

CAN Guidance on Just Transition

What is this document?

The concepts of Just Transition, Just Energy Transition, Just and Equitable Transition, etc, are being used more and more often, sometimes interchangeably, and with different intentions. For example, Just Energy Transition can be used to talk about the energy transition itself, its goals, challenges and policies. It can also be used to define how to re-organise the energy sector in a just way. It can also be a disingenuous way to avoid talking about a fossil fuel phase out. Similar trends can be observed in other uses of Just Transition.

The CAN network has been and will continue to work on the sectoral pathways to achieve 1.5°C (whereas it is on energy, on agriculture, etc). Those pathways face many challenges - not only the social justice element (transition minerals, overall financing needs...). Clarifying those is not the purpose of this document. This document aims at guiding the network on better describing what is needed to realise a Just Transition in all sectors undergoing transformation - something critical for achieving public support and preventing inequalities and social ills perpetuating themselves through climate policies. It will therefore not touch on the specifics of the energy or any other sectoral transition, while hopefully still being relevant to it. This document should also assist the CAN network in distinguishing when Just Transition is being used to advance justice, with workers' and communities' enjoying their rights to a decent job, quality of life and a healthy environment, from those who are just "social-washing" business-as-usual policies.

That said, the departing context, the conditions and the expectations from different communities and peoples around the world on Just Transition are diverse. It is therefore also important to recognise that the different regional and local dynamics in which Just Transition processes take place have implications in terms of level of development, mobilisation of resources, pace of the transition, as well as the social and economic effects of the transition.

This document **aims at supporting convergence**, first among CAN members, but hopefully beyond, across a variety of groups willing to fight and win the Just Transition and systems change we need, and organise accordingly. It is not a prescription, a one size fits all definition, or a definite description of what Just Transition is.

A Just Transition to what/where?

We live in a world where the dominant economic model's relentless pursuit of material growth, accumulation and consumption, is further accelerating the climate crisis, harming people and ecosystems, and preventing the achievement of SDGs and the respect of human rights, with the fossil fuel industry as one of its main perpetrators of abuse.

It is increasingly evident that the global climate crisis is closely intertwined with the global inequality crisis¹, with the most vulnerable and least responsible having to carry the majority of the burden of the climate crisis. The extractivist and exploitative nature of the current fossil fuels-driven system creates, perpetuates, and reinforces deep inequalities both between and within countries which contribute to the climate crisis while also making responding to it more challenging.

For climate chaos to be avoided, many things have to change about the way in which our societies and economies are organised, including the values that serve as their organising principles. A society that is built on the fulfilment of human and labour rights and the commitment to stay within planetary boundaries, pursues wellbeing and builds a society of care, where everyone can access decent jobs, health, housing, education, culture, and leisure. Where individual and collective rights are respected. Where solidarity, justice and equity are the guiding forces of decision making. Where the wealthy do their fair shares and polluters are held accountable for the damage that they cause.

We make ours the Just Transition Alliance call:

"We must build a visionary economy that is very different than the one we now are in. This requires stopping the bad while at the same time as building the new. We must change the rules to redistribute resources and power to local communities. Just Transition initiatives are shifting from dirty energy to energy democracy, from funding highways to expanding public transit, from incinerators and landfills to zero waste, from industrial food systems to food sovereignty, from gentrification to community land rights, from military violence to peaceful resolution, and from rampant destructive development to ecosystem restoration. Core to a Just Transition is deep democracy in which workers and communities have control over the decisions that affect their daily lives.

*To liberate the soil and to liberate our souls we must decolonize our imaginations, remember our way forward and divorce ourselves from the comforts of empire. We must trust that deep in our cultures and ancestries is the diverse wisdom we need to navigate our way towards a world where we live in just relationships with each other and with the earth."*²

We see Just Transition as a critical component for achieving those shifts and for doing so in a way that is in line with climate justice, as organising the transition in a just way is the guarantee for achieving social justice while we fight climate change.

We see Just Transition as a driver (not the only driver) of climate justice, along with Indigenous Peoples rights, intergenerational equity, the phase out of extractivism and hyper-consumption, gender justice, among others.

Workers through their unions, informal and other precarious workers, youths, disability groups, marginalised and poor communities among others have been historically and unjustly excluded from the conversations and decision-making processes around the transition that has direct and indirect impacts on them, and sometimes pressured to support the existing power-structures. Bringing those key stakeholders to the table to negotiate decisions and co-lead the

¹ Athanasiou T., Holz C., Kartha S. (2022). [Fair Shares: Lessons From Practice, Thoughts on Strategy](#).

² Climate Justice Alliance. [Just Transition: A Framework for Change](#).

implementation of the plans about their own future, Just Transition can also contribute to gaining greater trust and support for climate action.

Most of the focus on Just Transition at the sectoral level has been on the fossil fuel value chain (extraction and secondary users such as automobile or heavy industry). We consider that the rights and needs of workers and communities must also be addressed in the urgent transformations required in all productive sectors, such as agriculture and food.³

Principles guiding the “Just ” part of the Transition

Just Transition has not started from theory but from praxis; the praxis of workers and communities having an alternative demand to what conservative voices expected from them: to choose between their jobs and livelihoods over the protection of their environment and health. It was meant to reflect the idea that the security of workers' livelihoods should be paramount in any discussion about the future of the economy, particularly in response to environmental and climate goals. Although those in power have tried to make this a mutually exclusive choice to protect the status-quo and keep polluting, this is not the case, and they are instead mutually reinforcing: as there can be no jobs on a dead planet, we cannot remain within the 1.5° pathway without the Just Transition.

That said, a substantial amount of work has been done in the academic field to codify justice's different dimensions, several of them applicable to the notions of justice underpinning the Just Transition. It is important to spell them out to better guide policy decisions:

- **Distributional Justice:** A Just Transition distributes fairly the cost and benefits of actions to protect all life from climate chaos, paying particular attention to workers (i.e. those in the fossil value chain and in other sectors impacted by climate measures, organised in trade unions, as well as those in precarious and informal jobs and the unemployed) poor households, communities, youth, women, people with disabilities, affected by the shift away from climate-damaging sectors. In particular, this means wealthy countries, corporations, military, and elites must immediately begin moving away from a linear economy model that relies upon constant, increasing extraction, to a circular economy model, in which extraction and waste are minimised and all products are kept in use for as long as physically possible.
- **Procedural Justice:** A Just Transition ensures inclusive and equitable decision-making process guiding the transition, and collective ownership and management of the new, decarbonised energy system by the community stakeholders and right-holders⁴. Such an approach implies institutional change and structural evolution of the system so that distributional injustices do not re-emerge. It implies Just Transition not only “compensating” those affected but reforming the institutions themselves. It entails implementation of new forms of governance.
- **Restorative Justice:** A Just Transition addresses historical damages against individuals, communities, and the environment, and health with a particular focus on rectifying or ameliorating the situations of colonised, harmed or disenfranchised communities and at-

³ Anderson, T. (2019). [Principles for a Just Transition in Agriculture](#). ActionAid.

⁴ JTRC, Mapping Just Transition(s) to a Low-Carbon World. UNRISD, RLS, ULIP.

risk environments. It is about redress: healing people and the land⁵. The impacts of extractive industries on communities and territories are complex and cut across multiple dimensions. The search for restoration must therefore be intersectional and respectful of those complexities.

- **Intergenerational Justice:** A Just Transition is guided by the urgency of protecting all life on this planet so that future generations can have a healthy and prosperous life. This implies being guided by the latest available science when it comes to reducing emissions and extraction, protecting biodiversity, eliminating hazardous chemicals, preserving water, among others and doing so at the fastest possible pace while also identifying in advance potential risks caused by the transition. It includes radically changing the dominant economic model from linear to circular as quickly as possible.

In addition to these four dimensions of Justice, there is a fifth element, related to the transformational intent pursued with Just Transition that is to be kept front and centre:

- **Transformational intent:** A Just Transition promotes alternative pathways that undermine the dominant economic system, bringing together short-term policies with a system critical approach, which allows the emergence, within relatively “feasible” policies, of practices of equality for all and local control, of a more robust democracy where gender, race, and class bias fades into the past⁶. A transformative Just Transition intent ensures a contribution to dismantling systems of oppression (racism, patriarchy, classism, ableism) that are deeply rooted in contemporary societies.

From principles to reality: which demands/policies can get us there?

Just Transition policies are being discussed at multiple levels (from international/multilateral conversations to local or company plans). The best known are those produced by the ILO Guidelines, referring to nine policy areas.⁷ Below, there is a succinct listing of policies aimed at showing the demands that could be met through a Just Transition approach. It is extremely important for the CAN network to never lose sight of the importance of standing in solidarity with demands from those who find themselves in a vulnerable situation as a consequence of climate action, being it workers and trade unions’ ask for respecting, protecting and fulfilling human and labour rights when developing Just Transition strategies (such as Freedom of association and collective bargaining, and the right to a safe and healthy working environment), rural or low-income households impacted by energy price increases, among others. The need for workers and communities for being associated with designing those strategies, must remain at the heart of our mobilisation, as those are often dismissed when the concept gets to decision making spaces.

Our thinking on Just Transition, built on the four aspects of justice (distributional, procedural, restorative, intergenerational) and the intention to deeply transform our societies, need to find their way on the concrete policies being implemented on the ground. A re-skilling policy for example, could be aligned with those principles if it was giving extra attention to those with more difficulties to find new job opportunities (distributional), if it was co-designed with a collective of

⁵ Presidential Climate Commission (2022). [A Presidential Climate Commission Report: A Framework For A Just Transition In South Africa](#).

⁶ Labour for sustainability

⁷ International Labour Organization (2016). [Guidelines for a Just Transition towards environmentally sustainable economies and societies for all](#)

workers and community members (procedural), if it was challenging traditional methodologies and beneficiaries by capturing the history of oppressions in a given territory (restorative), if it was oriented towards activities that restore and protect all living beings (intergenerational), if it was aiming at diversifying the community's economy into new forms of organisation and benefit sharing.

Thinking Just Transition implies an effort of imagination and to connect the practical needs of many today with the many opportunities we see for the future. The policies below are basic requirements for a Just Transition. To them, we must add the features that would make them even stronger in delivering to our principles.

Workers

- Creation of alternative decent work opportunities and worker-owned initiatives, including accessibility for previously overlooked marginalised groups, including people with disabilities.
- Require programmes of mobility within the company, company on-the-job retraining to fill new positions, and so on. These must be incorporated to and/or strengthened in employer-union collective agreements.
- Improving work environments.
- Access to skills training and re-skilling, notably in environmentally-friendly sectors paying attention to the need for financial support during retraining and affordability of options. Skills training should not replace comprehensive access to post-secondary education.
- Access to immediate job opportunities, including through public sector work.
- Suitable retirement and compensation packages, including for those who may not be able to retrain or re-skill to switch jobs.

Communities

- Provide support for communities to design and obtain support for alternative livelihoods and social and economic opportunities and ownership, including social enterprises.
- Early identification of community members/services at risk as a consequence of the transition, on top of direct/indirect workers (above) - including informal workers, public services - schools, health providers).
- Ensure early focus on remediation and rehabilitation and restoration of local environments and health.
- Prioritise the dismantlement of polluting units over keeping idle capacity, so that land is freed up for new investments and employment options are also made available in the decommissioning & de-pollution of sites.
- Support for key infrastructure deployment in key territories as identified by communities (i.e. internet, public transport), ensuring underserved populations gain the benefits of the energy transition.
- Allow for communities to own the resources they are developing and have a say over those resources (intellectual, materials to potentially recycle, food systems, water resources, forests, etc).
- Consider income-related impacts on poor and/or rural households with regard to issues such as access to and affordability of energy and mobility needs.

Country-wide public policies

A Just Transition can be better delivered and financed if guided by holistic, country-wide plans; plans that, among others, recognise the urgency of phasing out fossil fuels and transforming food systems towards agroecological approaches in a non-extractive way. An acceleration of on-the-ground initiatives for making Just Transition happen is urgently needed.

Ensure Just Transition plans are guided by the justice principles outlined above and ambitious goals that keep us within planetary boundaries, including fossil fuel phase-out plans, ending deforestation, shifting from intensive and industrialised agricultural approaches towards food systems that deliver food and nutrition security and that are based on agroecology and less and better meat, circular economy approaches promoting reuse, recycling and eco-design, trajectories for moving away from other forms of extractivism - such as mining, including for energy transition minerals-.

- Establishment and use of social dialogue as well as other decision-making mechanisms that secure engagement with under-represented voices (workers and affected communities).
- Anticipation of transition needs, early identification of specific zones requiring additional and/or rapid support deployment and use of impact assessment tools to refine as much as possible the populations most affected by change.
- Holistic approach to regional economic development to create viable short-term and long-term solutions for local populations who are affected, which includes shifting from a linear to a circular economy.
- Strengthening of social protection systems (i.e. unemployment benefits, employment injury benefits, sickness benefits, health protection, old-age pensions, child and family benefits, maternity protection, disability pensions, survivors' pensions), particularly for potentially marginalised groups including women, people with disabilities and paying special attention to those working in the informal sector.
- Creation of funds to support Just Transition.
- Ensure owners of polluting units fund restoration and reinvest in the territories.
- Requirement for owners of carbon-intensive/to-be phased out assets to bear losses (compensation for industry is a burden on taxpayers. This means fewer resources are available to address other aspects of the transition).⁸

Governance

- Plans to develop future investments are decided through transparent, open, and participatory processes including workers and their unions, affected community members in/near projects, including Indigenous Peoples, women and youth organisations and disabled persons as well as locally relevant marginalised groups, such as informal or precarious workers.
- Open and transparent process for accessing funds for small and medium scale projects, including community-owned/worker-owned decentralised renewable energy projects.
- Transparent and consultative processes for granting funds to big scale projects - ensuring social and environmental safeguards are in place. For projects affecting Indigenous

⁸ Atteridge, A., Blanco, I. and Strambo, C. (2020). [Insights from Historical Cases of Transition: Background Paper for the EBRD Just Transition Initiative](#). European Bank for Reconstruction and Development.

Peoples, including those located in or near Indigenous peoples' territories, uphold the right to Free, Prior, and Informed Consent, throughout the entire project lifecycle, including respecting the right to withhold (i.e. say no) to projects at any point in their development. FPIC is also a best practice/high standard for community engagement.

- Funds are in the forms of grants or interest-free financing, not loans.
- Transparent and consultative processes for granting funds to big scale projects.
- Mandatory human rights due diligence, aligned with international guidance and law, for projects to ensure - ensuring social and environmental safeguards are in place.
- Establishing clear responsibilities between authorities and ensuring voices of workers and communities are represented at different stages of the decision-making process.

North/South cooperation

This dimension of the Just Transition conversation has not received yet the same level of attention than the national, local, and sectoral levels. It is important to acknowledge that the jobs and livelihoods of millions of people around the world are trapped in extractivism, but while in some regions government have the means to organise the transformation of key extractive sectors, in many others, often because of colonial heritage or neocolonial impositions, and political pressure from elites, the resources are not available.

Moving away from extractivism requires a new wave of multilateral cooperation and solidarity, preventing the proliferation of double standards that would condemn once again people and countries to being sacrifice zones, as well as a courageous approach to funding a Just Transition.

Ongoing work by CAN on the need for a just and equitable reform of the global financial architecture to support a Just Transition⁹ as well as work undertaken by the Fossil Fuel Non-Proliferation Treaty¹⁰ are of particular relevance for further defining what international cooperation in support of a Just Transition looks like.

Some decisions would pave the way for Just Transition becoming a reality:

- International funding available for Just Transition, to support governments committed to transition away from extractivism, with a first focus on phasing out fossil fuels, so that communities and workers are accompanied through the policies listed above.
- It is imperative that those resources are truly new and additional, meaning that they come on top of ODA commitments thereby not diverting funds from other just development priorities. The resources could come from levies imposed on the fossil fuel industry, whose massive responsibility on creating the challenge cannot be questioned any longer, debt cancellation and a global, transparent, and democratic mechanism to address unsustainable and illegitimate debts, reducing the risk of worsening the debt crisis, freeing up funds to support economic diversification, and enabling a Just Transition.¹¹
- Access to intellectual property rights in environmentally-sound technologies could facilitate a strengthening of industrial capacity in countries in dire need of economic diversification options.

⁹ CAN International (2023). [7 Join Principles For Finance System Transformation.](#)

¹⁰ [Fossil Fuel Non-Proliferation Treaty](#)

¹¹ CSO Equity Review (2021). [A Fair Shares Phase Out: A Civil Society Equity Review on an Equitable Global Phase Out of Fossil Fuels.](#)

- Preferential treatment for exports from countries in the road to diversifying their economies should also be explored.
 - Cancelling/forgiving debt owned by colonial institutions such as the IMF and World Bank.
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A short selection of additional resources:*

**This is a non-exhaustive selection of resources shared by CAN members and allies*

Equity:

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