

Building capacities for just transition and economic diversification



UNDP Climate Promise Forward

Sangji Lee, Global Advisor on Just Transition,
Climate Strategies and Policy, UNDP

Climate Promise Forward

Leading Partner on NDC support:

UNDP brings the country-level relationships, ministry access, and climate delivery infrastructure backed by a track record supporting 140+ developing countries on NDC development and implementation since 2014.

Mandate from the UN Secretary-General to leverage this infrastructure to be technical lead in coordinating the UN system support on NDC

Connecting climate and development:

Global reach and technical expertise spanning climate and sustainable development agendas

Portfolio of climate projects with solutions that deliver SDGs and national development priorities

Well established delivery and support infrastructure:

Wide range of delivery modalities that reach intended beneficiaries, including small grants, vertical funds and bilateral funds

Connecting global and regional networks to country offices across 170 countries and territories

Long-standing and inclusive partnerships across finance, planning and sectoral ministries and agencies at national and subnational levels,



countries supported on NDC enhancement for the 2020 and 2025 submission cycles



countries supported in strengthening enabling environment and readiness for NDC implementation



countries supported on implementing NDC actions at national, sectoral and local levels (including around 30,000 community-led projects, 150+ youth-led initiatives and 300+ Indigenous Peoples and local communities)

Climate Promise: Forward

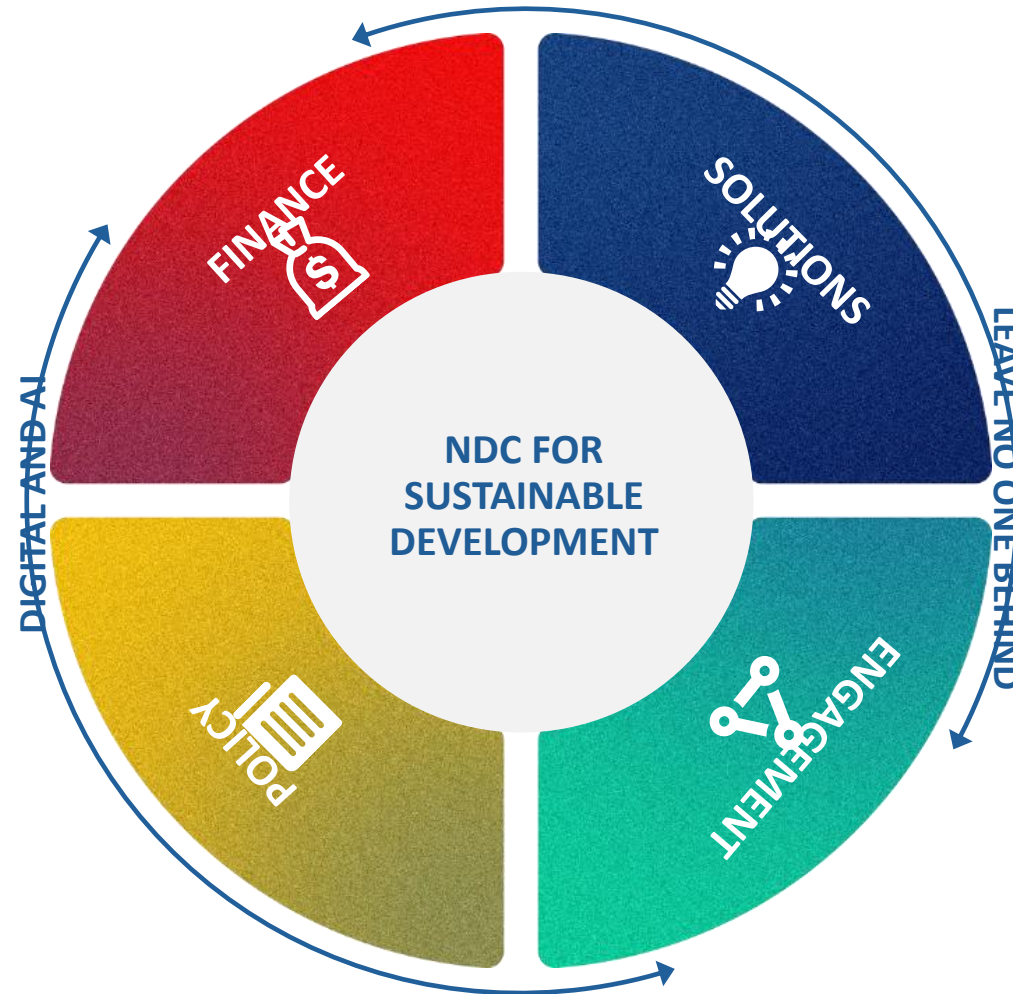
Accelerating climate policy, finance, solutions and engagement to build the economies and societies of the future

FINANCE:

Mobilization of finance for NDC and NAP implementation, across public and private sources. This includes attracting private investment, building pipelines or projects and using innovative mechanisms (including carbon markets, bonds, debt-swaps)

POLICY:

Strengthening policy and institutional frameworks. This includes addressing issues of governance, institutional coordination and capacity, as well as coherence across the climate, environment and sustainable development agendas (e.g. coherence across NDCs, NAPs, SDGs, NBSAPs and others.)



SOLUTIONS:

Accelerating delivery and scaling up integrated, data-driven solutions proven to deliver impact across sectoral priorities (decarbonization, conservation and enhancement of carbon sinks, adaptation and resilience, and addressing loss and damage)

ENGAGEMENT:

Strengthening whole-of-society approach and country ownership, including capacity building and meaningful engagement and participation of all actors.

Deep dive on Just Transition and economic diversification support

Key Building Blocks



UNDP applies these connected capacities through Climate Promise Forward and its wider support on NDCs, LT-LEDS and just transition.

01

Strategic policy and planning support

Integrate just transition and economic diversification into NDCs, NAP, LT-LEDS and development plans. Strengthen policy coherence and national roadmaps.

02

Analytical capacity support

Build national capacity to assess sectoral, fiscal, employment and distributional impacts and identify viable new economic opportunities.

03

Institutions and governance

Strengthen mandates and cross-ministerial coordination. Build subnational capacity and mechanisms for social dialogue, community participation and private-sector engagement.

04

Skills and productive capabilities

Align education and training with emerging sectors. Support MSMEs, entrepreneurship, local supply chains and workers whose jobs will change or disappear.

05

Finance and delivery capacity

Develop costed strategies, investment pipelines and fiscal transition plans. Strengthen project preparation, mobilize finance and clarify delivery responsibilities.

Across all areas: country ownership (support is provided based on country needs)

Strategic policy and planning support [POLICY SIGNAL]

UNDP supports countries to embed just transition considerations in NDCs, LT-LEDs, NAPs and related development strategies

50

countries with explicit policy, institutional or capacity support recorded

98

countries with just transition related activities across CP1 and CP2

01



NDC integration

Ethiopia reviewed gaps in NDC 2.0 to inform NDC 3.0. Honduras and North Macedonia used targeted analysis to integrate just transition. Zambia embedded gender equality and social inclusion across the NDC enhancement process.

02



LT-LEDs and LTS

Ukraine combined impact analysis with a regulatory package for LT-LEDs approval. Equatorial Guinea developed a just transition strategy alongside its LT-LEDs. Uzbekistan aligned NDC development with LT-LEDs implementation and just transition principles.

03



NAP alignment

Benin assessed green-job potential across the NDC and NAP and developed an integrated green jobs model. Bangladesh aligned its finance strategy with the NDC, NAP and national five-year plan.

04



Roadmaps and strategies

Armenia developed a just transition policy framework. Serbia undertook a legal gap assessment to inform its roadmap. Malaysia developed a just transition plan for the NDC and LT-LEDs. Costa Rica prepared a cement-sector roadmap aligned with NDC 3.0.

Global state of play: Just transition is increasingly embedded in NDC 3.0



Countries are increasingly recognizing that climate action must address jobs, livelihoods, equity, and resilience. The next challenge is to move from inclusion to implementation.



90%+

of new NDCs include
just transition
considerations



42%

include a dedicated
just transition
chapter



94%

include concrete just
transition measures



60%

integrate social and
equity indicators into
MRV systems



47%

apply a socio-economic
lens to climate finance



Why this matters

- Just transition is becoming a mainstream feature of climate planning
- Implementation now requires enabling policies, institutions, finance, and accountability



Source: UNDP, NDC Insight Series, January 2026

Building national impact-assessment capability

UNDP combines practical training, nationally owned modelling and direct application to climate and development planning

52+

countries supported with evidence generation, modelling or impact-assessment activities

Assessments examine employment, income, equity, skills, and macroeconomic or sectoral effects to inform NDCs, LT-LEDs and development strategies.

01

Self-paced learning

A modular UNFCCC and UNDP course explains how to design, commission and use socioeconomic impact assessments.

02

National workshops

Hands-on training helps government teams frame policy questions, select methods, identify data needs and interpret results.

03

Nationally owned models

Technical support adapts modelling tools, trains local analysts and embeds findings in national planning processes.

04

South-South learning

Peer exchange and practical training help countries apply methods and build lasting national expertise.

National ownership depends on both analytical tools and the institutional capacity to use results in policy and investment decisions

Country applications of modelling and impact assessment

Examples from Climate Promise support show how countries are assessing jobs, growth, distributional impacts and sector transition pathways

GREEN JOBS AND EMPLOYMENT

Jamaica

National Green Job Assessment Model assessed employment, economic, social and gender impacts.

Nigeria

Modelled job creation from climate action in renewable energy and transport.

Benin

Developed an integrated green jobs model and assessed macroeconomic impacts.

Zimbabwe

Trained government institutions to apply the Green Jobs Assessment Model.

MACROECONOMIC PATHWAYS

Kyrgyz Republic

Combined low-carbon scenario modelling with socioeconomic and cost-benefit analysis.

Chile

Updated ECOGEM to assess employment, income inequality and wider social effects.

Ethiopia

Used the Green Economy Model to simulate GDP, employment and emissions.

Thailand

Applied AIM and CGE modelling to assess economic and employment impacts.

SECTOR AND STRATEGY IMPACTS

Eswatini

Assessed employment, poverty and social impacts of decarbonization pathways.

Armenia

Assessed socioeconomic and environmental co-benefits of LT-LEDS implementation.

Seychelles

Analysed LT-LEDS impacts across energy, tourism, transport and the blue economy.

Viet Nam

Assessed the economic, social and environmental effects of coal phase-out scenarios.

IMPLEMENTATION PIPELINE

Ukraine

Integrated just transition and green jobs into LT-LEDS cost and impact analysis.

Uganda

Included a socioeconomic impact assessment of NDC measures under Phase 2.

Pakistan

Plans sector-level assessments linked to employment and community welfare data.

Nepal

Plans sector-level just transition impact assessments to inform implementation.

Policy, institutional and capacity-building support

01 Engagement support

Cross-country	Political Economy Analysis for Just Green Transitions guide, piloted in Eswatini, Bolivia and Kazakhstan.
Youth & IPLC	Practical guidance supports meaningful youth and IPLC engagement in just transition processes.

02 Skills and workforce capacity

Egypt	Vocational training supported the Sustainable Electrical Energy Efficiency Unit within the Ministry of Education.
Lebanon	Training in energy-related software and technical skills targets women engineers.
Pakistan	A Green Careers Launchpad helps young people explore and pursue green careers.

03 Institutional mechanisms

Belize	Established a Just Transition Advisory Group.
Uruguay	Supported a national just transition working group.
Antigua and Barbuda	Supported a just transition working group to strengthen coordination.

04 Strategies, roadmaps and action plans

Bosnia and Herzegovina	Developed the “Just Transition for All” blueprint and a transition strategy for carbon-intensive industries.
Serbia and Armenia	Advanced a just transition roadmap and a policy framework for a sustainable, low-carbon economy.
Malaysia	A national just transition action plan was endorsed at Prime Minister level.

DELIVERY INSIGHT

Effective delivery depends on clear mandates, coordinated institutions and sustained national capacity.

Namibia: Diversifying climate-vulnerable rural economies

Economic diversification does not always mean replacing an existing sector. It means reducing dependence on vulnerable activities by complementary green value chains.

VULNERABLE DEPENDENCE

-  **Rainfed Subsistence Agriculture**
Highly exposed to drought and water scarcity
- Extensive Livestock Grazing**
Declining rangeland productivity
-  **Natural-Resource Extraction**
Driving ecosystem and land degradation

*Green
Transition*



DIVERSIFIED RESILIENCE

-  **Nature-Based Enterprises**
Sustainable beekeeping, honey, and carpentry
-  **Complementary Agriculture**
Horticulture, tree nurseries, and fodder production
-  **Local Value Addition**
Agricultural processing and landscape restoration

UNDP & GEF NILALEG Enabling Support

-  **Community Grants**
For crop/rangeland management and nature-based enterprises
-  **Water & Equipment**
Infrastructure for horticulture and productive assets for processing
-  **Technical Training**
Entrepreneurship, animal husbandry, and resource management
-  **Market Development**
Linking local products to markets and institutional coordination