

POLICY BRIEF

September 2019

Florian Ranft | Sabrina Schulz | Johannes Uhl | Philipp Wendel | Fiona D. Wollensack

Foreign Policy and the Just Transition

Dimensions. Challenges. Opportunities.

© Agnieszka Kalashnikova
on Unsplash

Executive Summary

- For the global community, transitioning to a more sustainable energy system is a must. But change requires challenging existing norms, and social and economic institutions. Some will be affected or will benefit more than others. A just transition acknowledges that **the social, environmental and economic aspects matter**, and are a crucial component of the energy transition.
- The decarbonisation of economies worldwide requires a managed structural transition. Without active guidance, structural change in unregulated market economies is likely to cause and exacerbate inequalities. The resulting socio-economic inequalities might further contribute to the current surge in populism, and to the political exploitation of climate change as an identity issue (“them against us”). Thus, **the guiding principle for a structural transition to a low-carbon economy must be a just transition**.
- Foreign policy will play a crucial role in addressing these challenges. It can foster international dialogue and bring stakeholders with (real or apparent) antagonistic interests to the table. It can help set

a policy agenda that shares the benefits of change more equally. **As the main driver of multilateralism, foreign policy can play a key role in shaping international energy and climate policy.** It has the potential to facilitate global decarbonisation through energy and climate diplomacy. Foreign policy is therefore very well equipped to initiate, coordinate and streamline policies around a just transition, thus becoming a vehicle for sustainable development and facilitating the implementation of just economic and social policies.

- This Policy Brief builds a bridge between foreign policy and the underlying economic and social changes which arise as part of the challenges of the energy transition. It provides the reader with a set of clear policy recommendations for the foreign policy community. Measures proposed here include, firstly, **the empowerment of foreign policy as an actor of change in the just transition discourse** through the emphasis on multilateralist approaches, efficient governance structures and smart regulation. Secondly, by analysing existing practices and identifying possible common approaches to a successful and fair energy transition, foreign policy can help **stabilise and reinforce institutional structures**. Thirdly, foreign policy can help develop a **convincing narrative for the debate** on a just energy transition to effectively mainstream policy measures, tools and good practices.

Introduction

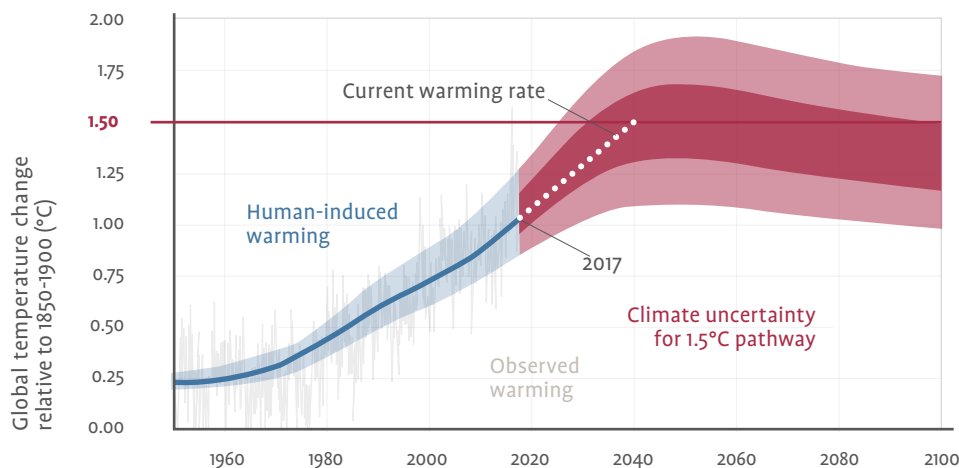
The climate crisis has taken centre stage in the public debate. Globally, its effects such as heatwaves and flooding have become more evident, and their impacts more tangible. Around the world, civil society is taking to the streets calling for ambitious climate action and carbon-neutral economies. Moving from a fossil fuel-dependent to a carbon-neutral society will require large-scale investments in new technologies, a significant change in consumer behaviour and unprecedented political leadership at the local, national and international level.

“If the international community does not promptly address environmental and climate challenges, climate change-related migration or threats to human and international security will become more imminent and urgent.”

A host of threats to our environment and livelihoods, including the loss of biodiversity, flooding, drought, water shortages and severe weather events, are attributed to man-made climate change. They illustrate that rapid decarbonisation is urgently needed.² If the international community does not promptly address these environmental and climate challenges, climate change-related migration or threats to human and international security will become more imminent and urgent (see Figure 1).³ At the same time, however, addressing the climate crisis requires a fundamental reorganisation of the economy: a wide-ranging, structural transition similar in scope to the industrial revolution in the 19th century – and with similar social consequences and upheaval.⁴

Transitioning to a carbon-neutral global economy constitutes a system-wide change. One of the key features of the global financial crisis of 2008-2009 were its deep structural causes. This lesson has brought greater awareness of the fact that markets alone will not address externalities such as environmental degradation and social inequality. Markets need a political framework which ensures that they operate in the public interest.

Figure 1: Global temperature change over time¹



1. Figure 1: *Global temperature change over time*: In 2017, human-induced warming has already reached approximately 1°C above pre-industrial levels (1850–1900). At the present rate, global temperatures would reach 1.5°C around 2040. Stylized 1.5°C pathway shown here involves emission reductions beginning immediately, and CO₂ emissions reaching zero. Source: Intergovernmental Panel on Climate Change (IPCC) (2018): *Chapter 1 - Framing and Context* [Allen, M.R., O.P. Dube, W. Solecki, F. Aragón-Durand, W. Cramer, S. Humphreys, M. Kainuma, J. Kala, N. Mahowald, Y. Mulugetta, R. Perez, M. Wairiu, and K. Zickfeld], in: *Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty*, p. 81f, https://www.ipcc.ch/site/assets/uploads/sites/2/2019/05/SR15_Chapter1_Low_Res.pdf
2. IPCC (2018): *Summary for Policymakers*, in: *Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in*

the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)], https://www.ipcc.ch/site/assets/uploads/sites/2/2019/05/SR15_SPM_version_report_LR.pdf

3. International Organisation for Migration (IOM) (2011): *Climate change, migration and critical international security considerations*, IOM Migration Research Series, No. 42, p. 25f, <http://publications.iom.int/system/files/pdf/mrs42.pdf>
4. Decarbonisation, unlike the dynamics of structural change common in market economies, is not enforced by the market but is a political goal that follows the insight into the destructive effects of dangerous climate change. Cf.: German Advisory Council on Global Change (WBGU) (2018): *Zeit-gerechte Klimapolitik: Vier Initiativen für Fairness*, Politikpapier 9, https://issuu.com/wbgu/docs/wbgu_politikpapier_9?e=37591641/68740308

They need to work in the interests of society as a whole, creating incentives for economic prosperity and decent jobs, while also mitigating the social risks associated with economic and social change – both at home and across borders. The task of mitigating climate change is too big to fail. At the same time, experience shows that decarbonisation yields many co-benefits and will, in the long run, leave those societies embarking on an early and ambitious energy transition pathway better off. These benefits include improved health due to decreasing air pollution⁵, the stimulation of innovation, investment and employment⁶ as well as a more equitable distribution of benefits and burdens within countries.⁷

Reviving Energy and Climate Diplomacy

The *United Nations Framework Convention on Climate Change* (UNFCCC), the *Paris Climate Agreement*, the *Sustainable Development Goals* (SDG) and the *International Renewable Energy Agency* (IRENA) are at the heart of the international energy architecture, and thus central to a just transition. Energy and climate diplomacy therefore represent an important aspect of the necessary interventions and policy solutions, given that no country can effectively tackle the climate risk it faces alone. “Climate [and energy] diplomacy is the interface between national interest debates and international cooperation”⁸ and therefore constitutes the foundation of international cooperation and the international energy and climate policy architecture. It also represents the process allowing nation-states, foreign, energy or environment ministries, but also non-governmental and sub-state actors, to deliver on their international sustainability objectives. The role of energy diplomacy, therefore, is not to just realise national interests, but to build trust and shape long-term solutions.

5. SCOVRONICK, NOAH et al. (2019): *The impact of human health co-benefits on evaluations of global climate policy*, Nature Communications, 10:2095, <https://doi.org/10.1038/s41467-019-09499-x>
6. Cf.: “Germany’s climate action policy led to significant cost decreases in a variety of sectors, promoted innovation, stimulated material and resource productivity, and strengthened security of supply”, German Environment Agency (2019): *Economic Opportunities of Climate Action*, UBA Short Report, 16/2019, p. 8, https://www.umweltbundesamt.de/sites/default/files/medien/1410/publikationen/2019-05-07_texte_16-2019_chancen-klimaschutz_kurzbericht_en.pdf
7. Cf.: The Global Commission on the Economy and Climate (2018): *Unlocking the inclusive growth story of the 21st century: Accelerating climate action in urgent times*, The New Climate Economy, <https://newclimateeconomy.report/2018/>
8. MABEY, NICK et al. (2013): *Understanding Climate Diplomacy. Building diplomatic capacity and systems to avoid dangerous climate change*, E3G, p. 6.

Since the *Paris Climate Agreement* entered into force, coupled with a range of political commitments to accelerate the phase-out of coal, the need to manage the impacts of climate policy and energy transitions has come to the fore. The transition to a low-carbon economy comes at a cost to incumbent industries, workers in high-carbon industrial jobs, as well as citizens in regions affected by structural transitions. Thus, a just transition needs to augment and complement the energy and climate policy to ensure future employment opportunities for those who stand to lose their livelihoods or those who need to retrain – but also to help bring economic prosperity to regions affected by the transition. In taking a broad just transition approach – one which embraces social, environmental and economic aspects, as well as cultural and identity-related issues – it becomes possible for individuals, regions and countries to actively shape the changes required by ambitious energy and climate policy. A just transition approach also addresses fears of political abandonment often experienced by the affected communities.⁹

Further, diplomacy plays an important role in addressing the potential upheavals brought about by global decarbonisation efforts to economies dependent on exporting fossil fuels. Notably, energy policy can also constitute a risk to domestic social stability as the examples of Venezuela or the “Gilets Jaunes” movement in France have shown. Most importantly though, the global energy transition will have significant geopolitical implications which will challenge the foreign policy community to shape the process of realignment of global power structures.¹⁰

Purpose and Guiding Questions

This Policy Brief seeks to explore how policy-makers and foreign policy practitioners can address the challenges of the energy transition and their role in a just transition. It has identified three sets of questions guiding the analysis:

9. Cf.: BRAUN, STUART (Dec. 21, 2018): *As coal ends in the Ruhr, a cultural renaissance hits full steam*, Deutsche Welle (DW), <https://p.dw.com/p/3AUGS> & HILLJE, JOHANNES (2018): *Return to the politically abandoned. Conversations in right-wing populist strongholds in Germany and France*, Das Progressive Zentrum, <http://www.progressives-zentrum.org/politically-abandoned/?lang=en>
10. Cf.: Global Commission on the Geopolitics of Energy Transformation (2019): *A New World The Geopolitics of the Energy Transformation*, IRENA, http://geopoliticsofrenewables.org/assets/geopolitics/Reports/wp-content/uploads/2019/01/Global_commission_renewable_energy_2019.pdf

1. Good Practices and Knowledge Transfer

What approaches and practices exist across countries for a successful and fair energy transition? How can the transfer of knowledge on, and the sharing of experiences with, a just transition be promoted between regions and countries?

2. Narrative and Framing

Which topics can help frame the debate on an energy transition, and how can its social, cultural and ethical aspects be integrated into that debate? What tools should be developed to mainstream the idea of a just transition into energy diplomacy, and into policy-making?

3. Diplomacy Options

What are the tools of a foreign policy agenda based on a just transition? How can foreign policy interact with domestic decision-making to support and implement a just transition? What are the appropriate governance structures to help bring about a just transition?

Informed by the insights of just transition practitioners, energy experts and diplomats, this paper intends to identify common ground and to strengthen the global just transition debate. To do this, it will:

- Identify the risks and benefits of a just transition for a carbon-neutral economy and society;
- Make suggestions on how to shape the related social impacts in a way that is fair for the workers and communities negatively affected by the transition;
- Provide foreign policy experts and practitioners with innovative ideas for energy and climate policy, and a just transition;
- Make specific recommendations to policy-makers and foreign policy practitioners.

This Policy Brief provides fresh perspectives on the global path towards decarbonised economies by strengthening the role of diplomacy in shaping and steering a just energy transition at the international level.

II. The Guiding Principle: Just Transition

The global just transition must encompass all relevant sectors of the economy: energy, transport, construction, industry, agriculture and cattle breeding¹¹ as well as finance. The just transition concept is rooted in the trade union movement and seeks to ensure good quality jobs and high living standards for everyone in a decarbonised economy. Thus, workers and communities affected by the transition have a legitimate interest in it – notably to maintain their socioeconomic status and given their need for opportunities for future development in a low-carbon economy. Their interests, however, need to be squared with the interests of those who may lose their livelihoods as a result of the impacts of dangerous climate change. Key elements of a just transition include a comprehensive policy framework to address the negative impacts for and meaningful social dialogue with those who stand to lose their livelihoods throughout transition processes.¹² The concept acknowledges the need for fairness for countries, regions and workers that will be affected disproportionately by the negative consequences of the transition.

A global energy transition itself will also have geopolitical implications. Countries that depend on the export of fossil fuels face risks to their income base and geopolitical status. At the same time, however, the energy transition means lower risks for other countries from volatile energy prices or through the disruption of their energy supply chains, and fewer conflicts related to access to fossil fuels. Furthermore, developing countries can take advantage of affordable renewable energy technologies to provide energy access to their citizens, when technical and policy expertise are available in governmental institutions and society. In all these cases, foreign policy can play an important role. It can identify early warning signs in cases where the transition is causing political,

11. IPCC (Aug. 07, 2019): *Summary for Policymakers, in: IPCC Special Report on Climate Change, Desertification, Land Degradation, Sustainable Land Management, Food Security, and Greenhouse gas fluxes in Terrestrial Ecosystems*, https://www.ipcc.ch/site/assets/uploads/2019/08/4.-SPM_Approved_Microsite_FINAL.pdf

12. ILO (2015): *Guidelines for a just transition towards environmentally sustainable economies and societies for all*, https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/documents/publication/wcms_432859.pdf

social and economic upheaval, and it can identify opportunities for international collaboration, technology and knowledge transfer as well as mutual learning.

“Foreign policy can play an important role. It can identify early warning signs in cases where the transition is causing political, social and economic upheaval, and it can identify opportunities for international collaboration, technology and knowledge transfer as well as mutual learning.”

Foreign policy interventions on a just transition are diverse and may range from dialogue, consultation, negotiation and project development at the multilateral and bilateral level to the facilitation of mutual learning. Moreover, foreign policy and diplomacy can also address the security implications and sociocultural aspects of the low-carbon transition. Just transition diplomacy will need to include parliaments, businesses, civil society, and scientific and research institutions. Policy-makers and diplomats can help build bridges between individuals, communities and countries, and develop a shared and inter-generational understanding of how to create collective action on climate change. The rising support for populist movements across the G20 is a stark reminder of the potential consequences of an unmanaged transition.

III. The Opportunity Agenda of a Just Transition

As early as 2006, the former Chief Economist of the World Bank, Sir Nicholas Stern, published the *Stern Review on the Economics of Climate Change*.¹³ Stern argued that not acting on climate change would cost the equivalent of at least five per cent of global Gross Domestic Product (GDP) per year and indefinitely. This figure could increase to 20 per cent. At the same time, investing one per cent of global annual GDP could avoid the worst effects of the climate crisis. While the report was widely discussed and partly disputed, a consensus is now emerging around the

fact that almost all actions required to stay within the two-degree Celsius global warming limit would boost domestic economic growth, raise living standards and improve national development.¹⁴ This means that those who take a bold approach today will win tomorrow, as the net effects from inclusive and sustainable economic growth for the economy are expected to be positive.¹⁵

But sound economic policy to cut greenhouse gas emissions does not automatically build popular support, nor does it guarantee success at the ballot box. The yellow vests movement in France, which partly grew out of resistance to President Macron’s plans of an eco-tax rise, have demonstrated this very clearly. Protests forced the President to reverse the policy and give up on his ambitious plan. Negotiating a political deal is one thing – winning over the public another. A “realpolitik” of just transition will have to strike a balance between those benefiting from the transition and those losing out, as jobs in incumbent industries such as coal-mining or even in the automotive industry will have to change in a low-carbon economy. It is the task of governments to address the legitimate grievances of those losing out and to offer workers and communities new perspectives and opportunities for the future.

At the same time, a global energy transition will increase energy security for most countries. A green economy powered by renewables will be less dependent on fossil fuel imports and, thus, on extracting countries which currently hold significant international bargaining power. For

13. STERN, NICHOLAS (2006): *The Economics of Climate Change: The Stern Review*, https://webarchive.nationalarchives.gov.uk/20100407172811/http://www.hm-treasury.gov.uk/stern_review_report.htm

14. Compared with business-as-usual, bold climate action is estimated to yield in economic gains, new jobs and improved wellbeing for people worldwide (a). Bringing emissions down can help save costs elsewhere and in addition, costs for investments in new technologies will fall over time (b).
(a) Cf.: The Global Commission on the Economy and Climate (2018): *Unlocking the inclusive growth story of the 21st century: Accelerating climate action in urgent times*, The New Climate Economy, <https://newclimateeconomy.report/2018/>
(b) Cf.: WOLTERS, STEPHAN & TÄNZLER, DENNIS (2016): *Diplomacy: Catalyzing the Climate Economy*, Climate Diplomacy Brief. Berlin: adelphi, <https://www.adelphi.de/en/publication/diplomacy-catalyzing-climate-economy>

15. Net effects for the economy from inclusive and sustainable economic growth in line with the climate goals are positive. Costs of ambitious climate action are expected to be overcompensated (a). Investments in renewable energies and climate protection goes hand in hand with innovation. Wages and GDP are expected to rise in a world where the climate is being protected (b).
(a) Cf.: OECD (2017): *Investing in Climate, Investing in Growth*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264273528-en>
(b) Cf.: German Environment Agency (2019): *Economic Opportunities of Climate Action*, UBA Short Report, 16/2019, https://www.umweltbundesamt.de/sites/default/files/medien/1410/publikationen/2019-05-07_texte_16-2019_chancen-klimaschutz_kurzbericht_en.pdf

example, greater independence from fossil fuel imports saved the European Union 16 billion Euros in 2015, rising to 58 billion Euros by 2030.¹⁶ However, as the world is weaning itself off its reliance on fossil fuels, energy-exporting countries, such as Russia and Saudi Arabia, will face severe challenges to their national economic models.

“Foreign policy has to play a decisive role in the transition to a low-carbon world because ‘the global energy transformation driven by renewables will have significant geopolitical implications.’”

Consequently, foreign policy has to play a decisive role in the transition to a low-carbon world because “the global energy transformation driven by renewables will have significant geopolitical implications”.¹⁷ Its role will mainly consist of facilitating dialogue and exchange with key international partners on the opportunities and challenges of the low-carbon transition. While energy-exporting countries will face economic and, hence, social impacts from decarbonisation, energy-importing countries – not least in the developing world – likely stand to benefit from the envisioned change.

International institutions are decisive for the effective implementation of the *Paris Climate Agreement* and for monitoring countries’ successes in cutting emissions. First and foremost, the UNFCCC is responsible for steering the agenda. Equally important are international energy institutions such as IRENA and the *International Energy Agency* (IEA), but institutions in other policy areas play an equally important role by creating favourable framework conditions for a transition, for example in trade and finance policy. These interconnections show how energy and climate diplomacy can build trust and confidence between countries, support collaboration, promote decisive action and monitor the implementation

of measures promised by stakeholders. Diplomacy can also play a crucial role in facilitating knowledge transfer and promoting best practices, including through international organisations and agencies. While the day-to-day operation of these formats of international cooperation is left to specific ministries, there is an important role for foreign policy in advocating close coordination between different policy areas to streamline a country’s international activities. Additionally, foreign policy can help “translate” between the different approaches and motivations of countries in the low-carbon transition, thus supporting them to efficiently and effectively manage the transition.

The Challenges of a Just Transition

The main barriers to realising the collective benefits of the low-carbon transition are found primarily in national political economies. Incumbent industries – fossil fuels, the automotive sector, energy-intensive industries, etc. – defend their status, interests and current business models. Additionally, populist parties and politicians are starting to question the necessity and validity of climate policy, as demonstrated by the Trump administration in the United States and the Bolsonaro government in Brazil. Climate denialism is resurgent in right-wing populist movements and parties across Europe. Frequently, it is coupled with a rise in identity politics, undermining social cohesion and questioning multilateralism.

“Climate denialism is resurgent in right-wing populist movements and parties across Europe. Frequently, it is coupled with a rise in identity politics, undermining social cohesion and questioning multilateralism.”

Populist movements and parties around the world actively seek to undermine the global multilateral system by questioning its advantages, eroding trust in it and weakening its reliability. Populism often arises as a result of unmanaged economic change processes which create uncertainty among the population with regards to individual opportunities and prosperity. In such scenarios it is easy for populist and nationalist movements to win people over by blaming (elitist) climate policy for a

16. European Commission (2017): *Renewable Energy Progress Report*, COM(2017) 57 final, p. 2, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52017DC0057&qid=1488449105433&from=EN>, and cf.: Öko-Institut (2017): *Study on Technical Assistance in Realisation of the 2016 Report on Renewable Energy, in preparation of the Renewable Energy Package for the Period 2020-2030 in the European Union*, ENER/C1/2014-688, https://ec.europa.eu/energy/sites/ener/files/documents/res_study-task_3_res_report_final_22_12_2017.pdf

17. Global Commission on the Geopolitics of Energy Transformation (2019): *A New World The Geopolitics of the Energy Transformation*, IRENA, p. 72, http://geopoliticsofrenewables.org/assets/geopolitics/Reports/wp-content/uploads/2019/01/Global_commission_renewable_energy_2019.pdf

range of related or unrelated economic and social developments. This increases the risk of rolling back climate policy and slowing down the low-carbon transition, making it difficult for centrist parties to advocate for greater climate ambitions. At the same time, attacks on decarbonisation policies can spill over into the international sphere, making it much harder to implement the commitments of the *Paris Climate Agreement*.

Policy-makers and politicians across Europe and North America advocating for an energy transition are also faced with the challenge of regional economic inequalities which have become too politically dangerous to ignore.¹⁸ While some regions and metropolitan areas are pulling ahead, others are falling behind significantly. In this situation, political measures to facilitate a carbon-neutral economy add another layer of challenges and complexity. Consequently, it is vital for sub-national governance bodies at the regional and municipal level to become partners in the implementation of a (just) energy transition.¹⁹

Right-wing populist movements tend to exploit the uncertainty that is sometimes triggered by low-carbon policies and create a narrative around the socio-economic and cultural dimensions of structural change, using disinformation as part of their political communications strategies.²⁰ An important aspect of this narrative is to spread doubt around the fact that the climate crisis is man-made – despite unequivocal scientific evidence to the contrary – and to actively communicate this false narrative.²¹ This undermines informed, fact-based public and political discourse, pitches facts against felt truths and gives rise to an increasingly polarised public debate

on key issues. Where public figures like Greta Thunberg energise many, others see her as the personification of climate hysteria.²²

Energy and climate diplomacy has to take all these factors into account. It has to engage with a variety of stakeholders and interest groups at the local, national and international level, and to address the following three challenges:

- Firstly, the potential economic gains of the energy transition are great, but are subject to mediating complex conflicts of interests. A foreign policy pursuing just transition objectives will have to engage with and coordinate a great variety of stakeholders with often competing views on the energy transition (**coordination challenge**).
- Secondly, there is a permanent risk of conflict and political backlash to the energy transition due to the rise of populism and geopolitical shifts in the international system (**stability challenge**).
- Thirdly, issues around culture and identity on the one hand, and disinformation strategies by populist forces on the other, play an increasingly important role in structural transitions which demand a carefully constructed policy and engagement agenda (**discursive challenge**).

18. “Crisis-driven economic insecurity is a substantial driver of populism and political distrust.” In Europe, sub-national regions that suffered from the Great Recession of 2009 by increased unemployment encounter rising voting shares for anti-establishment, especially populist parties. Cf.: ALGAN, YANN et al. (2017): *The European Trust Crisis and the Rise of Populism*, Brookings Papers on Economic Activity, BPEA Conference Drafts, https://www.brookings.edu/wp-content/uploads/2017/09/4_alganetal.pdf

19. Cf. sub-national governments who declared to phasing out existing unabated coal power generation and business who declared to powering their operations without coal, https://poweringpastcoal.org/about/Powering_Past_Coal_Alliance_Members

20. Cf.: BEGLEY, SHARON (Aug. 13, 2007): *The Truth About Denial*, Newsweek, www.newsweek.com/1d/32482

21. “The consensus that humans are causing recent global warming is shared by 90%–100% of publishing climate scientists according to six independent studies”, COOK, JOHN et al. (2016): *Consensus on consensus: a synthesis of consensus estimates on human-caused global warming*, Environmental Research Letters Vol. 11 No. 4, <https://iopscience.iop.org/article/10.1088/1748-9326/11/4/048002/pdf> & A study on the scientific literature examined 928 articles on climate change published in peer-

reviewed journals between 1993 and 2003. It found that none of these articles disagreed with the main conclusions of the *Intergovernmental Panel on Climate Change* (IPCC). The study concludes that “there is a scientific consensus on the reality of anthropogenic climate change. Climate scientists have repeatedly tried to make this clear. It is time for the rest of us to listen.”, ORESKES, NAOMI (Dec. 03, 2004): *Beyond the Ivory Tower: The Scientific Consensus on Climate Change*, Science, 306, p. 1686, <https://science.sciencemag.org/content/sci/306/5702/1686.full.pdf> See also: DORAN, PETER & ZIMMERMANN, MAGGIE (Jan. 20, 2009): *Examining the Scientific Consensus on Climate Change*, EOS, Vol. 90, No. 3, pp. 22-23, <https://www.ucsusa.org/sites/default/files/legacy/testfolder/aa-migration-to-be-deleted/assets/delete-me/documents/delete-me/ssi-delete-me/ssi/DoranEOS09.pdf>

22. Cf.: WATTS, JONATHAN (July 05, 2019): ‘Biggest compliment yet’: Greta Thunberg welcomes oil chief’s ‘greatest threat’ label, The Guardian, <https://www.theguardian.com/environment/2019/jul/05/biggest-compliment-yet-greta-thunberg-welcomes-oil-chiefs-greatest-threat-label>, and: CONNOLLY, KATE (May 14, 2019): *Germany’s AfD turns on Greta Thunberg as it embraces climate denial*, The Guardian, <https://www.theguardian.com/environment/2019/may/14/germanys-afd-attacks-greta-thunberg-as-it-embraces-climate-denial>

IV. Natural Allies: Just Transition and Foreign Policy

Foreign Policy as a Vehicle for Just Transition Policies

At first glance, addressing a just transition to a low-carbon economy may not be the most fitting task for diplomacy. After all, it has to deal with very local problems – notably structural economic transitions at the regional level. However, both the climate and the just transition challenges are global. As the Secretary-General of the *International Trade Union Confederation (ITUC)*, Sharan Burrow, aptly put it, “there are no jobs on a dead planet”.²³ The cross-border nature of the climate challenge requires international agreement and action, as well as exchanges on and the effective sharing of good practice and mutual learning. Examples of such processes include the *European Coal Regions in Transition Platform* and the *Powering Past Coal Alliance*.

Governing a Global Just Transition

For the reasons outlined above, a just transition is a global challenge which requires a multilateralist approach and which benefits from mutual learning and joint action.

Experts agree that limiting global temperature increases to 1.5°C is feasible if as many countries as possible (especially in the G20 and in the *Organisation for Economic Co-operation and Development (OECD)*) act quickly, using every means at their disposal. The sooner and the larger the number of countries that participate in climate action, the cheaper and more successful the transition will be for all. Energy transition diplomacy can act as a form of soft power in this process. The experiences of countries and regions with structural transition policies need to be shared among the relevant stakeholders to help avoid repeating mistakes, to inspire action and to help implement the *Paris Climate Agreement*.

“By making a just transition a global issue it becomes more difficult for national populist forces to exploit people’s grievances in regions affected negatively by the low-carbon transition.”

Foreign policy can engage in actively managing a just transition through established multilateral bodies and, potentially, by expanding their roles. This could involve establishing platforms for exchange on the issues mentioned in this Policy Brief. Part of such processes could also be the creation of dedicated funding schemes for

European Coal Regions in Transition Platform

A platform involving European coal-mining regions that was launched by the European Commission. It adds a social justice perspective to the ongoing dialogue on technological and economic issues in the respective working groups.²⁴

Powering Past Coal Alliance (PPCA)

A global alliance of national and sub-national governments, businesses and organisations committed to action on coal phase-out, spurring clean growth and avoiding catastrophic climate change.²⁵

Solidarity and Just Transition Silesia Declaration

At the *United Nations (UN)* climate summit in Katowice (COP24), the host country, Poland, invited heads of state to adopt a ministerial *Solidarity and Just Transition Declaration*²⁶ calling for a fair deal for coal workers and communities affected by the energy transition.^{27,28}

23. Cf.: ITUC (2015): *Climate Justice: There are no jobs on a dead planet*, Frontlines Briefing, ituc-csi.org/IMG/pdf/ituc_frontlines_climate_change_report_en.pdf

24. European Platform on coal regions in transition (2018): *Structural Support Action for Coal and Carbon Intensive Regions*, Factsheet, https://ec.europa.eu/clima/sites/clima/files/docs/pages/initiative_5_support_en_1.pdf

25. Powering Past Coal Alliance (PPCA), <https://poweringpastcoal.org/>

26. Council of the European Union (Nov. 23, 2018): *Solidarity and Just Transition Silesia Declaration*, 14545/18, https://www.parlament.gv.at/PAKT/EU/XXVI/EU/04/42/EU_44223/imfname_10859196.pdf

27. Cf.: ITUC (2015): *Unions support Solidarity and Just Transition Silesia Declaration*, <https://www.ituc-csi.org/unions-support-solidarity-and-just?lang=en>

28. Cf.: IDDRI (2018): *The Just Transition Silesia Declaration - Stepping up the transition and anticipating the redevelopment needs*, <https://www.iddri.org/en/publications-et-evenements/billet-de-blog/declaration-de-silesie-sur-la-transition-juste-la>

an international just transition (similar to the *Green Climate Fund*, for example). Both practical policy issues and questions of international justice in the low-carbon transition lie at the heart of a foreign policy agenda for a just transition. By making a just transition a global issue it becomes more difficult for national populist forces to exploit people’s grievances in regions affected negatively by the low-carbon transition. Just transition can be made into a global issue by addressing people in the affected regions directly, including, for example, through dialogues, engagements and workshops sponsored by foreign governments in collaboration with local civil

society. This approach is particularly helpful if national governments are actively undermining climate action and withdrawing support from civil society.

Finally, a diplomatic agenda for a just transition has to address the increasingly turbulent international environment. The low-carbon transition is taking place amid increased competition for natural resources such as rare earth elements, the rollback of environmental and climate policies, and as risks to the stability of fossil fuel-producing and exporting countries increase.²⁹

California - A New Social Contract for a Low-Carbon Transition

California is pursuing ambitious climate policy objectives. In 2016, Senate Bill 32 enshrined into law the reduction of greenhouse gas (GHG) emissions to 40% below 1990 levels within a decade. It also entailed a commitment to double the climate efforts by the largest and most populous state of the US by 2050. However, given the sheer size of the necessary effort, criticism on the sustainability of these measures quickly emerged, raising economic, employment and judicial concerns. Scientists and environmental groups, therefore, suggested developing a new social contract “that both maximizes the benefits of low-carbon economic development and minimizes the risks to working people and disadvantaged communities.” Their *Climate Policy Equity Framework* envisioned connecting labour and environmental justice advocates to jointly overcome their disagreements. Through platforms like this, regulatory and business practices can be developed to simultaneously address economic, climate and social equity goals. The case of California shows the importance of coalition-building between policy-makers, environmental and labour advocacy groups to form lasting alliances for a strong climate and social equity agenda - in particular in cases when a national government does not address these issues.

Cooperation and Mutual Learning

So far, international climate negotiations have only marginally dealt with social and economic issues – and have hardly addressed labour considerations at all.³⁰ A just transition discourse is slowly emerging in the context of the implementation of the *Paris Climate Agreement*,

which makes explicit reference to it.³¹ Considerations of a just transition have also been largely absent from energy transition policies as they have mainly dealt with expanding renewable energy capacity and improving energy efficiency. As such, there is no blueprint for successfully managing a just transition out of the old and into the new energy world – one based on renewable energy, ambitious climate action and just transition policies. Yet international exchange of best practice is necessary as “many coal-producing countries around the world today face (or in the future will face) similar challenges.”³² Several examples of transition processes in coal-mining regions, such as in the Canadian province

29. Should technological breakthroughs bring about rapid, disruptive change, unstable fossil fuel-producing states such as Venezuela or Algeria might not have time to adapt, which could result in internal conflicts spilling over to neighbouring countries. The more politically unstable a country is, the more challenging the transition will become. Cf.: GOLDTHAU, ANDREAS & WESTPHAL, KIRSTEN (May 02, 2019): *How the energy transition will reshape geopolitics*, Springer Nature Limited, Vol. 56, pp. 29-31, https://www.nature.com/articles/d41586-019-013125-epdf?author_access_token=Scz6pb0n73XqJsMbCRb1U9RgNojAjWel9jnR3ZoTvoNy2YWsriVkbPfm_5zxSxzWJotxQIRAAySPibZCOZpU-miGdUKkwcZ9lS0oKTzjowKyoYuisfikzfVbLfqai23vUrU4MpnTN86jhGh2YJJaA%3D%3D
30. Cf.: ROSEMBERG, ANABELLA (2010): *Building a Just Transition: The linkages between climate change and employment*, in: ILO (2010): *Climate change and labour: The need for a “just transition”*, International Journal of Labour Research, Geneva, Vol. 2, Issue 2, pp. 125-161, https://www.ilo.org/wcmsp5/groups/public/@ed_dialogue/@actrav/documents/publication/wcms_153352.pdf

31. UNFCCC (2015): *Paris Agreement* https://unfccc.int/sites/default/files/english_paris_agreement.pdf
32. WEHNERT, TIMON et al. (2019): *Challenges of Coal Transitions. A comparative study on the status quo and future prospects of coal mining and coal use in Indonesia, Colombia and Viet Nam*, German Environment Agency, Climate Change 07, p. 12, https://epub.wupperinst.org/frontdoor/deliver/index/docId/7275/file/7275_Coal_Transitions.pdf

of Alberta and in the Lusatia region in Eastern Germany, have highlighted the need for negotiated settlements with a broad group of stakeholders – but they also clearly demonstrate the limits of such approaches, born as they

are of specific (non-replicable) local contexts, subject to changing political majorities and uncertainty in the transitional environment for short- and medium-term perspectives.³³

Canada - A Just Transition Strategy for Alberta's Coal Workers

In 2017, the Canadian province of Alberta struck a deal with the utilities affected by the provincial government's plans to phase-out coal by 2030. This was possible although more than half of Alberta's electricity at the time was produced by coal, and a third of its coal-fired power plants were projected to operate far beyond the 2030 horizon. Government officials negotiated a new electricity market design which involved subsidies allowing utilities to switch from coal to gas. Furthermore, the agreement foresees a fully-funded workers' transition programme (e.g. training, relocation allowances, with employment insurance top-up and at least three years of income support).³⁴ In the subsequent regional election in April 2019 the governing *New Democratic Party* (NDP) lost to the *United Conservative Party* (UCP). Whereas the NDP initiated much of the above-mentioned climate action following their landslide election win in 2015, the UCP ran on an anti-decarbonisation ticket, pledging to repeal the province's carbon tax, ease the emission caps on oil sands, and even stop the phase-out of coal-fired power plants. Now in government, the UCP has not yet moved measures on this agenda.

Foreign Policy Discourse

A new agenda for public diplomacy around a just transition would help advance the global low-carbon transition. In this context it is vital to emphasise the opportunities it offers. Likewise, evidence-based communications and the engagement of scientists can help support an informed debate on the climate challenge.³⁵

“Public diplomacy agenda could showcase the tangible (co-)benefits of a low-carbon economy: improved health due to less air pollution, stimulation of innovation, investment and employment as well as a more equitable distribution of the benefits and burdens of the transition within countries.”

Part of such a public diplomacy agenda could also be the showcasing of the tangible (co-)benefits of a low-carbon economy, such as improved health due to less air pollution³⁶, stimulation of innovation, investment and employment³⁷ as well as a more equitable distribution of the benefits and burdens of the transition within countries³⁸. Good practices of multi-stakeholder dialogues – including their weaknesses – as outlined for California or Germany (see boxes) can also be shared and discussed.

Democratic Legitimacy and Innovation

A just transition towards a decarbonised and sustainable economy has to address regional disparities and global inequalities. Inclusive processes are necessary to provide democratic legitimacy, to address questions of justice and fairness, and to discuss possible local and regional development options alongside their financing. Current policy-making models seeking to address the negative

33. Cf.: BÉLA GALGÓCZI (2018): *Just transition towards environmentally sustainable economies and societies for all*, ILO ACTRAV Policy Brief, https://www.ilo.org/wcmsp5/groups/public/-/ed_dialogue/-actrav/documents/publication/wcms_647648.pdf

34. Cf.: Alberta Federation of Labour (2017): *Getting it right: A Just Transition Strategy for Alberta's Coal Workers*, Alberta Federation of Labor (AFL), https://d3n8a8pro7vnm.cloudfront.net/afl/pages/3043/attachments/original/1488233038/getting_it_right_lowres_feb27.pdf?1488233038

35. Cf.: ASAYAMA, SHINICHIRO et al. (2019): *Why setting a climate deadline is dangerous*, Nature Climate Change, Vol. 9, pp. 570-572, https://www.nature.com/articles/s41558-019-0543-4.epdf?shared_access_token=lemqADXjp59Xe4vx9SYpMtrRgNojAjWel9jnR3ZotvoPHAltqILLrm_HHBm_TdKN2W4fclucYeFPpFPspe4YZCMx6e3jOvyKFNEN4tDVEshyphkjCeaXw5HrYv5x1N4z6OOPAIKiCrowdURrPb_LMA%3D%3

36. SCOVRONICK, NOAH et al. (2019): *The impact of human health co-benefits on evaluations of global climate policy*, Nature Communications, 10:2095, <https://doi.org/10.1038/s41467-019-09499-x>

37. Cf.: “Germany's climate action policy led to significant cost decreases in a variety of sectors, promoted innovation, stimulated material and resource productivity, and strengthened security of supply”, German Environment Agency (2019): *Economic Opportunities of Climate Action*, UBA Short Report, 16/2019, p. 8, https://www.umweltbundesamt.de/sites/default/files/medien/1410/publikationen/2019-05-07_texte_16-2019_chancen-klimaschutz_kurzbericht_en.pdf

38. Cf.: The Global Commission on the Economy and Climate (2018): *Unlocking the inclusive growth story of the 21st century: Accelerating climate action in urgent times*, The New Climate Economy, <https://newclimateeconomy.report/2018/>

impacts of structural change often neglect the role of citizens and civil society. There is a rich and fruitful debate emerging on the potential of deliberative democracy and public decision-making, and how it might help address the root causes of populism.³⁹

Placing greater emphasis on building a culture of evidence-based public decision-making and involving civil society will help build public understanding, and confer greater and much-needed legitimacy on politics.⁴⁰ It will help strengthen democratic institutions and rebuild trust in those areas where a significant part of the population feels that politics and economics in a globalised world are not working for them. This requires bold efforts by national and regional executives, dispersing their power, and thinking bottom-up when dealing with the consequences of structural change.

At the same time, to be credible, just transition measures and policies have to go hand-in-hand with the actual implementation of effective regulation and policies at the national level. These should include, for example, phasing out subsidies for fossil fuels, ambitious and transparent carbon pricing, and legally binding targets for renewables and energy efficiency.⁴¹ These interventions, in turn, need to be balanced by measures which prevent lower-income households from being unduly burdened. Necessary interventions might include the disbursement of a ‘climate dividend’, improving public transport to decrease people’s reliance on cars, or the mandatory retrofitting of rental homes with landlords bearing the bulk of the costs. Such approaches are necessary to prevent lower-income households from paying a disproportionately higher share of their disposable income towards the energy transition.

Germany’s Coal Commission

In 2018, Germany set up the *Commission on Growth, Structural Change and Employment* (colloquially referred to as the “Coal Commission”) to address the German coal phase-out and to build a broad consensus on the modalities of implementation. Among the Commission’s primary objectives were the development of transition plans for the economic future of lignite-mining regions and the identification of strategies for reconciling climate action with economic development. The *Coal Commission* agreed on 2038 as the final phase-out date, and drew up a roadmap for achieving this objective. Fixed review dates may make an earlier phase-out possible.

The compromise received broad societal acceptance as it was negotiated between competing interest groups, including regional government representatives, industry associations, trade unions, environmental organisations, civil society and researchers. This process made it clear that the coal phase-out must go hand-in-hand with measures to address and enable structural change in the affected regions. The Coal Commission’s report estimates that approx. 40 billion Euros, distributed over 20 years, will be needed to support structural transition processes in Germany’s coal-mining regions, with additional resources required for social and retraining measures. The government committed itself to implement the Commission’s recommendations and, at the time of publication of this paper, is working on translating them into legislation. A treaty which will be binding beyond the current government is supposed to secure the outcomes of the Commission’s work and to ensure that the affected regions benefit from the agreed support measures. The eventual amount of transfer payments notwithstanding, it is clear that this public money needs to be spent wisely, e.g. on infrastructure, public transport and other local services, schools, the creation of high-tech hubs and clusters, as well as on facilities which increase the attractiveness of the region for investors and employees.⁴²

39. CHWALISZ, CLAUDIA (2017): *The People’s Verdict Adding Informed Citizen Voices to Public Decision-Making*, Rowman & Littlefield, London.

40. Cf.: TAYLOR, MATTHEW & THOROLD, RILEY (2019): *How would a Citizens’ Assembly on Brexit work?*, Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA), <https://www.thersa.org/discover/publications-and-articles/rsa-blogs/2019/04/brexit-assembly>

41. BASSI, SAMUELA et al. (2017): *Credible, effective and publicly acceptable policies to decarbonise the European Union*, Final report, Grantham Research Institute on Climate Change and the Environment & Centre for Climate Change Economics and Policy, <http://www.lse.ac.uk/GranthamInstitute/wp-content/uploads/2017/12/Credible-effective-and-publicly-acceptable-policies-to-decarbonise-the-European-Union-Final-report-2.pdf>

42. Commission on Growth, Structural Change and Employment (2019): *Final Report*, Federal Ministry for Economic Affairs and Energy (BMWi), https://www.bmwi.de/Redaktion/EN/Publikationen/commission-on-growth-structural-change-and-employment.pdf?__blob=publicationFile&v=3

Thus, developing, implementing and communicating such redistributive measures can help build public support for the transition.

Values-based foreign policy should seek to stimulate this kind of decision-making by supporting and enabling the establishment of tailored mechanisms at the national and international level. Foreign policy can promote principles such as democratic participation and accountability in the global energy transition – principles which tend to generate greater public support and legitimacy than technocratic, top-down decision-making processes.

Leading by Example

Promoting a national and global energy transition requires leading by example. Hence, national policies need to be consistent with what is being advocated internationally.

Germany, with a high share of renewable energy and plans to phase out coal and introduce carbon pricing legislation, continues to be closely observed for its climate action and energy transition.

Thanks to regulatory changes, an increasingly effective EU emissions trading system, falling gas prices and a rising share of renewable energy, more and more of Germany's coal power plants have ceased operation and GHG emissions are therefore slowly declining. Germany will nonetheless miss its own 2020 GHG emissions reduction target of 40 per cent compared to 1990 levels by several percentage points. While the consensus-based timeline, including review dates, for Germany's coal phase-out seems to be fixed, the energy market could yet pave the way to an even earlier phase-out of coal. Furthermore, as of the time of the publication of this paper, the German government was determined to introduce national carbon pricing legislation which would facilitate the reduction of GHG emissions from the transport and heating sectors.

“Placing greater emphasis on building a culture of evidence-based public decision making and involving civil society will help build public understanding, and confer greater and much-needed legitimacy on politics.”

European Green Deal

President-elect of the EU Commission, Ursula von der Leyen, pledged to implement a *European Green Deal* within her first 100 days in office, raising expectations that the EU will once again become a global climate leader. According to von der Leyen this deal will be accompanied by a *European Climate Law* to ensure the continent's climate neutrality by 2050. She is also planning to include the transport and building sectors in the *European Emissions Trading System* (ETS) and to introduce a “carbon border tax”. Such a border carbon adjustment policy is supposed to avoid the relocation of carbon-intensive production facilities to non-EU countries (“carbon leakage”). These efforts mirror the vision of a new industrial strategy and a circular economy to decarbonise energy-intensive sectors. To finance these efforts the EU's cohesion funds are intended to support disadvantaged regions as they embrace the transition process. A *Green Finance and a Sustainable Europe Investment Plan* will also facilitate the transition across the wider European economy. Von der Leyen is also planning to turn the *European Investment Bank* into a *European Climate Bank*.⁴³

43. VON DER LEYEN, URSULA (2019): *A Union that strives for more. My agenda for Europe. Political Guidelines for the next European Commission 2019–2024*, https://ec.europa.eu/commission/sites/beta-political/files/political-guidelines-next-commission_en.pdf

V. Policy Recommendations

A holistic policy approach encompassing environmental, social and economic considerations is a prerequisite for the success of the just transition agenda – both at the national and global level. Multi-stakeholder approaches involving policy-makers, civil society, trade unions and industry representatives can create legitimacy for processes wherein the terms and conditions of a just transition are negotiated, such as for coal phase-out processes and for the transformation of other high-carbon sectors. The policy recommendations in this Policy Brief cover multiple dimensions, aiming to empower foreign policy as an actor of change in the just transition discourse, using multilateralism and efficient governance structures. This Policy Brief has analysed existing practices and identified possible common approaches to a successful and fair energy transition – one which stabilises and reinforces democratic structures. Finally, to effectively mainstream policy measures and good practices, the recommendations provide compelling narratives for the debate about a just energy transition.

1. Governance: Foreign Policy as an Actor of Change

Foreign policy can position itself as a **multilateral facilitator of global governance on sustainable development and a just transition**. Taking example from Germany’s approach in its UN security council presidency in 2020, where it is focussing on climate security, thus an agenda-setting approach can place just transition into the spotlight of important foreign policy fora, organisations and processes.⁴⁴

Another role for foreign policy could be the introduction of **working groups within foreign ministries to mainstream low-carbon, just transition perspectives** across different parts of a ministry (policy units, country desks and security services). This would allow a linking of these issues to the international security agenda as

well as to stabilisation operations and human rights work. At the same time, these working groups would increase awareness of the links between energy and security issues, thus allowing diplomats to effectively analyse and report on sensitive issues so that potentially destabilising developments can be recognised early on.

Foreign policy is also in a unique position to **add a human rights perspective to energy and climate policy** – similar to what is already being done in trade policy. One possible approach could be to build an international alliance that promotes a just transition from a human rights and democratic values perspective. Such an alliance could also dedicate itself to the sharing of best practices, the compliance of decarbonisation policies with human rights and labour standards as well as to targeted communication activities.

2. Europe as a Leading Example

The idea of a *European Green Deal*, combined with the focus of the current Finnish EU presidency on bold climate action and better social inclusion, can **revive the idea of the EU as a global leader on climate policy, including a just transition**, whose experience can serve as an example for other regions and countries in the world. This can succeed on the condition that there is a coherent programme which encompasses all relevant policy areas and actors relevant to a just transition.

In this context **the EU’s immediate neighbours are one of the most obvious starting points**, given the importance of coal in countries such as Ukraine, Kosovo or Serbia. Making the *European Green Deal* an integral part of European Neighbourhood (and/or Accession) Policy is a logical next step towards policy coherence and in supporting a large-scale transition towards sustainable energy.

In addition, **the European Coal Regions in Transition Platform should be strengthened** to realise its full potential. Adding an international component to its work would help promote the international exchange of good practices and lessons learnt beyond Europe’s borders and with other countries and regions who are critical for achieving global climate and development goals.

44. Cf.: German Federal Foreign Office (May 31, 2019): *Climate change as a security risk – Berlin Climate and Security Conference*, Article, <https://www.auswaertiges-amt.de/en/aussepolitik/themen/klima/climate-and-security-conference/2223248> & WETTENGEL, JULIAN (Dec. 21, 2018): *Germany aims to put climate into focus at UN Security Council*, Clean Energy Wire, <https://www.cleanenergywire.org/news/germany-aims-put-climate-focus-un-security-council>

Moreover, a *European Green Deal* could be an appropriate instrument to **initiate a low-carbon transition in the transport sector** where similar, if not more drastic, structural transition policies are as urgently needed as in the energy sector.

Through the **European Economic and Social Committee (EESC) and the Committee of the Regions (CoR)**, the European Union already has at its disposal mechanisms designed to engage with those most affected by transitions. Through their membership of a wide range of societal groups, these bodies convene those actors who will be essential for mobilising, explaining and implementing just transitions. The *European Council*, particularly the upcoming presidencies, should aim to **strengthen these two institutions and establish a structured dialogue on questions of decarbonisation, climate action, and a just energy transition**.

Additionally, the EU should host a “**Just Transition Summit**”. One first step for the incoming council presidencies could be to merge the relevant council configurations to review and strengthen the EU’s just transition programme and create the necessary visibility for the issue.

Finally, EU Member States should engage with the incoming European Commission, particularly the *High Representative of the Union for Foreign Affairs and Security Policy*, and with the *European External Action Service (EEAS)*, to **create and shape a common European energy foreign policy that reflects the just transition agenda**. It might be worthwhile to **update the EU Energy Diplomacy Action Plan** of July 2015 to share European experiences as good practice examples (such as the *Coal Regions in Transition Platform*) and to inspire action in other countries.

3. Inclusive Approaches for Successful Coalitions for Change

Relevant organised interests have long grown beyond national boundaries. Initiatives such as Fridays for Future, organisations such as the *International Trade Union Confederation (ITUC)* and sub-national authorities have joined states as relevant actors in international decision-making processes and fora. Many of the issues they address can only be tackled through global cooperation. **To make use of the expertise of these different actors, including**

at the international level, diplomacy can provide fora for exchange and the transfer of knowledge and experiences.

While nation states remain important as the formal pillars of the international system, diplomacy has to acknowledge the growing relevance and the legitimacy of non-state actors by formally including sub-national administrations and civil society organisations in international deliberations. The task of enabling a just transition globally calls for **new partnerships**. Frontrunners should work together and mainstream the issue in global fora. Integrating as they do a variety of relevant policy fields, the **G7 and G20** are the prime fora to promote a just transition agenda in international energy and climate policy – and beyond. However, with the presidencies respectively held by the United States and Saudi Arabia next year it is likely that the priorities of these fora will be different. This makes it all the more important that frontrunners join forces to mainstream the issue of a just transition across workstreams, and use what opportunities arise in these and other fora to ensure the issue remains in the spotlight.

The Germany-born **Alliance of Multilateralists** could be used for promoting a just transition. With Germany, Canada and Chile, the Alliance includes three countries where the phase-out of coal is one of the most pressing political issues. By stressing the cross-boundary nature of the challenge, they can illustrate the relevance of multilateral decision-making and cooperation.

With just transition a concept originally born from international labour policy⁴⁵, organisations such as the **International Labour Organisation (ILO)** act as an important bridge between the different constituencies and interests of a just transition, including international politics, business, labour and civil society. Engaging in a high-level, systematic dialogue with the ILO will be an invaluable asset for foreign policy as it will demonstrate a willingness to help bring all sides together.

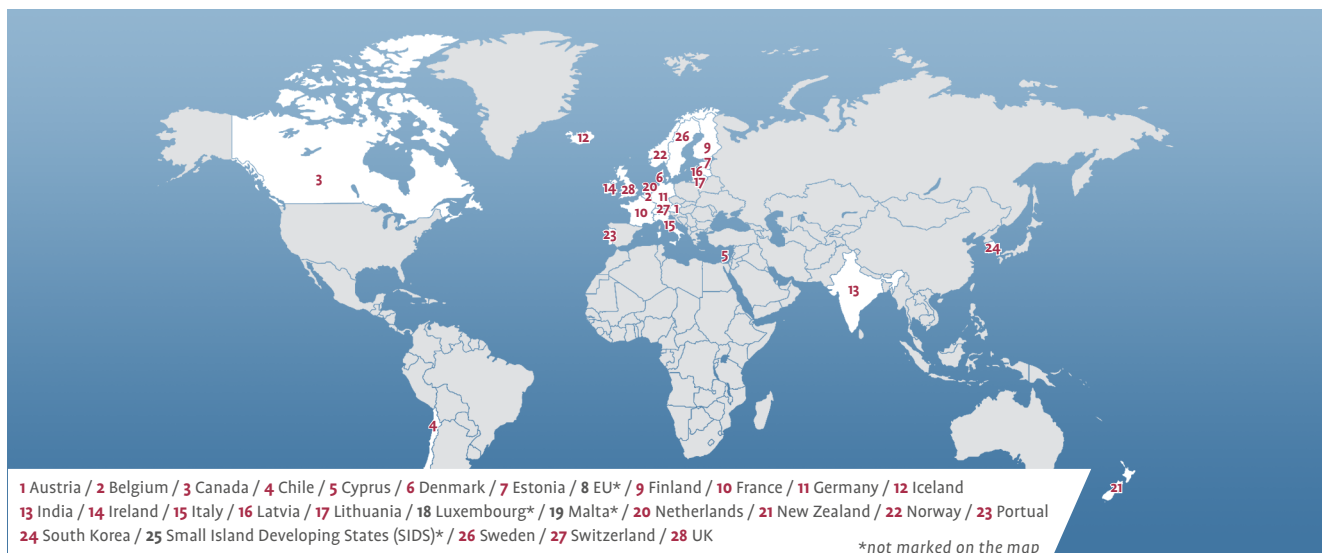
Those countries that have already embarked on a coal phase-out provide valuable examples and experiences that should be used to the full. Among others, the most relevant partners in that regard are **Canada, the United**

45. Cf.: ITUC (2015): *Climate Justice: There are no jobs on a dead planet*, Frontlines Briefing, ituc-csi.org/IMG/pdf/ituc_frontlines_climate_change_report_en.pdf

Kingdom, and **Chile**. Equally important are those countries whose economies rely on other fossil fuels and that are still committed to an energy transition. Examples here are the **Netherlands** and **Norway**. Finally, many developing economies are struggling to decarbonise in the light of a rapid increase in energy demand – the most striking example for this being **India**. With the country set to join the top five world economies in the foreseeable future, India has a unique role in shaping the global energy transition and just transition discourses. With its upcoming presidency of the G20 in 2022, it will also be

setting important trends in international politics in the coming years. At the same time, India is the third-largest coal exporter in the world and is still building coal-fired power plants. Equally, many other developing economies are being lured into coal dependency and high-carbon pathways through development loans and foreign investments. Foreign policy has to engage with these countries to illustrate the advantages of low-carbon development, leapfrogging, and a just transition. Additionally, foreign policy also needs to build alliances and unite potential partners to form successful coalitions for change.

Figure 2: Partners might include ...



4. Bold Public Diplomacy: Think Like a System, Act Like an Entrepreneur

Foreign policy is in a unique position to frame and promote public dialogue on a just transition. Through public diplomacy it is possible to **initiate a debate** on both the challenges and the opportunities of the low-carbon transition, and to **create an international narrative on its equity, prosperity and security dimensions**. A foreign policy perspective can be particularly helpful as it spans a range of policy areas and embraces a global perspective.

However, a foreign policy that embraces just transition has to **go beyond the conventional approaches of diplomacy**. Although the *Paris Climate Agreement* has proven that compromise can work for the planet, it has also shown how vulnerable such international agreements are to the pursuance of narrow national interests. Against

this background, the complex and disruptive nature of the energy transition and its socio-economic and political implications, in particular, make it indispensable to transcend conventional approaches to international politics. Managing the transition requires a **deeper engagement with citizens, businesses, local and regional leaders and civil society to build trust and confidence in a more sustainable and green economy**. This means that foreign policy will have to become bolder and go beyond workshop and conference diplomacy by giving citizens a voice in how to address the impact of structural change. Deliberative policy-making⁴⁶ can lead the way in addressing the root causes of nationalism and identity politics and helping to build a multilateral coalition of change for just transition action.

46. Cf.: FISHKIN, JAMES (2018): *Democracy When the People Are Thinking: Revitalizing Our Politics Through Public Deliberation*, Oxford Scholarship Online, <https://www.oxfordscholarship.com/view/10.1093/oso/9780198820291.001.0001/oso-9780198820291>

About the Authors



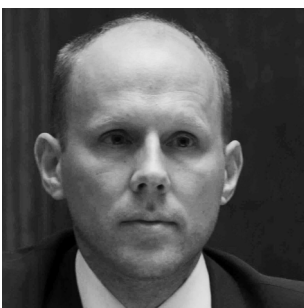
Dr. Florian Ranft is Head of the Programme “Structural Change” at *Das Progressive Zentrum* with a special focus on “Inclusive Growth” and “Future of Work”. He is the former Head of Policy and International at Policy Network, and a former Senior Research Analyst at the *Centre for Progressive Policy*, both think tanks based in London. Previously, Florian was a researcher and lecturer in political sociology and international relations at the Universities of Frankfurt and Greifswald.



Dr. Sabrina Schulz is a Policy Fellow at *Das Progressive Zentrum* in the “Structural Change” programme, and contributes to the topics of climate and energy policy, and European politics. In her day-job she works in the public banking sector for development and promotional finance. Previously she worked in London, Brussels, Washington D.C. and Ottawa in a variety of capacities. Sabrina studied Public Policy and Management in Konstanz, Louvain-la-Neuve and Potsdam, and holds a Masters and a PhD in International Politics from the University of Wales, Aberystwyth.



Johannes Uhl is a Project Director at the *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*, responsible for the agency’s projects on energy foreign policy. Previously, he worked as a policy officer at the *German Federal Foreign Office* and in the cabinet of the economics minister of the German state of Thuringia. Johannes holds a Masters Degree in Democracy and Comparative Politics from University College London, and studied Political Science and Physics in Berlin, Milan and London.



Dr. Philipp Wendel heads the unit in the *German Federal Foreign Office* which deals with the Foreign Policy Dimension of Energy Transition. His work focuses on the geopolitical implications of the *Energiewende* and on promoting renewable energy abroad. Previously, he was deputy head of mission at the German Embassy in Bamako, economic counsellor at the German Embassy in Rome, policy officer with a focus on transatlantic relations in Berlin, and spokesperson for the German Permanent Representation to NATO in Brussels and for the German Embassy in Kabul. Philipp holds various degrees in law including a Ph.D., an LL.M. and a *maitrise en droit*.



Fiona D. Wollensack is Visiting Fellow at *Das Progressive Zentrum* in the “International Relations” programme. She is a Policy Adviser at the *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*, where she focuses on renewable energy policy in Africa, and on African-European development cooperation. Her work with the DPZ includes topics such as Brexit, European sustainability strategies (including the 2030 Agenda) and European development policy, as well as European policy issues more generally. Before joining GIZ Fiona headed the Brussels office of an international strategy and communications consultancy.

Das Progressive Zentrum (DPZ)

is an independent, non-profit think tank founded in 2007, devoted to establishing new networks of progressive actors from different backgrounds and promoting active and effective policies for economic and social progress. It involves especially next generation German and European innovative thinkers and decision-makers in the debates. Its thematic priorities are situated within the three programmes “Future of Democracy”, “Structural Change” and “International Relations”, with a particular focus on European integration and the transatlantic partnership. The organisation is based in Berlin and also operates in many European countries (including France, Poland and Great Britain) as well as in the United States.

www.progressives-zentrum.org

mail@progressives-zentrum.org

Twitter: [@DPZ_Berlin](https://twitter.com/DPZ_Berlin)

Facebook: [www.fb.com/DasProgressiveZentrum](https://www.facebook.com/DasProgressiveZentrum)

**Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ)**

giz is a globally leading service provider in the field of international cooperation for sustainable development and international education work, with over 50 years of experience in a wide variety of areas, including economic development and employment promotion, energy and the environment, and peace and security. The diverse expertise of this federal enterprise is in demand around the globe – from the German Government, European Union institutions, the UN, the private sector and governments of other countries. GIZ works with businesses, civil society actors and research institutions, fostering successful interaction between development policy and other policy fields and areas of activity.

www.giz.de

info@giz.de

Twitter: [@giz_gmbh](https://twitter.com/giz_gmbh)

Supported by



Federal Foreign Office

“Policy Brief: Foreign Policy and the Just Transition”

is a joint publication by *Das Progressive Zentrum* and the *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*, supported by the *German Federal Foreign Office*. It is directed at political decision-makers and those who prepare decisions in ministries, parliaments and parties, but also at stakeholders from academia, economy and civil society within the foreign policy community. The views and opinions expressed in this article are those of the authors and do not necessarily reflect the official policy or position of *Das Progressive Zentrum*, *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*, or the *German Federal Foreign Office*.

A warm thank you to Prof. Dr. Maja Göpel, Policy Fellow, *Das Progressive Zentrum* and Secretary-General, German Advisory Council on Global Change (WBGU) // Dr. Maria Skóra, Head of the Programme “International Relations”, *Das Progressive Zentrum* // Alexander Reitzenstein, Visiting Fellow, *Das Progressive Zentrum* and Policy Advisor, E3G // Janis Prinz, Trainee in the Programme “Structural Change”, *Das Progressive Zentrum* // Sabrina Schärf, Desk Officer, Policy Planning Staff, German Federal Foreign Office // Nicolina Kirby, Project Assistant, *Das Progressive Zentrum* // Friedrich Opitz, Intern in the Programme “Structural Change”, *Das Progressive Zentrum* // Tallulah Gundelach, Intern, *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*, for their comments and editions.

© *Das Progressive Zentrum* e.V., 2019.

Published in Sept. 2019. All rights reserved. Reprinting or the use of any work from *Das Progressive Zentrum*, including excerpts, is not permitted without prior written consent.

ISBN 978-3-96759-001-2

V.i.S.d.P.: Dominic Schwickert
c/o *Das Progressive Zentrum* e.V.
Werftstraße 3, 10557 Berlin

Board: Dr. Tobias Dürr, Michael Miebach,
Katarina Niewiedzial

Executive Director: Dominic Schwickert

Layout: Daniel Menzel

Cover photo by Appolinary Kalashnikova on Unsplash