



Setting an International Policy Agenda for Just Transitions*

On October 18–20, 2017, experts and policymakers gathered at the Airlie Center outside Washington, DC, to participate in the Stanley Foundation’s 58th annual Strategy for Peace Conference. Autonomous roundtables focused on policy ideas, challenges, and recommendations in three key global issue areas: climate change, nuclear policy, and mass violence and atrocities. This policy memo captures the major discussion points and policy recommendations from the roundtable on climate change chaired by Sabrina Schulz, head of Berlin Office at E3G. The roundtable was organized by Stanley Foundation program officer Rei Tang. Stanley Foundation program associate Mark Conway served as the rapporteur.

Introduction

Following the transformational pathways to limit global warming to 1.5° C requires economywide transitions with the potential to disrupt the livelihoods of workers, communities centered around high carbon economies, and historically marginalized people. As international climate policy moves toward a zero-emissions economy, it has an obligation

*Policy Memo published by The Stanley Foundation in November 2017:
<https://www.stanleyfoundation.org/resources.cfm?id=1642>

to ensure the well-being of communities disproportionately affected by these changes, working with governmental and nongovernmental stakeholders to provide safety nets for workers, create decent green jobs (Sustainable Development Goal 8), and include marginalized communities in conversations on transition plans. The origins of just transition policies in grassroots social and labor movements further provide the spark for taking broader action to achieve a fair, just, and safe climate future.

This policy memo lays out the elements of just transition, barriers for implementation, and the need for building connections across social movements. It provides recommendations from experts for developing an international policy agenda on just transition. It is intended to help institutions of all kinds—civil society, the private sector, cities and states, governments, and intergovernmental organizations—address major social challenges associated with transformations to limit global warming to 1.5° C. It also presents opportunities for climate action to achieve social policy goals and vice versa. Not all of these recommendations are applicable in every circumstance. Notably, certain recommendations are more pertinent to the social and economic situation in the Global North, compared to the Global South.

In the last few years, the topic of just transition has gained traction in international policy spaces, from the International Labour Organization's Just Transition Guidelines to inclusion in the Paris Agreement. The recent rise of this topic on the radar of international policymakers comes, in part, from a practical perspective. The climate community has begun to realize that it is not possible to skip over discussions of social changes and impacts caused by economywide transitions toward a zero-carbon world. Climate change mitigation efforts, such as coal phaseout, have met resistance from powerful social movements built on the concerns of workers and communities impacted by transition, which were not fully considered by policymakers. The climate community is beginning to incorporate social issues into fossil fuel transitions and must get them right as the conversation must expand to transitions in other areas, such as agriculture and the service industries.

While the topic of just transition is relatively new in international climate policy, it's been at the center of grassroots movements for decades, including labor movements and racial justice campaigns. And

while a part of the recent rise of just transition on the agenda comes as a practical solution to climate action externalities, its success is backed by years of advocacy by these grassroots movements, for whom just transition has not been a pragmatic solution to policy issues but the impetus for social change itself. The two ends of the conversation on just transition—social justice and climate action—may then start from either the impetus for social change or as a practical response to climate policy. There may not be complete agreement over what just transition is from these two perspectives, but they share a significant amount of understanding from which just transition policies can move forward.

The Elements of a Just Transition

Whether the framing is social justice or climate action, the process of just transition encompasses several widely agreed upon principles and actions. These elements of just transition form a valuable basis for collaboration and exchange among climate, social justice, and labor groups. Just transition comprises a set of procedural principles and policy actions, such as developing channels for communication, information, and exchange for affected stakeholders in an equitable manner; cooperating with a range of civil society groups where applicable; managing resources for retraining and economic transition processes; addressing the gaps in geography, timing, and skills for new jobs; and providing decent jobs.

The general procedural principles of just transition include:

- Policymakers and stakeholders must take stock of communities that will be affected by transitions and communities where transitions are required to achieve social justice. Policymakers must work to build inclusive conversations early to ensure that groups are not left out at key stages and that affected communities are able to put important issues on the table.
- Affected communities must have a seat at the table, working together to determine the structure of conversations to include issues of social justice in transition processes. Inclusive dialogue is necessary to ensure that the concerns and needs of affected communities are fully understood and addressed.

- Social protections, such as skills training and early retirement, must be in place to ensure social equity for affected communities.
- Funds must be provided to support the redevelopment of affected communities. Advocating for the transfer of funding from industry subsidies to transition funds is an important starting point for most communities.

Based on these principles, just transition policies have the potential to advance the goals of a variety of social movements, including those of the climate community. These principles allow policymakers to work within the current system to make change and allow social movements to spark the changes needed to address systemic social challenges. From social change and climate action perspectives, just transition policies encompass a number of actions, including:

Begin planning for and funding just transitions early, particularly in carbon-intensive industries. Convert fossil fuel subsidies to just transition funds. Another major barrier is the upfront costs associated with just transition. While the long-term benefits are clear, an issue emerges around who pays and how to incentivize incurring the large up-front costs. Governments will likely have to prioritize funding for transition, but stakeholders must also consider how to get businesses to cover their fair share. In many cases, workers have seen that addressing this issue too late lets companies off the hook. Conversations should begin earlier and could even lead to setting up payments into a transition fund years or decades in advance, much like the way land-reclamation and recultivation costs are managed in many countries. One area of focus for phasing out fossil fuel industries should be converting industry subsidies into just transition funds.

Plan for gaps in geography, timing, and skills with new jobs, including workers in conversations about the desire to transition to new fields, relocate, or retire early. The timing and geography of new employment opportunities are important considerations that can complicate transition conversations. Even with the best intentions, industry and governments cannot guarantee that a phased out job will have an immediate replacement in the same location or at the same income level. Workers, communities, and historically marginalized people should have a seat at the table when discussing relocation for work, as it is

easy for decision makers to wrongly assume who will desire to relocate. Skills gaps must also be addressed. Workers must be prepared with the right skill sets to take on new jobs, whether in similar or new fields. Policymakers must understand that even jobs within a similar field may not guarantee that skills will transfer. Additionally, policymakers need to be certain that workers desire the new jobs. A high degree of identification and pride associated with a particular job, such as mining or manufacturing, is often a sensitive piece of the transition. Conversations on relocation, training, and safety nets should be tackled early and with the necessary respect to avoid disruption.

Ensure new jobs are decent, particularly in emerging green industries. Finally, jobs in new industries must be decent. The climate community has often overlooked whether new green jobs are decent, and also whether they allow or enable unionization. In fact, ensuring that green industries outcompete carbon-intensive ones has, at times, meant keeping costs low to the detriment of worker pay and benefits. As these new industries and markets emerge, now is the time to ensure that the jobs they create are decent, and the opportunities they create are inclusive, particularly for marginalized people often left out of new economic opportunities.

Just transition also requires different stakeholders and institutions to undertake their responsibilities seriously in order to shape an equitable outcome. If environmental advocates are pushing certain policy ideas, they should include a just transition component. If government is initiating climate policy, it should design an equitable consultation process for just transition. If businesses are responding to climate policy or taking climate action, they should include just transition plans.

Connecting the Intersections of Different Movements

Connecting a variety of social and climate movements around just transition is an important way to increase momentum for action. A variety of movements have approached the topic with differing viewpoints and emphasis, but there are large areas of common ground for these groups to move forward together and other areas where different groups can carry forward their own piece independently. Building

connections among social movements also builds confidence that the transition will be just and can take action farther than the climate community could alone or as the central hub for broader transition policies to an equitable and low-carbon economy. A diversity of voices and perspectives also offers creative solutions that might be overlooked by any one particular community working alone.

The value of connecting a variety of movements includes:

There is value in sharing information and collaborating on areas of mutual interest, even if differences exist in the way movements talk about transition. As conversations on just transition happen across so many different movements, communities must come together and discuss where they align and differ, and develop ways to advance issues together. Movements must not only ensure that they are not at odds with one another but work to capitalize where they can combine forces. This does not mean that all movements must look the same or agree on the exact idea of just transition. In fact, it may be valuable to maintain different ideas about transition. In certain regions it might be more important to talk about concepts like regional development or building trust in institutions. In other instances, the term *just transition* may not even resonate, or it may be impossible to raise the issue without backlash.

Movements with similar focus or communities may communicate with one another more effectively than the climate community. It may also be more effective to build trust across various movements than to connect them all through a climate focus. Messages on transition from similar groups will often resonate more than from an outside community. In Germany, for instance, coal miners have often been resistant to climate advocates and policymakers pushing for phaseout. However, they may be more receptive to messages from mining communities in places like Australia, where workers are on-board with a managed phaseout. This is especially true in areas where climate policies have been at odds with the interests of communities, marginalized people, or workers.

Creative solutions from social justice movements expand the options set for just transition. When looking to examples of successful and failed transitions, many have examined past transitions in industry, such as the one away from steel in Germany's Ruhr Valley or in western Pennsylvania

in the United States. However, looking across various social movements can offer new ways and models for transition. Often, historically marginalized communities have dealt with transition or social issues in creative ways that offer unique insight for managing a just transition. For instance, the indigenous Black Mesa people in the Southwest United States took energy independence into their own hands with a solar project while also creating new jobs where there had been none.

The just transition conversation is often preoccupied with fossil fuels, and coal in particular. While this may be a sensible entry point for the conversation on just transition, deep decarbonization will see economywide transitions, affecting areas far beyond the fossil fuel industry. Areas often dominated by high-input, carbon-intensive systems, like agriculture, will need to change, while protecting smallholder farmers, indigenous peoples, women, and other marginalized groups. The service industries—already confronting stresses from automation and digitalization—will be affected by the low-carbon transition, an issue that will be compounded by the lack of labor organization in many places. In these areas, the climate community may have fewer answers than other social and labor movements.

Scaling Up and Internationalizing Just Transition

International agendas on just transition must confront the difficult task of building up from highly localized issues. In order to scale up, stakeholders must examine what transitions are currently under way and where transitions are needed, emphasizing peer learning and the development of case studies. As transitions begin in many areas, work must start now to ensure that early transitions are just. Accelerated international exchange on best practices and lessons learned is indispensable. International- and national-level conversations will need to involve a variety of stakeholders, public authorities, and line ministries to adequately cover all aspects of the transition effectively and to ensure that emerging needs can be addressed and financed. There are ample opportunities to begin plugging in just transition on the international stage, including through reviewed nationally determined contributions (NDCs), the Talanoa Dialogue, and the 2018 G-20.

As international policymakers and stakeholders begin to look at building a just transition agenda, several key issues must be kept in mind:

Taking stock of where transitions are occurring will facilitate peer learning. Developing best practices can help build communities that learn from one another while also identifying where further support is needed from the international policy community. More research and case studies will be important to better understanding successful just transition policies, but existing case studies also need to be brought together in online platforms to serve the needs and interests of a global community. Sharing experiences of successful transitions as well as failed approaches to restructuring local economies will go a long way to enable a fast diffusion of insights and knowledge. Sharing case studies also helps build support for and by communities that are able to see that it is possible to transition in a way that protects their livelihoods.

In order to be effective, just transition work must begin now. There are economic areas where transitions are happening regardless of climate policy, such as coal. These cases can either be managed well or allowed to disrupt livelihoods. If not managed well, not only will communities be negatively affected, but future transitions in other areas will be at stake as communities lose confidence that a just transition is possible.

Transitions must ensure that a more just and equitable system is created. In areas like energy, this can mean, for example, that everyone has equitable access to energy and a stake in how new energy systems work, in addition to new jobs in clean energy being decent, secure, and well paid.

It is vital to include a variety of public authorities and line ministries, such as labor, health, and finance, in the conversation on transitions. A more holistic approach will be key to ensuring that a variety of issues are accounted for that may not always be on the radar—or in the power—of an environment minister. Connections to areas outside of environment ministries also help tap other resources for transitions, such as regional development funds.

One of the most important international processes coming up in the climate space is the Facilitative Dialogue process in 2018, focused on how to ratchet climate ambition in NDCs to meet the goals of the Paris Agreement. The inclusion of workers, employers, and affected

communities in this process will be important to ensuring that climate ambitions include a just transition. One opportunity for creating this connection is the 2018 Global Climate Action Summit in California, where ambitious subnational actors will gather to showcase climate action and make new commitments. It may also be used to make policy asks of nations and the international community, including through the Facilitative Dialogue process.

There are also opportunities to take advantage of platforms that already exist. The 2050 Pathways Platform, for instance, was developed to help nations and subnational actors create road maps to zero carbon economies by 2050. This platform may be a natural place to begin including the various affected communities and stakeholders in conversations on transition. Argentina, the host of the G-20 in 2018, has already placed climate high on the agenda. In addition to climate, Argentina has prioritized jobs and energy for G-20 discussion. This may be an opportunity to put just transition on the agenda of many countries and signal internationally the importance of this issue. In addition, in a range of countries, regions, and networks, online platforms, mailing lists, and working groups with a focus on just transition are emerging and expanding.

Conclusion

Getting the world on track to limit global warming to 1.5° C requires urgent action, and as industries such as coal face demise earlier than many predicted, the conversation around just transition must begin in earnest now. If early transitions—such as from coal to clean energy—are unjust, key climate action allies in communities like labor will be lost, and future transitions will be put at risk. Working together with these movements on the important social issues affecting them can provide the spark needed for communities to take on further climate action that ensures an equitable future for all. Stakeholders must now begin connecting various communities and movements and discussing just transition with governments at all levels, businesses, and civil society. In the international policy space, just transition must be included in the Facilitative Dialogue and plans to ratchet up NDCs. These conversations must include a variety of voices not always at the table in climate talks, from workers to finance ministers.

Several actors are leading the way on just transition, including the International Trade Union Confederation, the International Labour Organization, and EDGE Funders Alliance, and increasingly, environmental nongovernmental organizations such as the Sierra Club and Greenpeace. These groups represent workers, employers, governments, multilateral institutions, philanthropy, and grassroots communities. The International Labour Organization's Just Transition Guidelines offer a starting point for discussions and have already done the difficult task of creating consensus across employers, governments, and workers. The International Trade Union Confederation's Just Transition Centre has worked closely with unions around the world, connecting them with the international climate policy process, among other international spaces. The climate community must continue to develop these connections in order to ensure a climate-safe world for vulnerable communities and move forward with the support of these communities. Just transition can be a positive force for undertaking climate action and social issues and has the potential to reimagine global systems and social compacts that are more equitable.

The analysis and recommendations in this policy memo do not necessarily reflect the views of the Stanley Foundation or any of the conference participants, but rather draw upon the major strands of discussion put forward at the event. Participants neither reviewed nor approved this document. Therefore, it should not be assumed that every participant subscribes to all of its recommendations, observations, and conclusions.

For further information about the content of this policy memo, please contact Jennifer Smyser at the Stanley Foundation, 563-264-1500 or jmyser@stanleyfoundation.org.

The Stanley Foundation advances multilateral action to create fair, just, and lasting solutions to critical issues of peace and security. The foundation's work is built on a belief that greater international cooperation will improve global governance and enhance global citizenship. The organization values its Midwestern roots and family heritage as well as its role as a nonpartisan, private operating foundation. The Stanley Foundation does not make grants. Online at www.stanleyfoundation.org.