From Headwinds to Pathways:

Navigating Just Transition Finance Ahead of COP30

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AGENDA

10:30	Welcome and opening remarks – **Nick Robins**, Chair, Just Transition Finance Lab
10:35	Presentation of the Report – **Jodi-Ann Wang**, Global Policy Fellow, Just Transition Finance Lab
10:45	Panel Discussion  Jodi-Ann Wang  Anabella Rosemberg  Jwala Rambarran  Andrea Saldarriaga
11:30	Q&A
11:45	Close

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Headwinds and structural constraints: mapping forces challenging just transition finance

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Just Transitions in Multilateral Climate Governance

Tracing how just transition entered the climate agenda.

1970
Concept emerges, Ideas of justice articulated in the 1972 UN Conference on the Human Environment (Stockholm)

2015
COP21 Paris Agreement

Formal recognition of the Just Transition and adopted as a work programme & ILO Guidelines for a Just Transition

2018
COP24 (Silesia)

2021
COP26 Glasgow Just Transition Declaration

South Africa Just Energy Transition Partnership (JETP)

2022
Indonesia & Vietnam JETP

2023
Senegal JETP

2024
COP29: no outcome on the Just Transition Dialogue

2025
COP30 Brazil

Just Transition Dialogues on Adaptation & Resilience, and Energy Transition

Push for **Belem Action Mechanism**

From labour/environmentalism focus to UN rhetoric adoption (1970-2015)

Building narrative and climate finance foundations (2015-2019)

Operationalisation and scaling up of financing (2020-2024)

RECKONING AND REFORM: Just transition at crossroads...

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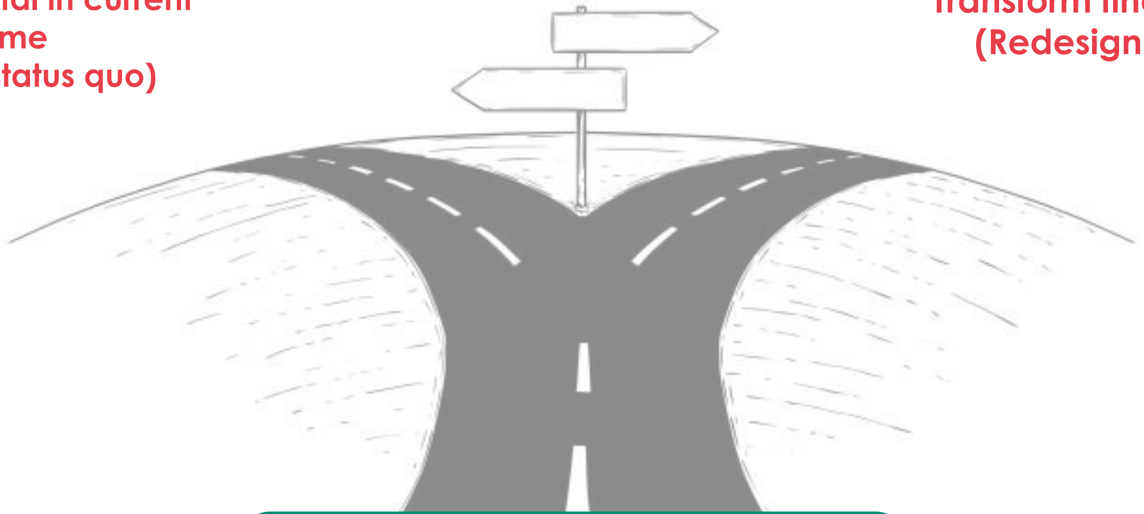
The Just Transition is at a decisive crossroads

Will we redesign financial systems for justice, or optimise status quo for speed?

Mobilise capital in current regime (Optimise status quo)

Transform financial systems (Redesign the system)



Rhetoric has outpaced reality

The space for transformative policy is narrowing

(Re)defining Just Transition Finance

Moving beyond instruments and volumes to ask what finance enables or prevents.

Financing Frameworks

Policy development & implementation

Costing transition finance needs

Evaluating social/climate risks

Direct financial & technology assistance

Stakeholder convening/ engagement

Existing approaches to understanding just transition finance

Taking into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities,

Acknowledging that climate change is a common concern of humankind, 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,

Paris Agreement, 2015

Finance that transforms economies away from extractive, carbon-intensive systems

...

While redistributing power and resources and

...

Protecting communities' sovereignty over development pathways

The Four Headwinds hindering in Just Transition Finance

Recurring pressures that erode legitimacy, fragment governance, and distort finance delivery.

HEADWIND	DIAGNOSTICS	CASCADING EFFECTS ON JT FINANCE
🏛️ **Political legitimacy Crisis**	Domestic policy whiplash and cross-border burden-shifting of transition impacts erode trust and policy coherence domestically and internationally	Short political cycles make long-term investment uncertain; solidarity fractures, and justice narratives are weaponised rather than realised.
💸 **Eroding Fiscal Foundations**	Retreat of concessional public finance → reliance on private capital, derisking models, and loan-based mechanisms. Privatisation of public responsibility	Justice goals are subordinated to market imperatives. Equitable process/outcomes become conditional on profitability, and debt entrenches vulnerabilities.
🧩 **Governance Fragmentation**	Complex, high-cost architecture excludes vulnerable states through high transaction costs, overlapping rules, and performative participation.	Finance flows to the "ready," not the "needy"; participation is procedural rather than empowering, and implementation slows under bureaucratic weight.
🔍 **Transparency Capture**	Disclosure regimes serve investors' information needs over community accountability. Data proliferates but not on people's wellbeing.	Transparency without redistribution entrenches asymmetry. Finance appears cleaner on paper while injustices persist on the ground.

Lithium extraction in Atacama Desert (Source)

Electronic waste sites in Agbogblashie dump in Accra, Ghana (Source)

Going beneath the surface: Headwinds as Signals of Structural Challenges

Headwind frictions are symptom of forces embedded in the political economy of finance.

Headwinds are not isolated phenomena but **symptoms of deeper structural dysfunctions**.

There are systemic forces that **delimit the transformative potential** of voluntary, market-driven approaches.

These symptoms may be solvable in the near-term, but to close the integrity gap, we need to **look deeper**…

Political backlash weakens fiscal commitments

When carbon pricing becomes a scapegoat for economic pain, it erodes the political foundation of public climate finance

Fiscal retrenchment deepens reliance on private mechanisms

As public finance retreats (perceived or real), governments turn to blended finance and PSIs that transfer risks while limiting transformative potentials of public financial goods

Institutional incoherence amplifies technocratic capture

Fragmented governance creates space for investor-centric frameworks to dominate standard-setting that obviate community struggles

Investor metrics legitimise the inequities that communities resist

Disclosure regimes that repackage harmful activities as “transition-aligned” fuel the very mobilisations they seek to address

Five Structural Challenges that generate the headwinds

Enduring design flaws: how power, markets, and institutions reproduce inequality

POWER	BOUNDARIES	MARKETS	ARCHITECTURE	COMPLEXITY
Just transitions not embedded in political economy Justice remains peripheral, treated as an add-on, and not a design principle in financial and economic systems	**Territorialised framing of justice** National approaches ignore cross-border interdependence, shifting harms along global value chains	**Impossibility of justice through pure market logic** Profitability and scalability dominate, sidelining community-led, redistributive, context-specific translations	**Financial architecture bias** Global finance rules favour "bankable contexts", locking out vulnerable communities most in need of support	**Difficulty of universal solutions, scalable panaceas** Standardised "solutions" and checklist approaches mask complexity, turning justice into a procedural box-ticking exercise that obviate context-specific needs and nuance.

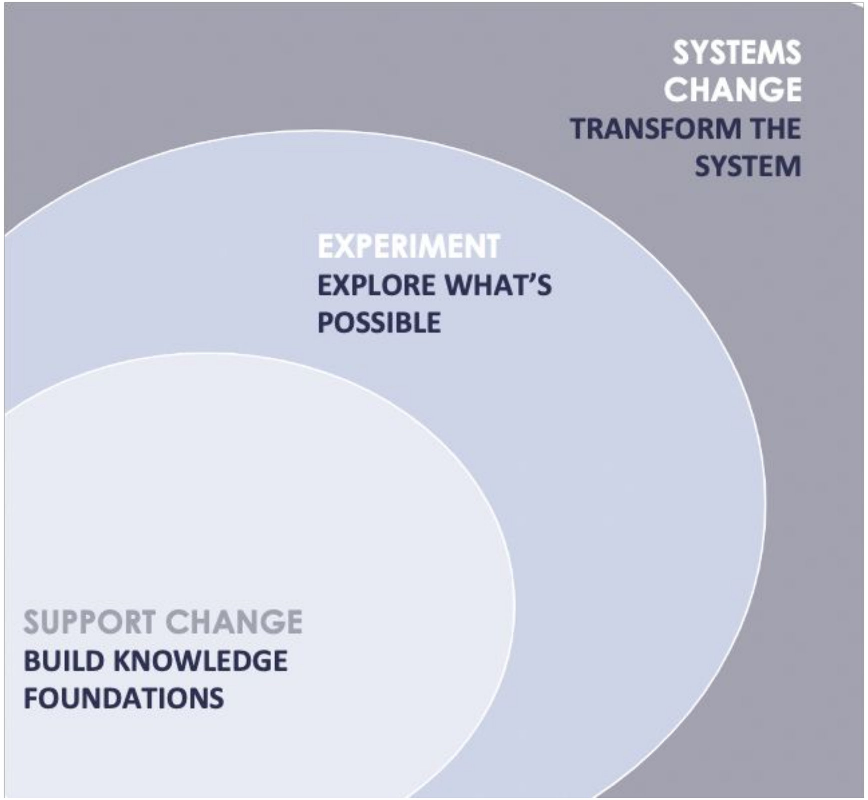
Integrating complexity into action

Provocations for just transition finance

Capital mobilisation vs Justice mobilisation

- Are we simply retrofitting unjust system with just principles and green components?
- How do we embed finance within social and ecological priorities, rather than subordinating justice into financial logic?
- Is it genuine new money, or conceptual innovation of what counts?
- Will new platforms entrench power asymmetries between funders and recipients?
- How to encompass full scope of transformative justice while maintaining

Fundamentally reimagine how finance serves justice and how transitions honour planetary boundaries and human dignity.



Q&A

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Thank you.

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