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Submission to the United Arab Emirates Just Transition Work Programme topics for the dialogues

Views of Parties, observers and other non-Party stakeholders on work to be undertaken under, as well as possible topics for the dialogues under the work programme

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The Just Transition Finance Lab was launched in February 2024 at the London School of Economics and Political Science with the goal of being a centre for experimentation and excellence in the financial solutions needed for a just transition. It is hosted by the Grantham Research Institute on Climate Change and the Environment. The Lab is grateful for the core support of its Founding Funders: Antin Infrastructure Partners, Barclays, HSBC and Laudes Foundation. www.justtransitionfinance.org

About this submission

This report consists of a submission by the Grantham Research Institute on Climate Change and the Environment at the London School of Economics and Political Science on different elements of the UNFCCC work programme on just transition pathways referred to in relevant paragraphs of decision 1/CMA.4 and CMA5.

Read more about the work programme here:

https://unfccc.int/sites/default/files/resource/cma2023_L14E.pdf

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Background and context

Agreement on the UNFCCC Just Transition Work Programme (JTWP) at COP27 marked a significant step forward for delivering climate action in line with the goals of the Paris Agreement. Since COP28, the political profile of the just transition has risen among high-level political actors, decision-makers, and civil society stakeholders. LSE's Grantham Research Institute on Climate Change and Environment and its new Just Transition Finance Lab welcome the new programme as a strategic tool for mainstreaming social justice throughout climate decision-making at all levels, everywhere.

The UNFCCC can now provide an important forum for developing a shared narrative on the just transition to overcome growing political polarisation around the fairness of the net zero transition within and between current and future generations, as well as between countries in the Global North and Global South. The work undertaken by the JTWP should be aware of this reality, and also work towards bridging existing gaps.

The JTWP offers the strategic potential to build political consensus and facilitate policy and wider action on the just transition, at the global and national levels. Governments, as signatories to the Paris Agreement and architects of the global financial system, have the primary responsibility for setting the policy framework for the just transition and integrating its approaches within their Nationally Determined Contributions (NDCs) and Long-Term Strategies. Bringing together government decision-making, stakeholder local expertise and lived experience can create the momentum for designing and operationalising effective just transition pathways.

Against this backdrop, the Grantham Research Institute and Just Transition Finance Lab provide the following views on work to be undertaken, along with possible topics for dialogues, under the JTWP. This submission is a follow up to Professor Nick Robins' [presentation](#) at the "First Annual High-level Ministerial roundtable on just transition" which was held on 3 December 2023 at COP28 in Dubai.

Input on work to be undertaken under the Just Transition Work Programme

Ensure the JTWP builds on the momentum of COP28 outcomes and remains embedded in all negotiation items moving forward.

COP28 made significant progress on the just transition, including in terms of commitments to transition away from fossil fuels, triple renewables and double energy efficiency by 2030, and operationalising the Loss and Damage Fund. However, significant gaps in the adaptation agenda and on finance remain.

The transition will not happen unless it is fair. The JTWP should ensure its work is closely linked to and builds on the momentum of COP28 outcomes while remaining forward-looking to key items at COP29. More technical guidance is required to elucidate the 'just' aspects of the UAE Consensus, the 'triple-double' goal, and the explicit language around 'transitioning away from fossil fuels'.

The JTWP should also clarify how key finance negotiations expected at COP29, including the New Collective Quantified Goal on Climate Finance (NCQG) and Articles 2.1c, 9.1 and 9.4, can incorporate just transition principles and priorities. In the spirit that the just transition is cross-cutting across all climate decision-making, it means making sure that finance for climate action addresses the social opportunities and risks that are involved, and supports the social dialogue that is essential. Moreover, the financial system needs to price in just transition requirements and allocate capital towards the goal of achieving a just transition for all. The structural role of finance is a service function that enables the just transition. As such, the JTWP's focus on finance should be deeply linked to and coordinated with ongoing discussions around reforming the international financial architecture, which are taking place both within and outside the UNFCCC arena. We encourage the JTWP to work closely with multilateral stakeholders convening financial institutions, such as the Just Transition Finance Lab, UNEP-FI, International Labour Organization and others to advance financing just transitions.

Design comprehensive and agile just transition pathways underpinned by national determination and international cooperation

The work of the JTWP should connect international cooperation to local realities by facilitating the development of national just transition pathways that highlight priority actions to address the social opportunities and risks facing any given country. Notably, the pathways should consider the scope of social, economic and environmental impacts of climate action, while allowing Parties to determine their own solutions, as per the Convention.

Only 31% of governments have committed to addressing the socioeconomic impacts of climate action and acknowledged the pertinence of a just transition in their NDCs. NDCs that account for a just transition may be more likely to attract the international public and private investment required for their successful implementation. For investors, a just transition represents reduced systemic risk. NDCs set overarching objectives at the country level and are therefore key vehicles for contextualising and operationalising the just transition within national pathway implementation. Accounting for a just transition in the NDCs would also facilitate transparency, accountability and analysis of progress and gaps in implementation.

For the implementation of NDCs to be credible, the just transition commitments and pathways they outline must be integrated into national climate governance systems. One way for Parties to action this is through introducing legislation or policies to support their updated NDCs. A current Grantham Research Institute project is mapping whether and how just transition considerations have started to emerge in national-level climate legislation and policy globally. This builds on previous work published by the Grantham Research Institute outlining a blueprint to guide governments to develop a set of priorities and measure progress against their just transition policy design. The blueprint is not aimed to be prescriptive, but rather a starting point to help develop policies tailored to specific country contexts.

As the first Global Stocktake notes, justice is multidimensional. The development of just transition pathways should remain country-driven, gender-responsive, inclusive, participatory and socially just in both approach and design. This requires consideration of human rights, labour rights, rights of Indigenous Peoples, vulnerable groups, children and youth, and local communities and ecosystems.

Develop concrete guidelines on social dialogue and participation

Effective implementation of the JTWP requires full participation of workers, trade unions, Indigenous communities, children and youth, women, and broader stakeholder groups to ensure a socially-just transition. Key to this participation is robust and ongoing social dialogue and stakeholder participation, in the form of negotiation, consultation or information-sharing on issues of common interests. Procedural justice should be reflected in concrete action in policy design, companies' transition plans, and in community practices. We recommend that the JTWP pays particular focus to providing concrete guidelines around how stakeholder dialogues should be carried out in the implementation of targets and agreements within the Paris Agreement. Specifically, this should be two-fold:

1. Include an expert/advisory committee with adequate representation from affected stakeholders to provide and advise parties with contextual information and on the design of just transition pathways. This would ensure that the operationalisation of the JTWP is procedurally just and reflective of the stakeholder participation and dialogue guidelines it sets out.
2. Provide concrete guidelines and establish a system of monitoring and reporting to the COP around social dialogues in the implementation of the Paris Agreement and work streams under the UNFCCC. This would ensure that the JTWP is both additive and cross-cutting, highlighting the importance of social dialogue and social protection and responding to both the social opportunities and risks of climate action.

Input on possible topics for dialogues under the work programme

Based on the suggested work to be undertaken by the work programme outlined above, we recommend the following possible topics for dialogues under the JTWP:

- **Means of implementation for just transition pathways.** The global community faces common challenges in realising the just transition, given the reality that countries and communities have differing means and capacity for implementation. There will be no just transition pathways for all if the existing finance, technology and capacity gaps between Annex I parties and Non-Annex I parties are not addressed. For the just transition to have real substance, the JTWP should address core equity concerns within the global financial architecture and tackle existing capacity constraints.
- **Effective stakeholder participation in the implementation of UNFCCC workstreams.** Multi-level stakeholder engagement is fundamental for procedural justice as part of the just transition. The JTWP should lead by example for just transition implementation by ensuring the participation of stakeholders, and recognise the expertise and lived experiences of marginalised communities. A range of stakeholders should be convened from various thematic areas, sectors and geographies, and of differing age, gender and ethnicity, at the local, regional and global levels.
- **Inter-workstream dialogue on the implementation of just transition for the next round of NDCs.** The JTWP should remain cross-cutting, additive and coordinated with existing workstreams under the Convention. A jointly held dialogue with other workstreams and constituted bodies would enable such cross-fertilisation. This should include the New Collective Quantified Goal on Climate Finance (NCQG), the Standing Committee on Finance (SCF), the Katowice Committee of Experts on the Impacts of Implementation of Response Measures (KCI), and the Global Goal on Adaptation.