Framing a Just Transition Mission

Mainstreaming an all-encompassing approach

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The approach proposed in this paper is to mainstream the just transition agenda, by reframing just transition from a component of the climate policy response (of greater or lesser priority) to an overarching ‘mission’ that can include, mobilise and empower diverse actors at EU, regional, Member State and local levels.
Introduction

The just transition agenda aims to manage overarching societal change in the broad context of responding to climate change. The goal of preventing dangerous climate change demands rapid and far-reaching changes in sectors such as energy, transport and industrial production. As climate policies are increasingly put into practice, the economic and social consequences of climate action for workers, communities, regions and whole countries are multiplying and becoming increasingly potent.

The aim of this paper is therefore to build on recent discussions and provide an analysis of the broader and ongoing developments in the agenda on just transition, which is being pursued at both EU and international levels. Central to the approach proposed in this paper is to mainstream the just transition agenda, by reframing just transition from a component of the climate policy response (of greater or lesser priority) to an overarching ‘mission’ that can include, mobilise and empower diverse actors at EU, regional, Member State and local levels.

The Conference of the Parties (COP) of the United Nations Framework Convention on Climate Change (UNFCCC), meeting annually, is the international community’s premier forum for negotiations to implement the Climate Convention and, since 2016, the Paris Agreement on climate change. The latest such conference, COP23, was held in November 2017 in Bonn, Germany under the presidency of the Republic of Fiji. At COP23, in order to examine the prospects for a just transition to a clean energy future that respects labour and human rights, the Foundation for European Progressive Studies (FEPS), the Transnational Law Institute (TLI) of King’s College London and Fondation Jean Jaurès co-hosted two public events, one in partnership with the European Economic and Social Committee (EESC). These events served as valuable inputs for framing this report.¹

Delivering a ‘just transition’ in Europe and beyond

With the increasingly acknowledged necessity of a transition to low-carbon sources of energy, the question has arisen of how this energy transition, and the broader economic transition in response to climate change, can be achieved while limiting social inequalities. Workers and regions which are economically dependent on fossil fuel production and/or consumption have been identified as particularly vulnerable to the social and economic consequences of the climate transition. Often, these are also workforces and regions already hard-hit by economic recession and ‘austerity’ policies. The agenda to proactively address these concerns has coalesced under the shorthand of a ‘just transition’, originally at the initiative of trade unions and progressive political parties:

[The just transition] stipulates that workers and communities are involved in the transition through a ‘social dialogue’, a formal process of engagement … The main asks from the just transition are engagement with workers; creating clean and sustainable employment; training,

¹ The author gratefully acknowledges the collaborators on these events, including Stella Brozek-Everaert from the EESC, Amandine Clavaud from Fondation Jean Jaurès and Vassilis Ntousas from FEPS. All opinions and any errors in this report are my own.
access to decent employment and support for those most vulnerable to change such as workers close to retirement, etc.²

As European Commission Vice-President for Energy Union Maroš Šefčovič has stated, ‘[t]he idea of a “Just Transition” is an important element if we want to succeed in moving away from fossil fuels whilst investing in the clean and innovative technologies that create sustainable jobs and regional development’.³ In pursuit of this outcome, proponents of the just transition have prepared case studies of regions which have successfully navigated a shift to lower-emissions economic activity. Coal-rich North Rhine-Westphalia, transformed into a service-led economy accounting for 21 per cent of German GDP, is one such example.⁴

At EU level, the primary policy instrument for achieving a just transition is the Energy Union Framework. The Energy Union, initiated in 2015 by the European Commission, addresses the related challenges of energy security, market integration, energy efficiency, decarbonisation and research, innovation and competitiveness.⁵ To be implemented through legislation, the Energy Union has a significant social dimension. This includes new measures to empower consumers and a focus on tackling energy poverty.⁶

Additionally, proposed measures seek to harness increasingly available technologies such as distributed renewable energy generation⁷ to create new economic opportunities for households and communities. The Commission’s proposal for a revised Renewable Energy Directive is an example.⁸ It enables ‘renewable self-consumers’ to sell their excess generated electricity while maintaining consumer rights (Article 21) and provides special protections for small-to-medium-enterprises and not-for-profit organisations that can be classified as ‘renewable energy communities’ (Article 22). The draft allows such renewable energy communities to generate, consume, store and sell renewable energy ‘without being subject to disproportionate procedures and charges that are not cost-reflective’ and obliges Member States to ‘take into account the specificities of renewable energy communities’.

On 8 November, the EESC, FEPS, the TLI and Fondation Jean Jaurès co-hosted a panel discussion on the theme of ‘just transition to a low-carbon economy’ at the EU Pavilion of COP23. The President of the EESC, Georges Dassis, opened the session with a powerful statement calling for ambitious climate action that provide positive outcomes for communities and workers. Cillian Lohan, EESC Rapporteur on Climate Justice, presented the EESC’s recently issued opinion on climate justice, which goes

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⁴ Kumar, Americo and Billingham, 2016, 15-17.
beyond binary conceptions of climate justice centred on the developed/developing country divide and identifies opportunities to protect workers whose jobs are displaced by the clean energy transition.

The opinion asserts ‘a need to ensure the most vulnerable in society do not have to bear an unfair burden and that the cost of a transition to a climate responsive economic model is spread fairly across society’. It highlights the need to ‘protect all workers in the transition, both those with either low or non-transferable skills and those in highly qualified positions. The most vulnerable sectors and workers need to be identified and adequately supported’.

Agnès Michelot of the French Economic, Social and Environmental Council discussed the challenges and prospects of climate justice in France and Europe and emphasised the importance for research to support policy solutions. Anne-Beth Skrede from the Norwegian Confederation of Trade Unions discussed the union movement’s priorities at COP23 and in climate diplomacy more broadly. Speaking on the panel, this author outlined the social elements of the EU’s Energy Union framework and how these could reinforce the just transition agenda. Emily Hickson, Manager, Net Zero by 2050 at the B-Team, discussed the business community’s engagement with unions and civil society in scaling up climate action. Finally, Mart Raamat, representing the Estonian presidency of the EU, commented on how the just transition agenda aligns with the presidency’s priorities.

In summary, the event at the EU Pavilion highlighted the need for ongoing social dialogue between EU institutions, government, business, unions and environmental activists. Broad agreement on the necessity of a just transition constitutes a valuable platform to support programmes and initiatives, although significant differences between key actors remain.

Managing the impacts of ‘response measures’ to climate change under the UNFCCC

Whereas the ‘just transition’ agenda is mainly an issue for domestic policymakers, the related question of addressing potentially negative effects of climate action on whole economies is dealt with in the multilateral setting of the UNFCCC. The Climate Convention, which entered force in 1994, provides that ‘the Parties shall give full consideration to what actions are necessary under the Convention, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties arising from ... the impact of the implementation of response measures’. This provision addresses the concerns of countries that are economically reliant on high emissions activities: ‘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’ are singled out by the Convention for special focus. Many such countries have included ‘economic diversification with mitigation co-benefits’ in their initial Nationally Determined Contributions under the Paris Agreement.

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9 Climate Justice (own-initiative opinion), European Economic and Social Committee, Rapporteur: Cillian Lohan, NAT/712, 19 October 2017, 4.5.1.
11 Ibid, Article 4(8)(h).
Over time, discussion of response measures under the UNFCCC has broadened from the concerns of ‘oil-exporting developing countries’ to encompass the trade-related aspects of climate action and, more recently, opportunities to progress a ‘just transition’ for workforces.\(^\text{13}\) A forum on response measures was created by the COP in 2010,\(^\text{14}\) in the context of ongoing disagreements between countries over how to handle the trade-related aspects of climate policy.\(^\text{15}\) The forum has enabled dialogue between Parties at an increasingly technical level and has also ‘allowed non-governmental actors to come forward to share case-scenarios and possible resolutions to upcoming complexities’.\(^\text{16}\) As the Paris Agreement is silent on trade matters (unlike the Climate Convention), the response measures forum remains the ‘primary institutional space for ongoing discussions on trade-related concerns in the context of the UNFCCC’.\(^\text{17}\)

The Paris Agreement provides that ‘Parties shall take into consideration in the implementation of this Agreement the concerns of Parties with economies most affected by the impacts of response measures, particularly developing country Parties’.\(^\text{18}\) The inclusion of this provision in the ‘mitigation’ article of the Agreement, Article 4, indicates that Parties are to consider the consequences of their mitigation actions for Parties vulnerable to response measures.\(^\text{19}\) In its preamble, the Paris Agreement also links response measures to human rights by providing that:

- Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity.\(^\text{20}\)

Also at the 2015 Paris conference, the COP decided to ‘improve’ the response measures forum, focusing its twice-yearly meetings on ‘concrete examples, case studies and practices in order to


\(^{14}\) Document FCCC/CP/2010/7/Add.1.


\(^{19}\) Winkler H, ‘Mitigation (Article 4)’ in Daniel Klein and others (eds), *The Paris Agreement on Climate Change: Analysis and Commentary* (Oxford University Press 2017) 160.

enhance the capacity of Parties, in particular developing country Parties’. The COP adopted a work program for the forum consisting of ‘[e]conomic diversification and transformation’ and ‘[j]ust transition of the workforce, and the creation of decent work and quality jobs’, addressing the needs of all parties but particularly developing countries. The COP also agreed that the response measures forum would also serve the Paris Agreement, in addition to the Climate Convention. The work programme of the improved forum is due to be reviewed by UNFCCC Parties in November 2018.

On 15 November, FEPS, the TLI and Fondation Jean Jaurès hosted a panel discussion on the theme of ‘a just transition, economic diversification and the forum on response measures to climate change’. This event examined opportunities for progress and synergy on the UNFCCC response measures work programme items of just transition and economic diversification, both through the improved forum on response measures and through complementary regional and national processes.

The session included presentations from the UN Climate Secretariat, national negotiators and civil society. William Kojo Agymang-Bonsu from the UN Climate Secretariat gave an update on the work on response measures under the UNFCCC, including the improved forum. Peter Govindasamy from the Singapore delegation and Steven Turnbull from the Australian delegation reflected on the contributions of work under the response measures agenda to the broader goals of the Climate Convention and Paris Agreement. Nick Mabey from E3G and Anabella Rosemberg from the ITUC discussed response measures from the respective standpoints of environmental NGOs and the trade union movement.

In summary, the session affirmed the value of case studies on national and subnational experiences with response measures, including through the forum. The intensely political nature of the response measures issue within countries was however also noted, with one participant raising the risk that economic transitions are ‘hijacked by populism’. Another participant noted that there are limits to reconciling competing economic interests through just transition policies, observing that what is necessary is transition support, not slowing down the transition. While institutionally separate and responsive to different mandates, the UNFCCC work on response measures can complement the just transition agenda at EU level by creating a space for exchange on the economic and social challenges of climate mitigation and highlighting opportunities to achieve co-benefits in areas such as employment.

Mainstreaming an all-encompassing approach: Framing a just transition mission

It is clear that a just transition cannot be delivered through any one policy or technological approach. Rather, it requires a broad range of initiatives by multiple actors in the public and private sectors, including regulatory interventions at multiple levels. While significant momentum has developed in recent years, a just transition will not be achieved if the effort is confined to existing stakeholders, longstanding advocates and particular sectors. To achieve broader impact, at scale, what is needed is to mainstream the agenda for a just transition.

22 Decision 1/CP.21, FCCC/CP/2015/L.9/Rev.1, 12 December 2015, par. 33.
23 Decision 11/CP.21, par. 7.
The contention of this paper is that establishing a just transition mission would be a useful tool for stimulating the necessary activity. A ‘mission’ has been broadly defined as ‘a concerted effort to reach a pre-defined objective through a multitude of actions’. In the context of research and innovation, Mariana Mazzucato has identified missions as providing ‘the means to focus our research, innovation and investments on solving critical problems, while also spurring growth, jobs and resulting in positive spillovers across many sectors’. A mission can stimulate private sector investment and activity by authoritatively setting a direction of travel at EU level, while avoiding the fallacy of picking winners: ‘a mission-based approach is a useful lens for an industrial strategy to be based around, so that it is not about picking sectors or technologies but about picking problems to guide innovation across multiple actors in multiple sectors’.

Mazzucato advises that a mission should be ‘broad enough to engage the public and attract cross-sectoral investment; and remain focussed enough to involve industry and achieve measurable success’. In addition, a mission should be ‘targeted, measurable and time-bound’, as in the archetypal example of putting a man on the moon, contemporary missions such as a plastic-free ocean or, indeed, a climate transition in which employment is protected.

Stated in broad terms, the mission of the just transition is to end the ‘false choice’ of ‘good jobs or a clean environment’. Stated in actionable terms, the just transition mission might be to create at least one quality job for every job lost in the climate transition, EU-wide, by 2030. Such a mission would be straightforward to communicate, enabling mobilisation of the widest possible alliance of institutions and citizens. It could be pursued through multiple projects in the domains of research and innovation, industry and entrepreneurship, education and skills, and worker and community mobilisation and representation. Importantly, it is also a mission that can attract the support of all pro-European political families and movements that are committed to climate action, while directly addressing ‘populist’ objections to a concerted response to climate change.

A just transition mission would not duplicate or replace legal frameworks but would complement them. In particular, there is an opportunity to highlight the employment dimension in Member State planning and reporting via the integrated national energy and climate plans and the long-term low emission strategies of the Energy Union. A just transition mission would carry most weight if adopted through the EU Institutions, and could be put on the agenda through the advocacy of Member States, political parties and civil society, building on the existing movement for a just transition. In addition, direct engagement of communities through citizens’ consultations, of the kind initiated by

26 Ibid, 16.
27 Ibid, 11.
29 Ibid.
France in the context of EU reform, would democratize the process of achieving a just transition and give added voice to affected communities.

Conclusion

As the European Trade Union Confederation has warned, ‘[m]assive job losses, rising energy prices, loss of market shares for exporting companies are among the most frequent concerns expressed by workers when discussing the impact of climate policies in their regions … Without workers’ support, decarbonisation will fail’.30 This message should be taken seriously. Measures for a just transition should not be seen as an optional progressive extra to climate policy; rather, they are integral to its success.

At the EU level, the social dimensions of energy policy are increasingly on the agenda. Principle 20 of the European Pillar of Social Rights, adopted in November 2017, includes the declaration that ‘[e]veryone has the right to access essential services of good quality, including … energy… Support for access to such services shall be available for those in need’.31 The launch of the EU Energy Poverty Observatory in January 2018 is a positive early step in implementing the energy component of the European Pillar of Social Rights, but much more remains to be done.32

As part of the Energy Union package, the proposed regulation on governance introduces integrated national energy and climate plans, spanning ten-year periods beginning from 2021, which address the five dimensions of the Energy Union: energy security; (internal) energy market; energy efficiency; decarbonisation; and research, innovation and competitiveness.33 In amendments adopted to the proposed regulation in January 2018, the European Parliament added to the purposes of the governance mechanism to ‘support a just transition for citizens and regions which could be negatively impacted by the transition to a low-carbon economy’.34

Ambitious implementation of the Energy Union, including its governance mechanism, would be an important step toward joined-up planning of climate policy and its economic and social ramifications. EU Institutions and the 27 Member States have an opportunity to make the Energy Union, including its governance mechanism, a significant driver of the EU’s climate and energy targets, while at the same time enabling long-term and informed planning that puts jobs and resilient communities at the heart of the energy transition.

30 ‘Industrial Regions and Climate Policies: Towards a Just Transition?’, ETUC Project, European Trade Union Confederation, Brussels, 2016, 46.
The interaction between emerging technologies such as distributed renewables and choices about law and regulation make the Energy Union not just a technocratic project, but also a fundamentally political one. By harnessing new technologies to strengthen consumer choice and stimulating localised economies in which households, communities and enterprises can generate and trade in renewable energy, the Energy Union can support the broader agenda of strengthening democracy and civic participation in the EU.\(^{35}\) By tackling energy poverty and using network interconnection to enable solidarity between Member States in response to supply shocks, the Energy Union can be a practical expression of ‘the Europe that protects’.\(^{36}\)

In addition, through the mechanism of the Energy Community, the Energy Union's integrated national energy and climate plans are to be extended to the EU candidate countries in eastern Europe, creating fresh impetus for both a just transition and EU integration in those countries.\(^{37}\)

At the international level, the UNFCCC forum on response measures has provided valuable space for focusing on practical experiences in dealing with the impacts of response measures to climate change. The forum, including its current focus on economic diversification and just transition, remains an opportunity to better understand both the negative impacts and the positive co-benefits of response measures, in the context of removing barriers to achieving the overall aims of the Climate Convention and Paris Agreement. As both climate change and policy responses to it increasingly disrupt established economic patterns, these overall aims must be borne evermore in mind.

In particular, Decision 1 of the Paris conference provided that the response measures forum would serve the Paris Agreement by ‘enhancing cooperation amongst Parties on understanding the impacts of mitigation actions under the Agreement and the exchange of information, experiences, and best practices amongst Parties to raise their resilience to these impacts’.\(^{38}\) Increased practical focus on achieving mitigation co-benefits could contribute to enhancing Party resilience to response measures and thereby encourage more ambitious mitigation actions. The EU, Member States and European subnational governments, trade unions, the private sector and civil society all have valuable experience to share on this topic. As such, the response measures forum should maximise the opportunities for observers, as well as UNFCCC Parties, to contribute to the process.

Finally, the establishment of a just transition mission can serve to focus and encourage the necessary activity at multiple levels within the EU, further mainstreaming just transition and creating an achievable goal that can be broadly supported and sustained. In addition, defining and achieving a just transition mission would bolster the EU’s ability to lead by example in the international climate negotiations and encourage greater ambition in third-country climate policies, by exemplifying the social and economic co-benefits of climate action.

\(^{35}\) E.g. FEPS, Call to Europe VII: Democracy First!, http://www.calltoeurope.eu/en/  
\(^{38}\) Decision 1/CP.21, FCCC/CP/2015/L.9/Rev.1, 12 December 2015, par. 34.
Recommendations

- That a just transition mission be adopted through the EU Institutions to mainstream the just transition agenda and galvanise broader support and participation.
- That EU Institutions and Member States promote maximum consistency between the just transition agenda and the Energy Union, including through the integrated national energy and climate plans.
- That EU institutions and Member States further develop those elements of the Energy Union that promote democratisation and empowerment, such as support for renewable self-consumers and ‘renewable energy communities’, and measures to promote demand flexibility and consumer choice.
- That EU trade unions, private sector representatives and civil society prioritise the UNFCC response measures forum as an opportunity to build knowledge and capacity among UNFCCC Parties for mitigation co-benefits, resilience to response measures and enhanced mitigation ambition.
- That the EU continues to promote the importance of addressing mitigation co-benefits through the UNFCCC response measures forum.
- That the EU advocate for maximum openness to UNFCCC observer constituencies in the processes of the response measures forum.