

## **G77 and China Submission on the Work Programme on Just Transition Pathways, September 2023**

The Group of 77 and China considers the agreement reached at the Sharm el-Sheikh Climate Conference (COP27/CMA17/CMA4) to establish a new Work Programme on Just Transition Pathways, referred to in paragraph 52 of decision 1/CMA4, as a milestone in the progressive development of multilateralism.

This is because the Member States of the G77 and China are currently undertaking their respective just transitions, in the expectation of creating a more inclusive, just, equitable, sustainable and climate-resilient world. This includes consideration of alternative and viable pathways for the global net zero transition, and for new and emerging technologies and solutions to enable this transition.

G77 and China members appreciate the value of human solidarity, as all are affected by multiple crises and challenges that impact their development pathways. The G77 and China members grapple with a multitude of issues, such as the overarching priority of poverty eradication, as well as reducing inequalities and the achievement of food security and energy security, in a nationally determined manner and in light of different national circumstances and capacities.

The current multi-dimensional crisis finds developing countries still recovering from the catastrophic economic and social consequences of the COVID-19 pandemic, including the increase in hunger and malnutrition, the rise of poverty and inequalities and the burden of unsustainable debts. In this scenario of a widening of the developmental gaps between developed and developing countries, we believe in working together to solve these complex challenges, leaving no one behind.

The G77 and China has a broad understanding of just transitions, covering all three pillars of sustainable development (social, economic and environmental), in a balanced and integrated manner, in both its international and national dimensions. This is in line with the United Nations 2030 Agenda and its Sustainable Development Goals, which remains our general framework. Our practical on-the-ground reality is that just transitions cannot be addressed in silos, as if only energy transition is relevant, or only as a national or domestic opportunity and challenge. We live in an interconnected international system where developments and policies elsewhere and an enabling or disabling international environment impact on us.

For developing countries, just transitions must be about people-centred development, the realisation of human rights, the creation of quality jobs and decent work, and the full implementation of the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement. As such, all the topics addressed by the UNFCCC, including mitigation, adaptation, agriculture, response measures, and means of implementation in terms of finance, technology development and transfer and capacity-building, are relevant to the new work programme.

We are driven by a sense of urgency to utilise the opportunity presented by the new work programme to drive the achievement of the goals of the Paris Agreement, with a particular focus on implementation of the Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs). We note, in this regard, that the technical

phase of the first Global stocktake has shown through the synthesis report of 8 September 2023 that Parties need "to increase ambition across all fronts, taking an all-of-society approach to make progress towards the Paris Agreement goals". We agree with this all-of-society perspective and are of the view that there can be no better way to unlock ambition than by demonstrating to all people, and in particular the most vulnerable, that there is hope and that the international community is united behind a shared vision of a better world, where inequalities are corrected.

A transition to a climate-resilient and low-emissions economy that results in the same structural inequalities, including where developing countries remain subject to long-standing trade protectionism and distortions, unilateral taxation in particular in agriculture, and as suppliers of unprocessed materials with low-value added and strategic minerals to drive development elsewhere, cannot be considered just.

Following the rich and constructive discussions amongst Parties at the June sessional meetings of the SBs, we are confident that agreement can be reached on a decision at COP28 to set out the scope, modalities and institutional arrangements of the new work programme. This would set the stage for discussions on how the UNFCCC process might best assist Parties with their just transitions efforts, in a non-prescriptive, facilitative and inclusive manner, with contributions of non-Party stakeholders.

As with all matters in our multilateral process, the work programme should be in accordance with the Convention and its guiding principles, in particular the principles of equity and common but differentiated responsibilities and respective capabilities and that measures to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.

As agreed at SB58, Parties will continue working on the draft decision at SB59, informed by the informal paper (IN. SBI58.i8\_SBSTA58.i9.4) annexed to June SB conclusion FCCC/SB/2023/L.5.

The new work programme should be premised on the UNFCCC mandates and the context of sustainable development, the right to development and undertaking climate action in the context of equity and CBDR&RC and in the light of different national circumstances.

Support in the form of climate finance, technology development and transfer and capacity building to developing countries needs to be ensured both for climate action and just transitions, in accordance with the UNFCCC and its Paris Agreement. We stress the importance of public finance from developed countries as a critical enabler for just transitions. In that light, we further highlight the importance of adhering to Articles 4.3, 4.5, 4.7 and 4.8 of the UNFCCC and Articles 4 and 9 of the Paris Agreement, and in particular its sub-Articles 4.4, 9.1, 9.3 and 9.5, as ways to support developing countries' efforts to achieve the goals of the Paris Agreement. The G77 and China does not support novel re-interpretations of the Paris Agreement, including its Article 2.1.c that would purport to establish new conditionalities on support for just transition pathways.

Moreover, it has to be taken into account that adverse effects of climate change impact not only employment, but economic development as a whole (for example, agriculture productivity is diminished; and infrastructure and industry are also impacted). As well as being a threat to life on our planet, climate change is a driver of inequality and poverty worldwide, with the poorest and least developed communities and countries suffering disproportionately more from its effects. For that reason, the fight against climate change is inseparable from the fight against inequality.

### Objectives:

The objective of establishing the work programme is, among others, an opportunity to promote just transitions that are sustainable, affordable, and inclusive, with a view to enhancing international cooperation towards securing transitions to low emissions and inclusive climate resilient future that also contributes to reducing inequalities, both within and among countries.

Each country has the right to identify and follow its own development and transition pathways, based on national circumstances, equity and CBDR&RC. Working together we can help ensure that these transitions are realised and most importantly are just, addressing all three pillars of sustainable development and leaving no one behind. Our Group therefore regards just transitions as a key part of fully implementing the Convention and its Paris Agreement, in all aspects, and supports work that addresses the broad scope of just transitions.

The mandate of the new work programme is comprehensive and not time bound. It is distinct from the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI), which focuses more narrowly on work force and capacity-building and is mitigation-centric. In contrast, the new work programme addresses the wider dimensions of ensuring just transitions, taking into consideration all the social, economic and environmental impacts, as required by the Sharm el-Sheikh decision.

The Group reiterates the importance of the work programme being non-prescriptive and non-punitive and being designed to support nationally determined just transition pathways and implementation of NDCs and NAPs. There can be no one-size-fits-all approach to just transitions and we therefore do not support any policy prescriptions, such as identifying and recommending specific pathways and macro-economic frameworks in the name of just transitions.

The work programme can, inter alia, help to enhance understanding of just transition pathways and actions to facilitate climate action, share knowledge and best practices, assist Parties in formulating and implementing policies and help unlock international public and private sector means of implementation and support.

### Scope:

It follows from the above, that the scope of the new work programme needs to be broad and flexible to take into account the needs of all Parties, and especially developing country Parties, in relation to the achievement of sustainable development and nationally defined development priorities. It needs to cover the full scope of the

Convention and its Paris Agreement, encourage multi-stakeholder dialogue and address socio-economic and environmental issues related to the transitions.

The G77 and China is open to discussing thematic issues to focus the work programme, taking into account among others the list in the informal note attached to the June 2023 SB conclusion.

Institutional Arrangements:

The work programme may be best supported through a Joint Contact Group, in accordance with normal UNFCCC practice.

Modalities:

Since just transitions will not be achieved in the short-term and Parties will benefit from on-going discussions, the G77 and China does not support setting termination dates to its work before this work has even commenced. There is no termination date mandated by the COP27 decision.

We are open to a review process at CMA9 (2027), high-level events and to specific deliverables or products to support other UNFCCC processes, as may be required, such as the second global stocktake.

The work programme needs to complement and build on relevant work streams in the UNFCCC and the G77 and China stands ready to work with other Parties on listing those in the CMA decision, if necessary. Already we see clear synergies with the GST. For example, key finding 3 of the GST's synthesis report speaks to opportunities presented by systems transformations, cautioning that rapid change can be disruptive and highlighting how a focus on inclusion and equity can increase ambition in climate action and support. Key finding 7 is that just transitions can support more robust and equitable mitigation outcomes, with tailored approaches addressing different contexts.

In accordance with normal practice, relevant international organizations and civil society organisations, are welcome to send submissions to enrich the discussions in the work programme.

Inputs/ Outcomes:

In line with normal UNFCCC practice, inputs to the work programme would come from submissions by Parties and non-Parties, potential mandated events and reports from other relevant UNFCCC processes and work streams. In addition, outputs of the work programme could be in the form of inputs to other relevant work-streams, contributions to future GST processes, and Annual decisions.

Workshop mandated by June SB Conclusion:

The workshop mandated by the June 2023 SB conclusion FCCC/SB/2023/L.5 presents an important opportunity to advance the discussions, especially given the limited negotiation time available at COP28. We look forward to the submissions of

Parties and the synthesis report by the Secretariat of those submissions, referred to in paragraph 3 of the conclusion, informing the discussions in the workshop.

The G77 and China suggests that the workshop be structured around the three pillars of sustainable development so that all positions related to the social, economic and environmental aspects of just transitions can be presented and discussed. The workshop further needs to provide space for discussion on both the international and national dimensions of just transitions so that all Parties and groups have their perspectives presented. This comprehensive and integrated approach to just transitions, with inclusion of key experts including from non-Party stakeholders, will assist in developing a common understanding of the objectives and scope of the new work programme.

The timing and format of the workshop ahead of the negotiations at COP28 are important to make it as inclusive, useful and cost effective as possible. Clashes with high-level events at the COP should be avoided as this will impact on representation and participation, especially from smaller delegations. We have full confidence in the current and incoming COP Presidencies and SB Chairs in making the most appropriate arrangements.