



Supporting a just transition to a low-carbon and climate resilient future

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The Just Transition Imperative

Just transition is a moral duty, an opportunity, and critical to successful climate action

- Social and economic **transformations are urgently required** in several sectors to address climate change
- Transformations **are not inherently just** or distributed fairly. They will impact large sections of society, especially fossil fuel dependent groups
- Equitable and inclusive climate action is likely the only way to successfully transition at the speed and scale required

The just transition is about **two key questions**:

- I. **Who decides?** How inclusive are decision-making process?
- II. **Who benefits?** How are benefits and losses distributed to reach safe and just outcomes?



Priority Transitions

Sectors that are major sources of GHG emissions and must transition to more sustainable forms include those targeted in CIF's new endorsed actions areas:



Developing countries will face an acute transition burden but knowledge and planning is lacking

- A literature review by the JTI of the just transitions of fossil fuel workers (in English) found three-quarters of the literature was focused on transitions in either the United States, Australia, or globally.
- Countries in sub-Saharan Africa (aside from South Africa), Central Asia, and LAC will undergo important changes in extractive industries, but case studies on contemporary just transitions work in these areas are lacking.

CIF has been investigating principles for understanding and supporting just transitions

OBJECTIVES

- Investigate how to achieve just transitions through the transformational changes necessary to address climate change
- Provide policy recommendations based on research, consultations, and case study analysis
- Foster a community of relevant and interested stakeholders for joint learning

WORKSTREAMS

Just Transition Initiative:
Resource Library, Research and Podcasts



Just Transition
Framework



CIF Case
Studies



Events and Policy Briefs



A new framework emphasizes the need for socially inclusive processes that distribute transition costs and benefits fairly



Key lessons from just transition case studies – South Africa and India

- **Planning and socio-economic modeling** can support long term just transitions
- **Geographic focus** across local, national and international scales is needed
- **Social inclusion** can be enhanced by empowering marginalized stakeholders through local platforms
- **Concessional finance** can de-risk innovative investments and accelerate just transition
- **Skills development** including reskilling and anticipatory skills development can facilitate a just transition
- **Environment and social safeguards** play key role in implementing and monitoring just transitions



The discussion paper identifies building blocks that can be applied to support just transitions

Upstream (Planning)

- Impacts modelling
- Political economy analysis
- Regional planning
- Financial disclosures
- Programmatic and collaborative planning

Downstream (Implementation)

- Creating decent jobs and skills development
- Expansive social safeguards and protections
- Place-based investments
- Economic diversification and regional focus
- Inclusive stakeholder consultations and empowerment

Transformative intent

Illustrative questions to address building blocks



Upstream:

- Is there **equal representation** across all groups in planning decision-making? Whose voices are heard more and whose less, and why?
- Are climate-related **risks and opportunities identified over the short-, medium-, and long-term**, and are these risks disaggregated across different groups of people, especially the most vulnerable?

Illustrative questions to address building blocks

Downstream:

- Will there be the **creation of new and decent jobs** over the short and long terms? How many of these jobs will make use of existing worker skills?
- Are there processes in place to ensure **participation and empowerment of marginalized communities**?
- Are there **platforms** to ensure the voices of those most impacted by climate initiatives are continually heard?



The CIF and MDBs have unique attributes to support just transition planning and implementation

- Delivering scaled finance
- Technical assistance
- Convening power
- Applying a programmatic approach
- Increasing knowledge and evidence base
- Recognizing and empowering marginalized stakeholders
- Environmental and social safeguards



Opportunities to support a just transition through CIF

1. Include just transition considerations in the **investment criteria** of the new CIF programs?
2. Develop **guidance and tools to support investment plan preparation** that utilize socially inclusive processes to address distributional impacts of the transition?
3. Explore **dedicated technical assistance funding** for just transition related project planning?
4. Further utilize the **Dedicated Grant Mechanism** model to support communities to design and implement transition plans?
5. Use the Country Programming Budget to support **citizen assemblies** to drive inclusive decision making and mapping of transition risks (inputting to CIF Investment Planning)?



The next few months

- Two **case studies**: land-use, Ghana (FIP) and water management, Bolivia (PPCR)
- **Paper** consolidating learning from x4 case studies
- **Research paper**: sub-national impacts and options for a just coal transition (India and South Africa)
- Expansion of the **JTI resource library** and community of practice
- Input to **program design documents**



CIF



CLIMATE INVESTMENT FUNDS

Investing in the future

