

## International working group on tracking progress on just transition (IWG-TPJT)

### Purpose

The aim of this working group is to support the **better understanding and dissemination of existing methodologies and tools to track progress on just transition both for governments (national/subnational) and companies**. The working group will also provide guidance on how the improved monitoring and evaluation of just transition can lead to a better understanding of where just transition gaps exist and how these gaps can best be filled over time.

### Benefits

By showing various ways in which just transition can be incorporated at the government and company levels and across sectors (electric utilities, automotive, transport, buildings, oil and gas, heavy industries, agriculture...), this working group can **support the development of an overarching just transition accountability framework**. In turn this framework can be used to better operationalise the ILO just transition guidelines in different contexts.

The working group will also share guidance, best practices and indicators so that existing just transition tools/methodologies can be better understood and integrated into climate policies and disclosure requirements (such as NDCs, Long-Term Strategies (LTS), transition finance, green fiscal policy, mandatory climate disclosures etc). Experts in this group will also be able to highlight how just transition policies at different levels (national, subnational, company) interact and the impact this has on affected workers, communities and wider stakeholders. For example there can be a misalignment between well intentioned just transition policies from governments and how these policies are actually implemented at the subnational level or by employers in affected regions.

### Context

The concept of just transition was born out of the trade union movement in the 1980s. Since then there have been an increasing amount of just transition uses amongst a wide range of practitioners in the field. This growing interest can be seen as a double edge sword. On the one hand it has put just transition on the spotlight of the international agenda. On the other, the growing use of the term can also lead to confusion as to how just transition is actually being integrated by governments and companies. Acknowledging the implementation gap that exists, a number of organisations are increasingly developing tools, indicators and methodologies to track commitments made and use this tracking to drive change. The Katowice Committee of Implementation of Response measures (KCI) will also be releasing at the end of 2023 a report showcasing best practices on how to track just transition progress in collaboration with IISD, GIZ and the World Benchmarking Alliance (WBA).

A number of tools and methodologies are also already available. These include at the private sector level those developed by WBA<sup>1</sup>, Climate Action 100+, the Council for Inclusive Capitalism, Finance for

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<sup>1</sup> To date WBA has assessed 320 companies on their just transition plans. Its assessments show that amongst its six areas of measurement (social dialogue and stakeholder engagement, planning for a just transition, green

Tomorrow, Business for Inclusive Growth and finance tools developed by Grantham Institute and ILO. At the government level (national/subnational) a number of organisations have looked a ways to develop just transition indicators, even if to date these efforts remain more limited. This includes work conducted by IISD in Canada, from the EU Just Transition Research Centre (JRC) on indicators to measure socio-economic vulnerability to decarbonisation in EU regions, work from UNDP on just transition integration in NDCs and LTS and other work conducted at the EU territorial level from WWF to name a few. It can reasonably be expected that consultancies will increasingly also look at ways to monitor just transition progress.

## Terms of Reference

### Composition and role of the IWG-TPJT

The IWG-TPJT will be open to participants working on the topic of just transition and particularly on how to measure just transition integration at the state and company levels. It will also include a diverse range of stakeholders representing well the tripartite+ nature of just transition. This may include the following organisations: ILO, IOE, ITUC, UN Global Compact, UNDP, IISD, WRI, Wuppertal Institute, IHRB, Grantham Institute, BSR, Council for Inclusive Capitalism, CA100+, We Mean Business Coalition, SEI, WWF, UNFCCC, OECD, EU JRC, GIZ, B team, experts from Scotland just transition commission, experts from New Zealand just transition unit, organisations part of the EU just transition alliance...

### Deliverables

The main expected deliverable is a guidance document and case studies on how to track progress and reinforce existing just transition policies at the state and company levels that can be delivered in 2024. This guidance document can also support ongoing discussions as part of the UNFCCC just transition workstream announced at COP27. Depending on capacity, partners may also develop other research products (briefs, op-eds, toolkits) focused on one specific aspect of just transition or to support just transition integration at a regional, national, subnational or company level.

### Decision making

The IWG-TPJT will be composed of both a core group and contributing partners. The core group will be responsible for the implementation of the workplan of the group and leading the drafting of the report. In turn, contributing partners will be responsible for attending meetings, providing inputs/suggestions and edits to the final report. They will also be able to support the wider dissemination of findings from the work in their respective networks.

### Meeting and duration

- One meeting every month or two of 90 minutes starting late November 2023
- Two in person meetings, for example one at COP28 and one in 2024
- The working group is planned until 2025 with an extension if necessary

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and decent job creation, retaining and re-and/or upskilling, social protection and social impact management, advocacy for policies and regulation supporting a just transition) just transition planning remains below 2% for all companies.