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Impact of the Just Transition on the Employment Policy Strategies: Case Study of Slovakia

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Abstract:

The European Union (EU) has committed to a Just Transition Framework to ensure inclusivity and equity in the shift towards a green and digital economy among member states. This commitment is crucial as countries undergo significant transformations driven by increased digital technology adoption, non-standard work arrangements, and circular economy models. While these changes offer opportunities, they also challenge job security, social protection, and working conditions. Several studies highlight the need for policies equipping workers with skills relevant to green and digital transition, advocating investments in education, training programmes, and new social protection measures for workers in transitioning areas and sectors. For effective policy creation, understanding territorial and regional differences in the social and economic development of the EU member states is necessary. Regional specificity allows tailored interventions to address uneven development and ensure broad benefits from the transition.

This paper investigates the impact of the EU's Just Transition principles on Slovakia's employment policies during the shift towards a green and digital economy and examines the role of social partnerships involving employers' organisations, trade unions, and government agencies in shaping responsive regional-level policies. Drawing on theoretical perspectives of path development and transition management, it examines economic trajectory evolution within regions, guiding strategies towards sustainability and innovation. Path development analyses economic paths over time, considering historical contexts and institutional influences, while transition management focuses on guiding societies through complex transitions, including shifts towards green economies. By presenting Slovakia as a case study, this research contributes to discussions on balancing economic development and social equity within the EU's Just Transition Framework.

Keywords:

Just Transition, green and digital transition, Slovakia, European Union, Path Development, employment policy

1. Introduction – The European Just Transition and Its Impact on Employment

The European Just Transition framework has been launched as an integral part of the European Green Deal, regarded as a critical chance to establish a comprehensive regulatory framework utilising effective and efficient tools for both short- and long-term policies. This opportunity is supported by a succession of legal developments and political pledges that have solidly integrated climate law into the EU legal order, as officially codified in the Lisbon Treaty. This evolution aligns with important international milestones and legal frameworks, such as the Paris Agreement, the UN's 2030 Agenda, and the UN Sustainable Development Goals (Sikora, 2021: 683). It is necessary to mention these agreements and frameworks, because the international organizations also play a vital role in supporting the Just Transition by establishing global norms and fostering international cooperation. The International Labor Organization's (ILO) Just Transition guidelines highlight for example the importance of ensuring decent work, social protection, and the inclusion of all stakeholders in the dialogue. Furthermore, entities like the United Nations Environment Programme (UNEP) and the Organisation for Economic Co-operation and Development (OECD) contribute by promoting best practices and enhancing global cooperation in this area. UNEP, for instance, coordinates environmental activities and assists countries in implementing environmentally sound policies. Meanwhile, the OECD provides a forum for sharing experiences and devising solutions to common challenges, thus supporting the broader objectives of the Just Transition (Barkin, 2013).

The concept of a "Just Transition" focuses on ensuring that the shift to a greener economy does not disproportionately harm certain workers or communities, but rather maximizes job opportunities, reduces inequalities, and promotes social justice for each individual. The ILO highlights the potential for up to 25 million new jobs by 2030 in low-carbon economies, but acknowledges the risk of job losses, particularly in resource-intensive industries (ILO, 2022: 1-2). Effective management of this transition requires integrated policy frameworks, including agile governance, regulatory reforms, and strong social dialogue (Global Accelerator, 2023: 6-7). Employment and skills policies play a crucial role, as noted by the OECD, which stresses that without inclusive measures, vulnerable groups and low-skilled workers could face increased inequalities. Social protection mechanisms are also critical to support workers, helping them transition into new opportunities within greener economies. Finally, addressing the digital divide is vital to ensuring that all workers can benefit from new opportunities in the evolving digital and green economy. Inclusive policies, particularly around digital skills training, are necessary to bridge this gap and ensure broad participation in the transition (Batazzi et al., 2024: 267-273).

Under the umbrella of the European Green Deal, several policies and agendas have been formulated in the last years, concentrating on areas such as the innovative transformation of the European industry, the adoption of clean and renewable energy sources, and the digitalisation of the society - primarily focusing on incorporating innovative and contemporary approaches into production and service delivery. Furthermore, the influence of climate and energy policy measures on the labour market, the roles and prospects of employees, and the overarching goal to mitigate adverse

impacts on both the workforce and the workplace itself are central topics of this policy framework package (minzp.sk, 2024; UN SDSN, 2024). A frequently cited phrase in connection to the Just Transition framework is "no one is left behind," which underscores the primary objective of the EU's policies related to the environmental-social-political transition under the Green Deal. Examining the Just Transition and its societal impacts, this phrase aims to concentrate on the most vulnerable groups of the society and regions, particularly concerning the roles and future positions of workers and households, and how these groups may be affected by the changes instigated by the introduction of new policies in this domain (Canalda, 2023: 423). Building on this, the European Green Deal also serves as a blueprint for the latest phase in the transformation of employment policies, aiming to promote a transition that is environmentally sustainable, socially fair, and economically inclusive. Introduced by the European Commission in 2019, the Green Deal's primary ambition is to steer the EU's economy towards sustainability and ecological stewardship while simultaneously fostering economic growth and enhancing social well-being. This ambitious plan encompasses a wide array of initiatives targeted at decarbonizing the European economy, boosting the use of renewable energy sources, enhancing energy efficiency, and promoting the principles of circular economy (Hedberg & Šipka, 2022).

Research conducted by Vandeplas et al. delves into how the green transition, as orchestrated under the Green Deal, is anticipated to differentially impact various economic sectors, territorial regions, and demographic segments, highlighting both economic opportunities and potential challenges of the transition. Industries with high pollution outputs (e.g. manufacturing and transportation) may see significant reductions in job opportunities as part of the transition process. In contrast, the so-called "green industries", that embrace technological innovations and new production standards, are expected to generate new employment opportunities, which will redefine the job landscape. The impact disparities are likely to be pronounced in regions that are historically depended on high-polluting industries, which may experience more significant employment challenges. This scenario also underscores the need for tailored transition strategies that are sensitive to the unique circumstances of each region. Additionally, the research points to specific demographic groups, who are at a heightened risk of job displacement due to these economic shifts (Vandeplas et al., 2022: 9). For example, in the energy sector, these groups are the older, low-qualified male workers, which for example in the mining sector dominate the active labour force (Bors and Meszmann, 2024: 8; Martišková and Gažo, 2023: 34). This sensitivity highlights the potential for increased labour market frictions that could unfavourably affect the overall employment stability within the regions impacted by the transition. To address these multifaceted challenges, the Just Transition framework within the European Green Deal ensures that the transition to a low-carbon economy is both fair and inclusive. A central element of this framework is the Just Transition Fund (JTF), established to provide financial and technical support to the regions and sectors that are most adversely impacted by the transition. The JTF aims to aid these areas in diversifying their economies, reskilling workers, and mitigating the social and economic impacts of the transition (European Commission, 2019).

Therefore, robust support systems are essential for assisting workers in transitioning to emerging industries. Policy interventions are crucial to prevent the onset of structural unemployment and to sustain social cohesion during this economic transformation. Nonetheless, the transition also presents opportunities for redeployment of the workforce, as many skills held by workers in high-pollution industries could be transferable to other sectors. This adaptability could ease the reintegration of these workers into the evolving labour market and the application of effective policy actions could be vital in softening the impacts on specific groups and regions. Tailored interventions that consider the distinct needs and characteristics of each affected area will be crucial in ensuring that the transition is equitable and inclusive. In this context, examining the regional impacts, especially within Central Europe, can provide critical insights into the practical challenges and opportunities ahead. These cases illustrate the varied implications of the green transition across different areas, offering vital lessons for policymakers tasked with navigating Europe's labour market in alignment with the Green Deal framework (Vandeplas et al., 2022: 9).

2. Challenges and Opportunities in Managing Just Transition

Managing the complex transitions, which the Just Transition is, presents several challenges, particularly in overcoming the inherent complexity and uncertainty associated with large-scale systemic change. For the analysis of the impact of these challenges is possible to apply several theories. One of them is the Transition Management concept, which provides a robust framework for navigating the uncertainties, but it requires strong institutional frameworks and processes to be effective. Ensuring effective coordination across different levels of governance and sectors is another significant challenge, as it can be resource-intensive and demands sustained effort and collaboration among diverse stakeholders. Transition Management operates across multiple levels (strategic, tactical, and operational) and involves coordination between different actors and institutions. This multi-level approach helps align short-term actions with long-term goals. The framework emphasizes the importance of adaptive management and participatory processes. This involves continuous learning, stakeholder engagement, and flexibility in policy implementation to respond to evolving challenges and opportunities. These are platforms where diverse stakeholders come together to discuss and coordinate transition efforts. Transition arenas facilitate collaboration, knowledge sharing, and joint problem-solving among different actors (Rotmans et al., 2007).

Looking at the Just Transition through the Transition Management concept we could state, that one of the key opportunities within the context of this concept is the ability to balance environmental, economic, and social objectives, which is also central to achieving the Just Transition. The participatory nature of Transition Management aligns well with the principles of a Just Transition, emphasising the inclusion of affected communities and workers in decision-making processes. Additionally, the adaptive strategies inherent in Transition Management allow for adjustments to be made based on feedback and changing conditions, which is crucial for addressing the unforeseen impacts of the transition on vulnerable groups.

Another relevant concept is the Path Development Theory, which further contributes to understanding the challenges of overcoming path dependency, which often poses significant inertia to change. However, it also highlights opportunities for fostering

path creation through innovation and strategic interventions. By supporting research, development, and policy measures that promote new, sustainable trajectories, stakeholders can help guide the transition towards a low-carbon economy that is both inclusive and equitable. Understanding the dynamic interactions within socio-technical systems also provides valuable insights into how to effectively manage these transitions, ensuring that all elements are aligned with the overarching goals of sustainability and social equity. The concept is mostly used in regional studies and economic geography, where is possible to use for the exploration of how economies evolve over time, focusing on the creation of new industrial paths or the transformation of the existing ones. The theory focuses on understanding how trajectories of change are established and evolve over time. It explores how existing paths (or trajectories) influence future development and how new paths are created through innovations and policy interventions. Path Development examines the processes of path dependency and path creation.

- *Path dependency:* refers to the tendency for a particular trajectory to become self-reinforcing over time, making it difficult to deviate from established paths. Path dependency occurs due to accumulated investments, institutional practices, and established norms that create inertia;
- *Path creation:* involves the emergence of new trajectories through innovations and strategic interventions. This process requires the development of new practices, technologies, and policies that challenge existing paths and create alternative trajectories;
- *Dynamic interactions:* path development emphasizes the interactions between different elements within a socio-technical system, including technologies, institutions, and behaviours. These interactions shape the development and evolution of paths (Rypestøl, 2017; Eadson and van Veelen, 2023).

The concept was applied also in the context of green and Just Transition. Eadson and van Veelen (2023) focused in their paper on the application of the framework they called as "Green and Just Path Development" (GJPD), which integrates insights from both Just Transition and green path development literatures. This framework broadens the conventional understanding of economic development, advocating for a shift towards systems of provision that prioritise ecological sustainability and human well-being over traditional growth paradigms. The authors emphasise the critical role of labour and worker agency in shaping these economic paths, arguing that transitions should not only foster new industries but also enhance the quality of work and ensure that workers have an active role in the process. Furthermore, GJPD recognises the importance of place-based identities, highlighting the need to understand how communities perceive and experience industrial change to ensure socially and spatially just outcomes. The framework also underscores the political nature of these transitions, where different actors, including the state, civil society, and local communities, must engage in negotiations to shape economic activities that are equitable and sustainable. Through this integrated approach, the authors' aim is to create a more comprehensive and just pathway for green transitions, one that addresses both environmental and social imperatives (Eadson and van Veelen, 2023: 221-222). According to the previous statements, the Path Development theory can provide valuable insights into the Just Transition process by highlighting how existing energy and economic paths influence the transition and how new paths can be created. Analysing existing paths helps to identify the barriers and triggers of the transition. For

instance, understanding the path dependency of fossil fuel-based energy systems can inform strategies for overcoming resistance to change. Path Development theory can guide efforts to create new, sustainable paths through innovations and policy interventions. This involves fostering new technologies and practices that align with Just Transition goals. Examining the dynamic interactions between different elements (e.g., policies, technologies, and societal behaviours) helps identify opportunities for integrating sustainability and equity into the transition process.

As it is visible, the Just Transition in Europe presents not only environmental, but also significant socio-political and economic challenges, particularly concerning employment. Resistance for example from coal-dependent regions, in countries of Central and Eastern Europe (CEE) hinder the progress related to the framework. Regions heavily reliant on coal face substantial job losses, and the Just Transition Fund (JTF), while substantial, is insufficient to fully address the socio-economic impacts. Moreover, the transition processes often lack transparency and meaningful stakeholder engagement, exacerbating fears among local workers and communities. In many cases, the emphasis on job creation risks overshadowing broader needs, such as infrastructure improvement and environmental restoration, essential for long-term regional stability. To overcome these barriers, CEE countries must enhance participation and transparency in TJTP[1] development, ensuring that all stakeholders, including local communities, have a voice. Additionally, the transition should not focus solely on job creation but also on broader social and economic improvements, supported by leveraging multiple funding sources beyond the JTF. For example, Slovakia's approach to the Just Transition is characterised by a structured and inclusive process, although several challenges still remain. Several reports dealing with the activity of Slovakia in context of the Just Transition shows, that the country has taken a structured and inclusive approach to developing its TJTPs, actively involving national and regional stakeholders. The government has made efforts to ensure broad participation and alignment with regional development strategies, although there is a concern that the focus may lean too heavily on job creation at the expense of broader economic and environmental needs. Slovakia in its 2021 TJTPs aimed to balance immediate employment concerns with long-term sustainability, and was mentioned together with Estonia as one of those countries, which is possible to define as a basis for a good practice in CEE, but the available reports also reported a limited set of available data about the involvement of non-state actors in the policy preparation and active participation, as well as they stated that the country may focus too heavily on the job creation policy, potentially overlooking the broader needs of infrastructure development, environmental restoration, and long-term economic diversification (Euractiv, 2021; Mustață, 2021: 4-9). To fully understand Slovakia's current situation and development within the context of Just Transition, it is essential to examine its path over the past three decades, particularly focusing on the industrial development that has driven the Slovak economy since its establishment. The concept of a Just Transition is particularly relevant in Slovakia's automotive and energy sectors, which are heavily dependent on traditional manufacturing processes and fossil fuels. As Slovakia seeks to reduce its carbon footprint, the transition away from coal and other fossil fuels is expected to have a profound impact on local communities, especially in regions where these industries are the primary source

[1] TJTP – Territorial Just Transition Plan

of employment. This transition is likely to result in job losses in these sectors, particularly for low-skilled workers who may find it challenging to adapt to the new demands of a green economy.

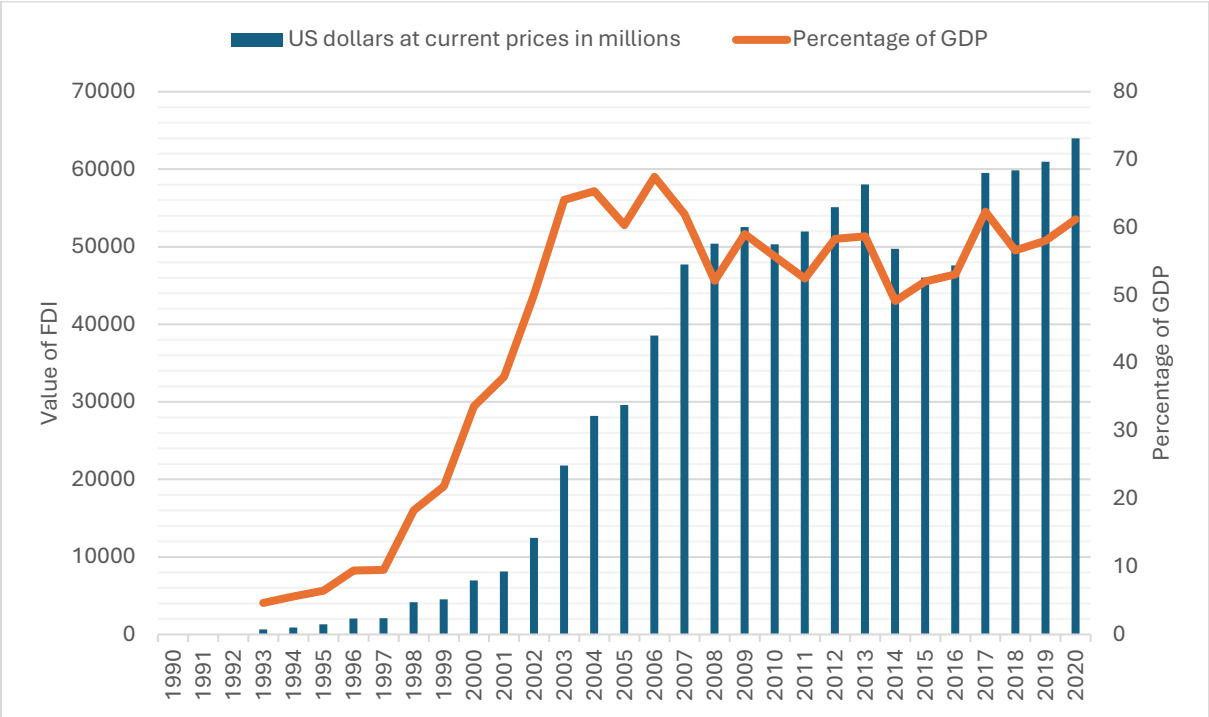
3. Development of the Slovak Industry since 1993 and Preparedness for the Just Transition

Since gaining independence in 1993, Slovakia has undergone a substantial economic transformation, evolving from a centrally planned economy to a market-oriented one. This shift, initiated after the Czechoslovak Velvet Revolution in 1989, was part of a broader regional transition as former Eastern Bloc countries sought to integrate into the global economy. However, Slovakia's path was distinct, marked by a unique set of challenges and opportunities that shaped its development trajectory. The early 1990s were a period of significant economic and political upheaval for the country. As a newly established state, Slovakia had to navigate the complexities of establishing a functioning market economy while managing the legacies of its communist past. During this time, the transformation process was marked by a transition from a centrally planned economy to a capitalist, western-type market system, requiring comprehensive reforms across all the sectors. However, the pace and success of these reforms were uneven and decelerated, particularly during the early years of its independence. Under the leadership of Prime Minister Vladimír Mečiar (who led three governments between 1990 and 1998), Slovakia adopted an inward-looking economic strategy characterized by authoritarian governance and a focus on national rather than foreign capital. This approach included policies aimed at maintaining control over key industries and limiting the presence of the foreign direct investments (FDI) in the country (Šumichrast and Bors, 2023: 71-74). For instance, Mečiar's government implemented welfare paternalism and protected inherited industries through regulation, while the so-called "voucher privatization"[2], favoured politically connected businessmen (Bohle and Greskovits 2012: 145-148). These policies, while intended to strengthen domestic control, significantly reduced Slovakia's attractiveness to foreign investors and isolated itself from them. This activity caused that during the 1990s, other countries located in Central Europe became increasingly attractive to FDI, benefitting from their more open and stable political environments. In contrast, Slovakia's FDI levels remained low, reflecting investor concerns about political instability and economic nationalism. Research conducted by the National Bank of Slovakia (NBS) in 2001 highlighted that Slovakia was the only country among the Visegrád Four Group (Czechia, Hungary, Poland, and Slovakia) to experience a decline in attractiveness to foreign investors during the 1990s. By 1999, Slovakia ranked 66th in global FDI attractiveness, trailing significantly behind its regional counterparts (Hošková, 2001: 17-19). This trend began to reverse following the 1998 elections, which brought a new, pro-reform government led by Mikuláš Dzurinda to power. Dzurinda's administration prioritized economic liberalization, the privatization of state assets, and the creation of a

[2] Terminology used for the privatization of public (state-owned) enterprises. Citizens and other entities had the opportunity to buy shares in the state-owned companies, as a part of the transition of the concrete company to a private one.

stable and transparent regulatory environment. These reforms significantly improved Slovakia's investment climate, leading to a sharp increase in FDI inflows during the early 2000s (Kahancová and Sedláková, 2018: 350). By 2006, FDI stocks had risen to 67.45% of GDP, a dramatic increase in comparison with 4.65%, recorded in 1993 (UNCTAD, 2021).

Figure: Foreign direct investment in Slovakia: Inward stock, annual



Source: UNCTAD, 2021

Despite these successes, the distribution of FDI within Slovakia has been highly uneven, both from sectoral and geographical point of view. Based on the available dataset, published by the NBS, in 2020 from the total value of FDI inward positions, what was more than 47.7 million Euro, at least one-third, 17.3 million Euro was invested into the manufacturing sector, with vehicle production accounting for a significant share (NBS, 2021). The concentration of FDI in this sector has made Slovakia one of the leading car producers in Europe but has also exposed the economy to sector-specific risks.

Geographically, FDI has been disproportionately concentrated in the western part of the country, especially in the Bratislava region. Since 1997, Bratislava has consistently attracted more than 50% of all FDI inflows, with the share reaching 65% by 2020. This concentration is largely due to the region's superior infrastructure, proximity to Western European markets, and the presence of major foreign-owned automotive plants and logistic centres. In contrast, eastern regions like Prešov or Košice have attracted far less investment, exacerbating regional economic disparities (NBS, 2021).

While Slovakia's economic transformation since 1993 has been marked in general by significant achievements, particularly in terms of FDI attraction and industrial development, it has also highlighted ongoing challenges. Since the 1990s Slovakia transformed to a country with a high presence of the automotive industry and vehicle production, but in the context of the implementation of own strategies and innovations in this sector the activity is much lower, causing that the Slovak automotive industry from the position in the global value and supply chain is located at the periphery, characterised with the presence of a relatively cheap workforce and with the main role as an assembly platform of the foreign-owned multinational companies, with the focus on the production with a massive usage of "foreign-imported components" and with the lack of the local/national R&D and innovation activities. The reliance on the automotive sector and the concentration of investment in specific regions underscore the need for more diversified and balanced economic growth and systematic transformation. Moreover, the fluctuating levels of FDI as a percentage of GDP since 2006 suggest that sustaining investor confidence will require continuous improvements in the business environment, infrastructure, and political stability (Pavlínek, 2016 in Šumichrast and Bors, 2023: 74; Pula, 2018: 157-158). On the other hand, the already mentioned low level of support for local R&D in the automotive industry causes also that the country is highly dependent on the path dependency, meaning that due to a lack of investments and lack of constructive cooperation between the relevant actors on national, regional and sectoral level is no opportunity for the Slovak economy, and especially for the automotive sector, to move forward in the supply chain and became not only a production site but also a relevant and active player in the entire system (Blažek and Csank, 2016 in Martišková, 2019: 46)[3].

Similar situation and challenges are measurable in the context of the energy industry, which is also one of the areas impacted by the Just Transition. According to research conducted by Martišková and Gažo, the decarbonisation efforts of the Slovak energy industry, especially the transition away from coal and other fossil fuels, will have a significant impact on the local communities and workers employed in the sector. On the other hand, this transition presents opportunities for the energy diversification, especially in the context of the renewable energy sources. These efforts could be negatively impacted by the slow pace of the legislative reforms and inadequate support for the community-based energy projects, by the potential exacerbation of the regional disparities, particularly in areas heavily dependent on fossil fuels, as well as by the heavy reliance of the country on the energy imports from Russia, what since the outbreak of the occupation of Ukraine became a question of the national, as well as energy security of countries strongly dependent on (energy) supplies from Russia (Martišková and Gažo, 2023).

To ensure the Just Transition, Slovakia must address significant challenges across its industrial and energy sectors by strategically investing in skills development, enhancing social dialogue, and creating supportive frameworks for workers and enterprises alike. This multifaceted approach is necessary not only to mitigate the adverse

[3] https://slowakei.fes.de/fileadmin/user_upload/The_future_of_employment_in_the_car_sector_FINAL__2_.pdf

effects of the transition to a low-carbon economy but also to leverage the opportunities it presents for regional economic development and sustainable growth.

Active Labour Market Policies (ALMPs) can play a crucial role in this context by providing targeted support to these workers, helping them acquire new skills and transition to jobs in emerging green industries. ALMPs are versatile tools that can be tailored to meet the specific needs of different sectors and regions, thereby supporting the broader goals of a Just Transition (ILO, 2023). As Ding and Hirvilammi defines it, the ALMPs in the context of Just Transition policies might help to establish the three main pillars of the successful transition framework, which is the security of the employment opportunities, reproduction of the skills and the security of the labour force's income (Ding and Hirvilammi, 2024: 245). For instance, in the automotive industry, which has been a significant driver of Slovakia's economic growth, ALMPs can facilitate the shift towards more sustainable production methods by providing training and upskilling opportunities for workers. This is particularly important as the industry moves towards electrification and impelements green technologies, which require new skills and competencies. Moreover, ALMPs can help address the regional disparities that have been exacerbated by the concentration of investment in certain areas. By supporting job creation and skills development in less developed regions, these policies can contribute to a more balanced and inclusive economic growth.

However, the effectiveness of ALMPs depends not only on their design but also on their integration with broader social and economic policies. For instance, combining ALMPs with income support is crucial to ensuring that vulnerable workers, such as those in low-income or informal sectors, can participate fully in these programs. Without adequate income support, many workers may be unable to afford the costs associated with training and job transitions, thereby exacerbating social and economic inequalities. This integrated approach is essential for achieving the goals of a Just Transition, particularly in a context where climate change and environmental policies are expected to lead to significant structural changes in the economy.

Moreover, the energy sector in Slovakia presents both challenges and opportunities in the context of a Just Transition. The decarbonisation of the energy industry, particularly the transition away from coal-based energy production, is a key component of Slovakia's climate strategy (Martišková and Gažo, 2023). However, this transition is likely to have a significant social and economic impacts, particularly in regions that are heavily dependent on fossil fuels. ALMPs can help mitigate these impacts by providing support for workers displaced by the transition, helping them to acquire new skills and transition to jobs in the renewable energy sector. Additionally, these policies can support the development of local renewable energy projects, which can create new economic opportunities and contribute to regional economic diversification. According to the previous paragraphs, the slow pace of legislative reforms and the lack of support for community-based energy projects have been identified as significant barriers to the development of the renewable energy sector in Slovakia. Addressing these issues is critical to ensuring that the benefits of the transition to a low-carbon economy are widely shared. This includes promoting innovation and R&D in the energy sector, which is essential for driving the growth of new industries and creating high-quality jobs.

Furthermore, the heavy reliance on energy imports, particularly from Russia, poses additional risks to Slovakia's energy security, especially considering the ongoing conflict in Ukraine. Diversifying energy sources and investing in domestic renewable energy production are therefore essential for enhancing energy security and ensuring a stable transition to a sustainable economy.

Conclusion

In conclusion, the successful implementation of a Just Transition in Slovakia hinges on the coordinated efforts, which must to involve a set of multiple actors, including the government, industries, workers, and civil society, within the framework of social partnership, which underscores the importance of cooperation and collaboration among various stakeholders (Mosley, Keller and Speckesser, 1998). This partnership ensures that policies are responsive to the needs and interests of all stakeholders, leading to more effective outcomes. The challenges posed by the transition to a low-carbon economy, particularly, but not only, in the automotive and energy sectors, require a holistic approach that integrates economic, social, and environmental considerations.

The government must play a central role in fostering an enabling environment through policy reforms, investing in skills development, supporting regional economic diversification, and ensuring that all workers, particularly those in vulnerable regions and industries, are supported throughout the transition. At the same time, industries must commit to sustainable practices and actively participate in the reskilling and upskilling of their workforce. By integrating ALMPs with broader social and economic policies, and by fostering innovation and R&D, Slovakia can not only mitigate the risks associated with the transition to a low-carbon economy but also position itself as a leader in sustainable industrial development. Social partners are crucial in governing both employment and industrial relations systems, operating at multiple levels – European, national, sectoral, regional, company, and establishment. Their involvement in shaping working conditions and national-European social policies is vital for ensuring that the transition is inclusive and equitable. Workers and their representatives must engage in social dialogue to ensure that their needs and concerns are addressed throughout the transition. Civil society and local communities must be involved in shaping and implementing transition strategies to guarantee that they are inclusive and equitable (Eurofound, 2023).

Only through the collaboration of all these stakeholders, within the structure of social partnership, can Slovakia achieve a Just Transition that not only mitigates the risks associated with the shift to a green economy but also maximises the opportunities for sustainable and inclusive growth. This collective effort will help build trust and cooperation among stakeholders, leading to better outcomes for individuals, businesses, and society as a whole.

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