LMDC Interventions at the 4th Dialogue on Just Transition Work Programme

1st September

Opening remarks

1. At the outset we would like to thank the Govt of Ethiopia, SB Chairs, COP Presidency, Secretariat and colleagues present here. Thank you to the facilitator as well.
2. Thank you to the SB Chairs for changing the format from WorldCafe to the plenary setting, however. The WorldCafe poses serious challenges in ensuring inclusive and meaningful discussions
3. We would like to register our disappointment with the delayed circulation of the concept note. This did not allow time to Parties to reflect on the note.
4. We also have serious concerns about the focus of the topic and the narrative of the concept note, which shifts the burden of mitigation from developed to developing countries entirely. These are not neutral guiding questions, but in fact normatively framed to focus the entire discussion on mitigation in developing countries and ignore the complete abdication of the developed countries in meeting their obligations on both – taking the lead in mitigation and providing finance to developing countries. We will therefore speak to our priorities and perspectives as we see fit and as mentioned by SBI Chair in her opening remarks.

Session 1: Nationally defined just energy transition pathways as a tool to enhance energy access and affordability

GQ 1: How can nationally defined just energy transition pathways and holistic and multisectoral approaches to just transitions be designed to advance the implementation of the goals of the Paris Agreement and expand access to affordable, reliable, and sustainable energy for all, particularly in addressing persistent energy poverty and inequalities in access?

1. Any design for nationally defined just energy transition pathways must begin by grounding itself in the principles of equity and Common but Differentiated Responsibilities and Respective Capabilities (CBDR&RC).
2. The discussion on transitions in developing countries is deeply linked to the challenges they face in their efforts on poverty eradication, sustainable development, diversifying their economies and providing energy security to their people. Developing countries' dependence on fossil fuels is tied to the goals of addressing energy access, energy poverty and energy security. All of these are closely linked to addressing social and economic developmental needs of their people. Additionally, fossil fuel and allied sectors in these countries provide a major source of formal and informal employment.
3. The question presumes that energy transitions are equally urgent and relevant for all, but in reality, developed countries have achieved their energy access through extensive historical fossil fuel use. Existing experiences from some developed countries show that implementing policies related to shifting away from fossil fuels requires a lot of time and

investment. Even then, virtually no developed country has even managed to halve its dependence on fossil fuels, let alone complete such a transition.

4. For many developing countries, "just transitions" must first mean a transition away from energy poverty. And this should be our focus.

GQ2: What policies, financing mechanisms and approaches could be most effective in ensuring universal access to clean cooking solutions, including through the development of innovative and fair financial and technological solutions to increase access, while safeguarding vulnerable communities from the social and economic risks of energy transitions?

1. It needs to be underlined that a basic necessity such as clean cooking needs to be provided as a right. It is the most fundamental aspect of the right to life and right to development. That the concept note does not even mention public finance in this context and links even something as basic as cooking needs to fossil fuel transitions and market-based financing is simply unacceptable.

GQ 3: How could renewable energy deployment and energy efficiency be upscaled through nationally determined just energy transition pathways and harnessed to improve energy access and affordability, empowering local communities and ensuring that benefits are equitably shared across different social groups, including women, youth, and marginalized populations?

1. This question conflates renewable energy deployment, energy efficiency, and energy access—distinct concepts with differing policy implications.
2. Empowerment of local communities, women, youth, and marginalized groups cannot occur without first addressing the historical and ongoing inequities in energy access. Developed countries must lead the way in fossil fuel transition before prescribing solutions to the developing world.
3. The burden of energy transitions should not be shifted to those with the least historical responsibility for climate change. Equity must be paramount, and policies should be non-prescriptive and context-sensitive.

GQ4: How can subsidies be (re)designed to best support nationally defined just energy transition pathways through supporting enhanced energy access, scaled-up deployment of renewable energy, energy efficiency, clean cooking solutions, and other measures, including through phasing out inefficient fossil fuel subsidies that do not address energy poverty or just transitions?

1. This question is in fact a prescription that assumes that the redesigning of energy subsidies and phasing out of fossil fuel subsidies can aid in "just transitions". However, the term "just transitions" itself is qualified as being nationally determined. If there is no single just transition and each country determines its own pathway, then a blanket assumption that a particular policy measure (such as redesigning subsidies) would be automatically beneficial in all contexts is unsubstantiated and contradictory.
2. Subsidies in any country are a matter of their sovereign jurisdiction and an international dialogue or process cannot dictate how countries must do this.

Session 2: Socioeconomic risks and opportunities associated with energy transition pathways

GQ 1: How can nationally defined just energy transition pathways be designed to maximize opportunities associated with workforce transitions, including through the reskilling and upskilling of workers, while ensuring a fair transition for informal workers who may lack access to formal protections? What could be the role of the private sector, including micro, small and medium enterprises, in this context?

1. There is no guarantee that a person who is employed indirectly in the fossil fuels sectors would find a job in the renewable energy sector. In fact, it is proven that the renewable energy sector provides significant less employment per unit of energy generated, as compared to the fossil fuels sector. If the new sectors are not as labour intensive as the older ones, the number of jobs generated would be lower.
2. The private sector can play a role, but the primary responsibility for just transitions remains with Governments, ensuring protections and opportunities are equitably distributed and not left to market forces alone.

GQ 2: How can social protection systems be strengthened or adapted to address the socioeconomic risks faced by workers and communities affected by energy transition pathways?

1. Energy use in developing countries is tied to their economic growth and development; fossil fuel and allied sectors providing a major source of employment, including many outside of the formal sector. Also, the scale of investment required to transition poses a huge challenge. Where will the finance come from? This is a big question to answer. Any phasing down or transitions conversation need to also include a discussion on solutions to energy access to their people and reducing energy poverty since any transition from fossil fuel dependency can be expected to impact energy security and access.
2. Social protection systems must be nationally determined, reflecting local contexts.

GQ 3: How can just energy transition pathways be designed to maximize health and environmental cobenefits, and how can these benefits be equitably distributed across society?

1. Maximizing health and environmental benefits must begin with the recognition of different development needs and the inequality in basic health services and how can energy play a role in providing these essential rights. Benefits must be equitably distributed, prioritizing those who have suffered most from energy poverty and the consequences of inadequate infrastructure.
2. Traditional cooking fuels such as biomass are the biggest contributors to indoor air pollution related morbidity and mortality in developing countries. Addressing this is of paramount importance and should be delinked from mitigation goals.

GQ 4: What are the key social and economic considerations related to the extraction and use of critical minerals for clean energy technologies, and how can policies ensure that their development supports sustainable livelihoods, protects workers, and avoids exacerbating existing or creating new forms of vulnerability?

1. Extraction of critical minerals must not become another avenue for imposing burdens on developing countries. Policies must ensure fair value, protect workers, and support

livelihoods, but most importantly, must not perpetuate patterns of exploitation and vulnerability under the guise of "clean energy transitions".

2. Regions must have sovereign jurisdiction to determine their priorities for critical mineral mining and use.

Session 3: Energy security in the context of just energy transition pathways

GQ 1: How can nationally defined just energy transition pathways strengthen energy security and reliability while accelerating efforts globally towards net zero emission energy systems?

1. In the scientific literature the term "net-zero" applies to the entirety of emissions sources and sinks taken together. There is no scientific basis to apply the term "net-zero" to specific systems. No discussion is therefore even possible under this theme.
2. Energy security should be paramount, with transitions tailored to national development needs and historical responsibilities. Developed countries must lead in rapid fossil fuel transition.

GQ 2: How can nationally defined just energy transition pathways be designed to ensure that future energy systems are resilient to climate impacts, supply chain disruptions, and geopolitical risks, while also remaining affordable and accessible to all?

1. Resilience and affordability must be rooted in local contexts and development priorities. Prescriptions about transitions must not override sovereign choices. The right to development and energy access must be central, particularly in developing countries.

GQ3: In what ways can human rights–based and gender-responsive approaches be integrated into nationally defined just energy transition pathways to ensure that secure and reliable energy systems are also equitable and inclusive?

1. The inclusion of human rights and gender justice must not be superficial or used to distract from the broader inequities perpetuated by current global framing. Equity, CBDR&RC, and justice must be the foundation.
2. Denying developing countries their right to the fair share of the global carbon budget would go against the principles of justice and impact rights of vulnerable communities and groups in developing countries.
3. Developed countries must take immediate, rapid, and sustained emissions reduction, reach net-zero emissions before 2030, and net-negative emissions thereafter and free up carbon space for developing countries so that they can ensure the well-being of their entire populations – including women and children, local and indigenous communities, and other sections of the populations that face the impacts of climate change not of their own making.

GQ4: How can cooperation at national, regional, and international levels support the development of resilient, secure, and just energy systems that safeguard both people and ecosystems?

1. Multilateral cooperation, not unilateral measures disguised as climate policy, is essential. Unilateral trade measures harm developing countries and are contrary to the principles of

the UNFCCC and its Paris Agreement. True cooperation must respect equity, national sovereignty, and development priorities.

2. International cooperation should serve as the cornerstone for enabling developing countries to chart their own nationally defined just transition pathways. This means fostering collaborative frameworks that respect national sovereignty, historical responsibility, and diverse development priorities and inequalities, rather than imposing one-size-fits-all models.
3. True cooperation must go beyond rhetoric, facilitating the exchange of knowledge, access to appropriate technologies, and capacity-building initiatives that empower local actors. Only through multilateral, equity-driven partnerships can the global community support transitions that are resilient, inclusive, and tailored to the unique contexts of each nation, ensuring that no country is left behind in the pursuit of secure and just energy futures.

Afternoon Session (on MOI)

Theme 1: Climate finance for just energy transition pathways

GQ 1: What lessons are being learned on financing nationally defined just energy transition pathways aligned with the outcome of the first Global Stocktake, including through enhancing access to climate finance, innovative and blended finance, crowding in of the private sector in a way that complements public finance, and financing for social protection systems?

GQ 2: What innovative financing mechanisms and policy frameworks could support enhancing the provision of climate finance for transitioning away from fossil fuels in a just, orderly and equitable manner, in line with national development priorities and while safeguarding affected workers and communities?

1. Developing countries have always maintained that 'climate finance' support to developing countries is a legal obligation of developed countries under Article 9.1 of the Paris Agreement.
2. However, the concept note uses the term 'climate finance' in conjunction with other concepts such as 'blended finance', 'innovative financing mechanisms', 'crowding in private finance'. There is not a single mention of grant-based or even concessional finance. Framing the issue of climate finance in this manner is highly problematic.
3. Additionally, by combining the question of climate finance and fossil fuel transitions in the manner that it does, the concept note creates an extremely problematic narrative, where the burden of climate change mitigation is sought to be entirely shifted to developing countries and the support for these actions conditional on the action taken.
4. In this situation, the narrative of the concept note forces developing countries to accept the dilution of the term 'climate finance' in order to discuss the mitigation obligations of developed countries. It allows developed countries to successfully shirk their finance obligations and set the rest of the world on the wild pursuit of illusory 'innovative financing mechanisms', while they continue to not deliver their finance obligations and underdeliver on their mitigation actions while lecturing the rest of the world on the "opportunities inherent in renewable energy expansion".

5. The poor delivery of climate finance from developed to developing countries is a very real challenge, especially since energy transitions are expected to cost huge sums of money in developing countries.
6. Developing countries need an around USD 5.1–6.8 trillion for up to 2030 to deal with climate change. Another report estimates developing countries require USD 215–387 billion annually for up to 2030 to meet their adaptation needs. Developing countries require considerable amounts of finances for implementing their technology action plans and project ideas developed under UNFCCC. The cost of investment for implementing energy transition in developing countries ranges in trillions.
7. But, what do we have? The new collective quantified goal on climate finance (NCQG), was made by countries to deliver a meager USD 300 billion per year by 2035. This new climate finance goal was claimed as being triple the previous amount of USD 100 billion per year goal agreed in Cancun, Mexico in 2010. However, in reality it amounts to a much lower sum when inflation is factored in. According to one estimate, with a 5% inflation rate, "the net present value of $300 billion mobilised in 2035 would be worth approximately $175 billion in 2024 dollars."

Theme 2: Innovation and technology transfer

GQ 1: How can innovation and technology transfer foster holistic and multisectoral approaches to just energy transition pathways that leaves no one behind, including through inclusive innovation, local knowledge integration and identification of scalable solutions?

GQ 2: How can innovation and technology transfer best support the implementation of nationally defined just energy transition pathways, including through energy efficiency, clean cooking solutions, scaling of renewable energy and enhancing energy access?

Responses

1. As developing countries, we cannot speak about means of implementation without talking about the barriers to accessing these.
2. To support developing countries' efforts to achieve sustainable development in a climate-constrained world, the most appropriate technologies for climate change monitoring, mitigation and adaptation need to be made available to developing countries.
3. Technologies that are highly capital-intensive and labour-saving will be efficient only in countries where costs of capital are low and costs of labour are high (such as in developed countries)
4. As we heard in the previous session as well, the cost of and access to finance are often major challenges with respect to the deployment and transfer of climate technologies in developing countries. These are often capital-intensive and require mobilization of large upfront financing for investment life cycles that often span several decades and which could ultimately render them unaffordable for a developing country.
5. The main challenges for technology development and transfer identified by developing countries in their TNAs and NDCs include:
   - Economic and financial barriers.
   - Policy, legal, and regulatory gaps
   - Technical capacity constraints

6. Given that most climate technologies are patented, owned and produced by private sector firms whose primary motivation is to generate revenue from their products, the direction

of investment would tend to be towards the development of products and solutions for the consumers of countries with "significant buying power" (i.e., developed countries) rather than poorer developing countries and their consumers. In many cases, such products and solutions are often inappropriate or else need some level of adaptation to be able to fit developing-country circumstances.

7. Many developing countries have made their NDCs under the Paris Agreement conditional on receiving climate finance, technology transfer, and capacity building support. However, a study has found that many low-carbon technology transfer initiatives do not all address the key capacity-building components of knowledge transfer, and developing countries with "poor" intellectual property right (IPR) protections have fewer initiatives on average.
8. The gap between developed and developing countries when it comes to the ability to develop, innovate, access, endogenously produce and deploy climate-relevant technologies remains a key constraint adversely affecting collective progress in global efforts to achieve sustainable development and effective climate action.
9. Unless these issues are sorted, any transition will remain unjust and would defeat the purpose of our discussions here.

Theme 3: Capacity-building and knowledge sharing

GQ1: How can capacity-building and knowledge-sharing initiatives under nationally defined just energy transition pathways ensure that Indigenous Peoples and local communities are empowered as active partners, with their cultural heritage, traditional knowledge and practices recognized, valued and protected?

GQ2: What mechanisms or platforms could strengthen the exchange of experiences, skills, and resources to build capacities for just energy transition pathways that reflect diverse local contexts and leave no one behind?

Responses

1. The primary platform is the UNFCCC and its Paris Agreement. Developing countries have submitted proposals for institutional arrangements at SB62. The LMDC proposed a Just Transitions Technical Assistance Network (JTTAN), unfortunately developed countries' first response was to reject any discussion on substance related to institutional arrangements.
2. The functions of the network as we had proposed, included, among others, facilitating access to technical assistance; coordinating capacity-building initiatives; linking developing countries with sources of finance, technology, and capacity building; and monitoring and assessing gaps in just transition support.
3. If we really want the JTWP to make a difference and help achieve climate objectives, let's agree to establish institutional arrangements for the Just Transition Work Programme in Belem. This should be a strong message from the dialogue.

2nd September 2025

Topic 1: Identifying concrete and actionable outcomes for the JTWP in the context of just energy transition pathways and holistic approaches to just transitions, including through synergies within and outside the UNFCCC

GQ 1: What could be some concrete and actionable outcomes for the JTWP in the context of just energy transition pathways and holistic approaches to just transitions?

GQ 2: How can the JTWP best capitalize on synergies within and outside the UNFCCC in this context, including through its dialogues?

Responses

1. UNFCCC must be the anchor for the JTWP.
2. Developing countries have submitted proposals for institutional arrangements at SB62. The LMDC proposed a Just Transitions Technical Assistance Network (JTTAN). The functions of the network as we had proposed, included, among others, facilitating access to technical assistance; coordinating capacity-building initiatives; linking developing countries with sources of finance, technology, and capacity building; and monitoring and assessing gaps in just transition support. If we really want the JTWP to make a difference and help achieve climate objectives, let's agree to establish institutional arrangements for the Just Transition Work Programme in Belem. This is our proposal for a concrete next step and should be a strong message from this dialogue.

Topic 2: The role of trade and international cooperation in supporting just energy transition pathways

GQ 1: What lessons are being learned in terms of cross-border impacts of climate measures, including trade impacts, and what could be the role of trade in supporting nationally determined just energy transition pathways?

GQ 2: How can international cooperation and partnerships enhance and expand support for nationally determined just energy transition pathways

Responses

1. We have repeatedly raised the need to call out unilateral trade measures, which are often disguised as 'climate policy', despite their negative impact on developing countries. Such measures violate the principles of equity and CBDR&RC enshrined in the UNFCCC and its Paris Agreement and are against Article 3.5 of the Convention.
2. At a time when multilateralism must be strengthened, such unilateral trade measures hinder international cooperation and force developing countries to bear burdens disproportionate to their responsibility, further impeding their development and poverty eradication efforts.
3. We have heard some Parties express their dislike of the term 'unilateral measures', despite it being clearly articulated in the Convention. We express our regret that the concept note too fails to refer to the term unilateral measures and has been framed in a manner that appeases the sensitivities of only some.

4. The questions are in fact framed in a manner that does not allow space to address the violation of the Rio principles and Article 3.5 Convention at all.
5. Unilateral trade-related measures, disguised as 'climate measures', directly impinge on the nationally determined nature of the NDCs, thus undermining the Paris Agreement itself. They force developing countries that are seeking to industrialise, modernize, and diversify their economies to undertake climate measures in sectors identified by others. These may not be in the best interests of the developing countries, nor be the most equitable or even cost-optimal options for them. At a time when the highest emitter has left the Paris Agreement, it is necessary to collectively resolve to strengthen and implement the agreement in good faith, not seek to further undermine it. However, we see concessions being made for them in terms of flexibilities in the CBAM implementation, while developing countries are being "punished".
6. Unilateral trade measures are designed to put undue burdens on developing countries, penalize their industries and impede their growth. This has both direct and indirect impacts on the people in developing countries, including on workers, women and children, local communities, among others. Such measures are therefore against the principles of just transitions at the global and national levels. This is what the JTWP must address directly, without obscuring such impacts behind platitudes.
7. The introduction to unilateral trade measures under climate policies, coupled with the lack of developed countries' in providing grant-based and concessional form instruments as part of their responsibilities, creates new challenges to the developing world in developing and achieving their just transition pathways. Therefore, we again call on developed countries to provide public, grant-based financial support to developing countries, ensuring that just transitions may be implemented in line with the needs and priorities of developing countries.
8. Unilateral trade measures are also a new form of illicit finance flows which create an unfair economic environment for developing countries. We must track all illicit finance flows in developed countries and shift such finance flows towards just transitions in developing countries. In doing so, we would tackle illegal practices and allow for the enhanced implementation of just transitions.
9. As highlighted yesterday by our colleagues in the Arab Group, unilateral trade measures are widening the gap between the developed and the developing, and the outcome of this dialogue must include a clear call on developed countries to remediate the negative impacts of unilateral trade measures through grant-based financial support.

Topic 3: Sharing experiences on policy frameworks for just energy transition pathways and holistic approaches to just transitions that leave no one behind

GQ 1: How can enabling environments for just energy transition pathways, holistic approaches to just transitions and economic diversification be designed to reflect national defined development priorities?

GQ 2: What are some examples of bottom-up, community-led and participatory governance frameworks and approaches for just energy transition pathways that could be replicated and adapted to different contexts?

Responses

1. Any design for nationally defined just energy transition pathways must begin by grounding itself in the principles of equity and Common but Differentiated Responsibilities and Respective Capabilities (CBDR&RC).
2. We recommend the following approaches:
    a. No prescriptive templates for designing policies; pathways must be nationally determined and sequenced to national realties.
    b. Diversified mix energy including fossil fuels, grid reliability and reserve margins as prerequisite – not afterthoughts.
    c. Predictable grant-based highly concessional public finance; avoid conditionalities and instruments that erode policy space
    d. Local content rules, downstream values-addition
    e. For technologies; IP and licencing flexibilities; link the technology mechanism to real finance for local R&D/manufacturing
    f. Systematically assess unilateral trade measures (such as CBAM) and supply-chain risks
3. For any "enabling" environments to be created, the dis-enablers have to be dealt with. The dis-enablers include high cost of capital, high transaction costs, unilateral measures by developed countries; barriers in accessing finance and technology. These must be resolved to make progress.

Intervention following report back from facilitators

1. We support the G77 statement — CBAM was mentioned in the discussions and must be mentioned in the report of the dialogue. We have been discussing matters in a non-punitive and non-adversarial manner. We have also been open and candid, which was the guidance given to us.
2. The question on unilateral measures is not a simply a matter of what we like or choose to call them. There are clear definitions in the literature, and it is not a subjective matter relating to preference
3. Unilateral measures must be clearly articulated and reflected in the report as climate change-related trade-restrictive unilateral measures. The outcome of this dialogue must include a clear call to the developed countries to remediate the negative impacts of climate change-related trade-restrictive unilateral measures.
4. To the question on enabling environments, we want to ensure that our message is captured properly. Our message was — "Efforts to address global inequity as an essential condition to provide countries flexibility to chart their own pathways, which have become restricted due to historical and ongoing emissions of developed countries"
5. We want to stress here that we expect our reflections to be fully recorded in the report of the fourth dialogue, without cherry-picking messages, and without distorting the letter and spirit of our interventions.