

**Conference of the Parties serving as the meeting of the Parties to the Paris Agreement Fifth session** United Arab Emirates, 30 November to 12 December 2023

10 December 2023

# First annual high-level ministerial round table on just transition

Informal note by the President

### Summary

This informal note, prepared by the President of the fifth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement with the support of the secretariat, is a non-exhaustive summary of the first annual high-level ministerial round table on just transition, held during the twenty-eighth session of the Conference of the Parties.

### I. Introduction

### A. Mandate

1. The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its fourth session decided to convene, as part of the work programme on just transition for discussion of pathways to achieving the goals of the Paris Agreement outlined in Article 2, paragraph 1, in the context of Article 2, paragraph 2 (hereinafter the work programme on just transition pathways), an annual high-level ministerial round table on just transition, beginning at CMA  $5.^1$ 

### **B.** Context

2. The first annual high-level ministerial round table on just transition, convened at CMA 5, took place on 3 December 2023. It provided a platform for high-level discussions on the pathways to achieving the goals of the Paris Agreement as outlined in Article 2, paragraph 1, in the context of Article 2, paragraph 2. The aim of the round table was to facilitate a focused exchange of views, information and ideas among participants with the goal of providing direction to and recommendations for the work programme on just transition pathways.

3. The round table was attended by over 90 high-level representatives of Parties, including ministers, deputy ministers, climate envoys, heads of delegation and representatives of observer constituencies. It was co-chaired by Roselinda Soipan Tuya, Minister of Environment, Climate Change and Forestry of Kenya, and Eamon Ryan, Minister for Transport, Climate, Environment and Communications of Ireland.

4. The discussions during the round table were guided by the following three questions:

(a) What are the critical just transition priorities and actions at the national level to catalysing a systemic transition by 2030 to keep the Paris Agreement goals, including the 1.5  $^{\circ}$ C goal, within reach?

(b) What are the actionable solutions, barriers and opportunities in addressing the energy, socioeconomic, workforce and other dimensions of just transition?

(c) How can the work programme on just transition pathways, under the Paris Agreement, support policy measures to promote and enable international economic cooperation, including trade, to address the implementation challenges and amplify the opportunities of the transitions so they are ambitious, effective and leave no one behind?

5. An overview of the opening session and the speakers' presentations is provided in chapter II.A below and a summary of the key points discussed by Parties during the round table, structured by the guiding questions, is provided in chapter II.B below. The agenda for the event is contained in the annex.

### **II.** Substantive aspects

### A. Overview

6. The event commenced with a keynote address that underscored the imperative need for sustainable, equitable solutions to address the climate crisis. Fostering meaningful social dialogue was emphasized as the foundation for such solutions. The importance of taking into account various dimensions, including socioeconomic factors and workforce considerations, and other relevant aspects in designing just transition pathways was highlighted. Furthermore, there was a strong emphasis on aligning these pathways with each nation's specific development priorities, ensuring the provision of support and taking adequate social protection measures.

<sup>&</sup>lt;sup>1</sup> Decision 1/CMA.4, paras. 52–53.

7. During the scene-setting session, the speakers provided a framing of just transitions. It was noted that just transitions are important enablers of climate ambition and implementation of action towards achieving the goals of the Paris Agreement. A variety of approaches to just transition have been emerging at the national and local level, but more indicators are needed to track progress. International cooperation was noted as key to enabling just transitions in developing countries. Speakers emphasized that transitions must be considered in the context of sustainable development and efforts to eradicate poverty. A systemic approach is needed that incorporates social dialogue and addresses gender equity to achieve sustainable outcomes supporting transformative change and climate action. The remarks of constituencies' representatives during the session highlighted the specific requirements and challenges faced by different regions and communities in transitioning to a sustainable future and reaffirmed the importance of the work programme on just transition pathways to civil society.

8. The speakers underscored the transition's massive scale, requiring changes in economies, infrastructures and workforces. They recognized during their presentations that these transitions mean different things to different people and that they should be inclusive, ensuring opportunities for all stakeholders, in particular women, Indigenous Peoples and youth.

9. They also emphasized the crucial role of innovation in shaping ambitious policymaking, and the substantial economic benefits and job creation to be realized through green investments as a result of robust climate action. Speakers also emphasized the need for finance for and investment in just transitions, with a particular focus on transforming the financial system and promoting dedicated investment from both the public and private sector. The integration of just transition considerations into carbon pricing and subsidy reform was also highlighted.

10. The round table session featured many interventions from Parties, each offering their unique perspectives on just transition. The discussions covered a wide range of topics, including the diverse national pathways for just transition; the importance of inclusive policies; and the significance of supporting transformations in the energy sector, fostering the creation of green jobs and upholding human rights.

11. In summary, the event reinforced the understanding that just transition is a multifaceted endeavour that requires cooperation, innovation and substantial investment. It should be approached with a deep appreciation for different national contexts and priorities, ensuring inclusivity and fairness while striving for low-emission and resilient development.

### **B.** Summary of the discussions

# 1. What are the critical just transition priorities and actions at the national level to catalysing a systemic transition by 2030 to keep the Paris Agreement goals, including the 1.5 ℃ goal, within reach?

12. The critical priorities and actions for just transition at the national level, as identified by Parties, underscore the importance of taking a holistic, inclusive and practical approach to just transition. Parties recognize the need to consider unique national circumstances and strike a balance between environmental, economic and social factors. The main points discussed include:

(a) **Inclusive stakeholder dialogue:** Encouraging multi-stakeholder dialogue to identify locally owned and appropriate solutions will lead to understanding of the socioeconomic consequences and the gaining of social support for just transitions;

(b) **Putting people at the heart of climate action:** Recognizing just transition as a driver of climate ambition, founded on labour and human rights and focused on identifying the socioeconomic opportunities and challenges to scale up action for net zero and climate-resilient development;

(c) **System-wide management:** This involves ensuring that the work programme on just transition pathways includes everyone, helping in managing system-wide changes to avoid disrupting lives and livelihoods and ensuring sustainable socioeconomic development;

(d) **Fostering just transition principles:** Adopting and implementing just transition principles through collective and participatory decision-making processes designed in a fair, inclusive, human rights, and gender-sensitive manner;

(e) **Policy and programme support:** This involves designing policies and programmes in line with country-specific conditions and embedding actionable solutions in nationally determined contributions (NDCs) and long-term strategies for low-carbon development and climate resilience;

(f) **Policy leadership and investment:** It is crucial for countries to demonstrate policy leadership aligned with their national development priorities. This entails implementing just transition strategies, industrial policies, fiscal incentives and funds that support the transition, as well as securing finance and investments to effectively implement these strategies;

(g) **Comprehensive and integrated approach:** Adopting a comprehensive, integrated approach – one that ensures a fair, inclusive and beneficial transition for all involved stakeholders – to address the interconnected issues of climate change, poverty alleviation and sustainable development is essential;

(h) **Global financial system reform:** Accessing finance without worsening debt situations poses a significant challenge for some countries, therefore, tackling barriers and obstacles within the global financial system to guarantee fair access to finance for just transition initiatives is crucial;

(i) **Technology**: Leveraging a wide range of technologies, including carbon capture and removal technologies alongside other sustainable solutions, is necessary to mitigate the impacts of climate change and adapt to rising temperatures;

(j) **Global inequality:** Operationalizing the principle of equity and common but differentiated responsibilities to ensure energy access and sustainable development while adapting to the impacts of climate change is important, as is prioritizing the addressing of global inequality in the transition process;

(k) **Multi-stakeholder approach beyond the energy sector:** Adopting a multistakeholder approach that goes beyond mitigation and the energy sector to encompass various aspects of just transition is essential, and the approach should incorporate adaptation and resilience measures, address inequalities and ensure the availability of resources;

(1) **Inclusivity and diverse pathways:** Recognizing the need for inclusivity and considering diverse transition pathways based on national circumstances is vital, and balancing energy security, economic prosperity and climate action without compromising one for another is a key consideration in just transition pathways;

(m) **Collaboration for systemic change:** Creating an enabling policy environment that drives systemic change, which involves incorporating a variety of approaches and pathways while balancing urgency with resource availability, is crucial and, furthermore, collaboration among stakeholders is essential for achieving systemic change;

(n) **Climate finance:** Ensuring that developed countries fulfil their international commitments by allocating sufficient resources to climate finance is essential for supporting developing countries in their efforts to implement measures for a just transition;

(o) **Transformation of economic sectors and green job creation:** Transforming economic sectors, particularly the energy sector, is necessary for a successful just transition, and the transformation should prioritize the creation of decent employment opportunities in green sectors, ensuring a sustainable, inclusive transition;

(p) **Practical and efficient solutions:** Exploring different approaches towards clean, sustainable, affordable and inclusive transitions is essential. It is important to promoting the most efficient and practical solutions that align with the specific context and needs of each country.

# 2. What are the actionable solutions, barriers and opportunities in addressing the energy, socioeconomic, workforce and other dimensions of just transition?

13. The key points identified by Parties for actionable solutions, barriers and opportunities show that achieving a successful just transition requires a balanced approach that considers national specificities, promote the active involvement of stakeholders, appropriate financial mechanisms and the diverse impacts experienced across sectors and communities. Parties emphasized the importance of recognizing and addressing the key points summarized below to effectively navigate the complexities of just transitions:

#### Actionable solutions

(a) **Policies and programmes aligned with national conditions:** It is crucial to ensure that policies and programmes are tailored to each country's specific conditions. This means that solutions should be designed in a way that takes into account the unique circumstances and challenges of each country. By embedding these solutions within NDCs and long-term strategies for low carbon and climate resilience, countries can effectively address their specific needs and contribute to global climate goals;

(b) **Multi-stakeholder approach:** A just transition requires a collaborative effort involving multiple stakeholders. It extends beyond the energy sector and encompasses areas such as adaptation, resilience and workforce participation. By adopting a multi-stakeholder approach, countries can ensure that the transition is inclusive and takes into account the perspectives and needs of various sectors and communities. It is crucial to embrace diverse transition pathways, recognizing that different countries may have different circumstances and priorities. These participatory decision-making processes should be fair, be sensitive to human rights and address gender issues;

(c) **Investments in key areas:** Strategic investments in key areas are essential for a successful just transition. These investments should focus on critical aspects such as electricity infrastructure, new energy vehicles, green hydrogen, skills development and municipal electricity distribution. They should also consider adaptation-related investments for resilient infrastructure. By targeting these areas, countries can improve the lives of communities that are most affected by the transition. It is important to prioritize investments that have a direct and positive impact on the well-being and livelihoods of these communities;

(d) **Diverse national policies and support for vulnerable communities:** When recognizing the diverse nature of national contexts, it is necessary to develop a range of policies that address the specific needs of different countries, including by transforming economic sectors, in particular the energy sector, and creating employment opportunities in green sectors. Additionally, special attention should be given to supporting vulnerable communities, ensuring that they are not left behind in the transition. By providing targeted support and resources, countries can ensure that the just transition is fair and equitable for all;

#### **Barriers**

(e) **Connecting policy and realities:** A major challenge is effectively connecting just transition policies with the real-life situations of people on the ground, who will be impacted;

(f) **Job losses:** The shift towards a low-carbon economy, though it generates new employment opportunities, poses a considerable risk of job displacement, especially within the energy sector. These job losses might not be limited to the energy industry but could also affect sectors such as agriculture and fisheries that heavily rely on natural resources;

(g) **Limited fiscal space and competing priorities:** Certain countries frequently have limited financial capacity and conflicting priorities. This scenario carries the risk of heightened poverty, increased social inequality, hindered economic growth and postponed climate initiatives;

(h) **Financial system constraints:** The global financial system is not well designed for enabling smooth just transitions, especially in developing countries, which face challenges accessing suitable finance without worsening their debt circumstances;

(i) **Trade:** Concerns were raised that unilateral trade measures, such as barriers and coercive actions, could affect developing countries' efforts to fight climate change while ensuring sustainable development. International cooperation through trade was highlighted as important for addressing implementation challenges;

(j) **Diverse interpretations and priorities:** There are varying interpretations of what just transition means, reflecting different national development strategies, starting points, timelines and priorities. This variation can lead to disagreements in and exclusions of certain industries and populations;

(k) **Need for diverse approaches:** No single approach fits all contexts, necessitating a variety of national, sectoral and regional just transition strategies, industrial policies, fiscal incentives and funds;

(1) Sector-specific transition challenges: Different sectors, for example energy, transport and agriculture, require distinct approaches to just transition, considering their unique characteristics and impacts;

(m) **Trade-offs and exacerbation of vulnerabilities:** Transitioning to low emissions involves trade-offs and challenges with environmental, economic, social, sectoral and fiscal aspects, which can exacerbate existing vulnerabilities;

(n) **Challenges in the education and informal sectors:** Addressing just transition in sectors such as education and agriculture and in informal sectors poses unique challenges, particularly in finding alternative paths and managing financial needs;

#### **Opportunities**

(o) **Energy transition:** The shift from fossil fuels to renewable energy sources is a cornerstone of just transition. This transition presents opportunities for innovation in energy technologies, increased energy security through diversification, and reduced environmental impact. The development of renewable energy industries can create new job markets and contribute to economic growth;

(p) **Socioeconomic opportunities:** Just transition strategies emphasize the need for equitable socioeconomic development, which involves creating policies that not only mitigate climate change but also address poverty and inequality and ensure sustainable economic growth. Related opportunities include the development of new economic sectors, investment in sustainable infrastructure and the creation of resilient local economies;

(q) **Workforce development:** The transition to a low-carbon economy requires a skilled workforce. There is a significant opportunity to invest in education and training programmes that equip workers with the skills needed for new green jobs, including by reskilling and upskilling workers from declining industries and ensuring that the workforce transition is inclusive and leaves no one behind;

(r) **Inclusivity and participation:** Just transitions require inclusive and participatory approaches, engaging all stakeholders, including vulnerable communities, in the planning and implementation of transition strategies. Related opportunities include fostering community-led initiatives, ensuring gender equality and respecting the rights and perspectives of Indigenous Peoples;

(s) **International cooperation and support:** Effective just transitions rely on worldwide collaboration and support, particularly for regions seeking assistance. Opportunities include sharing best practices, technology transfer, and providing essential financial support where necessary. Such collaborative efforts can enhance the efficiency and effectiveness of global climate action;

(t) **Investment in technology and innovation:** Just transitions provide a platform for investing in new technologies and innovation that support sustainable development, which include clean energy technologies and cover advancements in areas such as sustainable agriculture, waste management and sustainable transport;

(u) **Policy integration and multisectoral approaches:** Just transitions offer the opportunity to integrate climate action into broader policy frameworks. This involves

aligning climate objectives with policies in a range of sectors such as health, education and urban planning, ensuring a holistic approach to sustainable development;

(v) **Resilience-building:** The transition process also provides an opportunity to build resilience against future climate risks. This involves developing infrastructure and systems that are capable of withstanding climate-related shocks, thereby protecting communities and economies;

(w) **Enhancing environmental stewardship:** Just transitions can also contribute to improving environmental conservation and stewardship. This presents opportunities for restoring ecosystems, protecting biodiversity and ensuring sustainable management of natural resources.

### 3. How can the work programme on just transition pathways, under the Paris Agreement, support policy measures to promote and enable international economic cooperation, including trade, to address the implementation challenges and amplify the opportunities of the transitions so they are ambitious, effective and leave no one behind?

14. Parties argued that the work programme on just transition pathways should support policy measures that are able to build international cooperation, facilitate national-level policy acceptance, involve multiple stakeholders, address financial and economic aspects, and ensure inclusivity and equity while addressing implementation challenges, maximizing opportunities and ensuring that transitions are ambitious, effective and leave no one behind, as summarized below:

(a) **Building awareness and international cooperation:** The work programme should focus on building awareness emphasizing the significance of just transition principles. This involves enhancing information-sharing, mainstreaming just transition, and identifying barriers and opportunities, while also enhancing international cooperation and support. This approach involves, inter alia, identifying demonstrable pathways to achieving the Paris Agreement goals and ensuring participatory processes;

(b) **Supporting economic transition and resilience:** The work programme should facilitate the development of different pathways for achieving not only the Paris Agreement goals, but also for enhancing climate ambition, economic transition and resilience. This would involve addressing a range of trade-offs and challenges such as environmental, economic, social, sectoral and fiscal aspects;

(c) **Facilitating national-level acceptance and success:** The work programme should facilitate the acceptance and success of ambitious climate policies at the national level, including by focusing on topics of interest to all Parties and ensuring that the programme is adapted to different national contexts and circumstances;

(d) **Multi-stakeholder participation and systemic change:** The work programme should create an inclusive policy environment for systemic change by supporting a multi-stakeholder approach that goes beyond the energy sector. It should incorporate adaptation and resilience and balance a broad and inclusive scope with practical operationalization;

(e) **Focus on gender equity, vulnerable groups and green jobs:** The work programme should place emphasis on gender equity, vulnerable groups, green jobs, skill development, social protection and global sector initiatives. This approach requires analysis of long-term low-emission development strategies and NDCs to deepen the other transition dimensions;

(f) **Integrating just transition into fiscal and economic policies:** Integrating just transition into carbon pricing, fossil fuel subsidy reform and financial policies could amplify the opportunities of the transition. It also involves, inter alia, addressing fiscal space, financial inclusion and access to finance for transitions in key sectors such as agriculture, energy, housing and transport;

(g) **Coordinated financial support:** Financial support for just transitions should have a coordinated, holistic approach considering timeframes, trade impacts, and social and

economic assessments across sectors and climate policy pillars (mitigation, adaptation and, finance) to effectively plan and manage transition processes.

(h) **Development of indicators:** The work programme should help monitor just transition progress by supporting indicator development. Being able to effectively measure progress through agreed indicators is important to help improve just transition planning and implementation, by understanding what is working well and where more efforts may be needed;

(i) **Elimination of silos and effective social dialogue:** Eliminating silos between different groups working on social, economic, environmental and energy dimensions of just transitions was highlighted as being important to promote just transition. An integrated approach on the basis of meaningful social dialogue and participation that bridges these areas was emphasized.

(j) **Promotion of decent employment opportunities in green sectors:** The work programme on just transition pathways should support the transformation of economic sectors, particularly the energy sector, with the aim of promoting the creation of decent employment opportunities in green sectors.

## Annex

# Agenda for the first annual high-level ministerial round table on just transition

Time	Session
15:30 – 15:40	<ul> <li>Welcoming address by Co-Chairs</li> <li>H.E. Minister Roselinda Soipan Tuya, Cabinet Secretary for Environment, Climate Change and Forestry, Kenya</li> <li>H.E. Minister Eamon Ryan, Minister for the Environment, Climate, Communications and Transport, Ireland</li> </ul>
	<ul> <li>Keynote address</li> <li>H.E. Dr. Sultan Ahmed Al Jaber, President of COP 28</li> <li>Simon Stiell, UNFCCC Executive Secretary</li> </ul>
15:40 – 16:00	<ul> <li>Scene-setting presentations</li> <li>Nicholas Robins, Professor in practice, Grantham Research Institute on Climate Change and the Environment, London School of Economics and Political Science</li> <li>Manal Shehabi (Dr.), Associate Faculty Member, Faculty of Asian and Middle Eastern Studies, University of Oxford; Founding Director, SHEER Research and Advisory Ltd.</li> <li>Constituencies representatives: <ul> <li>Adriana Chavarría Flores (RINGO)</li> <li>Hossain Md Zakir (FARMERS)</li> <li>Patrick Rondeau (TUNGO)</li> <li>Havi Bhalla (LGMA)</li> <li>Yun Fang Wu (YOUNGO)</li> <li>Bridget Burns (WGC)</li> <li>Jacob Ocharan (ENGO)</li> </ul> </li> </ul>
	Round-table discussion
16:00 – 18:15	<ul> <li>Moderation - Co- Chairs <ul> <li>H.E. Minister Roselinda Soipan Tuya, Cabinet Secretary for Environment, Climate Change and Forestry</li> <li>H.E. Minister Eamon Ryan, Minister for the Environment, Climate, Communications and Transport.</li> </ul> </li> <li>Guiding questions <ul> <li>What are the critical just transition priorities and actions at the national level to catalysing a systemic transition by 2030 to keep the Paris Agreement goals, including the 1.5 °C goal, within reach?</li> <li>What are the actionable solutions, barriers and opportunities in addressing the energy, socioeconomic, workforce and other dimensions of just transition?</li> <li>How can the work programme on just transition pathways, under the Paris Agreement, support policy measures to promote and enable international economic cooperation, including trade, to address the implementation challenges and amplify the opportunities of the transitions so they are ambitious, effective and leave no one behind?</li> </ul></li></ul>
	<ul> <li>Format</li> <li>The dialogue will be held in a round table setting and will be facilitated by two ministerial co-chairs.</li> </ul>
	• Once the round table discussion opens, ministerial co-chairs will open the floor for interventions and invite Ministers with raised flags to speak, with priority given to

	<ul> <li>Ministers speaking on behalf of groups of Parties, then to Ministers speaking on behalf of Parties, then to Party representatives.</li> <li>Interventions should be limited to three minutes. Parties should note that otherwise it may not be possible to accommodate all speakers in the allocated time.</li> </ul>
18:15 - 18:25	Summary of discussions Ministerial co-chairs
18:25 - 18:30	Closing remarks H.E. Amb. Majid Al Suwaidi, Director General and Special Representative of COP 28