CAC

EPISODE 5:
HOW TO BUILD A JUST TRANSITION FOR ALL?

Post-Webinar Booklet
Climate Action Conversations (C.A.C.)



Episode - 5

HOW TO BUILD A JUST TRANSITION FOR ALL?

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Table of Contents

02
About GEAF

03
C.A.C.
How to build a Just Transition for all?

04
Introduction
How to build a Just Transition for all?

05
What is a Just Transition?

06
Why a Just Transition Matters

07
The Core Dimensions of a Just Transition

10
Participation and Social Dialogue in Practice

11
Household Equity and Affordability

12
Policy Instruments that Support a Just Transition

14
Global South Considerations and Informal Economies

15
Financing a Just Transition Monitoring, Indicators, and Accountability

16
Conclusion

About the Green Earth Action Foundation (GEAF)

The Green Earth Action Foundation (GEAF) is a Geneva-based non-profit organisation advancing inclusive, evidence-informed climate action within multilateral environmental governance. Accredited to the United Nations Environment Programme (UNEP), GEAF contributes to international dialogue and implementation efforts aligned with global sustainability objectives.

GEAF operates at the intersection of policy dialogue, youth leadership, and institutional cooperation. Through its Climate Action Conversations (C.A.C.) series, the organisation convenes policymakers, researchers, practitioners, and civil society actors to address the social, economic, and governance dimensions of climate transformation. By fostering structured, solution-oriented dialogue, GEAF seeks to bridge the gap between climate ambition and practical implementation. Its work emphasises fairness, cross-sector collaboration, and policy design that integrates environmental integrity with social equity.

GEAF continues to expand its partnerships and programming to strengthen inclusive climate governance at national, regional, and international levels.



The Climate Action Conversations (C.A.C.)

EPISODE: 5



The Climate Action Conversations (C.A.C.) constitute GEAF's flagship dialogue platform for structured, solutions-oriented exchange on critical dimensions of climate governance. The series provides a forum where international organisations, national institutions, academic experts, and civil society representatives engage in substantive discussions on the social, economic, and institutional implications of climate transformation.

Within contemporary climate policy discourse, Just Transition has become central to the legitimacy and effectiveness of climate action. As decarbonisation accelerates across energy, industry, transport, and land-use systems, its impacts extend beyond emissions reductions to employment structures, regional economies, household affordability, and social cohesion.

Just Transition therefore represents a foundational principle in modern climate governance. It affirms that environmental ambition must advance alongside decent work, social protection, inclusive participation, and equitable development. Without such integration, climate policies risk deepening inequality, eroding public trust, and weakening long-term political support.

The C.A.C. session on "How to Build a Just Transition for All" examines how climate policies can be designed and implemented in ways that safeguard livelihoods, strengthen communities, and maintain social legitimacy while delivering accelerated decarbonisation pathways. The discussion reflects a growing international recognition that fairness is not peripheral to climate action —it is intrinsic to its success.

Introduction

The transition to a low-carbon and climate-resilient economy is one of the most significant economic and social transformations of the 21st century. It involves changes in how societies produce energy, build infrastructure, organise transport and logistics, and manufacture products. These changes create opportunities—new industries, new jobs, and healthier environments—but they also create risks, including job displacement, regional economic disruption, and affordability pressures.

Scientific assessments underscore the urgency. The Intergovernmental Panel on Climate Change (IPCC) has emphasised the need for deep, rapid, and sustained greenhouse gas emission reductions across sectors to limit warming. Yet the same assessments also highlight that policies are more effective and more durable when equity and justice considerations are integrated into design.

From a labour perspective, climate change is already affecting livelihoods. The International Labour Organization (ILO) estimates that heat stress could reduce total global working hours by 2.2% by 2030—equivalent to around 80 million full-time jobs (ILO, 2019). This is not a future risk alone; it is a current economic issue with rapidly growing impacts.

A Just Transition responds to this reality: it is the structured effort to ensure that climate action and economic transformation are fair, inclusive, and socially sustainable. It is not only about “compensating” those who lose out; it is about planning so that communities, workers, and households can benefit from the transition while minimising disruption.



What is a Just Transition?

A Just Transition is the process of moving toward environmentally sustainable economies in a way that is as fair and inclusive as possible. It is rooted in the recognition that climate policies—like carbon pricing, power-sector reform, industrial standards, or transport investments—shape jobs, incomes, and living costs. Because these impacts are uneven, public institutions must anticipate them and act deliberately to distribute costs and benefits more fairly.

The ILO defines Just Transition as 'greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind' (ILO, 2015). The Paris Agreement also references the imperatives of a just transition of the workforce and decent work in line with national development priorities (United Nations, 2015).

In practice, Just Transition becomes a bridge between climate ambition and social outcomes. It connects emissions pathways to employment policy, connects energy reform to household affordability, and connects industrial change to community resilience.

"They did something unique (...) They provide guidance across key policy areas... including macroeconomic and sectoral policies, skills development and lifelong learning, labor market policies, social protection, social dialogue, and rights at work."

— Alice Vozza, Policy Specialist (Just Transition), International Labour Organization (ILO) - (C.A.C. Webinar, 20 February 2026)



ALICE VOZZA

Why a Just Transition Matters

There are three reasons Just Transition has become central to climate policy. First, climate change itself threatens work and livelihoods. Heat stress, extreme weather, and environmental degradation reduce productivity and increase economic insecurity, particularly for workers in agriculture, construction, and informal employment. Second, the transition away from fossil fuels changes demand across sectors and regions. Some industries will contract; others will expand; and without planning, these shifts can be destabilising. Third, climate policies increasingly affect everyday life—energy bills, heating systems, mobility options—and therefore require public legitimacy.

Public legitimacy is not a communications issue; it is an implementation condition. When policies are experienced as unfair, adoption slows, and political resistance grows. Conversely, when policies are designed to be affordable and accessible, and when people understand the benefits, public support strengthens.

Equity considerations therefore improve both justice and effectiveness. They increase the probability that policies will be maintained over time, scaled across sectors, and sustained across political cycles.



“We try to ensure that households are involved in co-creating policies. One of the ways we do this is through citizens’ panels. We need to make sure that the transition is affordable, accessible, attractive, and fair.”

— Joshua Deru, Just Transition Lead, UK Climate Change Committee (CCC) - (C.A.C. Webinar, 20 February 2026)

JOSHUA DERU

The Core Dimensions of a Just Transition

Just Transition is often summarised through a set of mutually reinforcing dimensions. These are not independent checklists; they operate as a system. For example, skills programmes are more effective when workers have income support during training; household affordability measures are stronger when paired with energy efficiency investments; and regional diversification works best when communities are involved in setting priorities.

1 Decent work and quality employment

A Just Transition aims to create decent work in emerging green sectors such as renewable energy, sustainable transport, construction, and the circular economy. But job quantity is not enough — quality matters. Fair wages, safe conditions, secure contracts, and career prospects must be ensured to avoid precarious employment.

Equitable access is also essential. Workers leaving carbon-intensive industries need retraining and recognition of prior skills, while women and young people may require additional support, such as mentorship, childcare, and anti-discrimination measures.





2 Social protection as an enabler of mobility

Social protection is frequently described as a safety net, but in transition policy it functions as an enabler. People are more willing to retrain, relocate, or shift occupations when income security is protected. Key instruments include unemployment insurance, wage-loss assistance, pension portability, active labour market programmes, and targeted income support for vulnerable households.

In contexts with high informality, expanding basic social protection floors can be transformative. It supports resilience to both climate shocks and economic restructuring, and it reduces the risk that transition policies push already vulnerable households into poverty.

3 Skills, lifelong learning, and anticipatory planning

Skills mismatches are a primary practical barrier. Training systems need to anticipate demand in emerging sectors, align curricula with real labour market needs, and ensure that training is accessible. Lifelong learning is crucial because many workers will not make a single 'one-time' move; labour markets will continue to change as technology evolves.

Effective programmes typically combine labour market intelligence, partnerships with employers and unions, certification systems, and support services that enable participation (transport, stipends, childcare).

4 Regional diversification and place-based development

Transition impacts are often geographically concentrated. Coal regions, oil and gas basins, and industrial clusters can experience economic shocks that extend beyond workers to local businesses and public services. Just Transition therefore requires place-based strategies that combine investment, innovation support, and planning for public services.



PHILIP GASS

"It is not only coal miners or those working in coal-fired power plants who are affected; it is entire communities—hospitals, schools, and local businesses."

— Philip Gass, Director, Energy Program (Just Transitions and Canada), International Institute for Sustainable Development (IISD) (C.A.C. Webinar, 20 February 2026)

Good practice in place-based transitions often includes early planning, dedicated institutions (e.g., regional transition councils), and sequencing that avoids sudden 'cliffs' in employment and fiscal revenues.

5 Participation and social dialogue

Participation strengthens legitimacy and improves policy quality. Social dialogue—engagement between governments, employers, and workers—helps align climate measures with labour market realities. Broader stakeholder engagement ensures that affected communities, civil society, youth, and marginalized groups can shape outcomes.

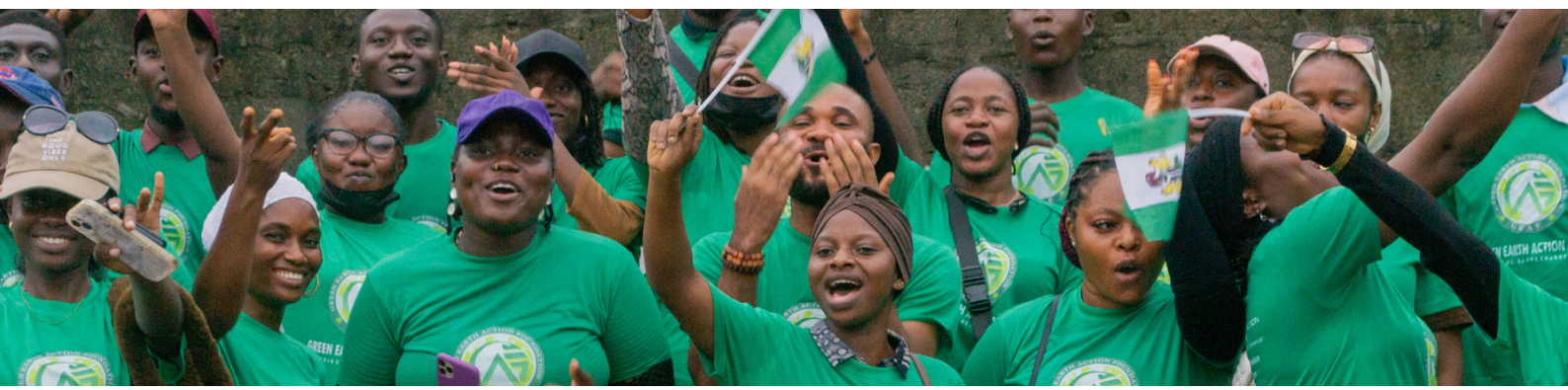
"In many cases, women, youth, and people living with disabilities are not included to the same extent."

— Lehlohonolo Jack, Programme Associate (Clean Air Fund), South African Institute of International Affairs (SAIIA) (C.A.C. Webinar, 20 February 2026)



LEHLOHONOLO JACK

Meaningful participation requires more than consultation. Communities need feedback loops (showing how input influenced decisions), accessible information, and resources to participate. Without these elements, consultation fatigue grows and trust erodes.



Participation and Social Dialogue in Practice

In implementation, participation takes different forms. Tripartite social dialogue can shape national labour and industrial policy. Community assemblies, stakeholder forums, and sector councils can support place-based planning. Some governments also use citizens' panels to test policy packages and improve public legitimacy.

Participation should be inclusive by design. This means addressing barriers that prevent engagement—time, cost, language, accessibility—and proactively including groups often underrepresented. It also means clearly stating what is being decided, what is open to influence, and how decisions will be made.

When participation is meaningful, it improves policy outcomes: local knowledge identifies unintended consequences; social partners help design workable labour measures; and communities can co-create locally appropriate investment priorities. This is particularly important for transitions affecting everyday services such as housing, transport, and energy.

"In several instances, the engagement process resulted in what could be described as consultation fatigue."

— Lehlohonolo Jack, Programme Associate (Clean Air Fund), South African Institute of International Affairs (SAIIA)
(C.A.C. Webinar, 20 February 2026)



Household Equity and Affordability

A Just Transition is not only about workers; it is also about households. Households feel the transition through energy prices, transport costs, heating choices, and housing standards. These impacts vary: a household in an inefficient home with poor access to public transport faces different options than a household in a well-insulated urban apartment.

Distributional analysis is therefore central. Policymakers can model how costs and benefits land across income groups and household types, then design targeted measures to protect vulnerable groups while still incentivising emissions reductions.

Equity-oriented measures can include targeted cash transfers funded by carbon revenues, social tariffs, support for home retrofits in low-income communities, and investments that expand affordable alternatives (public transport, district heating, active mobility infrastructure).

When designed well, affordability measures do not weaken climate ambition—they strengthen it by maintaining public support and preventing policy reversal.



Policy Instruments that Support a Just Transition

1 Carbon pricing with redistribution

Carbon pricing can reduce emissions by shifting incentives across the economy, but it must be designed for fairness. A common approach is revenue recycling: using revenues to support households and invest in solutions that reduce long-term costs (e.g., energy efficiency). The OECD notes that fairness is best integrated at design rather than treated as a corrective measure after implementation (OECD, 2020).

A redistribution approach can be universal (equal dividends) or targeted (support to low-income households or high-exposure groups). Targeting can be strengthened with distributional modelling, as discussed in the UK context.

2 Subsidy Reform: Protecting Households During the Transition

Fossil fuel subsidies can delay transition by lowering the price of high-carbon energy.

Reform can free resources for social protection and clean investment, but it must be sequenced and accompanied by support measures to avoid sudden cost shocks to households.

> ***"The research presents an economic analysis of the impact of coal mine closures on sectors linked to coal mining. We took a scenario-based approach to assess potential shocks to economic output and employment."***
>
> — Philip Gass, Director, Energy Program (Just Transitions and Canada), International Institute for Sustainable Development (IISD) (C.A.C. Webinar, 20 February 2026)

3 Industrial policy, public investment, and regional funds

Industrial policy can accelerate investment in clean technologies and build domestic value chains, while regional funds can support communities facing concentrated transition risks. These measures are especially important where public services depend on the fiscal revenues of carbon-intensive industries.

4 Social protection and labour market policies

Active labour market policies—job placement support, wage subsidies, retraining programmes—work best when paired with social protection that provides time and security to transition. This reduces the risk of long-term unemployment and social disruption.





Global South Considerations and Informal Economies

Just Transition strategies differ significantly across national contexts. In many low- and middle-income countries, large shares of employment remain informal, fiscal space is constrained, and climate vulnerability is high. These structural realities shape both the risks and opportunities of the transition.

Informal workers often lack stable contracts, labour rights protections, and access to social insurance. They are also disproportionately exposed to climate hazards such as heat stress, flooding, and air pollution. Without deliberate policy integration, climate measures—such as subsidy reform or carbon pricing—can exacerbate vulnerability.

In these contexts, a Just Transition requires:

- Expansion of social protection floors, including basic income security and access to health coverage;
- Formalisation pathways that improve labour standards while preserving livelihoods;
- Support for micro-, small-, and medium-sized enterprises (MSMEs) in adapting to low-carbon markets;
- Inclusive procurement policies that ensure climate investments generate local economic benefits.

Financing constraints are a central barrier. Many countries face high debt burdens and limited fiscal capacity to fund transition measures. International cooperation—through concessional finance, grants, capacity-building, and technology transfer—is therefore essential. Climate ambition cannot be decoupled from development realities.

In this sense, Just Transition intersects directly with climate justice: it recognises differentiated responsibilities and capacities, while supporting inclusive economic transformation. A global transition that leaves vulnerable economies behind would undermine both equity and long-term climate stability.



Financing a Just Transition

Financing is a practical constraint across contexts. Transition policies require investment in infrastructure, skills systems, social protection, and regional development. Funding can come from domestic public finance (including budget reprioritisation), revenues from pricing instruments, public development banks, and international climate finance.

A key principle is alignment: climate finance should support social outcomes as well as emissions reductions. This includes funding for reskilling programmes, regional diversification funds, and household affordability measures. Transparent financing plans strengthen trust and improve delivery.

Private finance can also accelerate clean investment, but public policy should ensure that private investment aligns with social objectives—for example, through labour standards, local benefit requirements, and inclusive hiring commitments.

Monitoring, Indicators, and Accountability

Just Transition commitments must translate into measurable results. Monitoring is essential both for learning (what works) and for accountability (whether commitments are delivered).

A practical approach is to track a small set of core indicators and expand over time. Employment indicators can include job creation and losses by sector and region, and measures of job quality. Household indicators can include energy burden and fuel poverty rates. Social protection indicators can include coverage and adequacy. Participation indicators can assess stakeholder diversity and the quality of feedback loops.

Disaggregating data by income, region, gender, and age helps identify gaps. Transparent reporting—through public dashboards, annual progress reports, or independent review—strengthens public trust and supports course correction.

Conclusion

The climate transition will reshape economies more profoundly than any industrial shift in recent decades. It will influence where people work, how households heat their homes, how communities generate revenue, and how regions define their economic identity. The scale of change is structural. The central question is no longer whether decarbonisation will occur—it is whether it will occur fairly.

A Just Transition ensures that climate transformation strengthens, rather than fragments, social cohesion. By integrating decent work, social protection, participation, regional development, and household equity into climate policy design, governments can align environmental urgency with democratic legitimacy.

Fairness is not a peripheral concern. It is the condition that determines whether climate ambition will endure across political cycles and economic shocks. When workers have pathways to new opportunities, when households can afford low-carbon alternatives, and when communities are meaningfully involved in shaping decisions, climate policy becomes resilient.

The next phase of climate governance will be defined not only by the speed of emissions reduction, but by the quality of implementation. A transition that is fast but unjust will stall. A transition that is fair will accelerate.

Just Transition is therefore not an adjunct to climate policy—it is its foundation.



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