9th Cohesion Report[2], the strengthening of the European economy's competitiveness demanded by Mario Draghi[3], the strengthening of the single market advocated by Enrico Letta[4], and investment in defence in line with Sauli Niinistö's concept[5]. The EC's proposal resolves some issues (enhanced competitiveness) but exacerbates others (a weakened just transition).

Within the structure of the new EU budget, competitiveness and just transition are found in two places: Heading 1, namely the National and Regional Partnership Plans, and Heading 2, namely the European Competitiveness Fund.

The NRPP Regulation proposal	**The ECF Regulation proposal**
The draft NRPP regulation addresses both competitiveness and just transition. Competitiveness – Including the strengthening of the industrial base, SMEs, agriculture, and other sectors – is established as an objective of the new fund in Articles 2 and 3 of the draft regulation. The relationship with the European Competitiveness Fund is also outlined: under the NRPP, Member States may allocate financial contributions to the ECF InvestEU instrument (recital 35, Article 11(2)). The impact assessment (LFDS) proposes the creation of a steering mechanism to ensure coordination between the NRPP and the ECF. Additionally, NRPP support may be provided to projects that	The draft ECF Regulation consolidates 14 existing funds and instruments into a new, unified instrument. The ECF's interventions have been divided into four areas ("policy windows"), the first of which is "Clean Transition and Industrial Decarbonisation".[7] The instrument will be managed directly by the European Commission, and the budget is set at €234 billion (including additional mobilised funds – approx. €400 billion), of which only €26.21 billion is earmarked for the window on the green transition and energy. Although a just transition is mentioned in the ECF, it is treated more as a cross-cutting approach than a specific measure.

[1] See e.g. Stanowisko Rządu RP w sprawie roli spójności w UE i przyszłości polityki spójności po 2027 roku *[Position of the Government of the Republic of Poland on the role of cohesion in the EU and the future of Cohesion Policy after 2027]*, Ministry of Development Funds and Regional Policy, 2024.
[2] European Commission, *Ninth Report on Economic, Social and Territorial Cohesion*, Publications Office of the European Union, Luxembourg, 2024.
[3] Mario Draghi, *The future of European competitiveness*, European Commission, 2024.
[4] Enrico Letta, *Much more than a market – Speed, Security, Solidarity, Empowering the Single Market to deliver a sustainable future and prosperity for all EU Citizens, European Commission*, European Commission, 2024.
[5] Sauli Niinistö, *Safer Together – Strengthening Europe's Civilian and Military Preparedness and Readiness*, European Commission, 2024.
[7] The others relate to: health & biotechnology, digital transformation, and security & defence.

receive the 'Competitiveness Seal' under the ECF. A just transition is identified in Article 3 as an objective of the fund, specifically in relation to achieving the Union's climate goals. Article 22 addresses just transition strategies, while Article 75 stipulates that NRPP programming should build on existing strategies, such as the Territorial Just Transition Plans. Furthermore, Article 4 of the Regulation on the European Regional Development Fund and the Cohesion Fund (which will form part of the NRPP) requires that particular attention be paid to disadvantaged and just transition areas in line with Article 174 TFEU. This means the NRPP may provide dedicated support for these areas. By comparison, under the outgoing financial framework, the Just Transition Fund had specific objectives and a budget of €17.5 billion (or €19.2 billion in current prices), including €3.85 billion for Poland. This represented about 25% of the JTF's allocation to regional programme budgets in designated just transition regions[6], just under 12% of the allocation for all regional programmes, and 5% of the total value of the Partnership Agreement.	The ECF does not provide for a separate budget allocation or a specific percentage of funds earmarked for a just transition. Nor are there any national envelopes or mechanisms guaranteeing the participation of individual Member States, regions or sectors in the allocation of funds.

Implications

Challenges

Where is the problem, given that in the descriptive sphere both 'competitiveness' and 'just transition' feature in the new EU budget?

- The proposal for the new MFF addresses a number of challenges identified by Draghi and Letta regarding the EU economy's competitiveness and the functioning of the single market. However, it lacks a coherent and concrete approach to the just transition of coal regions.

[6] ranging from 9% in Lesser Poland (Małopolska) to 43% in Silesia (Śląskie).

- It appears that the logic of competitiveness policy has been completely detached from the regional context and the Union's treaty obligation to enhance economic, territorial and social cohesion. It completely overlooks the fact that the European way of life is a major factor in the EU's competitiveness – making it an attractive destination for workers from outside the EU, whilst counteracting depopulation in the regions and among their inhabitants in the spirit of the 'right to stay' principle invoked by Letta. Instead, it envisages the centralisation of EU economic policy, shifting the focus to funds under the direct management of the European Commission, and overlooks the long-standing experience of instruments such as Horizon Europe or the Innovation Fund, where the lack of national envelopes translates into low absorption of funds in Central and Eastern European countries, including Poland[8]. Despite the new financial framework amounting to almost €2 trillion and €123 billion earmarked for Poland under Heading 1, there are no specific funds guaranteed for Warsaw to participate in European competitiveness policy or for the just transition of coal regions.
- Poland faces the risk of being "uncompetitive for competitiveness funds" under the ECF, due to likely difficulties in prioritising investments and a lack of experience and resources[9] to apply for pan-European funds, as well as being "too wealthy for an effective just transition". The difficulty in prioritising stems from the lack of a current industrial strategy and the general nature of the Polish Development Strategy to 2035, which – as the Reform Institute points out – limits its potential to support innovation and competitiveness[10]. The Polish state is not ready for the ECF, and its institutions are unprepared for the new EU budget architecture that strengthens pan-European funds. Domestic European investments lacking support may be replaced by investors from outside the EU; examples of this can already be seen in the just transition region of Eastern Greater Poland (*Wielkopolska Wschodnia*), where entrepreneurs from China are emerging[11].
- Furthermore, coal regions may face difficulties in financing just transition investments if the rule of classifying regions at the NUTS 2 level remains, while the just transition sub-regions (NUTS 3) are poorer parts of wealthier provinces. It means that the level of EU contribution for projects is lower than the actual economic situation in these sub-regions would warrant.
- There is a lack of a systemic approach to industrial policy: support for the investment pipeline (from research to implementation), the research sector provides a weak

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[8] For example, although Poland is the 6th largest economy in the EU, it ranks 16th among beneficiaries of the Horizon Europe programme, https://www.tc.cz/en/news/823/czech-republic-in-the-horizon-europe… whereas in the case of the Innovation Fund, only 10 out of 279 projects available in the EC database come from Poland https://dashboard.tech.ec.europa.eu/qs_digit_dashboard_mt/public/sense/app/6e4815c8-1f4c-4664-b9ca-8454f77d758d/sheet/bac47ac8-b5c7-4cd1-87ad-9f8d6d238eae/state/analysis

[9] Including competences such as networking and the creation of consortia and pan-European partnerships.

[10] Instytut Reform, *Między ambicją a realizacją. Jak wzmocnić Strategię Rozwoju Polski do 2035 roku?*, red. Zofia Wetmańska. Warszawa: Instytut Reform, 2025.

[11] See e.g. https://www.lm.pl/aktualnosci/chinski-inwestor-z-wizyta-w-koninie-fabryka-rozpocznie-produkcje-w-tym-roku

foundation for innovation[12], and the institutional ecosystem for competitiveness effectively does not exist[13].

- Compounding this is the serious risk of a breakdown in the just transition of coal regions due to the lack of dedicated funding in the new MFF. Regions may struggle to operate within the new structure and may lack 'confidence' in the feasibility of securing funds for a just transition. All the more so because, in the absence of any criteria for ring-fencing funds between programmes and guarantees that funds will be spent on specific purposes (earmarking), there may be a risk of the temptation to divert funds to other purposes and a need for coal regions to compete with other regions of the country for funds for social investments, in the labour market sector, or for clean industrial technologies. This would mean that as early as the NRPP programming stage, coal-mining regions such as Eastern Greater Poland, Silesia or Wałbrzych would have to compete for transformation funds within wider national and regional priorities.
- Furthermore, this picture of needs will be supplemented by coal regions that have not yet benefited from JTF support – Turów and Bogdanka.[14] They will be reducing production and employment in the mining sector in the coming years.
- The lack of a "stand alone JT" also creates a risk of poor coordination – the loss of synergies between various investments, which is a hallmark of the place-based approach, alongside the coordination of the just transition process with industrial policy at the central level.
- Beyond the risks associated with the economic decline of coal-mining regions and the deepening challenges of the development gap in the Polish economy, the consequence of squandering the opportunity for the wise integration of just transition regions into European competitiveness policy would be to undermine citizens' trust in the EU – due to the failure to deliver on the promise of 'leaving no one behind', which is extremely dangerous in the context of the 'Polexit' narrative gaining momentum in public debate.
- Another obvious repercussion is the entrenchment of an energy system – or, more broadly, an economic system – based on fossil fuels. The availability of pan-European funds (including those from the future ECF) for Poland is further undermined by the

[12] The World Bank points out that only 8–10% of Polish SMEs collaborate with universities, and a mere 5% of publications from leading universities are produced in partnership with business – the authors cite, among other things, the weak link between research topics and the needs of the economy as a reason. See: *Innovation Rising. Lifting Central and Eastern Europe's Jobs and Growth Potential*, International Bank for Reconstruction and Development / The World Bank, 2026, pp. 65–66.

[13] The Supreme Audit Office (NIK), in its post-audit report "The Effects of the Activities of the Business Environment Institutions" (KGP.430.2.2024) points to a lack of a systemic approach and coordination, as well as a fragmentation of competences and responsibilities. See: Informacja o wynikach kontroli, Efekty działalności systemu instytucji otoczenia biznesu, Najwyższa Izba Kontroli, 2024, pp. 33–35.

[14] Alina Pogoda, Mateusz Kowalik, *Sprawiedliwa transformacja regionów węglowych - na co postawić?*, Związek Stowarzyszeń Polska Zielona Sieć, luty 2026.

economy's high carbon emissions and volatile, high energy prices, creating a vicious circle.

Opportunities

Despite the challenges outlined above, the EU's new priorities and the proposed architecture of the MFF 2028–2034 also present a number of opportunities in the context of a just transition.

- Competitiveness policy could serve as a catalyst for the creation of a comprehensive industrial strategy, the absence of which in Poland is the Achilles' heel of green reindustrialisation and economic transition.
- Poland also has flagship (champion) sectors that can compete for funding from the European Competitiveness Fund. These undoubtedly include IT and digital services, transport, and the food industry[15]. It is worth noting, however, that companies in the coal and copper mining and processing sectors, as well as the oil refining industry, may also seek to access these funds.
- Conversely, the structure of the NRPP – with its results-based accounting logic and focus on reforms and investments – may incentivise the state to implement institutional reforms that support competitiveness and innovation.
- External drivers for action will also be created by circumstances: armed and trade conflicts in the EU's neighbourhood, or the development of AI, which necessitate an innovative approach and investment across all sectors of the economy, altering the structure of employment and ways of working. They may also encourage the development of resilience to political pressure by fostering European alternatives in defence and IT, thereby reducing dependence on external monopoly suppliers outside the EU's control.
- In some cases, streamlining and standardising bureaucratic procedures may be helpful; however, this must not result in deregulation that undermines key safeguards in the areas of the environment, cybersecurity and privacy.
- The skilful use of cross-financing in Just Transition regions can help maximise economic outcomes and benefits for local communities.
- Work on the new MFF also presents an opportunity (and a necessity) to involve industries and companies in the discussion on a just transition away from coal and support for new innovative industries in place of, but also in the place (in the geographical sense) of decommissioned high-emission industries – a concrete discussion is needed already now.
- The experience of the Just Transition Fund in Poland, which, given the wording of the JTF Regulation (2021/1056, recital 16 et al.) and also due to the *de minimis* aid thresholds,

[15] In the context of the food industry, support under the ECF should be conditional on compliance with the European Green Deal and the 'Farm to Fork' strategy, so as not to perpetuate the existing, high-emission model of animal production based on industrial-scale farms.

can be described as a fund particularly focused on SMEs, may also be very helpful in implementing the proposals of the recent 'non-paper'[16] from some Member States regarding increased support for SMEs under the ECF.

Stakeholder views[17]

Everyone we spoke to pointed out that:

- The absence of the Just Transition Fund in the legislative proposal for 2028–2034 poses a challenge for Poland.
- The process of the just transition in coal regions must continue.
- European competitiveness policy is important, and the ECF is needed, but in its current form, it will be difficult for Polish entities to make use of it.
- A major threat is the shift in the budgetary mindset evident in Brussels, which assumes that 'competitiveness' is for the wealthiest countries, whilst the 'poorer' ones must make do with cohesion funding.
- The challenge lies in the very definition of 'competitiveness' – Europe faces a choice as to what we wish to be competitive in, because competitiveness encompasses an element of quality of life (the European social model).

The Just Transition process

All our interviewees from Poland view the just transition process positively. Local government officials point out that it was planned to span at least four financial frameworks, so it is difficult to assess its effectiveness at this stage. However, the need to continue actions under the just transition is clear. Both local authorities and CSOs recognise that the benefits of the just transition process were not merely financial: they included raising public awareness of the objectives of transition and decarbonisation (e.g., in the context of improving air quality), whilst the Just Transition Platform served as an excellent tool for networking stakeholders from different regions.

Local government representatives also highlighted the comprehensive and supportive nature of the Just Transition Fund, which supports the reskilling of workers, the economic diversification of regions, and the restoration of the natural environment damaged by industrial activity. The JTF provides greater flexibility in the development of post-mining areas than other instruments.

[16] Summary of the document (not available in the public domain): https://businessinsider.com.pl/biznes/nowy-unijny-budzet-i-spory-o-pieniadze-co-to-oznacza-dla-polski-analiza/t3hjxyt

[17] This section is based on interviews with experts and decision-makers, as well as conclusions from a closed-door PGN seminar (Brussels, 12 May 2026, held under the Chatham House Rule), the Forum Energii and CEE Bankwatch Network conference (Brussels, 13 May 2026), and a panel on the regional dimension of competitiveness policy at the Permanent Conference on European Affairs (Warsaw, 26 May 2026). Consequently, we do not attribute the views expressed in this section to specific individuals or institutions, with the exception of those made during open events.

Representatives of research institutes add that the JTF also creates ‘pro-social local content’ – ensuring that investments are firmly rooted in the local community.

European competitiveness policy

The challenges facing the European economy were not in doubt among our interviewees. Representatives of European institutions pointed out that the new approach to competitiveness is the result of collaboration between many stakeholders; however, the problem is that many reduce it solely to industry – the prevailing definition lacks a view of competitiveness as the result of strengthening education, universities, institutions, or regions. This is evident, for example, in the approach of DG GROW, which does not appear to identify Just Transition regions as areas of accelerated development (arising from the proposed Industrial Accelerator Act), even though the need for such a link was clearly highlighted to us by the local government officials with whom we spoke.

Polish entrepreneurs pointed to the high barrier to entry for centrally managed programmes (e.g., Horizon Europe), but added that once you enter the system, you stay in it. This means that support for domestic entities in applying for instruments such as the ECF is particularly needed. This is especially important because there is a real risk that, with limited success in the ECF, Poland will become a net contributor to the EU budget, which, in the current political climate, would be detrimental to support for the EU.

Furthermore, government officials, local government representatives, and representatives of non-governmental organisations have pointed out that entities from coal regions will find it difficult to compete for centrally managed funds. Even within the current funding architecture, they often stand little chance of competing with other regions and entities for regional and national funding. SMEs, on the other hand, may not be able to compete with large enterprises. An additional obstacle is the restrictions arising from state aid rules. Our interviewees suggest a dedicated territorial instrument for the regions as a solution, whilst representatives of the regions of one Western EU country go so far as to argue that, rather than creating a uniform European competitiveness policy, we should empower the regions, which should themselves plan the development and strengthening of the competitiveness of their economies.

The Pomeranian Voivodeship has put forward specific proposals, suggesting that the ECF be supplemented with a regional track, in which regional managing authorities would support the implementation of the ECF by identifying and strengthening “regional champions”, supporting project preparation, pre-selecting projects for funding (a ‘seal of readiness’), and assisting in the formation of partnerships, which are prioritised in centrally managed instruments. Furthermore, the ECF’s priorities should be defined not only on the basis of sectors, but also taking regional smart specialisations into account. ECF support mechanisms should include, amongst other things, ensuring geographical balance in calls for proposals, awarding additional points to applications involving “first-time applicants”, and projects submitted by diverse consortia (comprising both experienced and inexperienced but promising applicants).

Recommendations of the MFF PL group

Recommendations regarding state policy

- The state's efforts should focus on building synergies between competitiveness policy and the just transition of coal regions, and on highlighting the benefits to competitiveness arising from just transition processes. Flagship sectors in just transition regions should be supported through the ECF; while in regions with no flagship enterprises, social transformation should be supported, including through the ESF+ and national funds.
- Policy and support for just transition should take into account the issue of local content[18] and mobilise Polish capital. In this way, Polish Clean Tech can be built.
- It is absolutely essential to adopt a national industrial strategy and a strategy for the industries of the future. This should be based on the use and integration of existing instruments – such as the Regional Smart Specialisation (S3) lists developed for the 2021–2027 MFF. The strategy should prioritise support for clean tech sectors in Poland. We should also avoid stopgap solutions – the strategy should clearly define the target directions. The measure of the strategy's effectiveness will be the efficiency with which the Polish economy absorbs ECF funds.
- Industries and companies in transition regions should be involved in the work on the strategy to replace high-emission industries with innovative ones, whilst preserving jobs; as well as CSOs, which serve as substantive partners with experience in engaging in the just transition process and as frequent facilitators of dialogue between stakeholders.
- There is a need to establish a coordinating centre for the competitiveness of the Polish economy, while would take into account its local and regional dimensions.
- Poland should develop and adopt an AI policy (strategy)[19] to make wise use of the development of artificial intelligence in the state's industrial policy, creating an appropriate regulatory framework and conditions for the development of the digital economy.
- Educational initiatives aimed at building the workforce of the future ('green skills') should be strengthened – including through the use of European funds.

[18] Support for just transition regions would help to strengthen policies promoting local content https://www.gov.pl/web/aktywa-panstwowe/local-content-z-korzyscia-dla-polski-wspieramy-krajowe-firmy-budujemy-gospodarke

[19] AI policy should take into account political, technical and international challenges – including the development of a dedicated ecosystem (at both Polish and EU level) that is independent of international corporations, fully controlled and transparent, subject to robust regulation, and the implementation of AI in strictly defined applications (the aim should be, for example, to optimise energy and material consumption) whilst simultaneously introducing robust cybersecurity mechanisms. One must bear in mind the very high energy and water consumption of data centres, as well as the risks associated with supply chains for key materials. Investments in AI projects must be preceded by a rigorous economic analysis.

Recommendations regarding the National and Regional Partnership Plan

Amendments to the NRPP Regulation

- The percentage of funds to be allocated for just transition objectives in coal regions should be specified at the level of the NRPP Regulation. Based on the MFF 2021-2027 experience, it should not be less than the current 25% of the regional programme (chapter) or 12% of the regional allocation overall. This calculation should also determine the percentage of ESF funds that should also support the NRPP through investments in regional competitiveness in transition regions.

The programming and implementation phase of the NRPP

- The NRPP should list and describe the regions in transition and plan measures to ensure the use of funding from European and national funds.
- The NRPP should include a thematic chapter on just transition, with an emphasis on competitiveness, as well as regional (territorial) chapters based on the updated TJTP and the relevant indicators set out in the Regulation on the framework for the implementation of the EU budget (which were also used in the 2021–2027 JTF Regulation). During work on the NRPP, Territorial Just Transition Plans should be updated and/or new ones developed to strengthen development and competitive potential.
- Mine closure dates should be rationalised where specified in the TJTPs, and dates should be set for regions that lack them. This will form the basis for realistic programming of the NRPP intervention.
- Partners and stakeholders in the just transition process should be involved in the work on programming the NRPP and monitoring its implementation (monitoring committees).
- In calls for proposals aimed at businesses and research institutions, projects that strengthen the economy's competitiveness and resilience should be promoted[20]. This should be supported by recommendations within the European Semester process, which should identify key measures linking the NRPP with the competitiveness policy implemented at EU level.[21]
- Dedicated support should be allocated to SMEs, micro- and small enterprises, and other entities (including CSOs), so they do not have to compete against the largest companies in a single call for proposals.

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[20] Future-proof solutions should be supported. Building resilience should be analysed from multiple angles (e.g., resilience to supply chain crises and independence).

[21] The ZOE Institute had already highlighted the role of the EU Semester in a report published even before the presentation of the MFF 2028–2034. See: Lukas Bertram, Jakob Hafele, Sebastian Kiecker, Lydia Korinek, *A unified industrial strategy for the EU*, ZOE Institute, 2024.

- The NRPP should provide for investments that facilitate applications for ECF funds (and other pan-European instruments), for example, by supporting (as part of the just transition intervention) enterprises in developing ECF projects and in *capacity* building.
- Projects that have received the Competitiveness Seal under the ECF but did not qualify for support should be able to obtain support from the NRPP under simplified rules.

Recommendations concerning the European Competitiveness Fund

Amendments to the ECF Regulation

- The ECF Regulation should include a mechanism ensuring access to funds for entities from Member States with less competitive economies — in the form of a national envelope[22] or a compensatory mechanism, but also establish a mechanism to support competitiveness in just transition regions, calculated as the percentage share of investments identified in the just transition area within the territorial chapters (TJTP) and thematic chapter (JT) of the NRPP.
- The ECF Regulation should take into account the partnership principle, which means that partners – including regional-level transition stakeholders (local authorities, businesses, workers, non-governmental organisations) – should be represented in the structures implementing the ECF (Stakeholder Board, Investment Committee, Advisory Board).

ECF programming and implementation phase

- The development of a culture of innovation should be supported by creating a project pipeline from science to business and establishing an ecosystem of supporting institutions. This will require preparatory work with the National Centre for Research and Development (NCBR)[23] and academia, drawing on the experience of the Horizon Europe programme, and with businesses utilising the EU Innovation Fund, as well as those representatives from business and science who, for various reasons, did not apply for funding (to identify barriers).
- Consideration should be given to introducing mechanisms within the ECF management framework to provide additional support for projects (specifically those relevant to the just transition process) at the national level, as is the case with the LIFE programme.

[22] The introduction of such solutions in LIFE has made it much easier for Polish applicants to apply for funding.
[23] NCBR is a Polish executive agency supporting and developing innovative technological and social solutions, creating an ecosystem of knowledge of, and information about, innovation, https://www.gov.pl/web/ncbr-en/ncbr

Summary

The just transition of the regions most affected by the shift away from a carbon-intensive economy should be a key element of European competitiveness policy. It only makes sense if it is based on the Treaty obligation to enhance territorial, economic and social cohesion and puts into practice the principles of ‘leaving no one behind’ and ‘the right to stay’. Otherwise, if the MFF 2028–2034 *effectively* stifles the just transition process and competitiveness policy focuses solely on supporting the most developed companies and sectors, we risk a widening of economic disparities within the Union. And undermining trust in the institutions could turn into hostility towards the European project, expressed by frustrated citizens at the ballot box. There is still time to wisely combine just transition and competitiveness policy, whilst strengthening the Union’s social and economic resilience.

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We also spoke with representatives of the administration, experts, activists and stakeholders, including: Sonia Buchholtz (Sustainable Economy Institute), Aleksandra Krugły (Institute for Urban and Regional Development), Małgorzata Staś (Marshal’s Office of the Silesian Voivodeship), Maciej Sytek (Regional Development Agency in Konin), Joanna Tokarczuk (STORIE)

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