

JUST TRANSITION

G77-UNCTAD-TWN Workshop 2



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UNRISD Reflections on Eco-Social Contract

Need to combine a **reformed social contract for inclusion and justice with a contract for nature and future generations.**

Examples - 20th century social contracts in industrialised welfare states + late industrialising countries in Global South => more equalized capital-labour relations and shared growth. Substantial expansion of social policies and publicly funded social services. Other kinds of social contracts - Ubuntu/postcolonial social contracts concerned with nation-building, state legitimacy and social cohesion.

Unravelling contracts (neoliberal policies starting in the 1980s). Replaced by approaches emphasizing role of individual & markets to the detriment of communal values, redistribution and public provision. **In the Global South** undermined by **debt crises and austerity** policies. State-citizen relations and political legitimacy worsened as a result of shrinking fiscal resources, deteriorating public services and the social costs of structural adjustment. **Shift in governments' accountability from citizens to donors/external actors**, while policy space shrunk as a consequence of loan conditionality.

Common characteristic of most twentieth-century social contracts: **failure to recognize planetary boundaries, protect biodiversity and ensure the sustainable use of natural resources.** Under this model, those who practiced more environmentally friendly ways of living were quickly pushed to the sides. All too often traditional farmers, fishers or Indigenous communities with livelihoods based on sustainable use of forests, land and water resources were deprived of land and resource rights by big corporations or predatory rulers, or saw their livelihoods based on natural resources destroyed as a result of pollution and commercialized resource exploitation.






A twenty-first-century eco-social contract

Reflect a reconfiguration of a range of relationships that have become sharply **imbalanced**—those **between state and citizen, between capital and labour, between the global North and the global South, between humans and the natural environment**.

UNRISD suggests a number of principles that could guide our future deliberations around a new eco-social contract.

1. **Human rights-based social protection for all** beyond employment-related social benefits. This will include those excluded from previous social contracts.
 2. **A contract with nature** because human life exists on a finite planet, and economic activities and societies cannot be delinked from Earth's ecosystems.
 3. **Transform economies and societies** to halt and reverse environmental destruction and climate change and promote social inclusion and equality
 4. **Address historical injustices** by promoting **just transitions**, decolonized and Indigenous knowledge, and social values and capacities from the global South.
 5. **Gender justice** so that activities of production and reproduction are equally shared by women and men and different genders, and sexual orientations and expressions of gender identity are granted equal respect and rights.
 6. **New forms of solidarity** bringing together progressive alliances between science, policy makers and social activists; and replacing the old mindset of “us against them” with a new “spirit of unity.”
 7. **A progressive fiscal contract** that raises sufficient resources for climate action and SDG implementation and does so in a fair way
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Just Transition, social dimension and inequalities

UNRISD Just Transition Research Collaborative (JTRC) has been following the JT space since 2018. JT seen as a critical concept for **overcoming tensions between social and environmental needs** through dialogue, social protection, job and income diversification, and targeting of vulnerable populations.

First mobilised by U.S. workers in the late 1970s, JT taken up since COP3 in 1997 at the international level by international trade union mobilisations around climate change. Focus on **ensuring workers and communities** dependent on sectors that needed to change will **be recognised**, listened to, their rights protected, and **alternative, decent jobs and livelihoods would be secured** for them.

With ILO guidelines and JT language in PA the **concept's uptake** grew considerably. Expansion of the concept in terms of

- its intended **outcome**, from achieving social justice/decent work to achieving a deeper transformation of the economy/systemic change,
- the **policy package** it entails (i.e. ILO's nine policy areas, economic planification, international cooperation, debt, trade, among others).
- its **application** - Just Transition is also being applied to multiple areas (energy, minerals, health, unpaid labour, agriculture, adaptation and biodiversity, north/south justice).

Several multilateral organisations and governments are deploying Just Transition strategies/plans on the ground. JT also progressed within the **UNFCCC**, notably in the context of Response Measures and the **KCI**, where it has been debated as one of two key priorities (along with economic diversification). That said, other areas of negotiation have also started incorporating Just Transition discussions (**MWP, SCF, GST**, among others).

Limitation of current JT approaches

There is convergence across all actors that **Just Transition strategies must be diverse** if they are to be relevant across very different circumstances.

However, it is also important to note that **current efforts are dispersed and could lead to the loss of the original intent** of Just Transition (such as the focus on workers' rights and decent work, social justice for impacted communities or the need for strong participation and consultation in the design of Just Transition policies) and **aggravate concerns over social impacts of climate action** and prevent global cooperation on just transition through further fragmentation support.

We can also see how the absence of a framework for Just Transition is leading to bilateral and **minilateral initiatives** (like JETPs) **proliferating** without any basic rules/principles.

Reflections on JETP model

Just Energy Transition Partnership (JETP) in South Africa (2018) Indonesia and Vietnam (2022) and Senegal (2023) signed with a group of developed countries -IPG- (France, Germany, UK, USA, and the EU, ++). "*innovative*", "*supporting the transition to cleaner energy sources*". Make mention of "Just Transition". Assumption that these bilateral or "minilateral" efforts can deliver faster than UN mechanisms.

UNRISD held a series of iterative dialogues between researchers and practitioners. Five broad areas of attention were identified:

- **National ownership & planning** (including tension between decarbonization and other national priorities ie energy access, poverty eradication, balance of payments, donor-led choices of energy sub-sectors, competition with regional approaches)
- **Approach to financing and investments** (lack of transparency on sources of funding, additionality?, loans adding debt risks + ill-suited for supporting economic diversification and JT, conditioned to energy market reform?, etc)
- **Governance dimensions** (consequences for achieving a global just transition? for multilateral funds? for developed countries' finance obligations and developing countries' eligibility for climate finance? Also issues with governance of JETPs themselves. On top of transparency, do JETPs constitute a return to donor-driven development? Do they allow a "cherry-picking" of investments instead of supporting a holistic transition?)
- **The "J" in the JETP** - absence of real progress on the *Just* part of the JETPs. General absence and/or severe limits to the consultation with civil society. The absence of clarity and specific objectives for the social/justice dimensions of JETPs were also a shared concern.

Are JETPS the beginning of a wave? Importance of monitoring how JETPs evolve and how close/far they are from their announced intentions and to elaborate a collective standard on what JETPs should look like if they are to put justice at the core.


Need to re-multilateralise cooperation for a Just Transition => role of the Just Transition Work Programme?

Reflections in the context of the JTWP

- “*Just Transition pathways* that include energy, socioeconomic, workforce and other dimensions, all of which must be based on nationally defined development priorities and include social protection” (excerpt from CMA.4 decision).
- A focus on areas identified by the IPCC as critical to secure 1.5 pathways: 1) energy system transitions, 2) land and ecosystem transitions, 3) urban and infrastructure system transitions, and 4) industrial systems transitions and how they intersect and could achieve simultaneously social justice within and between countries.
- Ensure learnings and guide further work on energy transition (e.g. focusing on employment, energy access, social, security, economic, financing, institutional and inclusion - ie involvement of communities and citizens- aspects of the just energy transition).
- Initiate conversations on areas where JT discussions are only starting and create the space for sharing early work - industry, transport, health, gender, agriculture, adaptation, with the objective of finding common ground for elaborating recommendations.
- International cooperation on just transition (i.e. finance, technology, capacity and support).

Objectives for the JTWP?

- Enhance a collective understanding of possible just transition pathways and action to facilitate implementation.
- Address gaps, barriers and challenges faced by those promoting Just Transition strategies with a view to unlocking or facilitating enhanced ambition.
- Serve as a space for accountability and peer-to-peer evaluation of just transition initiatives (ie JETPs).
- Identify areas where international cooperation (financial, technical/technological, capacity) would be beneficial to accelerate action on JT, unlocking appropriate and available opportunities, resources and means of implementation support (finance, technology and capacity-building);



Gracias!

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