



## Concept note for technical event on 2025 case studies by KCI covering just transition, economic diversification and impacts assessment

Dates: Wednesday, 10 June 2026, 15:00–17:00 (CEST)

Venue: Addis Abeba, World Conference Centre Bonn (WCCB), Bonn, Germany

### Mandate

In decisions 6/CP.30, 2/CMP.20 and 14/CMA.7, the COP, CMP and CMA requested the forum on the impact of the implementation of response measures to consider the case studies contained in the KCI annual report for 2025 at SB 64 (June 2026).

### Background

Under activities 7<sup>1</sup> and 12<sup>2</sup> of the workplan of the forum and its Katowice Committee on Impacts<sup>3</sup>, the KCI has developed a number of case studies reflecting national, regional and/or sector-specific approaches on economic diversification and transformation, just transition of the workforce and creation of decent work and quality jobs, and the assessment and analysis of the impacts of the implementation of response measures. Among those, the following case studies are included in the KCI annual report for 2025:

- Assessing climate and socio economic effect of agricultural credit policies: A case study of Brazil<sup>4</sup>
- Combined methodological approaches to assess impacts of response measures in Lao People's Democratic Republic<sup>5</sup>
- The impacts and incentives inherent in destination-based carbon pricing: a case study on India<sup>6</sup>
- Understanding the implications of the energy transition on African economies: economy and jobs<sup>7</sup>
- Assessing the impacts of climate response measures for planning effective and just transition pathways: a case study for Ghana
- Impacts of clean transition policies on employment in the European Union and European Union just transition policies
- Economic diversification and climate policy integration in Nigeria: a case study from Nigeria

The case studies were undertaken with a view to develop and exchange of regional, country- and/or sector-specific case studies and approaches on economic diversification and transformation, just transition of the workforce and creation of decent work and quality jobs, and assessment and analysis

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<sup>1</sup> Facilitate the development and exchange of regional, country- and/or sector-specific case studies and approaches on (1) economic diversification and transformation and just transition of the workforce and creation of decent work and quality jobs, and (2) assessment and analysis of the impacts of the implementation of response measures with a view to understanding the positive and negative impacts.

<sup>2</sup> Develop a case study in each of the five United Nations regions in accordance with activity 7 of the workplan.

<sup>3</sup> Contained in annex II to decisions 4/CP.25, 4/CMP.15 and 4/CMA.2.

<sup>4</sup> Available at <https://unfccc.int/documents/657065>.

<sup>5</sup> Available at <https://unfccc.int/documents/655669>.

<sup>6</sup> Available at <https://unfccc.int/documents/656965>.

<sup>7</sup> Available at <https://unfccc.int/documents/657738>.



of the impacts of the implementation of response measures with a view to understanding the positive and negative impacts.

Under activity 11<sup>8</sup> of the workplan of the forum and its KCI for 2026-2030, the KCI is mandated to further develop case studies in each of the five UN regions.

## Objective

The objective of the technical event is to provide a platform for Parties and relevant stakeholders to exchange views on the insights, methodologies and lessons emerging from the KCI case studies, with a view to enhancing their relevance, usability and contribution to ongoing and future work on addressing the impacts of response measures.

## Scope and focus

The technical event will focus on:

- Highlighting key cross-cutting insights and lessons emerging from the KCI case studies included in the 2025 annual report;
- Reflecting on the relevance and practical application of these insights and methodological approaches in different national and regional contexts;
- Identifying considerations that may inform the design and focus of future KCI case studies under the workplan.

## Structure

This technical event will follow an open dialogue format to encourage the sharing of experiences and views by Parties and relevant stakeholders.

## Agenda

Facilitators: Peter Govindasamy (Singapore) and Veronika Bagi (Hungary)

1. Opening remarks - SB Chairs (5 min)
2. Summary of case studies - Secretariat (15 min)
3. Short expert reflections on key insights, methodological approaches and practical considerations emerging from the case studies – Experts (3–5 min each)
4. Open discussion (60 min)
5. Closing remarks (5 min)

Guiding questions:

- How can the insights and approaches reflected in the KCI case studies support Parties in assessing and addressing the impacts of response measures in their national contexts?
- What are your views on the methodologies and analytical approaches used in the KCI case studies, including their key strengths and any limitations?

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<sup>8</sup> Develop a case study in each of the United Nations regions on just transition of the workforce and the creation of decent work and quality jobs and on economic diversification and transformation in order to understand the opportunities and challenges faced in planning and implementation, and share the findings among Parties and experts.



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- Which elements of the KCI case studies have been most useful in informing your work, and how could future case studies build on these strengths or be further improved to enhance their practical relevance?



## **Background Note**

### **in support of the technical event on case studies by KCI covering just transition, economic diversification and impacts assessment**

#### **1. Introduction**

The KCI case studies included in the 2025 annual report provide a timely and practical body of work for the proposed technical event. The event is intended to highlight key cross-cutting insights and lessons emerging from the case studies, reflect on their relevance and practical application in different national and regional contexts, and identify considerations that may inform the design and focus of future KCI case studies. The studies are therefore not only discrete analytical outputs, but also part of a broader effort to strengthen understanding of the impacts of response measures and to enhance the practical relevance of KCI work for Parties.

Taken together, the case studies demonstrate the breadth of issues already being addressed under the KCI. They cover just transition, economic diversification and transformation, as well as the assessment and analysis of the impacts of response measures, including both domestic and cross-border dimensions. They also span a wide range of national circumstances, policy environments and analytical approaches. This makes them particularly valuable for reflection in an event setting: they show not only what has been studied, but also how the KCI's work can speak to different country needs, capacities and policy priorities.

#### **2. The Value of the Case Studies as a Collective Body of Work**

One of the strongest features of the KCI case studies is that, when viewed together, they illustrate the diversity of ways in which response measures are understood and experienced across countries and sectors. Some studies focus on domestic policy implementation and its economy-wide or sectoral implications, such as Ghana's analysis of NDC-related energy transition policies or Brazil's assessment of agricultural credit policy. Others focus on cross-border dynamics, such as the India case study on destination-based carbon pricing and the Ghana analysis of international response measures. Still others examine broader questions of economic diversification, employment, and structural transformation, including the African energy transition study, the Nigeria diversification study and the EU study on employment impacts of clean transition policies.

This breadth allows reflection on the KCI case studies not as isolated outputs, but as a developing body of practice. Collectively, the studies show that the KCI is already generating work that is implementation-oriented, methodologically diverse and relevant to real policy questions faced by Parties. They also show that the KCI's work can capture both the opportunities and the risks associated with response measures, and can do so across very different national circumstances.

#### **3. Diversity of National Circumstances Reflected in the Studies**

A major strength of the case studies is the extent to which they reflect different national circumstances. This is important because the impacts of response measures, and the policy choices available to address them, are shaped by factors such as economic structure, development priorities, institutional capacity, exposure to external markets, energy mix, labour market conditions and social vulnerabilities. The studies make this point clearly by covering a broad range of countries and contexts.

For example, the African energy transition study situates the transition within a development context characterized by limited industrialization, high unemployment, energy access deficits and dependence on commodity exports. It frames the transition not only as a climate challenge, but also as a



development and structural transformation opportunity, particularly if local value creation can be enhanced. The study also shows that the implications of transition differ within Africa itself, as illustrated through the contrasting circumstances of Botswana, the Democratic Republic of the Congo, Eswatini and Ghana.

The India case study reflects a different set of circumstances. It focuses on a large and diverse emerging economy with significant export exposure and a strong stake in how response measures adopted by major trading partners may affect competitiveness, industrial structure and employment. By examining destination-based carbon pricing in key export markets, the study highlights how the impacts experienced by a developing country are shaped not only by domestic policy choices, but also by external policy developments and by the responses of other countries.

Brazil's case study reflects yet another context: a major agricultural producer with globally significant mitigation relevance, where the challenge lies in aligning financial and credit mechanisms with climate objectives, land-use considerations and just transition concerns in rural areas. The Brazilian case illustrates how response measures in one sector, in this case agriculture and land use, can have implications for emissions, productivity, livelihoods and social equity simultaneously.

The Ghana studies add two distinct dimensions. The domestic Ghana case focuses on NDC implementation and the economy-wide implications of energy transition policies in a growing lower-middle-income economy with rising electricity demand. The separate Ghana study on international response measures highlights exposure to external trade-related and market-based measures, showing that countries may simultaneously face domestic transition decisions and cross-border impacts from policies adopted elsewhere.

The EU study reflects a more advanced policy environment, where the issue is less one of basic policy adoption and more one of managing labour market adjustment, distributional impacts and policy sequencing within a broader clean transition agenda. This contrast is important because it demonstrates that just transition concerns arise across all regions, but the nature of those concerns differs significantly depending on economic maturity, institutional capacity and social protection systems.

Taken together, the studies suggest that future KCI work will continue to benefit from a strong grounding in national and regional context. They confirm that there is value in case studies that are tailored to different economic structures, levels of development and forms of policy exposure, rather than seeking a single template for all countries.

#### **4. Breadth of Policy and Sectoral Coverage**

Another important feature of the case studies is the broad range of policy types and sectors covered. This is highly relevant to the technical event, as it allows reflection not only on methodologies but also on the substantive policy domains in which response measures are being assessed.

Across the case studies, policies examined include renewable energy deployment, energy efficiency, low-carbon electricity generation, local content requirements, economic diversification strategies, carbon pricing, border carbon adjustments, international carbon markets, deforestation-related regulation, agricultural credit and clean transition labour market measures. The studies therefore span both domestic and international response measures, and both regulatory and financial instruments.

Sectorally, the studies cover energy, agriculture, industry, trade-exposed manufacturing, labour markets and economy-wide transitions. The African case study is particularly notable for comparing multiple energy technologies across countries, including solar, wind, hydropower, geothermal, coal and gas, and for assessing their implications for jobs, earnings and GDP under different local content assumptions. The Brazil study focuses on agriculture and land-use interfaces. The India study



highlights steel and carbon-intensive export exposure. The EU study surveys labour market impacts across a spectrum of clean transition policy instruments.

This breadth is useful because it shows that KCI work is not confined to a narrow understanding of response measures. It encompasses mitigation-related domestic policies, trade-related external measures, sectoral transition challenges and broader economy-wide transformation questions. It therefore offers entry points for Parties with different policy interests and institutional responsibilities.

## 5. Different Analytical Tools and Methodological Approaches

The case studies also clearly demonstrate the value of using different tools and methodologies depending on the question being asked, the level of available data and the capacity context. This is particularly important because one of the practical contributions of the KCI case studies is not only the findings they generate, but also the methodological examples they provide to Parties.

Several studies rely on computable general equilibrium (CGE) modelling, including the Ghana domestic case, the India case and the Ghana international response measures study. These models are used to assess economy-wide interactions, trace linkages across sectors and agents, and test hypothetical policy scenarios. Their strength lies in their ability to capture systemic effects and trade-offs, particularly where policies affect multiple sectors or where cross-border transmission channels are important. At the same time, the studies are transparent about their limitations, including data intensity and the fact that such models are analytical tools rather than forecasting tools.

The African energy transition study uses the JEDI input–output framework to estimate employment, earnings, value added and GDP impacts associated with energy technology deployment, distinguishing between direct, indirect and induced effects, and between construction and operation phases. This offers a very different, but highly practical, perspective focusing on local economic and employment implications of the transition. It is particularly useful in highlighting the significance of local content assumptions and the relationship between industrial capacity and transition benefits.

The Brazil case study applies an econometric approach, demonstrating how empirical methods can be used to examine the effects of policy implementation in a specific national setting. This adds a distinct dimension to the KCI portfolio by showing the value of ex-post or evidence-based policy evaluation, particularly where detailed administrative and sectoral datasets exist.

The EU study represents another methodological contribution by synthesizing ex-post empirical evidence, including econometric and quasi-experimental approaches, to assess employment effects of clean transition policies. This is particularly valuable because it complements ex-ante modelling with insights drawn from observed policy experience.

Through this diversity of methods, the studies suggest that future KCI work can continue to build a practical analytical toolbox rather than relying on a single methodological model. For Parties, this is useful because it demonstrates that robust impact assessment can take different forms and can be adapted to varying data and institutional conditions.

## 6. Insights Emerging from the Case Studies

The studies generate a number of policy-relevant insights that appear highly useful for countries and policymakers.

A first recurring insight is that policy design matters as much as policy choice. Several studies show that the impacts of a measure depend heavily on how it is sequenced, financed or combined with other measures. In the Ghana domestic case, for example, expanding renewable electricity supply produces different outcomes depending on whether complementary reforms are introduced to shift demand



away from fossil-based electricity. The study thus shows that technical mitigation potential may not automatically translate into sustained emissions reductions without supportive policy design.

A second recurring insight is the importance of economy-wide assessment of trade-offs and co-benefits. The studies consistently show that response measures can have implications beyond the sector in which they are introduced, including for GDP, employment, household welfare, trade and emissions. This is visible in the CGE-based studies, but also in the African and EU cases, which show that the transition can generate new employment and economic opportunities while also producing concentrated adjustment pressures in certain sectors or regions.

A third insight is that distributional and just transition considerations are central rather than ancillary. The EU study emphasizes that aggregate employment impacts may be modest, while significant adjustment pressures can be concentrated in particular sectors, localities or worker groups. The African study similarly points to the importance of job quality, duration and local value capture, not just headline job numbers. The Brazil case also shows that policy instruments can have differentiated social and territorial effects.

A fourth insight concerns cross-border impacts and strategic policy positioning. The India case and the Ghana international response measures study show that external measures such as border carbon adjustments, international carbon trading arrangements or sustainability regulations can reshape trade and competitiveness conditions for developing countries. These studies underline the need for countries to understand response measures not only as domestic policy challenges but also as evolving features of the international economic landscape.

A fifth insight is the significance of complementary investments in institutional capacity, data systems and local capabilities. Several of the studies make clear that the usefulness of modelling and assessment tools depends on access to data, stakeholder engagement and technical capacity. This suggests that one of the practical contributions of future KCI work could be to help Parties better understand not only policy impacts, but also the capacities needed to assess them effectively.

Viewed together, the KCI case studies provide a rich foundation for the proposed technical event. They reflect different national circumstances, cover a wide range of policies and sectors, showcase a diverse set of analytical tools, and generate insights that are directly relevant to countries and policymakers. Their collective value lies in showing that understanding the impacts of response measures requires context-sensitive, methodologically flexible and policy-oriented analysis.

For the event, this body of work can therefore be used not only to summarize past studies, but also to demonstrate how KCI case studies can support Parties in practical ways: by helping them understand policy impacts, compare analytical approaches, identify transferable lessons, and consider how future case studies can become even more relevant and usable. This makes the studies a strong basis both for reflection and for encouraging continued development of KCI work under the current workplan.