

Initiative

ALENTEJO / EUROPE

ALENTEJO GREEN DEAL

Green Paper for consultations on Regional
Smart Specialization Strategy's integration with
European Green Deal.



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Abbreviation list

EGDIP European Green Deal Investment Plan

GDP Gross Domestic Product

PASE Action Plan for Energy Sustainability

R&D Research and Development

R&I Research and Innovation

RIS3 Regional research and innovation strategies for smart specialisation

SEIP Sustainable Europe Investment Plan

NUTS Nomenclature subdividing the economic territory of the European Union



What is the European Green Deal?

The European Green Deal is new sustainable growth strategy for the EU aimed at delineating the path for transforming the EU's economy for a sustainable future¹. Above all, the new sustainable growth strategy sets ambitious targets for environmental protection, such a blocking of net zero carbon emission by 2050, and a 50%-55% cut in emission by 2030 (compared with 1990 levels), addressing the drivers of biodiversity loss in Europe, restoring degraded ecosystems, and adopting a zero-pollution action plan for air, water and soils.

The European Green Deal provides and action plan to:

- Boost the efficient use of resources by moving to clean, and circular economy
- Restore biodiversity and cut pollution.

The plan will engage all sector of the economy namely, transport, energy, agriculture, construction and industries like steel, cement, information and communication technology, textiles and chemicals. The plan encompasses a set of legislative measures, policy actions and funding mechanisms while recognized the critical necessity to leaving no one behind. In fact, it explains how to ensure a just and inclusive transition.

By working together, with the 27 Member States can significantly transform the EU's economy and society, and put the, on a more sustainable path, building on its strengths as a global leader on climate and environmental measures, consumer protection, and workers' rights.

Clearly, all of this will require a myriad changes and detailed measures, which will have to pass through all the Union. To reach these ambitious targets, the methodological framework of EU's

¹ COM (2019) 640 final, Brussels, 11.12.2019



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Green Deal is made up of three horizontal areas: strengthening knowledge; empowering citizens; and international cooperation and six vertical following areas: sustainable energy, circular economy, clean transport, nature & biodiversity, food & agriculture, sustainable finance



What are the key Priorities of the European Green Deal?

The details of the new Green Deal are set out in a Commission communication, published on 11 December 2019. In this document are outlines over 50 policy initiatives and concrete actions that the commission will put forwards progressively over the few years. Among key elements of the European Green Deal there are:

Increasing the EU's Climate ambition for 2030 and 2050

Key Measures: A European Climate Law enshrining the 2050 climate neutrality objective in legislation by March 2020; Comprehensive plan to increase the EU2030 climate target to at least 50% by October 2020.

Supplying clean, affordable and secure energy

Key Measures: Assess the ambition of the final National Energy and Climate plans by June 2020; Review of the Trans-European Network-Energy Regulation; Offshore Wind initiative.

Mobilising industry economy for a clean and circular economy

Key Measures: EU industrial Strategy by March 2020; A new Circular Economy Action Plan, including a sustainable products policy by March 2020.

Building a renovating in an energy and resource efficient way

Key Measures: Renovation wave for building sector aiming to double the current renovation rate.

A zero-pollution ambition for a toxic-free environment

Key Measures: Chemicals strategy for sustainability and smart mobility.

Preserving and Restoring ecosystem biodiversity

Key Measures: EU biodiversity strategy for 2030; New EU forest strategy.



From Farm to Fork: a fair, healthy and environmentally sustainable friendly food system

Key Measures: Farm to Fork Strategy.

Accelerating the spring to a sustainable Smart Mobility

Key Measures: Strategy for Sustainable Smart Mobility

Financing the transition whilst leaving no-one behind

Key Measures: Just Transition Mechanism, including Just Transition Fund and a sustainable Europe Investment Plan.

The EU as a global leader

Key Measures: Continue to lead the international climate and biodiversity negotiations, further strengthening the international policy framework.

Working together

Key Measures: European Climate Pact; 8th Environmental Action Plan.



What is the Green Deal Investment Plan?

The European Green Deal Investment Plan (EGDIP) is the investment pillar of the Green Deal. Also known as Sustainable Europe Investment Plan (SEIP), the EGDIP will mobilise the EU funds and will create a context able to ease and incite public and private investments necessary to achieve the transition for a competitive, climate neutral, inclusive and green economy.

The European Green Deal Investment Plan will mobilise at least €1 trillion in sustainable investments over the next decade. Part of the plan, the Just Transition Mechanism, will be targeted to a fair and just green transition. It will mobilise at least €100 billion in investments over the period 2021-2027 to support workers and citizens of the regions most impacted by the transition. More specifically, the plan is divided into three dimensions:

mobilise at least 1.000 billion euros in eco-friendly investments in the next ten years. The EU's budget will allocate to climate and environmental action a share of public spending never seen before, luring private funds; in this context European Investment Bank will play a primary role;

plan incentives to unlock and reposition public and private investments. The EU will give useful tools to investors, making sustainable finance a pillar of the financial system. The plan will also ease eco-friendly investments from public authorities, encouraging green budget practices and contracts, as well as coming up with solutions aimed at simplifying State's aid approval procedures in the affected regions by the right transition;

the commission will give support to public authorities and promoters in the process of planning, developing and implementing eco-friendly projects. Financial support and



technical assistance will be provided, to help regions that are most affected by the move towards green economy. ²

² This is called the Just Transition Mechanism and will help mobilise at least €100 billion over the period 2021-2027 in the most affected regions.



Why a Regional Green Deal?

The successful implementation of the Green Deal can only be achieved if European Regions develop and implement place-based “Regional Green Deal strategies.”

In fact, achieving the EU’s Green Deal bold targets will require the mobilisation of all regions and all its actors, and above all, scientific expertise from many different disciplines across all the European Regions. New technologies, sustainable solutions and major innovation are critical to achieve the objectives of the European Green deal. If the transition towards sustainability must be just and inclusive, then a starting point will be an absolute necessity to enhance strong interregional cooperation on R&I and R&D to ensure a structurally enhanced research innovation and development capabilities in the European Union. Research and innovation infrastructure, are, indeed, the core instrument for local and regional development. As argued in the framework of a recent Committee of the Region’s opinion:

To address grand challenges, such as climate change, research infrastructures must be capable of integrating with those of neighbouring regions, thus creating greater knowledge-sharing and contributing to interdisciplinary research especially supportive of linking R&I policy with the development and implementation of S3 as these are innovative approaches to boosting economic growth, job creation based on identified regional needs, linking and involving regions in R&I activities.³

This, of course, would include the ability to incorporate ‘functional areas’ combined with a stronger willingness to collaborate with neighbouring regions.

³ Research Infrastructures – the Future of the European Research Area (ERA) from a Regional and Cross-border Perspective



The above-mentioned assumption is also shared by the European Commission. Namely, the “Green Deal Going Local” working group has the goal of ensuring that both the European Green Deal and the EU's recovery strategy translate into tangible projects and direct funding for local and regional authorities. As matter of fact, tackling climate and environmental-related challenges is very much part of this balanced and sustainable regional development.

The regional involvement in the cohesion policy and its transnational cooperation showed that in many cases, cooperation between regions can bring higher added value than facing the challenges at hand alone. Indeed, given the transboundary nature and scale of the challenges to be tackled by the European Green Deal, all regions need to step up their efforts. Therefore, to success in the green transition, European regions will have to align their regional strategies to the Green Deal objectives and focus on medium- and long-term policy objectives within a strong governance network for open research and innovation framework. Following the most recent literature, a new governance system able to guarantee a fertile ground for the Green Deal should combine direction (top-down approach by setting long-term goals that foster joint investment commitments) and autonomy (bottom-up approach for finding the most successful economic solutions through joint experimentation of new system solutions)⁴.

Having a regional/local dimension of the Green Deal will, therefore, ensure the role of regions bringing together a wide range of stakeholders including citizens, for effective partnerships to support R&I in the Green Deal priority areas (energy, environment, mobility, matters) will be fundamental to achieve climate neutral objectives.

Through the Alentejo Green Deal Initiative it is intended to transform the region (and the European Union) into a fairer and more prosperous society, with a modern environment, competitive and

⁴ J. Larosse, D, Corpakis, R.Tuffs,(2020) The Green Deal and Smart Specialisation.



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resource efficient economy, where there are no net emissions of greenhouse gases in 2030 and where economic growth is decoupled from resources to use.

This is thus the greatest challenge and the greatest opportunity of today.



What is the Alentejo Green Deal Initiative?

Alentejo is the largest Portuguese region with a territorial area equivalent about 31.500 Km², corresponding approximately to one third of the country territory and 711.950 inhabitants (2018, INE).

Traditionally the region has been considered a rural territory. Over the past decades, the region has undergone an average negative population growth rate, which make of the region a low-density region.

However, the region is boosting R&I and R&D initiatives on regional territory and new trends have emerged in the regional economy. A significant set of public and private investments, within the region and its immediate surroundings, reinforce the potential to attract new business investments, creating objective conditions for a new position of the Alentejo in the scope of economic relations on an international scale. It stands out, especially, the sector of automotive and electronic component industry, which have been significantly contributing to make Alentejo an emerging region in Europe.

The following figures illustrate the analysis of regional R&I and R&D indicators in Alentejo region, compared with other European regions. The complete analyses are presented in Annex I.

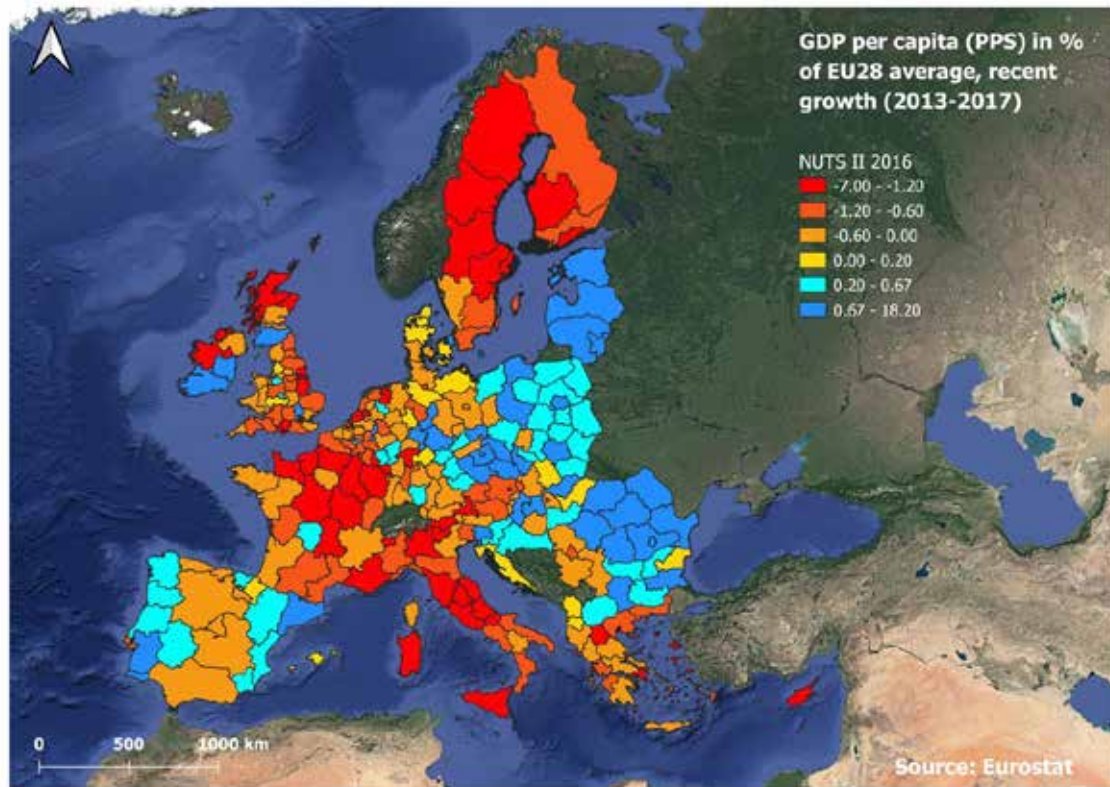


Figure 1 - GDP per capita, recent growth.

Alentejo shows a high recent growth of GDP per capita. At a national level there is a positive highlight of the region, corresponding to one of the regions with the highest growth in this indicator, along with the Algarve.

Similarly, at European level, the Alentejo is positioned as one of the regions with highest growth in this indicator, alongside several regions located to the east of Europe.

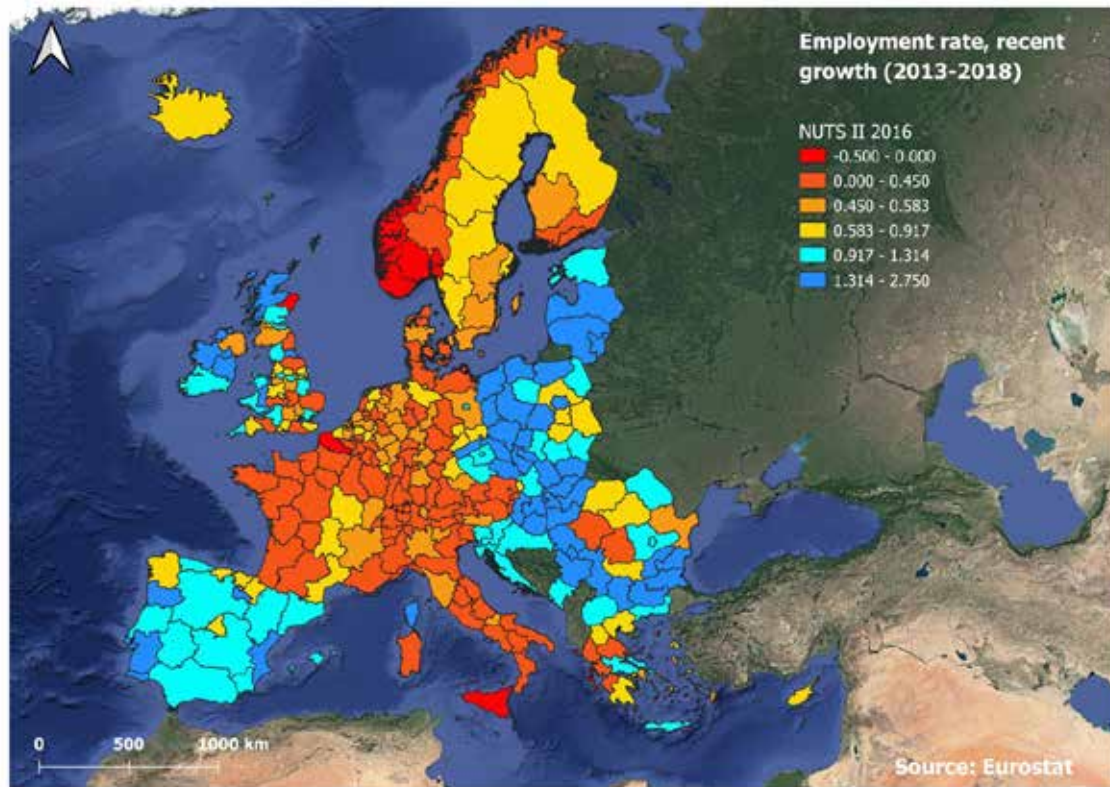


Figure 2 - Employment rate, recent growth.

From 2013 to 2018, Alentejo region has shown one of the highest growth of employment rate, both at national level and European level. It demonstrates the positive impacts of the regional strengthening of R&I and R&D initiatives and the importance of the strategy adopted.

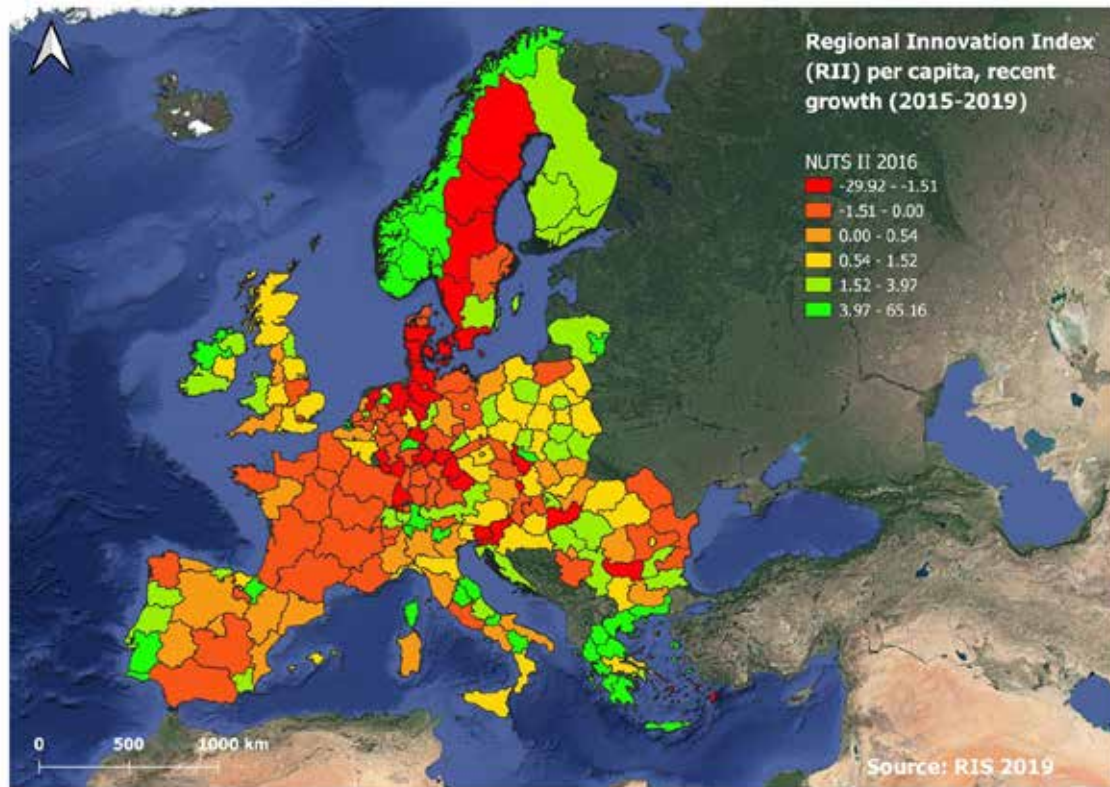


Figure 3 - Regional Innovation Index, recent growth.

Alentejo region presents a high performance on Regional Innovation Index⁵ per capita recent growth, demonstrating a very positive results from regional R&I and R&D activities.

With this context, Alentejo Green Deal Initiative has been developed as tool for potentially continuing the extremely positive growth of the regional economy and socio-economic development and ensure a fair and prosperous society, with a modern, resource-efficient and

⁵ Regional Innovation Index represents an average innovation performance measured using composite indicators (17 indicators). Its published by European Commission on Regional Innovation Scoreboard 2019.



competitive economy where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use.

Bearing in mind that a successful implementation of the Green Deal can only be achieved if European Regions develop and implement place-based Alentejo Green Deal Initiative aims to implement the strategic priorities of the Alentejo Smart Specialisation Strategy and the ambition for Alentejo's Climate Potential for 2030 and 2050, through the mobilisation of research and innovation, in the region, to foster a just and sustainable societal transition aiming at 'leaving nobody behind'.

Alentejo Smart Specialisation Strategy

Alentejo Regional Smart Specialisation Strategy relay from the use research and innovation to kick-start the environmental, social, and economic transformations required to tackle the climate challenge. The regional smart specialisation strategy identifies a set of thematic priorities and proposes a new paradigm of innovation policy capable of preventing the dispersion and disconnection of resources, agents and economic activities. In this sense, four structural objectives are highlighted:

- i. Improve the performance of the regional innovation system;
- ii. Explore emerging areas;
- iii. Intensify the patterns of interaction and cooperation between actors, reinforcing the symbiotic combination of resources and economic activities;
- iv. Promote the collective construction of competitive advantages and economic and knowledge spillovers.

Alentejo's regional smart specialisation strategy is designed as an assertive strategy that promotes the effective creation of critical mass with a relevant impact on the attractiveness of the Alentejo



and on socioeconomic development indicators. It is within this scope that the definition of priority domains of intelligent specialization falls, combining diagnostic and prospective analysis. In a nutshell, taking this into account, the Alentejo's regional smart specialisation strategy recognizes the heritage (natural and cultural) and the environment are two structural elements of the smart specialization strategy which are transversal to the identified areas of specialization, namely:

 Heritage & Environment	Food and Forestry.
	Economics of Mineral, Natural and Environmental Resources.
	Heritage, Cultural and Creative Industries and Tourism Services.
	Critical Technologies, Energy and Intelligent Mobility.
	Technologies and specialised services of the Social Economy.

Figure 4 - RIS3 Alentejo Strategic priorities 2014-2020.

Alentejo's Climate Potential for 2030 and 2050 Action Plan

The Covenant of Mayors was launched in 2008 in Europe with the ambition to bring together local governments voluntarily committed to achieving and exceeding the EU's climate and energy targets. In 2015, the Covenant of Mayors took on new objectives through a merger with the Mayors Adapt initiative on climate change adaptation, giving rise to the new Covenant of Mayors on Climate and Energy. This initiative brings together more than 7,700 local and regional authorities in 57 countries worldwide.



Currently, the signatories of the Covenant of Mayors on Climate and Energy commit to reduce CO₂ emissions on their territory by at least 40% by 2030 and to adopt a joint approach to climate change mitigation and adaptation.

In order to transpose the political commitment into practical measures and projects, the signatories commit to presenting a Sustainable Energy Climate Action Plan (PASEC) outlining the key actions they plan to implement. Signatories also commit to reporting on the implementation of PASEC by submitting progress reports every two years.

The Alentejo's Climate Potential for 2030 and 2050 Action Plan aims at integrate the existing action plans for energy sustainability (PASE) and action plans for sustainable energy and climate (PAESC), whether municipal or regional (NUTS III) in scope, among other eventual individual plans, contributing and converging to a single action plan, aimed at the simultaneous fulfil in the region the commitment assumed with the adhesion to the Covenant of Mayors for Climate and Energy (both individual or regional) and the goals of the European Green Deal. T

Through Alentejo region's adhesion to the Covenant of Mayors for Climate and Energy the region would commit itself to achieving carbon neutrality of its territory by 2030 - 2050, through a joint approach for mitigation, adaptation to climate change and ecological sustainability.

Complementarily, the New Alentejo Green Deal intendeds to boost an Action Plan for Alentejo's Climate Potential for 2030 and 2050 and promote mitigation and adaptation to climate change in Alentejo territory.



What may be the objectives of Alentejo's Green Deal Initiative?

Alentejo's Green Deal Initiative will transpose into the region the European Green Deal strategy, focusing in regional needs and priorities from other regional strategies and addressing the eleven thematic areas of European Green Deal:

- Biodiversity
- From Farm to Fork
- Sustainable agriculture
- Clean energy
- Sustainable industry
- Building and renovating
- Sustainable mobility
- Eliminating pollution
- Climate action

Alentejo's Green Deal Initiative will also address five transversal objectives, namely:

- Capacitation and Training
- Social Dimension
- Financial Instruments
- Relationship with the European Structural Funds
- Communication



These transversal objectives of Alentejo's Green Deal Initiative are defined below.

Capacitation and Training

The transition to an ecologically sustainable and carbon neutral economy is an opportunity to spread sustainable and job-creating economic activities. There is significant potential in global markets for low emission technologies, sustainable products and services. Similarly, the circular economy offers great potential for new activities and jobs.

A strategy for an ecologically sustainable and carbon neutral economy must address the need to match the workforce with new employment opportunities and needs, including through education and vocational training, as well as any specific training difficulties and challenges that small and medium-sized enterprises may present.

Skills upgrading and renewal are key to ensuring the benefits of a sustainable ecological transition. The Alentejo's Green Deal Initiative thus supports the workforce to acquire the necessary skills for mobility from declining to growing sectors and for adaptation to new, ecologically more sustainable processes.

Social Dimension

The participation and commitment of the public and all stakeholders in the transition to an ecologically sustainable and carbon neutral economy is crucial to its success. This also requires particular care to protect the citizens and workers most vulnerable to the transition. As it will bring substantial change, this transition must be fair and inclusive, putting people first and paying attention to the regions, industries and workers that will face the greatest challenges.



Active public participation and trust in the transition are also key to protecting, preserving and enhancing not only the region's sustainability but also the well-being of citizens and the wider community.

In this sense, the Alentejo's Green Deal Initiative provides information and promotes access to retraining programmes and jobs in new economic sectors or energy efficiency systems, particularly for the most disadvantaged groups.

Financial Instruments

Investment in green technologies, sustainable solutions and new businesses is the basis for the transition to an ecologically sustainable and carbon neutral economy. This will require efforts to direct private capital towards climate and environmental action, and the construction of a coherent financial system that supports sustainable solutions is crucial. This investment is also an opportunity to promote sustainable and inclusive growth.

The Alentejo's Green Deal Initiative is an instrument that aims to bring together citizens in all their diversity, with regional, local authorities, civil society and industry, working closely with EU institutions and advisory bodies to ensure the necessary investment capacity.

Relationship with the European Structural Funds

The Structural Funds are the main European instrument for promoting investment in Europe's human capital - workers, young people and all those seeking employment - with a view to improving the employment prospects, particularly of all those who have difficulty in finding work. Thus, the European Structural Funds priorities are to increase the adaptability of workers and companies, improve access to employment and enhance social inclusion.



The nature, size and objectives of European Structural Funds -funded projects are diverse and respond to a wide variety of target groups, financing projects that improve the employment prospects of people and the jobs they fill. These projects benefit those who participate in them, usually individuals, but also companies or organisations.

European Structural Funds co-financing rates range from 50% to 85% of total project costs, although this figure can reach 95% in exceptional circumstances. The percentage of EU funding depends on the wealth of the region receiving support.

Communication

Effective, integrated and coordinated communication is essential to ensure community involvement in the transition to an ecologically sustainable and carbon neutral economy.

Awareness and understanding of the issues and benefits of a transition to a more sustainable, fair and inclusive economy should be promoted. The different actors involved and the importance of each other's role should also be specified. This should drive the adoption of actions and projects and support collaborative action.

The Alentejo's Green Deal Initiative thus ensures the elaboration and implementation of a strong carbon neutral communication plan adjusted to the specific needs and objectives of the Alentejo region, in its strategy for a pioneer region with climate neutral impact until 2030. The following actions will be privileged in this context:

Operational platform: elaboration and provision of an interaction platform between relevant entities and creation of a network to support communication, information, capacity building, development and coordination of the project; this platform will also ensure the collection of direct feedback from citizens, in particular, interests, suggestions and proposals for actions.



Public sessions: organisation of events, physical or digital, aimed at both information and training.

Dissemination of information on the European Green Deal: dissemination of specific information inherent to the European Green Deal Initiative and correlation with New Alentejo Green Deal.

Valorisation of opportunities: dissemination of specific information inherent to new opportunities associated to the transition to an ecologically sustainable and carbon neutral economy, and provision of relevant tools, in particular with regard to employment and investment opportunities, education and vocational training, among others.

Projection of Alentejo as an emerging region: availability, dissemination and promotion of the work developed and results achieved by the Alentejo region as an emerging region and a pioneer in the transition to an ecologically sustainable and carbon neutral economy.

Promotion of Alentejo's Green Deal Initiative: dissemination and promotion of the work developed, and results achieved by the Alentejo region within the scope of Alentejo's Green Deal Initiative; support for replication Alentejo's Green Deal Initiative in other national and international regions.

IMESy: provision of a platform for data management and in situ monitoring, which allows the generation, visualisation and printing of performance reports, adjusted to information needs and complemented by invoicing analysis.

Other communication tools: elaboration and availability of other various communication and dissemination support tools such as videos, social network communications, good practice sharing platform, brochures, among others.



Awards for Actions of Excellence: creation and availability of awards for Actions of Excellence, which stand out for their contribution to the transition to an ecologically sustainable, fairer and more inclusive economy and to the objectives of the Alentejo's Green Deal Initiative.

Digital dimension: The Alentejo's Green Deal Initiative will focus on the digital dimension as a privileged instrument of communication, both in terms of information and awareness, and in terms of training, education and management of initiatives/results and community involvement.



What may be the aim of Alentejo Green Deal Initiative?

The Alentejo's Green Deal Initiative aims to foster the commitment of regional and local administrative entities, employers and workers as active agents of change, to progress in improving the ecological sustainability of the region and to accelerate the information and training of the administrative and business sector and the community in general, thus promoting the adoption of more ecologically sustainable practices and the creation of new decent and more sustainable employment opportunities. The activities which can be carried out in the context of Alentejo Green Deal Initiative can be broken down into:

Development and implementation of a communication plan for carbon neutrality: The sharing and dissemination of awareness raising, capacity building and inspiration focused on the theme of mitigation and adaptation to climate change and combating environmental degradation will be ensured. Several channels and tools will be used including, events, dialogues with citizens.

Promote the implementation of the Action Plan for Alentejo's Climate Potential for 2030 and 2050: promote the implementation of an action plan for carbon neutrality in 2030, integrating other pre-existing plans, of municipal or regional scope. Community involvement will also be promoted in the creation of individual action plans - to be integrated in the Action Plan for Carbon Neutrality in the Alentejo - corresponding to actions that encourage the adoption of more ecologically sustainable practices and the creation of new decent and more sustainable employment opportunities.



Creation of a network of leaders for carbon neutrality: Creation of a "leading role for carbon neutrality", with responsibility and skills for the implementation of the communication plan for carbon neutrality, mobilisation and capacity building of the regional community for the development and/or implementation of more ecologically sustainable and decent employment initiatives. The carbon neutral leader should also train and support the development of individual action plans - contributing to carbon neutrality and ecological sustainability - which can be integrated into a common, region-wide Action Plan.

Creation of a postgraduate degree for the training of leaders for carbon neutrality: Creation of a specific postgraduate degree for the training of "leaders for carbon neutrality", ensuring that all necessary skills and resources are made available.

Creation and provision of a digital support tool: providing a platform for interaction between relevant entities - administrative, educational/formative, business, among others, and the general public, aiming at sharing information, supporting capacity building, and providing a support tool for the elaboration of individual action plans and their integration in the common action plan, of regional scope.

Elaboration and implementation of a training and capacity building plan for carbon neutrality: elaboration and implementation of an action plan for community training and capacity building, namely through education and vocational training, aimed at ensuring the capacity building of the workforce to new employment opportunities and needs as well as any specific training difficulties and challenges that small and medium-sized enterprises may present.



Information and promotion of investment opportunities: identification and dissemination of national and European funding solutions and opportunities to work together with public and private financiers to develop and/or replicate innovative low carbon solutions.

Provision of an investment support guide: presentation of best practices for structuring the financing of innovative clean technology projects, based on specific profiles of different sectors and on the maturity of the technological solutions, and provision of information to support the capture of financing and investment.



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