

DUST

Democratising
jUst
Sustainability
Transitions



Opportunities for and barriers to active subsidiarity in just sustainability transition policies

Policy brief #1
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DUST



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Key points

How to promote the 'active subsidiarity' principle in just sustainability transition policymaking?



- Establish key performance indicators (KPIs), including transparent and comprehensive indicators for not only the effectiveness of EU sustainable transition policies but also the strength and impact of community participation.
- Build the identification and inclusion of marginalised or less engaged groups into sustainable transition measures from the outset.
- Adopt a cross-sectoral perspective towards transition challenges and potential, recognising the need to address complex linkages and interactions between different sectoral issues in a given territory.
- Create a regulatory environment that facilitates the participation of stakeholders possessing limited capacity.
- Provide ongoing capacity-building and support to local governments that are organising participatory processes and to representatives of less engaged citizens and communities.
- Establish principles for effective participatory governance structures that guide the citizen participation process from beginning to end.
- Provide platforms for sharing information and knowledge between various types of stakeholders engaged in just sustainability transitions.
- Enable the participation of ordinary citizens, not just 'formal' stakeholders.





Introduction

In the context of eroding democratic institutions and increasing discontent within structurally weak regions¹, the European Union (EU) – in collaboration with national, regional, and local governments – seeks to bring its policies closer to citizens². Citizens are increasingly involved in [place-based approaches](#)³ to reducing socioeconomic and territorial disparities and developing innovative interventions for [just sustainability transitions](#) as part of the EU Cohesion policy and other EU, national, and local responses. Place-based approaches recognise that the relative costs and benefits of transitions – that is, who pays for what and how these decisions are made – have political, economic, and social consequences with a clear territorial dimension. By involving citizens in the deliberation and co-creation of these approaches, EU-led governance arrangements aim to [empower citizens to increase their ownership of policies and rebuild their trust in democratic institutions](#).

‘[Active subsidiarity](#),’ as a guiding principle, promotes the autonomy and self-rule of local governments and communities in a multilevel governance (MLG) setting for the aforementioned purposes. This policy brief identifies opportunities for and barriers to active subsidiarity in place-based policy approaches to just sustainability transitions. It also provides recommendations for strengthening the active subsidiarity principle in this context. Furthermore, it addresses policymakers at EU, member state, and local levels.

The recommendations given in this brief draw on the research output of the project ‘Democratising jUst Sustainability Transitions’ (DUST), funded under the EU’s Horizon Europe research and innovation programme. This project addresses a defining societal and democratic challenge for Europe: listening to the voices of the least engaged communities, especially in structurally weak regions dependent on energy-intensive industries, which will be the ones most affected by transitions towards a more sustainable future. More information on the DUST project can be found here: <https://www.dustproject.eu/>.

¹ Barca, F., McCann, P., & Rodríguez-Pose, A. (2012). The case for regional development intervention: place-based versus place-neutral approaches. *Journal of Regional Science*, 52(1), 134–152.

² European Commission. (2018). ERDF Draft Regulations 2018/0197. Available at: ec.europa.eu/regional_policy/en/2021_2027/

³ European Commission. (2021). Territorial Agenda 2030: A future for all places. In : Federal Ministry of the Interior (Germany), Building and Community.



Methodology

This policy brief draws on initial DUST research into the factors influencing citizen participation in sustainability transition policymaking. A literature review positioned the research within the larger context of the policy, democracy, and planning studies and identified an initial set of factors influencing participation and active subsidiarity. The Actor–Process–Event Schemes (APES) tool (D2.3) was used to analyse and visualise participation in policymaking in various stages of policymaking and at different levels of government. Participatory processes in sustainability transition measures were identified and assessed in case study research conducted in eight regions via documentary analysis (D3.1). Furthermore, this research examined different participatory instruments designed to support inclusive deliberative governance of transition policies. Finally, the results obtained from these different methods were synthesised to identify opportunities for and barriers to active subsidiarity in just sustainability transition policies.



Active subsidiarity

What is active subsidiarity?

‘Active subsidiarity,’ as a guiding principle, promotes the autonomy and self-rule of local governments and communities in the context of MLG. This principle is achieved through (i) the devolution of resources, roles, and responsibilities from higher levels of government to local levels, (ii) responsive, flexible, and innovative MLG, (iii) capacity-building at the local level, (iv) knowledge production and dissemination within local networks, and (v) most importantly, the strengthening and consideration of bottom-up input via citizen participation in policymaking and policy co-design.

Active subsidiarity and multilevel governance

Active subsidiarity relies on the continuous involvement of stakeholders, creating a dynamic approach to partnership within MLG. It involves providing resources, capacity-building, and support to local authorities and communities, enabling them to actively participate in decision-making processes and MLG. Active subsidiarity also requires the establishment of mechanisms for effective communication, collaboration, and knowledge-sharing between different governance levels.

Why is it important?

Active subsidiarity has been recognised as a prerequisite for democratic accountability and effective public participation in EU decision-making, specifically in decision-making related to just transitions and the EU Green Deal. Scholars have noted that active subsidiarity relies on continuous negotiation among stakeholders in MLG, with the aim of softening overly rigid legal and statutory frameworks, specifically at higher government levels. As a dynamic and interactive approach, it emphasises collective commitment over standardised regulations, encouraging partnerships among central and local governments and among public, private, and civic sectors. **The main objectives of active subsidiarity are to increase citizens’ ownership of public policies and public affairs and to (re)build their trust in government and democratic institutions.**



Opportunities and barriers

Just sustainability transitions are policy-driven processes that will have varying effects on places with different territorial assets and challenges as well as communities with different cultural and socioeconomic backgrounds. Policymakers have a responsibility to address these specificities and to reduce related disparities through place-based policymaking. Opportunities for and barriers to enabling active subsidiarity and promoting citizen engagement in this type of policymaking are summarised below.

Arenas for participation

Arenas for participation are the environments, spaces, or platforms where stakeholders can participate – or have participated – in a given process. Policy practice shows that communities tend to engage in place-based policymaking when (i) they are given a voice throughout decision-making processes, (ii) the purpose and role of these processes are transparent, (iii) participation comes with accountability, and (iv) there are recognisable chains of responsibility.

Opportunity

- **Ensuring a variety of participatory arenas and instruments increases the likelihood of active subsidiarity emerging.** Regions that combine two or more participatory instruments in place-based approaches report higher, more in-depth, and more continuous participation of citizens, including citizens from the least engaged communities.

Barrier

- **Active subsidiarity is impeded when involvement focuses on formal stakeholders and excludes vulnerable groups from participating in place-based policymaking.** Entities such as government bodies, private sector firms, and civil society organisations frequently engage with one another in place-based policy approaches. However, this does not guarantee the effective participation of individual citizens.

Stages of participation

Stages of participation refer to the phases in the policymaking process, notably agenda-setting, policy formulation, decision-making, implementation, and evaluation. Opportunities for active subsidiarity within policymaking processes lie in the effective utilisation of participatory methods, including co-production, co-creation, and other dynamic participatory instruments. Regions that strategically integrate these methods and align participatory structures with decision-making arenas are poised to cultivate active subsidiarity. Such instruments can balance the typically unequal distribution of decision-making power, which often prevents citizens from engaging in subsequent policymaking stages.

Opportunity

- **Co-production, co-creation, and co-design instruments foster active subsidiarity.** Regions that implement a co-creation element, such as citizen panels and workshops, as part of their participatory approach are more likely to directly involve citizens in policymaking. This creates a fertile environment for the interplay between policy, community, and inclusive deliberation in an MLG setting.
- **Inclusive participatory instruments used throughout the policymaking process foster active subsidiarity.** The incorporation of more inclusive instruments – such as negotiation activities, annual stakeholder meetings, and online platforms – into the policy evaluation process can boost inclusivity and participation, making just transition policies seem ‘less distant’.

Barrier

- **The unequal distribution of decision-making power prevents citizens from engaging in policy co-creation and thus impedes active subsidiarity.** The unequal distribution of decision-making power and implementation responsibilities risk turning citizens into passive observers of just transition policymaking processes. This not only disempowers them but also undermines public trust in the quality of governance.
- **The persistence of top-down dynamics in place-based measures constrains citizen participation in subsequent policy implementation phases.** Top-down decision-making dynamics hamper active subsidiarity in several ways. For instance, in cases where central authorities are responsible for choosing the participants of just transition policymaking, the likelihood of effective stakeholder partnerships decreases. Multiple levels of government and multiple types of formal stakeholders (non-governmental organisations, trade unions, etc.) interact less. These dynamics also reduce the social acceptance of decided-upon (and maybe effective) just transition policies because these are perceived as undemocratic and non-inclusive.

Arenas, stages and multilevel governance

Implementing active subsidiarity in multilevel just sustainability transition policies requires a re-evaluation of governance structures and practices. It involves providing resources, capacity-building, and support to local authorities and communities, enabling them to actively engage in decision-making processes. In addition, it necessitates establishing mechanisms for effective communication, collaboration, and knowledge-sharing among different governance levels.

Opportunity

- **An alignment of the arenas for participation with MLG frameworks enhances active subsidiarity.** The ex ante evaluation and timely planning of MLG arenas for participation spur active subsidiarity. This also supports the partnership principle, which implies close cooperation between authorities at EU, national, and local levels, as well as the effective representation of the interests of civil society, environmental partners, and other bodies promoting the values of a just sustainability transition.

Barrier

- **Unequal power dynamics, competing interests, and fragmented responsibilities impede the emergence of active subsidiarity and MLG.** Policy measures and participatory instruments are usually not designed for the interaction of stakeholders at different levels of government and throughout various policymaking stages.



Trends

Analytical findings from DUST research indicate that, in cases where the primary level of governance is the national government, the depth level of engagement tends to be dense, indicating strong interconnectedness among participants, while the breadth of participation typically narrows to industrial and scientific activity. In contrast, cases where governance levels are balanced, decentralised among lower levels, or focused on the regional level have a more inclusive breadth of stakeholder engagement or focus on local communities. However, it must be noted that this association of intermediate and balanced governance levels may vary due to the specificities of local contexts. Implementing the Just Transition Mechanism has been challenging to national, regional, and local stakeholders due to the complexities and breadth of the policies that need to be put in place.

To effectively engage citizens, there is a need for the development of governance structures and practices that align strategic planning with the formation of an inclusive environment that provides enough space for policy co-creation and interaction with a wide variety of stakeholders. Furthermore, mechanisms for effective communication, collaboration, and knowledge-sharing among different governance levels should be established⁴. Exploring options for active subsidiarity is closely tied to the complex factors that shape and influence participation within governance structures.

⁴ Raunio, T. (2010). Destined for irrelevance? Subsidiarity control by national parliaments. Elcano Royal Institute. <https://www.realinstitutoelcano.org/en/work-document/destined-for-irrelevance-subsidiarity-control-by-national-parliaments-wp/>



Policy recommendations

EU level

The systematic use of a definition of ‘active subsidiarity’ that is agreed upon by all EU institutions could help clarify whether strategic decisions – regarding the scope of just transition pathways, for instance – have been taken in an effective and inclusive manner while involving all relevant stakeholders at European, national and regional levels. Given below is a non-exhaustive list of recommendations that can improve the application of active subsidiarity, foster opportunities for promoting it, and thus support citizen engagement in just sustainability transitions.

An important finding of the DUST research is that active subsidiarity and citizen engagement are supported in cases where sustainable transition measures use place-based organising principles. To support this, it is recommended that EU-level sustainable transition measures adopt the following suggestions:

- **Adopt a cross-sectoral perspective towards transition challenges and potential, recognising the need to address complex linkages and interactions between different sectoral issues in a given territory.** This entails the following:
 - » EU institutions must ensure that their measures integrate environmental, socioeconomic, and territorial objectives. Sustainable transition measures that do not encompass a diversity of issues, such as the reskilling and upskilling of the workforce, the distributional effects of decarbonisation policies, the protection of social rights, and citizen participation, risk contributing to social and territorial inequalities.
 - » EU institutions must ensure that there are complementarities or synergies between different EU funds and initiatives that are supporting sustainable transition in specific territories, notably the Just Transition Mechanism, the Cohesion Policy (including the European Regional Development Fund (ERDF) and the European Social Fund (ESF)), the Social Climate Fund, and the Recovery and Resilience Fund. There should be a coherent, comprehensive policy platform at the EU level to address the impacts of transition on territories and communities.
- **Strengthen the territorial dimension in EU-level sustainable transition policies.** Active subsidiarity relies on targeting the smallest viable spatial scale to achieve policy goals. There is substantial territorial variation in sustainable transition challenges and potential, and it is recommended that the EU facilitate granularity when providing support to place-specific needs. This entails the following:
 - » EU sustainable transition measures should include an explicit territorial dimension that recognises and addresses the place-specific implications of transition processes.
 - » NUTS3-level, as opposed to NUTS2-level, data should be used in targeting territories, as this can capture territorial needs better and facilitate more functional territorial coverage of support (e.g. combining municipalities to target functional urban areas covering urban centres and regional hinterlands in transition processes).

- **Ensure that EU sustainable transition measures are based on MLG systems, with meaningful bottom-up inputs.** Active subsidiarity and citizen participation depend on the devolution of roles and responsibilities to local authorities and territorial stakeholders, including citizens and communities that have traditionally been less engaged in policies and politics. This engagement relies on the willingness and ability of member states, regional and local authorities, and stakeholders to engage in the process; however, EU institutions still have a key role to play.
 - » **Establish key performance indicators (KPIs), including transparent and comprehensive indicators for not only the effectiveness of EU sustainable transition policies but also the strength and impact of community participation.** EU measures should include KPIs broken down into subsets, covering (i) climate/environment (e.g. adaptation, resilience, and pollution), (ii) balanced socioeconomic results (e.g. inclusive job creation, well-being, and fair distribution of costs), and (iii) community participation (evidence of stakeholder input, including marginalised communities, and its results).
 - » **Create a regulatory environment that facilitates the participation of stakeholders possessing limited capacity.** This would involve regulations that require the inclusion of clearly defined groups and communities, particularly those less engaged in policies and politics, in sustainable transition policies. A clear definition of ‘affected’ and ‘vulnerable groups’ is urgently needed to address the risks related to equality of opportunity that are faced by the family members of workers directly employed in the coal industry and other carbon-intensive industries, as well as vulnerable energy consumers who may be disproportionately impacted by the potential increase in energy prices resulting from the coal phase-out.
 - » **Simplify regulations to support the active participation of these stakeholders (or their representatives).** Such participation can be fostered by making it easier for marginalised or less engaged groups to take part in EU-funded programmes (e.g. through targeted communication and awareness-raising initiatives), thereby simplifying the process of engaging as stakeholders or beneficiaries, including via tailored financial management and control requirements). In 2023, under the Defence of Democracy Package, the European Commission issued recommendations on promoting engagement in policymaking processes to member states⁵. Although it is difficult to assess its effectiveness at this stage, the European Commission should consistently promote and encourage member states to implement mechanisms for inclusive and participatory governance. This is particularly relevant – and should thus be tailored – to the inclusion of the least engaged communities.
 - » **Provide ongoing capacity-building and support to local governments that are organising participatory processes and to representatives of less engaged citizens and communities.** EU institutions have a range of resources, including technical assistance, capacity-building programmes, and knowledge-exchange platforms, that can be used to enhance the ability of local governments and communities to develop meaningful participatory processes. For example, the Just Transition Platform is designed to support communication, training, knowledge exchange, etc. for EU Just Transition Funding. It is important to note that there is an ongoing review of these resources to ensure that they are reaching the local authorities and communities that need them the most.

⁵ Community of Practice of the Competence Centre on Participatory and Deliberative Democracy (2023) Commission recommends that Member States get citizens more involved in policymaking. Blog, 11/12/23, see: <https://cop-demos.jrc.ec.europa.eu/blog/commission-recommends-member-states-get-citizens-more-involved-policymaking>

Member state and local level

Another important finding of the research is that active subsidiarity and citizen engagement are enhanced in cases where sustainable transition measures utilise an inclusive, consistent, and diverse set of tools. To support this, it is recommended that sustainable transition measures at member state and local levels adopt the following suggestions:

- The identification and inclusion of marginalised or less engaged groups should be built into sustainable transition measures from the outset.
 - » Considering the knowledge and expertise available, member state or subnational authorities should include a specific assessment of the impact of the measure on specific territories and communities at the preparatory stage. This would consist of sociopolitical, economic, regulatory, and other aspects that may impede citizen participation, particularly that of marginalised and hard-to-reach groups.
 - » The views of these territories and communities should be directly elicited in this process to ensure an accurate representation of their needs and potential when setting strategic objectives. Rather than basic consultation, this means involving the representatives of these territories and communities in working groups or steering groups that feed directly into the drafting process. Committees have provided arenas for stakeholders and civil society organisations to feed into the processes of issue identification, resource allocation, and progress monitoring of initiatives.
- Participation is an iterative process, and member states and subnational authorities should utilise the multiple arenas available at different stages of the policy design and implementation cycle.
 - » Cases where citizens or communities are involved in participatory processes at the implementation stage (e.g. deploying collective decisions on resource allocation to projects) are very limited. These processes are potentially crucial for the meaningful involvement of marginalised or less engaged communities and citizens.
- Active subsidiarity relies on the dynamic exchange of knowledge and information between all levels of government. This requires reflexive evaluation and feedback at, as well as effective communication between, all levels.
 - » Establish policy evaluation and feedback mechanisms. Implementing mechanisms for the regular evaluation, feedback collection, and monitoring of policies allows for iterative improvements. It involves assessing the impact of policies at the local level and incorporating feedback from communities to adapt and refine policies accordingly.
 - » Provide platforms for sharing information and knowledge. Establishing platforms for the exchange of information, best practices, and lessons learned between different governance levels fosters collaboration and learning. Such knowledge-sharing environments can also disseminate knowledge about successful local initiatives and showcase the positive impacts of place-based measures. They are especially effective when citizens themselves share knowledge and information.
 - » Establish clear communication channels. Facilitating transparent and accessible communication channels between different governance levels enables the effective coordination and alignment of objectives. Clear communication channels at the local level are also essential for the effective governance of place-based policies. Local authorities should work with civil society representatives and community leaders to assess and establish transparent and accessible communication between various stakeholders.

- **Member states should ensure that continuous and diverse opportunities for participation are present.**
- **The participation of ordinary citizens should be enabled.** In addition to formal organisations, non-formal stakeholders – such as community leaders, caretakers, and citizens from the arts and culture community – play a crucial role in fostering more accessible place-based policymaking. Local authorities can tap into new perspectives, expertise, and resources by enabling such stakeholders’ participation through co-creation mechanisms and arenas.
- **Continuous opportunities for participation should be provided, taking into account the daily realities of citizens.** Meaningful participation requires ongoing engagement and flexibility to accommodate the diverse realities of people’s lives. Local authorities should consider the daily realities of citizens, such as work schedules, childcare responsibilities, and transportation limitations, when designing participation mechanisms.



The DUST project

The DUST project develops new participatory instruments in sustainability transitions, focusing on structurally weak regions that are dependent on energy-intensive industries. It supports the development and implementation of place-based policies at a scale that enhances citizen participation and democratic governance, especially among the least engaged communities. Furthermore, DUST has been conducting novel participatory experiments in eight case study regions.

The research underlying this brief

This brief aims to synthesise opportunities for and barriers to active subsidiarity in just sustainability transition policies. Based on some of the results obtained thus far by the DUST project, it seeks to provide recommendations for measures at EU, member state, and local levels that can guide policymakers on how to ensure inclusive, consistent, and effective citizen participation throughout the policymaking process.

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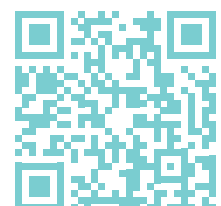
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Read the DUST Deliverables that inform this brief here:

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