



JUST TRANSITION PLATFORM

JTP GROUNDWORK

*Regional and
Urban Policy*

This report was prepared by Simon Davies (JTP Groundwork), Adina Vișan (Valea Jiului Society) and Ina Berer. The authors would like to thank all those who participated in focus groups across the region, as well as comments and reflections on the findings provided by numerous participants at workshops held in Petroșani on 12 October 2013, Targu Jiu on 18 October, 2023 and Craiova on 18 November 2023. We would also like to thank Besa Maraj (ifok), Marco Migliara, Florentina Tautu and Sander Happaerts (DG REGIO, European Commission), for helpful comments and suggestions.

The views presented in this report are those of the authors and do not necessarily represent the views of the European Commission or its agencies.

What is the Green Transition?

Europe is phasing out polluting fuels as part of plans to become a climate-neutral continent by 2050. This green transition brings opportunities for jobs, business and research in new clean industries. It brings the opportunity for cities to become greener and less polluted, and it brings the opportunities for families to access cheaper more reliable green energy.

Yet, fossil fuels drove the industrial revolution, lighting streets, warming homes and powering factories and offices. Many businesses today still rely on fossil fuels to function – including much electricity generation, steel and concrete plants. Many regions have a proud heritage of providing the raw material, like coal, that made social and economic progress possible.

The green transition means not only switching from more to less polluting power sources but also supporting the businesses that need to adapt and the regions that rely on industries such as coal mining for jobs and economic vibrancy.

What is the Just Transition and how much is allocated to the Jiu Conurbation?

The just transition means supporting these regions in their efforts to leverage their industrial strengths to drive new green industries, renew skills, generate new employment and new economic activities, so that they can continue to be economically and socially vibrant communities that build on their heritage to take advantage of the green transition.

To meet Romania's commitment to phase out coal by 2032, nearly 5GW coal/lignite power generation capacity will close by 2030 (process already started with 1.7GW closed in 2021) and mining operations are due for closure by 2032. Hunedoara has been going through a transitional phase for the last two decades, while Dolj and Gorj are at the start of the process.

All three regions remain impacted by the most recent changes. Industry accounts for between 22 and 33% of each county's gross value added, and estimated job losses range from 1% of the employed population in Dolj to 5.5% in Hunedoara. Without intervention, a "business as usual" scenario estimates that new green sectors would replace perhaps just a third of lost jobs.

Yet the transition also offers significant opportunities. In Romania as a whole an estimated 100 000 new jobs could be created – three times the number lost. And, with their technical tradition and skills, the Jiu Conurbation stands well placed to benefit.

The Just Transition Mechanism was established to provide this support Europe's Just Transition regions. The support includes technical assistance and "twinning" to help regions learn from each other. The Just Transition Fund provides over €19 billion, primarily in grants to impacted regions through their businesses, local authorities and civil society.

Between them, Six Romanian Just Transition counties – Dolj, Galați, Gorj, Hunedoara, Mureș and Prahova – have been allocated over €2.1 billion. The three counties of the Jiu Conurbation have been allocated approximately €1.2 billion between them – or

approximately 10% of the region's income¹ – a significant financial support. Releasing these funds requires developing projects – business and socially oriented – that support the just transition by developing social infrastructure, businesses that generate jobs, green industries or infrastructure that support sectors with growth potential in the region – like tourism or green power generation.

What is JTP Groundwork and what has it done in the Jiu Conurbation?

JTP Groundwork is technical assistance provided by the EU to Just Transition regions. Experts work with local authorities, universities, businesses, NGOs or other organisations that make contributions towards a region's transition. In the Jiu Conurbation, experts worked together with the Jiu Valley Society across the whole Conurbation to:

- Bring people together through focus groups, workshops and conferences. 24 focus groups and interviews were held with 102 people from Hunedoara, Dolj and Gorj. A broad representation included 47 SMEs, 25 local authority or SME, 4 students and 21 NGOs. In addition, three workshops were held – one in each county – which around 150 people attended in person and an additional 100 connected online.
- Learn about opportunities and challenges in the region from local businesses, NGOs, and local authority officials.
- Review the available data and technical reports on the region to learn about the region's opportunities and challenges.
- Present findings in the form of a SWOT analysis that is clear, accessible and easy to read.

JTP Groundwork gave the opportunity for many members of civil society to meet, share their views, form business or social project relationships and contribute their views to this study. The level of engagement in the region was impressive; this report has benefited considerably from the sharing of views, several project teams were formed and several potential business partnerships were made. During the course of JTP Groundwork it became clear that people are motivated by hearing success stories, learning practical information on how to go about project identification and development, and the opportunity to engage with other like-minded individuals or groups who would like to improve the social and economic climate in the region.

In addition, JTP Groundwork shared knowledge on how to access EU funds through the workshop series and worked with the local community to identify potential projects that could be supported by EU funds. This was done through both focus groups and the workshops. Finally, JTP Groundwork helped to establish working groups for selected projects and supported them in developing the outlines of the projects and processes to be followed to attract EU funds.

This document summarizes the findings gained through the workshops, focus groups and literature review.

¹ Between them, Dolj, Gorj and Hunedoara generated a Gross Value Added (GVA) of around €11.4 billion in 2020.

What is in this report?

This report presents the Jiu Conurbation's

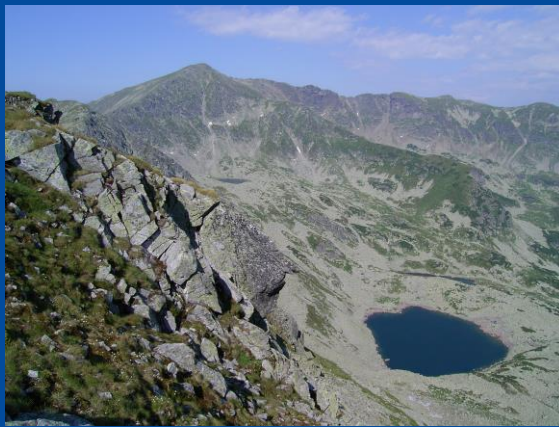
- Strengths – which can be built on
- Weaknesses – which must be addressed
- A bright vision for the future of the region – if it takes advantage of its opportunities
- A darker vision for the future of the region – if it fails to address weaknesses and threats are realised

A region with strengths to build on

A region with lots of natural and built beauty...

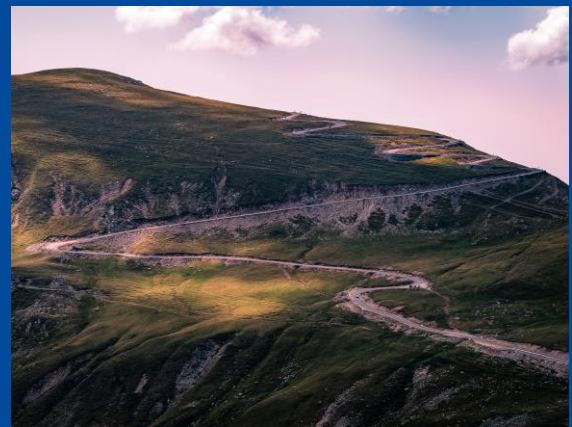
A region of mountains. Nestled amid towering mountains, this region is graced by the Danube to the south and the River Jiu flowing through the southern Carpathians. Here, enthusiasts can indulge in exhilarating mountain sports such as hiking, all while being treated to breathtaking vistas, charming villages, and warm-hearted locals. Notably, it houses Romania's oldest national park, Retezat National Park, which was founded in 1935. Moreover, the Transalpina highway winds its way from north to south, affording travellers awe-inspiring panoramas along the journey.

Parang Mountains



Author: Harabagiu Dan – work in public domain - [File:Parang-32.jpg](#) - [Wikimedia Commons](#)

Transalpina Highway



Author: Giuseppe Milo | Flickr [File:Transalpina road - Romania - Travel photography \(35775283264\).jpg](#) - [Wikipedia](#)

Beautiful castles. The medieval Corvin Castle, an exquisite blend of Gothic and Renaissance architecture, stands as one of Romania's seven wonders. Its construction unfolded over four stages from the 15th to the 19th century, initially conceived as a formidable defence against the Ottoman Empire. The vicinity of the castle was a hub for iron extraction and weapons production. Presently, the castle draws in excess of 275,000 visitors annually and in 2022, it had the honour of hosting the European Fair of Castles.

Corvin Castle



Author: By [Adrianstanica.ro](#) - Own work, CC BY-SA 4.0, <https://commons.wikimedia.org/w/index.php?curid=74734860>

The old city of Craiova: Colegiul National Carol I



Author: Unknown – old postcard:
https://commons.wikimedia.org/wiki/File:Craiova_-_Colegiul_National_Carol_I.jpg

Towns and cities that are great for wandering and exploring. These towns and cities offer captivating opportunities for leisurely strolls and exploration. Craiova's earliest modern mention dates back to 1475, when it held significance as a pivotal military and trading hub. Presently, the city boasts picturesque streets begging to be discovered, along with a grand town square. The enchanting Nicolae Romanescu Park, envisioned by the French architect Eduard Redont and established around 1900, stands as a charming public oasis. Situated on a 19th-century estate, it features an “enchanted castle” and graceful water features.

The region's rich history and captivating beauty serve as magnets for newcomers and can also inspire those who've departed to reconsider returning. This foundation offers a solid platform for enhancing the quality of life for all residents.

... with great winter sport opportunities.

The region's mountains are home to many ski resorts and some offer summer sport activities too. The Straja ski resort near Lupeni includes 26km of slopes. The Vidra resort opened in 2012 but does not yet include on-site accommodation. The Ranca ski resorts includes nearly 4km of slopes and routes. Parang Ski Resort hosts 8km of slopes and is also popular for hiking and mountain biking during summer months.

Straja ski resort – Vâlcan Mountains



Author: Al Bundy:
https://en.m.wikipedia.org/wiki/File:Ski_resort_Straja_2.jpg

Transalpina



Author: Livin4wheel:
https://commons.wikimedia.org/wiki/File:Driving_the_Transalpina_%28Unsplash%29.jpg

Housing is cheap compared to a lot of Romania and Europe...

Buying or renting a home in towns and cities in the Jiu Conurbation is around half the cost of similar accommodation in Bucharest. For instance, the average one-bedroom city centre apartment costs nearly 2,500 lei in Bucharest, compared with 1,120 lei in Targu Jiu and 1,400 lei in Craiova to rent. Purchasing is also much cheaper. Estimated price per square meter in central Bucharest is over 12,200 lei, compared to around 2,500 in Targu Jiu (80% cheaper) and 7,500 lei in Craiova (40% cheaper).

Prices are also lower compared to average income levels than in Bucharest with average prices equalling over ten times income in Bucharest, 6-7 times income in Targu Jiu and Petroşani. The Deloitte Property Index 2023 ranks European housing affordability and finds Romania as a whole to have the most affordable property in Europe and this news is shared internationally by reviews such as Business Review.

The region's affordable housing market makes it an appealing and accessible place to reside. This affordability presents an opportunity to draw in digital nomads or individuals considering a return, including those seeking summer or winter retreats. Additionally, it creates a favourable environment for purchasing and refurbishing properties for use in the tourism sector.

... and some housing is very beautiful

Population decline over the last two decades has led to an abundance of vacant homes that offer great potential for renovation. These properties can be repurposed for tourist rentals, transformed into seasonal residences, or used by "digital nomads," injecting vitality into the region. Additionally, some of these homes could be repurposed to provide essential services and support local communities, including daycare facilities for children, co-working spaces, and other valuable social or business activities.

House being renovated in Bumbesti Jiu



Author: GP Builders: <https://www.facebook.com/p/GP-Builder-100063913517221/>

Regional universities that have traditionally run excellent technical courses and trained highly technical people...

The universities in Petroşani, Craiova, and Targu Jiu have a rich legacy of imparting highly specialized technical skills tailored for the industrial workforce. The University of Petroşani, originally established as the "School of Bridges, Highways, Mines and Architecture," later merged with the Institute of Mining. Today, it houses three distinguished faculties - the Faculty of Mining, the Faculty of Mechanical and Electrical Engineering, and the Faculty of Sciences.

Founded in 1947, the University of Craiova's initial faculties encompassed Mathematics, Philology, Electrotechnics, Agriculture, Horticulture, Chemistry, and Economics. Presently, it offers a wide spectrum of disciplines, including medicine, electrical and mechanical engineering, industrial and agricultural engineering, as well as automation technologies and computing. The university is housed in the magnificent Palace of Justice.

Constantin Brâncuși University in Targu Jiu similarly provides education in engineering, economics, law, and health. Additionally, it boasts a dedicated Research and Development Department focused on enhancing research efficiency, innovation, and technological advancement, while fostering collaboration between technological and socio-economic researchers.

...which, together with a proud industrial heritage, has provided the region with a pool of well-trained and experienced technical professionals.

University of Petroșani



Author: Simon Davies

Mining specialists as well as other technically trained people from the region are sought after nationwide due to their excellent training and industrial experience. In addition, there is a population of retired miners over the age of 45, many with skills that could be updated and augmented for roles related to the green transition. This can include fitting solar panels or heat pumps to homes, building and maintaining green power generation like solar or wind parks, working in roles in battery factories, or developing start-ups in new sectors.

Some youth in the region are doing innovative work...

Romanian schools excel in digital education and robotics competitions and have won prestigious competitions globally. In the Jiu Conurbation, a Robotics Club, partly housed at the old Petrila Mine, have performed exceptionally in Europe-wide competitions, finishing second in 2022. They have also appeared on a venture capital television show and were awarded significant resources to support business ideas related to technology.

The region's educational institutions have a solid foundation in both historical expertise and contemporary skills, which can be leveraged to align with the demands of the modern economy. This can be achieved by offering training in emerging fields related to the green economy, while also prioritizing the development of essential soft skills in students. Strengthening collaboration between these institutions and companies is essential in ensuring that the skills taught are directly applicable, enabling students to graduate as proficient and valuable contributors to both the workforce and society at large.

A local robotics team has won national and international prizes



Author: Ursu Vlad Adrian - <https://www.facebook.com/ursu.vladadrian>

... and several innovative small and medium companies in modern sectors are already operating successfully.

Local companies have invested in the production of automatization, electrical components, and charging stations for electric vehicles. Additionally, several companies have emerged that install solar panels. Turboweb, a company that provides website optimisation globally, began in Dolj county, building on Romania's recent success in the IT industry. Start-up seminars have been organized in Dolj and grants awarded to several projects including CLEANUP CRAIOVA and ECHOSHADES – both working on environmental challenges in Craiova.

An innovative local company produces charging stations for electrical vehicles



Author: Euro Electric: <https://euroelectric.ro/about-us/>

Industrial sites exist ready for new companies or modern green industry...

With the closure of the mines in the Jiu Valley, or reduction in activity, significant areas have been opened for new investments. The advantage of these areas is that they are most often in single ownership, are well connected to transport infrastructure, and have all necessary utilities on site. Great investment potential in former mining sites in areas such as tourism and hospitality, industry, urban regeneration (e.g. parks, social housing), etc. Many have already been mapped and prepared with a list of facilities available on-site.

...and significant funds are available for the region's transition.

The Jiu Conurbation has been allocated approximately €1.2 billion of Just Transition Funds. This is worth or approximately 10% of the region's income – a significant financial support. These funds for both social and private projects that contribute towards the Just Transition including by renovating public spaces, supporting business that generates jobs, training workers in new economy skills, and in other ways. Public and private entities can apply for financing, which is usually in the form of grants, but co-financing of at least 30% is required.

The Petrla Mine, now with art installations and community spaces



Author: Marco Migliari

Weaknesses that need addressing

Employers lack needed skills – both hard and soft

The shortage of skilled employees stands out as one of the foremost challenges cited by companies, both at the national level and within the region. Nationally, nearly every surveyed business identified this as a top-five constraint, and locally, approximately three-quarters of respondents in the workshop echoed this sentiment. This may come as a surprise in an area with a wealth of well-trained technical professionals. However, employers require these skills to be adapted and refreshed to meet the demands of modern technical and service sector roles.

Furthermore, employers consistently highlight significant gaps in soft skills - encompassing communication, problem-solving, leadership, creativity, teamwork, and time management, among others. This concern was raised in 15 out of the 23 focus groups conducted as part of this study.

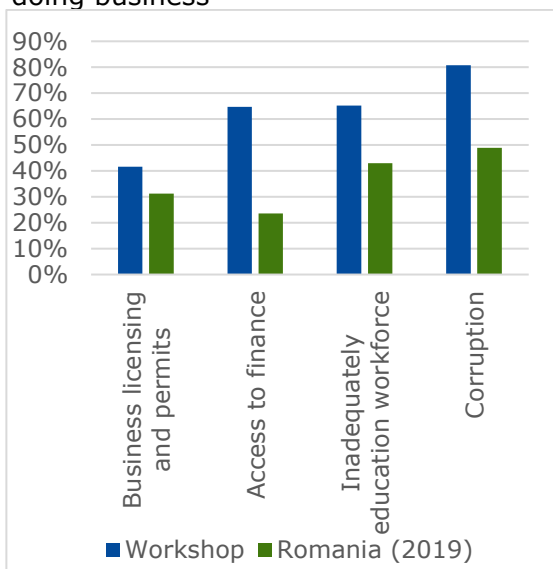
Good examples include a pilot project at the Technical High School in Lupeni, where a vocational school class is being formed for future construction workers.

Without staff with relevant skills, companies will face low productivity and profitability. Workers will face low wages and potentially unfulfilling jobs.

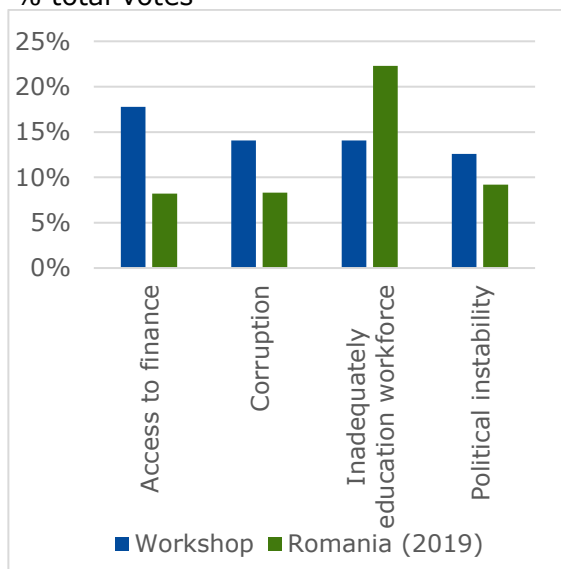
Focus group quotes

One focus group participant pointed to the role of the education system in inculcating soft skills: “education in the area does not value these kinds of [soft] skills”. Another pointed to more cultural or individual sources for lack of soft skills “there are significant deficiencies in soft skills among individuals aged 18-30. People aren't responsible or don't take on responsibilities, their work motivation is superficial, extrinsic, and variable. They don't make efforts to retain their jobs, as they know there's a constant need for labour elsewhere.”

Major or Very Severe Obstacles for doing business | Top 5 obstacle for doing business: % total votes



Sources: 2019 Enterprise Survey; Survey held in workshop on 12/10/2023



Sources: 2019 Enterprise Survey; Survey held in workshop on 12/10/2023

Administrative hurdles and corruption

Cumbersome administrative procedures and bureaucratic obstacles impede the growth and prosperity of businesses. These hurdles not only drain vitality from firms but also consume financial and time resources that could be better allocated elsewhere. Owners and managers find themselves diverting their attention towards interactions with public officials rather than focusing on the productivity and expansion of their businesses. Corruption is a particularly prevalent concern – each additional bureaucratic hurdle or delay provides another opportunity for potential corruption.

Nationally, out of 12 potential hindrances to business, corruption was identified as the most likely to be considered a "major" or "very severe" obstacle. At the local level, over 80% of respondents view it as a major or very severe obstacle to conducting business, and nearly three-quarters deemed it to be among the top 5 obstacles for businesses.

Administrative obstacles and potential corruption were explicitly highlighted as significant challenges in 12 of the 23 focus groups conducted as part of this study.

In the long run, the lack of clarity and predictability resulting from excess administration and corruption creates risks for companies that result in lower investment, keeping firms smaller, less productive and generating fewer jobs. It is very harmful for the region.

Focus group quotes

One participant stated: "one encounters the rigidity of public authorities, primarily of the system's employees, who do not give the impression at all that they want to support you."

Low labour force participation

A significant portion of potentially productive individuals remain outside of the workforce. Romania exhibits some of the lowest employment rates for women and recent graduates in Europe. Merely 59% of working-age women are engaged in employment in Romania, in stark contrast to the European average of 69%. The situation is even more pronounced among young people, especially recent graduates, with fewer than one in five individuals up to the age of 24 holding a job, compared to the EU average of 35%. This disparity may indicate a notable mismatch between the skills offered and the requirements of employers.

Focus group quotes

One focus group participant stated: "the area lacks ... accessible activities for children, nurseries and kindergartens." Another participant considered that it would be useful to "invest in a centre for activities for children who come from single-parent families or have parents working abroad."

Neglecting to harness the skills and talents of significant segments of the population does not bode well for future innovation, firm expansion, and the emergence of new start-ups. As individuals remain out of the workforce, they gradually lose valuable skills, ultimately diminishing their productivity in the long run. In the short term, this translates to reduced income for families and unmet personal aspirations.

Lack of nurseries

The scarcity of high-quality childcare options for children may contribute to the low female employment rates in the region. In fact, the demand for more childcare facilities emerged as a recurring concern during focus group discussions about the region. These facilities could operate independently or be integrated with training or employment centres, thereby facilitating greater accessibility for women, in particular, to engage in work or pursue skills development.

Without new nurseries, it will be very difficult for women to rejoin the labour market or update skills, perpetuating a shortage of skilled workers.

Lack of financing access and underspending EU funds

The availability of financing emerged as a prominent concern, with nearly all workshop participants identifying it as a top-five constraint to business in the region. Interviews with representatives from the financial sector revealed a notable risk-averse stance among local banks. They exhibit a tendency to exercise caution in financing even small-scale start-ups. Additionally, potential small-scale entrepreneurs may face challenges in preparing essential documents such as business and financial plans, and might lack the resources to hire consultants for application support.

EU financing initiatives, such as the Just Transition Fund, hold potential in addressing this challenge, provided that eligible (public and private) projects are appropriately designed. The JT funds have the capacity to fund up to 70% of projects that generate employment, offer training, invest in green energy or energy efficiency, or develop social infrastructure, among other objectives. However, local businesses report difficulties in accessing these resources due to a lack of understanding of requirements and procedures. Moreover, forming teams with the necessary skills was identified as a challenge in the design and implementation of projects. Although there are local consultancies with experience in supporting company applications, they were deemed too costly for smaller businesses.

Without financing, potential businesses do not get off the ground hurting employment and economic dynamism both today and in the future.

Focus group quotes

"[Our] project was rejected because the person who wrote it accidentally omitted some budget-related information."

"Projects have not been implemented because the initiators did not have access to information on how to obtain funding or could not afford consultancy services."

"European funding is [considered to be] bureaucratic and verification mechanisms are headache-inducing, and for obtaining and implementing them, you need to know the 'right people'."

"If you want to write a project by yourself, you need to have a lot of time and knowledge in various fields – entrepreneurship, management, accounting."

not secure the funding, they may lose all the money invested."

Two visions of the future

1. A bright vision for the future of the region – if it takes advantage of its opportunities

The Jiu Conurbation does not run away from the tough challenges it faces. Instead, it understands that the world is changing, and that change brings opportunities. It does not waste energy on fighting inevitable mine closures. Instead, energy is channelled into the new opportunities and into creating the foundations for new opportunities to flourish.

Universities and other training institutions work hand-in-hand with the private sector to develop courses that are appropriate for the modern economy. Short lifelong learning courses are developed to give adults the chance to upgrade their skills, including the National/Regional/Local Agency for Employment. Soft skills are taken seriously by all training institutions.

New and retrained workers enter the labour force. These include women, whose children are in childcare, retired miners, who have retrained, individuals returning to the region to open businesses. Entrepreneurship is flourishing.

Public administrators take seriously the need to simplify bureaucratic processes, tackle corruption and begin to see their jobs as supporting dynamism in the region and not just implementing procedures. Serious efforts are made to reform processes and the approach taken when interacting with businesses and the public. It becomes quick and simple for firms to obtain land, water, electricity and the right permits.

Grant financing is flowing to private business, local authority and community projects. People are skilled at identifying business and community projects, building the right teams and applying for financing.

Public infrastructure and private “support services” such as nurseries and co-working spaces are flourishing.

Groups of like-minded people are coming together to collaborate on social and business projects to develop the region, understand better how to identify and develop projects, apply for finance and implement projects. The region has demonstrated a strong capacity and desire to do this under this JTP Groundwork.

The region builds on its natural beauty to ensure that tourism is booming in both winter and in summer. Investments are made in ski resorts as well as summer sports like cycling. River walks and paths are created. Small local businesses like stores, guest homes and artisanal produce grow and sell their services to tourists.

Other sectors are also flourishing. New green power is being generated in old industrial spaces. The local communities benefit from cheaper power as a result. Other industries and services – like battery plants or solar panel installation – are also opening and using workers’ updated skills.

Digital nomads are moving to the region. They pay local taxes, shop in local stores, renovate old homes. Some open new local businesses or support those who do through their financial or intellectual resources.

2. A gloomier vision for the future of the region – if it fails to address weaknesses and threats are realised

The Jiu Conurbation fights against the incoming tide. The Jiu Conurbation fights to keep open its mines beyond the planned 2032 closure target. After a huge fight, it succeeds in delaying closures by a few years. Yet, coal is rapidly becoming uncompetitive against renewables – it is cheaper to generate electricity from the wind and sun than from coal in both Romania and in its main export markets.

All efforts have gone into fighting against the inevitable and too little effort has gone into retraining workers, simplifying bureaucracy, learning how to identify and develop projects to help the region adapt. Too little effort has gone into applying for funds to implement them to improve business vibrancy and social infrastructure. More time was lost fighting than was gained by delaying mine closures.

Other regions have become green energy hubs and skilled workers have left for those. Other local communities receive cheaper, green energy.

Universities that fail to adapt close. They are not serving the public good because they are not training workers with needed skills. And they are not serving private individual aspirations so attract fewer and fewer students.

Beautiful old homes fall into disrepair. Even winter sports die.

More and more people leave the region.

Recommendations on how to choose the bright path

Choosing the bright path is not easy. Change from a proud industrial past can be painful economically, socially and emotionally. Yet, a new path can build on – rather than forget – past industrial strength and also offers new and exciting opportunities for communities and businesses. Efforts should focus on building on – and enhancing – existing strengths, while addressing weaknesses and threats.

The recommendations rarely focus on specific sectors. Since it is clear that all sectors have similar needs and requirements, efforts below would support those who want to invest in all economic sectors.

Recommendation 1: Train workers better and with the right skills. Training institutions need to work together with the private sector and public authorities to identify the right courses for labour market needs. Lifelong learning opportunities should be developed and relevant training programmes (e.g. short courses, part-time, evening classes) developed. Firms should encourage workers to take these courses when relevant. Particular attention should be made to include soft skills in trainings.

Recommendation 2: Simplify and streamline the business environment. Local government officials possess a deep understanding of bureaucratic processes that the private sector may not. It's imperative for local authorities to simplify these processes, taking into consideration the perspective of small businesses, which often have limited time to navigate complex procedures. Additionally, concerted efforts must be undertaken to combat corruption, and simplifying processes can serve as a key support in this endeavour.

Recommendation 3: Increase efforts to disburse the available financing. The region has over 10% of GDP available in JTF financing alone. This represents a huge opportunity for businesses and regional authorities to generate a vibrant business community and improve social infrastructure. Developing viable projects means building teams across geographical zones and including people from different backgrounds (e.g. public and private; private and NGO).

Recommendation 4: Facilitate the engagement of like-minded people, motivated to further develop the region's economic and social climate. JTP Groundwork noted that there is a pool of citizens and groups who are motivated to improve regional economic and social development. Facilitating their meeting and providing information to assist them and frameworks for them to engage would help. Many citizens are motivated by hearing success stories, learning practical information on how to go about project identification and development, and the opportunity to engage with other like-minded individuals or groups who would like to improve the social and economic climate in the region.

Recommendation 5: Consider some specific business or social opportunities that also support other sectors. In particular:

- Use of brownfield sites (e.g. old mines) for new green industries, particularly green energy or modern industry (e.g. batteries).
- Efforts to renovate the housing stock for use by tourists, digital nomads.
- Increase facilities such as childcare and shared workspaces.

- Efforts to attract digital nomad, who can renovate property, pay local taxes, shop in local stores, bring IT knowledge, support business start-ups financially or intellectually.

Annexes

Annex I. SWOT matrix

Strengths	Weaknesses
<p>Land and infrastructure</p> <ul style="list-style-type: none"> • A beautiful location suitable for summer and winter sports. • Cheap housing and empty properties ready for renovation. • Readily available pre-mapped investment sites for new industry such as green power generation. <p>People</p> <ul style="list-style-type: none"> • Well-educated, technical people. • Competitive wages. • Some young people doing some impressive technical work in areas such as robotics. • Individuals highly motivated to learn what to do to improve regional social and economic opportunities. <p>Financing</p> <ul style="list-style-type: none"> • Potentially large pool of financial resources available, largely in the form of grants for businesses, NGOs and local government – worth around 10% of the region's GDP from the JTF alone. 	<p>Relevant skills and workers</p> <ul style="list-style-type: none"> • Technical skills need updating, soft skills need to be taken more seriously. • Courses at some local universities need to be adapted to the modern economic environment. • Many workers – especially women and recent graduates – not participating in the labour market. Some skilled mine-workers not returning to the labour market after early retirement. <p>Business environment</p> <ul style="list-style-type: none"> • Significant administrative hurdles faced by firms and administrative staff not perceived as 'enablers'. • Corruption levels considered to be very high. <p>Physical environment and amenities</p> <ul style="list-style-type: none"> • Lacking some amenities, in particular shared services such as childcare (the legislation provides support for raising a child up to a maximum of two years, and children are accepted at kindergarten from the age of +3 years). <p>Access to finance</p> <ul style="list-style-type: none"> • Significant gaps in knowledge and understanding on how to access EU funds, build project teams and develop projects, and go through administrative processes. • Challenges accessing loans from the financial sector due to conservative banking culture and standards.

Opportunities	Threats
<ul style="list-style-type: none"> • Grow local universities by adapting training and offering new lifelong learning opportunities. • Use existing brownfield sites to develop new, green industries in modern sectors. • Attract digital nomads to work in the region, renovate housing stock and invest in local businesses. • Develop service businesses that serve all other sectors such as childcare, co-working spaces. • Enhance collaboration among regions to benefit from economies of scale in facility provision such as business parks and community facilities. • Develop the natural environment to improve living standards for residents and attract tourists, such as nature or bike trails along the river. • Utilise the significant financial resources from JTP and other grants. 	<ul style="list-style-type: none"> • A focus on preventing change that distracts from the opportunities associated with it, selling citizens short. • Maintaining all traditional training courses that are no longer relevant. • A declining population with fewer people to care for or support an ageing population, fewer local taxpayers, fewer local entrepreneurs. • Failure to integrate “left behind” communities or groups (including women, recent graduates and poorer communities) resulting in increased disparities and potentially community conflict.

