



Just Transition

Panel Discussion for the Committee on Sustainable Energy

23 September 2021, 11h30 – 13h00 CEST Geneva time

Background

The commitment to keep global warming to well below two degrees Celsius compared to pre-industrial levels requires decarbonization in all economic sectors and reduction of emissions of all potent greenhouse gases. In practice, this means modernization of the energy sector with a focus on gradual phasing out coal and finding innovative solutions for industries that rely on it and therefore constitute an “industrial ecosystem”, like e.g. steel, or cement.

The more profound the targeted country’s transition towards low-carbon energy and green economy, the more competitive its national economy will become. However, any proposed changes must be economically feasible, as well as socially acceptable for the targeted country, its affected regions and, in particular, for the local community, which is to be the most affected by them.

While it can be expected that decarbonization efforts will create new opportunities and employment in all economic sectors, it will surely have also certain disruptive effects on regions where the economy is reliant on energy-intensive industries. As can be observed in most coal producing countries, fear of job losses, disruptive structural and cultural changes, economic decline, and destabilized political processes and institutions, influence the social debate more strongly than the benefits of the low-carbon transition.

A “just transition” is an integrated approach to sustainable development, which brings together social progress, environmental protection and economic success into a framework of democratic governance and institutional resilience. Effective “just transition” strategies require local, bottom-up participation of all affected stakeholders and commitment by the governments to guarantee their buy-in and provide planning security. Adapting to a decarbonizing world is a deep structural shift not just for the involved industries and installations, but also for their workers as well as dependent communities and regions.

Objectives:

- (1) Inform the Committee on Sustainable Energy and the ECE member States on the approach to Just Transition adopted by SED and on the work that it is to undertake to help member States in preparation for that process.
- (2) Present the theory behind the concept of Just Transition as well as the challenges that it poses to States, as well as to the professionals working on that matter.
- (3) Obtain from the Committee on Sustainable Energy support for the Division’s work on just transition.

Issues to be explored:

- Regulatory matters and the legal framework that needs to be put in place to prepare and implement just transition in an organized and planned manner?
- The institutional side of a just transition process; how the institutions/governments adapt to the current situation and what could/should they do to provide the necessary support to the affected communities.
- Private sector's perspective on the transition process and the efforts that the coal industry undertakes to address the issue.
- Challenges encountered by the communities affected by the ongoing changes and the importance of preparation and innovation for a successful transition.
- Financial aspect of just transition and costs of inaction.
- Intersection of the technical, financial, and social matters and the need of approaching the transition process in a holistic way.
- Lessons learned from the past and the recurring mistake of addressing social issues with an overly technical approach.
- Just Transition as a cultural process.

Speakers:***Moderators:***

- Mr. Raymond Pilcher, Chair, UNECE Group of Experts on Coal Mine Methane

Panellists:

- Ms. Valentina Moskalenko, Advisor to the Prime Minister, Ukraine
- Mr. Raphael Heffron, Professor in the Just Transition to a Low-Carbon Economy, Centre for Energy, Petroleum, Mineral Law & Policy (CEPMLP), University of Dundee
- Mr. Rudiger Lange, Professor, Brandenburgische Technische Universität Cottbus-Senftenberg
- Mr. Michael Stanley, Global Leader Coal Decarbonization, Oil, Gas, Mining and Chemicals Department, World Bank Group
- Mr. Michal Drabik, Secretary, UNECE Group of Experts on Coal Mine Methane