

## Need for broad approach to just transition pathways – say developing countries

Bonn, 12 June (Hilary Kung): At the ongoing climate talks under the UNFCCC's Subsidiary Bodies (SBs) in Bonn, Germany, on the newly established work programme on 'Just Transition Pathways' held on 9<sup>th</sup> June, **South Africa**, speaking for the **G77 and China** expressed concern that "the comprehensive and broad approach of developing countries to just transitions is (being) replaced with a narrower and more mitigation-centric approach, that focuses mainly on the energy sector and workforce."

The G77 and China made this remark in response to an informal note prepared by co-facilitators **Selam Abebe (Zambia)** and **Marianne Karlsen (Norway)**, to assist Parties in advancing the discussions on the matter, following informal consultations held on 6<sup>th</sup> and 7<sup>th</sup> June.

**South Africa** for the **G77/China** expressed frustration that "most of the inputs submitted by its 134 members, representing over 80% of the world's population have not been included in the informal note" and underlined "that it is essential to work under the guiding principles of the Convention and its Paris Agreement (PA), based on equity and Common But Differentiated Responsibilities & Respective Capabilities (CBDR-RC) at the start of a new work programme.

Explaining the need for "a comprehensive and broad approach of developing countries to just transitions" South African stressed "the need to acknowledge that sustainable development, including poverty eradication and ending hunger, is the first and overriding priority of developing countries." Elaborating further, the G77/China suggested clear language in the informal note to reflect the diversity of national development pathways, own timelines, challenges and priorities for development in developing countries.

The Group called for an integrated and holistic approach to sustainable development, comprising all three pillars, economic, social and environmental, poverty eradication, right to development, ending hunger and ensuring food security. It then put forward some concrete suggestions to ensure a balance between energy security, economic development and climate action, as well as consistency across mitigation, adaptation and means of implementation.

It also said that the informal note does not fully recognize that Just Transition pathways have a global dimension, in which developed countries must take the lead in demonstrating such transitions within their jurisdictions and assist to mobilise financing for transition in developing countries as per Article 4.4 of the PA.

Commenting further, it said that the document “does not reaffirm that any measure regarding just transitions should be in line with Article 3.5 of the UNFCCC, in the sense that the measures should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade, in order to avoid increasing the gap between developed and developing countries.”

The key objective of the work programme envisioned by the G77/China as expressed by South Africa is to help unlock and identify the appropriate and available means of implementation support; the importance of implementation of the nationally determined contribution (NDC) cycle and implementation of all aspects of the Convention and its PA, adding that the most fundamental aspect of this discussion is reducing inequalities amongst and within countries, as well as how to ensure that the transition to a low-emission and climate-resilient economy will not widen the existing gaps between countries or, even worse hamper the developmental pathways of the Global South.

On the institutional arrangements, the G77/China stated that it does not support the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI) serving as an expert body given its distinct mandate.

It also said that “incorporating” just transition pathways in the updates to NDCs “is inappropriate as this contradicts the basic principle of the non-prescriptive and nationally determined nature of NDC content and the location of climate action within national development and just transitions plans.” It expected to have an annual decision of the CMA (Conference of Parties to the PA) up to 2027 to feed into the 2<sup>nd</sup> global stocktake with a review process in 2027.

**India** said while it was glad to see the informal note capturing the global and national aspects of just transitions, it opposes the interpretation that the work programme must be thought as unlocking ambition, adding that it was “surprised that constant references are made to ambition without adequate balance on questions of equity, justice, and the enablers required to unlock ambition.” It

hoped that the Just Transition work programme does not become yet another place to constantly speak of enhanced ambition in the Global South, while ignoring fundamental aspects of equity and justice.

It also stressed that “discussion of an investment and economic policy framework at a narrow national level for just transition pathways will be prescriptive in nature and infringe on the sovereign right of countries to determine their own pathways to achieve low carbon development in accordance with national circumstances.”

(One of the themes in the ‘Scope’ section of the informal note stated as follows: “An investment and economic policy framework to facilitate investments into just transition pathways”).

India stressed further that “Just transitions in the context of developing countries are low carbon development pathways as many developing countries have large deficits in energy access and socio-economic development. There cannot be any prescribed singular pathway to net-zero” expressed concerns that there was “an overwhelming focus on mitigation and the energy sector” and stressed the need for “other aspects of climate action including the means of implementation, which must be foregrounded in the discussions of just transition pathways,” it said further.

**Kenya** on behalf of **African Group** said an overarching consideration for them is that just transition pathways cover both climate resilient development and low emissions pathways. However, it does not expect the work programme to help in identifying pathways because the pathways should be nationally determined. It said the work programme should not be mitigation centric and should include adaptation and loss and damage.

**Saudi Arabia** for the **Arab Group** reiterated the importance of the principle of CBDR and any ambition must be outlined by respective Parties’ NDCs and not to add additional burden to developing countries. It said just transitions must balance energy security, climate action and development together and not forgo one or the

other. It also stressed the importance of sustainable development and poverty eradication for developing countries, adding that the work programme should not promote barriers but promote just and equitable transitions. The Arab Group said they will not accept any sectoral approach in the work programme but stressed the importance of means that can advance the implementation of climate actions and expects to discuss pathways but not on reporting requirements other than those that have already been indicated in the NDCs.

**Ethiopia** on behalf of **Least Developed Countries (LDCs)** stressed the importance of scaling up grant-based climate finance in developing countries in particular LDCs, adding that there should also be support for small and medium enterprises in just transitions.

**Malaysia** proposed to include “aging and aged workers” in the scope of the work programme and also underlined the importance of recognizing that there can be “many actions in the countries” and thus suggested changing the “enhance action in relation to just transition pathways” to “enhance actions (in plural)...”

**China** stressed the importance of “knowledge sharing” and “actions”. In terms of the timeframe, it did not believe that the work programme is long term but is happy to keep it open with a five to six years work plan and a review during the third year.

**Bolivia** suggested that there is a need for the just transition pathways to take into account social justice, climate justice and right-based approaches, adding that the just transition pathways to global net zero needs to take into account climate justice, equity and CBDR in the context of historical responsibilities. One missing theme in the informal note is ‘just transition pathways for Mother Earth’ and pathways for all the people, it added further.

**Switzerland** on behalf of **Environmental Integrity Group (EIG)** suggested that the informal note should reference human rights, and emphasized that the work program should focus on knowledge and experience sharing; it should be action-oriented with each country crafting their own just transition pathway in their own context.

The EIG expects the work programme to last for two to three years with decisions to be adopted whether to continue at the end of the period.

**United States (US)** said that just transition is an enabler to enhance domestic climate actions. It suggested that there is no need to mention CBDR explicitly, “given all of the proposals are naturally in line with the principle of CBDR and inherently of climate justice.” The US said that there is only one objective from the work programme which is a focus on the socioeconomic challenges and opportunities related to all goals of the PA.

On the themes listed in the informal note, the US suggested deleting “Financing for just transition pathways” since the Mitigation Work Programme is already looking at financing for just transition. Instead, the US proposed to replace this with “Article 2.1(c) of the PA” which is about making finance flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development, which it said, includes the phase out of unabated fossil fuels. The US did not want an annual decision as an output and outcome from the work programme, but said that instead that there should be a summary report at the end of the programme.

The **European Union (EU)** said what is missing in the document is the underlying urgency to address climate change and would like to see some language on limiting temperature rise to 1.5 degrees Celsius, and also supported the proposal to include the mention of human rights. It expects the work programme to have one objective which is enhancing the understanding and promoting of actions in regards to just transitions towards net zero emissions and in enabling or enhancing more ambitious climate actions. It reiterated that the focus should be on the just transitions for workforce, quality jobs, reskilling and upskilling and also a second theme is to support the marginalised and low-income communities, as well as the future generation and as well as have a gender perspective. The EU said that it is too soon to comment on the institutional arrangements.

**New Zealand** stressed that the just transition work programme is a powerful tool to enable ambitious climate action and this is complimentary to the Mitigation Work Programme.

The **United Kingdom** said there was strong agreement on just transition as a powerful tool and the objective is quite clear which is about all the goals of the PA. It preferred to have a one-year work programme and review what would be needed for the following year.

**Norway** proposed that the institutional arrangement for the work programme be under the Subsidiary Body.

The next informal consultation is scheduled on 12<sup>th</sup> June and a second iteration of the informal note is expected from the co-facilitators.