

SUMMARY:

MAPPING AND TRENDS ANALYSIS ON JUST TRANSITION INITIATIVES







IN SUMMARY:

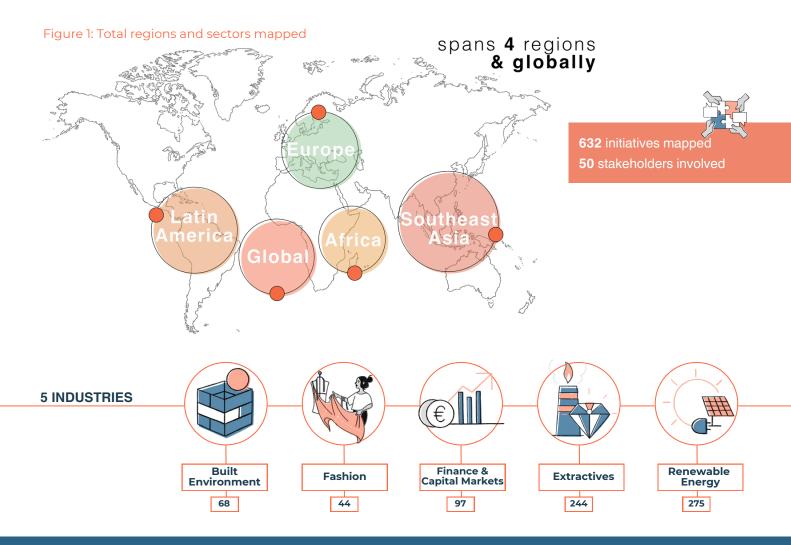
WHAT 'JUST TRANSITION' MEANS, AND KEY LESSONS FOR FURTHER ACTION

Philanthropy and other global stakeholders right now have a window of **opportunity to shape the just transition** and **ensure that equity and justice are embedded** in it; to ensure **faster, more ambitious climate action**; and to contribute to **addressing structural inequalities** rooted in the same systems that have been causing climate change and vulnerability.

This summary provides a snapshot of the more detailed "<u>Mapping and trends analysis on just transition initiatives</u>" report, commissioned by the <u>Laudes Foundation</u>, <u>Wallace Global Fund</u> and <u>Ford Foundation</u> to strengthen their ongoing explorations of just transitions, and undertaken by diverse teams of experts embedded in the relevant regions between **September and November 2023.**

The mapping assessed the **status of just transitions globally** and within the studied regions, and the results highlight **key dynamics** in the just transition ecosystem, including the **broadening focus of the movement** to encompass a **range of concerns**, ambitions and interventions aimed at overall **fairness and the inclusion of affected workers and communities.**

This analysis should be a **starting point** for organisations, actors and initiatives to drive faster, **more ambitious climate action,** address **structural inequalities,** and **ensure a truly just transition.**



For more information on the donors, the methodology, assumptions and limitations, mapping, and a full list of the initiatives mapped, read the full report and relevant annexes <u>here</u>.



1.1 Key messages from the mapping

$_{\mathsf{T}'}$ The need to swiftly address climate action and human rights at the same time $\, extstyle -$

Stakeholder engagements for this mapping underscored **three repeated messages:** that there is **no transition without justice**, and that **global role-players need to act a lot faster** to create just transitions and the **need for philanthropy to play a greater role** in providing resources for just transition initiatives.

If it is to be sustainable, effective and equitable, just transition can no longer be limited to climate change mitigation or to selected workers in industries such as energy and mining. The just transition narrative must include climate adaptation, human and environmental rights, as well as additional workers and communities.

According to stakeholders, this **integrated approach addresses concerns** that the transition could create new – or exacerbate existing – **inequalities**, affecting not only workers but also **vulnerable and marginalised communities.** It also helps to **mitigate negative socio-economic impacts** and pressures on suppliers and supply chains. ¹

F- There is no one-size-fits-all approach -----

The mapping results reiterate that a **one-size-fits-all** approach to just transition **cannot work** at this stage; instead, **approaches need to be context-specific** and **culturally relevant**.

Multiple approaches also leave room for bottom-up improvements in representation, policy enforcement, and the adoption of innovative value chains, especially in the global South and by marginalised communities.

Consider inclusion, agency, accountability and power imbalances during industry transitions

The report also highlights the **importance of inclusion, agency and accountability** in the just transition: **involving workers and vulnerable communities in decision-making processes**, with a focus on the global South (**inclusion**); **ensuring the power and ability of these groups** to influence decisions and conditions (**agency**); and **ensuring that actors promote inclusion and agency and are accountable** to those affected by transitions (**accountability**). For more on recommendations and action points that could help fast-track just transitions, please see <u>"3. In action: recommendations and action points for intervention"</u>.

Stakeholders also identified **two global dynamics** linked to the growing emphasis on justice in the transition: the **'Power' dynamic**, which captures the **unequal distribution of power and resources** between the global North and global South, and the **'Transitioning in and out' dynamic**, which highlights the **need to ensure fairness and inclusivity** for those most affected and vulnerable during the shift to more sustainable and less carbon-intensive systems. Please see <u>"2.3 Key dynamics in the just transition process: Power' imbalance and 'Transition in and out"</u>.





2.1 What does 'just transition' mean?

There is no universal definition of a 'just transition' (JT). Since 2021, the International Labour Organisation (ILO) has defined 'just transition' as "greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind".2

To represent local economic, social, political and environmental systems and orient this mapping, the researchers applied the following working characterisation, defining just transitions as:

- sustainable transitions that build accountability and inclusivity and promote agency;
- including diverse groups, particularly workers and marginalised, vulnerable and climate-affected communities; and
- spanning all industrial sectors and different geographies.



2.2 Actors in the just transition ecosystem

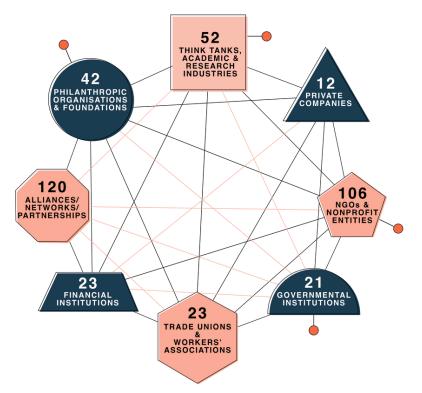


Figure 2: Ecosystem of actors doing just transitions work

This mapping provides an initial picture of global efforts and actors in the dual fights against climate change and social inequality. The aim is to help philanthropic donors and key actors work together better and make the most effective funding decisions that tackle both of these critical issues.

A variety of actors have been identified, all of them **interconnected** and simultaneously engaged in addressing challenges and **opportunities** through their just transition initiatives. This indicates a need for multiple intervention points and collaborative, interconnected actions within a JT ecosystem.



2.3 Focus of the initiatives mapped

The mapping exercise also utilised a framework that assessed the types of problems addressed by the initiatives. The main results were as follows.



Climate Change: 549 projects were found to be focusing on decarbonisation, decarbonisation enablers and adaptation (e.g. the ILO's Guidelines for a just transition...., the Energy Transition Skills Project and the Energy Transition Toolkit). This finding emphasises the pivotal role that concerted action plays in achieving sustainable transitions that extend beyond mere net-zero targets to encompass biodiversity and nature conservation.



Work and Economics: 429 initiatives were working on diversification, job protection, job creation, and reskilling and upskilling workers. The issue of job losses is a significant concern for those in carbon-intensive industries facing the challenge of transition.

A comprehensive focus on jobs and workers in all sectors is key to achieving a just transition.



498

Communities: 498 initiatives reviewed were targeting access to resources (i.e. water, energy, infrastructure, etc.) for indigenous communities and other vulnerable or marginalised people, including workers. The projects reviewed were found to be addressing vulnerability based on various personal and group attributes including race, religion, disability, gender, sexuality, age, income, and employment status (e.g. nonorganised workers, workers in sectors with low trade union association rates, or informal workers – including migrants). Across all regions, stakeholders highlighted how the transition impacts several disparate groups of vulnerable people in addition to workers, and emphasised the need for fairness, inclusion and empowerment or agency for those groups.



Gender: 230 initiatives were addressing gender equality, advocating for women or gender-diverse groups, and targeting women or gender-diverse groups as beneficiaries. Gender is recognised as a key aspect of inclusive, equitable and effective transition. But this aspect is neglected by many initiatives – further action and cooperation is needed. Ensuring that women are not left behind in a just transition is not only about increasing the number of gender-centred initiatives; it also means considering gender in an intersectional and context-sensitive way and ensuring the inclusion and agency of marginalised groups across race, disability status, age group, and sexual orientation.

These attributes were all mapped at face value. More in-depth research on the effectiveness and impact of each initiative in active collaboration with stakeholders is needed.



The just transition cannot be about transitioning from high-carbon poverty to low-carbon poverty.

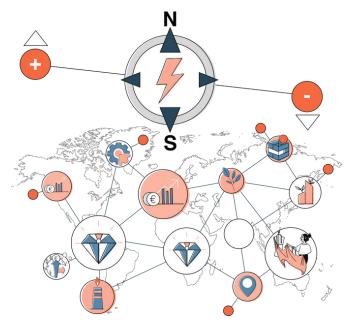
Stakeholder from Africa region



Two **overarching dynamics** have been identified through stakeholder engagement across the regions: the **'Power' dynamic** and the **'Transitioning in and out' dynamic**. Both are linked to the **growing emphasis on equity and justice** in transition ambitions and efforts.

It is crucial to underscore that a 'just' transition is **not feasible** without **addressing these dynamics in parallel.**

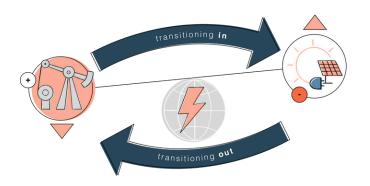
Figure 3: 'Power' dynamic



----- 'POWER' DYNAMIC

The 'Power' dynamic captures the **unequal** distribution of power and resources between global North and South. Southern countries struggle with **poverty and climate impacts**, but it is largely the North that **creates policies**, which Southern countries are then expected to follow. This perpetuates a cycle where the South remains 'policy receivers' and highlights that without long-term structural change, vulnerable or marginalised Southern communities might experience unjust transitions.

Figure 4: 'Transitioning in and out' dynamic



--- 'TRANSITIONING IN AND OUT' DYNAMIC ----

Stakeholders suggested a dual focus on 'transitioning in' and 'transitioning out' processes, which also frame the interventions needed. 'Transitioning in' refers to green economic activities to be introduced/scaled up, while 'transitioning out' covers carbon-intensive sectors to be wound down/transformed. This dual focus helps capture the complexities of transitions, especially in low- and middle-income countries, and highlights that a comprehensive and equitable approach is needed.

It's critically important to understand the **fundamental financial dimension** of the climate transition. In essence, **we're replacing resource consumption** [for example, of oil] **with technology** [such as renewables or efficient lighting]. This technology is more capital-intensive, requiring **more upfront investment** but **radically reduced demand.** We're not simply substituting one technology for another, but we're **moving to quite a different economy**, where the availability, accessibility and affordability of capital becomes fundamental. Clearly, there are **profound inequalities** in terms of income, but **inequalities in accessing capital are even deeper,** particularly for small businesses, for women, youth and **those in the global South.** Already we're seeing some of the **pushback against net-zero** focused on this issue of **access to investment capital** [e.g. whether to retrofit homes or upgrade vehicles]. This means that just transition finance has **two major strands**: first, making sure **all climate finance respects labour and human rights;** and second, ensuring that **access to capital** is made open to all.

Nick Robins, Grantham Research Institute





What emerged from the engagement and mapping was an **insight into the broadening focus of the just transition**, and how regional definitions of a 'just transition' are evolving. This focus now **extends beyond workers' rights** and well-being to **encompass a constellation of concerns,** ambitions and interventions aimed at **overall fairness** and the **inclusion** of the most vulnerable.

Stakeholders across the regions **emphasised the position of workers** and other communities in a just transition. Many argued that **climate adaptation is integral to a just transition**, and **linked social justice with climate action**, typically handled through different policies and funding. The mapping recognises that **framing and focus vary** based on actors' positions and interests, as summarised in Figure 5 below.

Figure 5: Summary of stakeholders' varying interpretations of 'just transition'

ISSUE	NARROW	BROAD
VULNERABLE GROUPS	FOCUS ON WORKERS ONLY	Focus on all actors affected directly and indirectly across local, national, regional levels (human rights approach)
ENVIRONMENTAL DIMENSIONS	FOCUS ON REDUCING GREENHOUSE GAS EMISSIONS	Focus on reconfiguring dynamics at ecological/ economy interface(s) beyond only emissions
SECTOR	FOCUS ON ENERGY TRANSITIONS	Focus on working across industries
APPROACHES	TOP-DOWN, TECHNO-ECONOMIC SOLUTIONS TO TRANSITION CHALLENGES	Bottom-up engagement to shift systems (governance, political, economic) in which transitioning sectors are embedded
MITIGATION MEASURES	FOCUS ON MITIGATING NEGATIVE TRANSITION IMPACTS (E.G. JOB LOSSES)	Focus on transforming distribution of ownership, control and benefit in the global economy at local, national and regional levels
RURAL & URBAN DIVISION	FOCUS MOSTLY ON RURAL CONTEXTS CONNECTED TO FOSSIL FUEL VALUE CHAINS	Integrated focus on rural and urban contexts



2.5.1 Regional perspectives



The European transition is expanding from a focus on labour and policy – mainly concentrated on workers in carbon-intensive regions – towards an inclusive 'social fairness' discourse underscored by meaningful public consultation and engagement on climate-related matters. A considerable number of initiatives produce research and guidelines for just transition in Europe. An illustrative example is the comprehensive national policy guide to just transitions, developed by a consortium of research institutions from the UK, Norway, Czechia and Austria as part of the three-year <u>JUSTDECARB project</u>. The report guides policymakers through a programme for just transition that addresses various policy-cycle phases, from planning and analysis to monitoring and evaluating, offering guidance, approaches and case studies applicable across sectors and geographies.



In **Southeast Asia**, stakeholders observed the **recent emergence of the term 'just transition' in public discourse**, particularly through <u>Just Energy Transition Partnerships (JETPs)</u>. However, **the definition remains elusive**, as various stakeholders define it based on their interests and desired outcomes. Financial institutions and investors view JT from a **climate-mitigation perspective**, while labour organisations **emphasise workers and training**.

India's <u>Green Skill Development Programme</u> is an example of efforts by a government to help youth acquire gainful employment by **supporting the development of green skills.** The region highlights the importance of not leaving anyone behind during the transition, with a **focus on socio-cultural context** and the need for **consultation with local communities** and workers. There are also several alliances across Asia, such as the <u>Responsible Energy Initiative</u>, which focuses on ensuring renewable energy, to **enable the continent to achieve its full potential** and create value in a just and ecologically safe way.



In **Africa**, the applicability of the 'just transition' framing is **contested** in light of the **complexity and potential trade-offs** on the continent due to prevalent **systemic structural imbalances** and inequalities, as captured in descriptions of the 'Power' dynamic. In Africa, the <u>Alliance for Empowering Rural Communities (AERC-GH)</u> works with local communities to **build resilience to changing global crises** and adapt local actions to achieve sustainable development via capacity building, community mobilisation, research, policy advocacy and technology deployment.



Finally, in Latin America, stakeholders recognise that historical labour and justice movements have embraced the just transition, expanding beyond their original labour focus due to the work of regional progressive governments, multilateral organisations and organised labour. Additionally, there is a **need to integrate existing environmental movements**, especially those addressing socio-ecological conflicts and supporting environmental and land defenders.

For instance, the Wayuu indigenous communities in northern Colombia have **incorporated just transition concepts into their discourse** when dealing with conflicts involving the mining industry and renewable energy projects (EITI, 2023).





I think that, in Latin America, if you're not thinking about how we're going to **include, identify, and protect traditional communities in the energy transition process,** you're just not looking at it the right way.



Maria Rodrigues, ID Global





At the **Global level**, this mapping observes that **labour considerations continue to dominate**, and there is increasing focus on **policies that incorporate or target just transition**, with an emphasis on **accountability**. Trade union initiatives such as the <u>Trades Union Congress's (TUC's)</u> 'Climate emergency: winning a Just Transition' campaign, <u>IndustriALL</u> and the <u>International Trade Union Confederation's Initiative for a Just Transition in the Energy Sector actively engage in dialogue with companies to **ensure that transition plans integrate workers' rights** and voices.</u>

2.6 Types of initiatives and key regional trends

The initiatives mapped **vary in purpose and actors,** and range from projects to programmes, reports, tools, frameworks and campaigns.

The mapping revealed a **tendency towards cross-sectoral initiatives**, with the **Fossil Fuels and Renewable Energy** sectors being the most prominent. This is due to the Energy sector's influence and importance in the just transition. This focus goes beyond energy-related technology to suggest a **comprehensive transition of the entire energy system**, particularly in the global South.

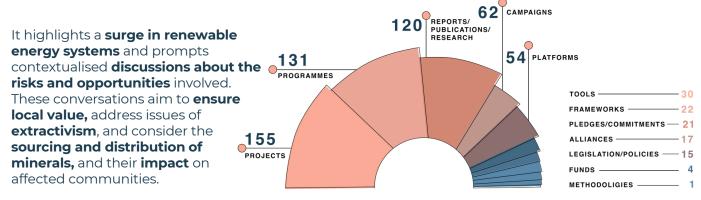


Figure 6: Breakdown of the initiatives mapped per type

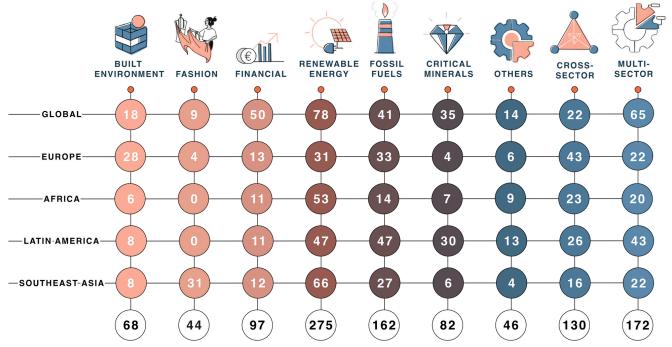


Figure 7: Initiatives mapped by region and sector.





In Africa, 96 initiatives were mapped, with the majority in the Renewable Energy and Extractives sectors, and very few in the Finance sector, highlighting the influence of the global North in shaping private-sector initiatives. South Africa's Just Energy Transition Partnerships (JETP) were recognised for driving the transition in that country, and are touted to expand into other countries in the region.



In **Southeast Asia,** out of **141 initiatives** mapped (the highest among all regions, due to its industrialisation level), 20% focused on the **Fashion sector.** This raised discussions about **decarbonisation** and the **need to assess transitional impacts on workers.** The mapped actors also showed a **leaning towards multi- or cross-sectoral initiatives,** and suggested there is a gap in understanding regional needs.



In Latin America, 111 initiatives were mapped, with 62% working across and in multiple sectors. At national level, the JT agenda is present in policy discussions across the region, with governments actively working on the formulation of just transition strategies, primarily focusing on comprehensive, cross-sectional agendas. The mapping also shows that 42% of initiatives focus on renewable energy projects which, due to land-grabbing issues, are already at the epicentre of local socio-environmental conflicts. Fuerza de Mujeres Wayuu ('Force of Wayuu Women') is cited as an example of a good 'transition in' practice that is fair. This organisation of indigenous women is releasing a report in which they share their perspectives on how wind energy projects are being conceived in their territory.



In Europe – the apparent global tone-setter – 129 initiatives were mapped, with over 68% focusing on work and economic diversification. These initiatives were closely tied to EU funding mechanisms, the EU Green Deal framework and the Just Transition Mechanism and Fund. Stakeholders at European and Global level have called out the lack of an integrated or coherent policy approach to the just transition, reflecting a lack of integration in the more traditional Environment, Social and Governance legislative and framework context, which still considers environmental reporting standards – and consequently climate standards – as separate from social standards. Another point raised is a perceived tension between those concerned about human and environmental rights being impacted by the transition, and those who believe the just transition will delay urgent decarbonisation, or who may co-opt the concept to serve their self-interest (including the anti-climate movement).



It's really difficult to find the adjustment system at the global level, because we all have an idea of the concept of just transition, and it is what it is. **Key requirements** needed should be **analysed on a case-by-case basis**, because people in countries, sectors, regions **are not the same.** They're experiencing different issues, challenges and [realities]. So there is **nothing that you can apply globally.** This must be taken into account when planning for JT processes, and when policies are applied.



<u>Just Transition Centre, ITUC</u>



The research enabled a shared articulation of the meaning of **inclusion, agency and accountability,** which were understood as follows:



Inclusion:

Ensuring that workers and other vulnerable or marginalised communities are involved in decision-making processes, and their voices considered on issues that have an impact on them within the transitions.



Agency:

The power and ability of workers and other affected communities to influence the decisions and conditions that have an impact on them, expanding on inclusion to ensure empowered decision-making.



Accountability:

The responsibility of specific actors (i.e. companies and governments) to promote the inclusion and agency of marginalised or vulnerable groups, and to be accountable to those affected by industry transitions, particularly workers and communities.

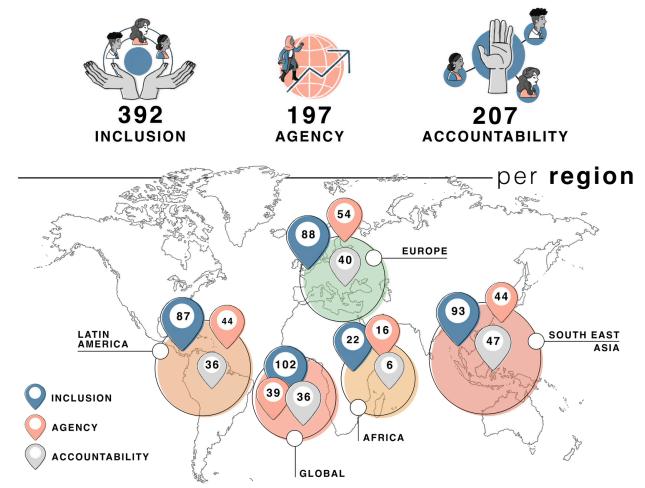


Figure 8: Initiatives with goals in line with inclusion, agency and accountability



2.7.1 Regional approaches to inclusion, agency and accountability

Overall, stakeholders supported an approach focused on achieving meaningful outcomes. The analysis revealed that more than half of the initiatives in Europe, Latin America, Southeast Asia and the global community emphasised incorporating inclusion. It's clear that involving diverse voices in decision-making is crucial for sustainable development, and that the depth and sincerity of consultations and funding biases are influenced by power dynamics and interests.



The value of inclusive decision-making processes remains undeniable. In Latin America, the Centre for Innovation and Research for the Just Development of Colombia's Mining-Energy Sector and Its Working Class (<u>CIPAME</u>), established and led by workers from three Energy sectors (coal, oil and electricity), prioritises worker involvement and directly influences the development of public policies aimed at achieving a just transition. This is a clear example of how the focus on inclusion can lead to constructive and collaborative sustainable development.

Another example is the **Indonesia** Transformative and Just Energy Transition (I-JET) Project's <u>Penabulu Foundation</u>, funded by Oxfam, which foregrounds the issue of mainstreaming Gender Equality, Disability, and Social Inclusion (GEDSI) in regulatory frameworks, to help ensure energy transition does not have a negative impact on women, children and other vulnerable groups.



The mapping of **agency** revealed **diverse regional focuses**, with the analysis highlighting a demand for **local solutions that empower regional and local stakeholders**. They emphasised the importance of proactive, embedded efforts, closing measurement gaps, and the need to nurture agency in vulnerable communities by **codesigning solutions** and enabling them to define their own goals.

In **Africa**, the <u>IKI Project – ACSEA</u> serves as a progress-monitoring tool for sustainable-energy initiatives, playing a crucial role in empowering civil society within the transition and related initiatives. In **Europe**, <u>EUTeens4Green</u> funds youth-led initiatives in coal regions, while <u>Citizens UK</u> directly engages civil society in actions aimed at agency development around climate change.



Analysing accountability, especially when effectively implemented, reveals that it is intertwined with inclusion and agency, especially at local level, and underscores its potential to empower marginalised communities. It highlights the intricate dynamics between global North and South, and within the global South, in navigating power imbalances within countries. Stakeholders emphasised that true accountability also involves consequences, such as legal action, for actors who violate rules or fail to fulfil their commitments.

At the **Global level**, several organisations are involved in benchmarking and assessments, and are **key to pushing the private sector towards a just transition.** For instance, the World Benchmarking Alliance (WBA) developed a <u>Just Transition</u>
<u>Assessment</u> to provide free rankings and insights into the contributions of globally influential companies, and the <u>WWF's Territorial Just Transition Plan Assessment Tool</u> advances inclusive, people-centred dialogue around just transition. Another interesting example is Stichting Onderzoek Multinationale Ondernemingen (<u>SOMO</u>), which analyses violations around open pit mines through the lens of the <u>OECD Guidelines</u> and <u>UN Guiding Principles</u>.



There is still a struggle to develop clarity, measurability and accountability around the human dimensions of the transition. Policy expressions are an important foundation, but very often the social side of sustainability is stuck at the level of assertion and ambition, remaining as an addendum or an afterthought.

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Caroline Rees, Shift Project





The tensions, conflicts and parallel needs identified and explored in this mapping are not novel or confined to the just transition, nor are they devoid of efforts or resources to combat them.

Nevertheless, the desire to encourage a just transition presents an opportunity to reframe these often conflicting imperatives.

There is **no one quick fix** or intervention by any actor that can ensure a just transition, but rather **a set of proposed interventions**, including **significantly increased resource allocation**; the **adjusting of existing resource allocations**, priorities and responsibilities; **centring of the 'Loss and Damage' agenda** as a way of accounting for costs; and a desire by the majority of stakeholders for **philanthropy to play a more visible role** in increasing and better targeting resources for just transition initiatives.



3.1 Building inclusion into the just transition

Promoting inclusion in the just transition requires greater understanding and addressing of the needs of marginalised, vulnerable and climate-affected communities. Stakeholders suggest a need to:



- Include global South actors in research, leadership and policy.
- Drive global collaborations, especially between marginalised and vulnerable groups, including traditional communities.
- Restructure power dynamics and existing frameworks.

INCLUSION

Stakeholders say there are **several ways for philanthropies, civil society organisations and financial actors to promote inclusion** and support global South actors as well as other marginalised and vulnerable groups, including formal workers

Recommendations for Philanthropies

- **Drive greater representation and inclusion of global South actors** in spaces where JT policies and frameworks are developed, including boards and framework committees.
- Encourage knowledge exchange within the global South.
- Focus on locally led initiatives and build capacity. Plenty of work is going on in different regions aimed at including vulnerable communities in solutions. This should include efforts to first consider and respect locally developed solutions and ideas.



- Fund initiatives that explore power dynamics across intersecting identities. 5
- Invest in organisations working on disaggregated and intersectional JT data and advocate for KPIs that encourage tailored, informed policy measures that address vulnerabilities and access to resources.
- Increase funding and engagement with actors and organisations that promote global, sectoral and local cooperation. Support those driving gender equality and social inclusion (GESI), assisting informal workers and investing in initiatives that address the challenges faced by marginalised and vulnerable groups in the context of transition.
- Widen the scope of labour-related initiatives as a stepping stone in bridging the gap between future and current jobs and skills, and work with affected communities and policymakers to develop capacity-building programmes including training programmes, workshops and educational opportunities. Strengthening union and worker groups' organisational capacity enhances their ability to engage meaningfully in JT discussions and negotiations.
- **Facilitate global South-led discussions and actions**, introducing **alternative and collaborative frameworks** and utilising research to avoid duplicating efforts, especially private-public collaborations. An example is the development of a global South-led version of the UK's Transition Plan Taskforce (TPT) that explores a private sector-led just climate transition plan.
- Fund truly transformative community-led JT approaches similar to the <u>Puerto Rico Report on Just Transition</u>.

Recommendations for civil society organisations

- Contribute to the design of approaches that promote inclusion of marginalised and other vulnerable groups.
- Facilitate global and South-to-South knowledge-sharing.
- Safeguard and advocate for labour rights and social protection.

Recommendations for financial actors and businesses

- Businesses can **strengthen protections and integration of rights** (particularly labour, human rights, resource and land rights) into policies and management.
- **Establish climate targets,** transition strategies and plans, and **create 'decent' work.**
- Engage workers in transition plans across value chains.
- Considering the JT's cross-regional focus, **invest in sector-specific initiatives alongside awareness-raising campaigns** that consider traditional communities' needs and rights within various projects, especially carbon credit projects.
- Include traditional communities within projects through: impact assessments that evaluate land and resource rights; robust ethical standards and safeguards; and collaboration with affected communities to develop beneficial financial solutions.
- Collaborate with policymakers and legal experts to set up formal frameworks to protect traditional communities' land and resource rights, widen social security safety nets and, particularly in the African context, explore franchise and alternative ownership structures with an emphasis on directing benefits to local communities.
- Use funding to strengthen multi-stakeholder initiatives that defend labour rights.
- **Support the participation of micro-, small and medium enterprises (MSME)** which should be involved in efforts to shape the private sector's role in delivering JT outcomes by engaging in partnership with MSMEs throughout the supply chain in order to address labour rights issues.



3.2 Strengthening agency as part of the just transition

The recommendations for driving agency are closely linked to inclusion and accountability, all seen as essential for meaningful participation. Stakeholders suggest similar strategies for both inclusion and agency, focusing on diversity initiatives and actors, collaboration, empowerment, and investment in workers' and labour rights.

The common denominator of the agency-centred recommendations is that they promote agency for actors from the global South and vulnerable groups economically, through capacity-building, innovation, and experimentation - especially during the transition to renewable energy systems in Latin America, Africa and Southeast Asia. On the other hand, the importance of a specific focus on labour laws, internal preparation, and coordination with workers' unions was also highlighted.



Stakeholders suggest that action points to promote agency in the just transition should:

- Co-design solutions with affected communities through community-led projects.
 - Address the economic agency of communities and workers by redirecting funding to micro-, small and medium enterprises (MSMEs) involved in the JT, or to community-focused infrastructure **funds** and associations working directly with informal workers.
 - Indirectly encourage cohesive local and global union efforts by investing in alliances coordinating these efforts across **regions**. A concrete example is the Trade Union Confederation of the Americas' (TUCA's) partnership with movements like Vía Campesina, Friends of the Earth, World March of Women and others, which have contributed to global labour demands on JT by incorporating a Latin American viewpoint centred on an 'eco territorial' approach. In **Southeast Asia**, relevant actors and initiatives in the space include the RMG Sustainability Council (RSC), a private initiative of the Bangladesh industry, global brands and global and local Bangladeshi trade unions; <u>BGMEA</u>; the <u>Centre of Indian</u> Trade Unions; and the Garment Labour Union, which advocates for labour rights and social protections, while intersecting with sustainability, climate mitigation and circularity.

- Fund agency-building key performance indicators (KPIs) that assess the impact and progress of initiatives and projects.
- Tap into new and emerging value chains and improve access for global South workers and marginalised communities, helping them negotiate lower capital costs, better trade outcomes and market opportunities.
- Enact realistic policies and strategies regarding business and workers' needs, and expectations, including skills and technological retraining programmes, and options for feasible technological innovation.
- **Businesses should align with unions to** develop and implement appropriate social protection for workers and affected communities.
- Monitor implementation and progress of policies and commitments.
- Run awareness-raising campaigns highlighting labour rights in the context of just transition, particularly in the financial sector.



3.3 How to drive accountability for the just transition

Accountability encompasses not only the existence of **formal rules for the protection of stakeholders,** but also the ability of empowered stakeholders to **hold businesses and governments accountable.** Stakeholders suggested the following key action points to drive accountability:

- Promote the availability of appropriate evidence for decision-making by, for example, supporting work that spotlights competing and conflicting global interests.
- Support actors by, for example, assisting those working to hold governments and businesses accountable, or by funding unfunded work.
 - **Philanthropy can promote accountability** by building coordination and narratives around the need for just transitions across regions, sectors and stakeholders through, for example, **investing in accurate information and local journalism** that raises awareness around climate, inequality and human rights.
- Philanthropy can **invest in civil society** organisations that provide tools to **monitor and supply the data** that could help guarantee just transition in supply chains.
- Encourage companies to engage with the multiple tools and mechanisms available to create socio-economic and human rights impacts, such as the Council for Inclusive Capitalism's Just Transition Framework for Company Action, the BSR's Just Transition Planning Process for Business toolkit and the business-led Just Transition Resource Platform.



ACCOUNTABILITY

These suggestions again highlight that data collection is crucial for assessing the initiatives' progress and challenges. Stakeholders' recommendations align with the drivers of inclusion and agency, emphasising efforts that offer both direct and indirect support for a just transition, particularly through alignment, cooperation and coordination.

The European analysis and stakeholders offered specific suggestions on private-sector accountability that are broadly applicable, including:

- Emphasise the importance of collaboration with industry associations, governmental bodies and nongovernmental organisations to develop tailored JT plans aligned with established frameworks.
- Lean on existing advocacy campaigns and benchmarking work to promote adoption of JT plans, emphasising the benefits of aligning with existing local and global frameworks, such as the framework proposed by A Framework for Company Action.
- Nurture the collection and development of decision-making evidence that supports targeted research on climate action consequences in the global South.
- Establish coordination and shared narratives around centring marginalised groups, establishing solidarity of approaches, and amplifying cooperative and collective action, including through investments in media.
- Leverage existing sustainability and climate frameworks, such as the <u>UK's</u>, to identify relevant metrics for holistic assessment and avoid duplication of efforts.



- **Encourage communication** between affected communities and decision-making parties and actors.
- Direct funding to support the operationalisation of the JT into climate legal frameworks, entrenching legal protection, accountability measures and value chains.
- Connect labour rights organisations with those working on practical JT measures, such as those developing assessment metrics, facilitating pilot programmes, and conducting impact assessments on affected communities.
- Integrate specific indicators within existing frameworks such as the Transition Plan
 Transition Plan</
- Implement pilot programmes to apply developed metrics within select industries or regions to assess practicality, effectiveness and alignment with JT goals.

SUPPLY CHAIN

A key takeaway from the mapping is that **global JT actors need to move much faster** on just transition **in supply chains.** For companies, embedding JT considerations can be done through the use of frameworks, standards, methodologies and tools already available. By **bringing together existing strategies on climate change, human rights, workforce development and stakeholder engagement,** companies can prepare themselves for a fast-approaching future in which just transition to a net-zero economy will take centre stage. **Inclusion, agency and accountability** need to be **embedded** throughout **future value chains.**

A <u>report</u> from the **World Benchmarking Alliance (2023),** Grantham Research Institute on Climate Change and the Environment, and the Council for Inclusive Capitalism has three main recommendations for companies:



- i) Embed accountability for just transition into existing climate strategies and broader long-term objectives and priorities.
- **ii) Base JT strategies on social dialogue**, collective bargaining agreements, decent work, labour rights, and employment opportunities and challenges across multiple sectors; and
- **iii) Work with and advocate for governments** to strengthen the enabling environment for companies to contribute to the just transition, including through regulations and incentives.

For a more in-depth and regional approach, read the full <u>report</u>.



3.4 Suggested areas for future research

This analysis identified several potential areas for further in-depth exploration of issues that are important to attaining a just transition.

POSSIBLE FUTURE MAPPINGS:

Exploring further aspects of just transition



- A more in-depth assessment of the impact of initiatives at both local and global levels;
- Deeper dives into different sectors that are most important per region;
- The impact of efforts to drive inclusion, agency and accountability;
- Media and communication organisations' engagement with just transition;
- The role of social enterprises and the social impact sector;
- The extent to which decent, green jobs are being generated during the transition;
- Actors that are challenging the positive work promoted by the mapped actors;
- Actors incorporating a decolonisation lens into just transition policy work;
- Existing mechanisms with a focus on transparency and scrutinising JETPs.

PRIVATE SECTOR:

Diving deeper into JT processes and impacts in the corporate world



- **Private-sector operationalisation of just transition:** how some private-sector actors are building JT into their value chains, and **how effective these efforts are**;
- Organisations or frameworks not specifically working on JT but that should be, because of their core work and impacts;
- A mapping of the **relationships between stakeholders, their interests and their relative power,** particularly concerning **rulemaking** and the equitable distribution of benefits during the transition, targeting key actors in the private and financial sectors;
- The relative role of **different kinds of funding available for JT initiatives** (concessional loans, commercial loans, equity, guarantee funds, grants), and **their magnitude.**

POLITICAL DYNAMICS:

Investigating governments' roles and policies



- China's key role in the development of Latin America and Africa within new, greened value chains, and its potential impact on global just transitions;
- The role of global South governments in advocating for a just transition and shaping transition policies;
- The use of the term 'just transition', and integration of JT principles into climate law and legal frameworks;
- Systemic barriers to just transitions, highlighting key issues hindering future progress;
- The existence of **transnational policies related to JT**, on which countries and regions have **worked collaboratively**.

In the report you will find the **full list of initiatives mapped!** (click <u>here</u> and see Annex 2)

Take action, start new collaborations, and develop just transition projects using this mapping as a starting point!

