

Status Update

Activity 2 of the workplan

7th Meeting of the KCI
2 – 3 November 2022



Status of activity 2

- **Activity 2:** Identify country-driven strategies and best practices on just transition of the workforce and creation of decent work and quality jobs and on economic diversification and transformation focusing on challenges and opportunities from the implementation of low greenhouse gas emission policies and strategies towards the achievement of sustainable development.

- **Implementation at SB 54:** Compilation of concrete examples:
 - Compilation has been finalized intersessionally

- **Implementation at SB 58:** :Report with concrete examples
 - Criteria for selection of examples are prepared.



Compilation of concrete examples (1)

➤ Draft final version:

- Addition of capacity-building section.
- Addition of more information/points on challenges, opportunities, stakeholder involvement, lessons learned.
- Recommendations are converted to key messages/conclusions because they mirror possible recommendations agreed from this draft compilation at KCI 6.



Compilation of concrete examples (2)

- Possible recommendations to the forum (adopted at KCI 6):

3. The KCI recommends to the forum that the COP, CMP, CMA:

(a) Encourage Parties to invest in early planning of just transition policies which are inclusive and based on stakeholder engagement;

(b) Encourage countries at very low levels of economic development to prioritize getting the fundamentals right prior to undertaking economic diversification. As countries develop, multiple diversification paths become available;

(c) Noting that national circumstances of each country is different, request the secretariat to conduct peer to peer learning, where possible, to facilitate planning and implementation of effective policies.

- Conclusions (from the draft report with concrete examples):

Based on this compilation, the following conclusions can be made:

The examples emphasize the importance of Just transition policies that are comprehensive, inclusive and based on social dialogue and stakeholder engagement with emphasis on institutional coordination, capacity building to enhance expertise and skills of relevant stakeholders involved in the development and implementation of both JTW and EDT measures.

Different countries take different just transition and economic diversification paths, and these pathways should be tailored to national and/or local context. As countries develop, multiple diversification paths become available.



Expected action by the KCI

- KCI to take note of the finalized compilation of concrete examples.



Report with concrete examples – Criteria for selection

- Strategies/policies with an aim to cover an entire sector or subsector of the country to the extent possible.
- Targeting sector or subsector which has higher relevance to meet 1.5 goal of Paris Agreement and greater probability of replication in other countries (e.g. energy, transport, agriculture, etc.).
- Sourced from diverse group of countries to the extent possible, including:
 - geographical coverage.
 - economic status (low income, middle income and high income countries).
 - countries whose economies are highly dependent on income generated from the production, processing and export, and/or on consumption of fossil fuels and associated energy-intensive products.
- Preferable that strategies or policies are in advance phase of implementation.



Report with concrete examples – Examples of possible policies / strategies

- Possible policies or strategies:
 - Phasing out unabated coal.
 - Phasing out inefficient fossil fuel subsidies.
 - Transition to low carbon mobility, including through tax credits and incentives for production of electric and/or hybrid vehicles.
 - Energy transition to renewables and green fuels, including by increasing capacity/infrastructure.
 - Transition to sustainable, resilient and low carbon agriculture.



Approach to selecting concrete examples – JT / ED

- Specific aspects or perspectives for just transition strategies:
 - Institutional arrangement to manage just transition.
 - Training, upskilling and reskilling programmes for transition of workers.
 - The role of government and other stakeholders.
 - Planning for undertaking of just transition.
 - Stakeholder engagement throughout the just transition process.
 - Support from a variety of sources in the undertaking of just transition.

- Specific aspects or perspectives for economic diversification strategies:
 - Information on how dependent the country was or is on particular sector(s).
 - Drivers of the diversification.
 - How examples identified options for diversification.
 - Planning for and implementation of the diversification.
 - Impacts of implementation of the diversification strategies, including opportunities to maximize the positive impacts.



Expected action by the KCI

- KCI to provide comments and guidance on criteria for selecting the concrete examples and approach to prepare the report for SB 58.



End of presentation – THANK YOU

