

Executive Summary: Just Transitions Monitoring Guide

Framework to assess the status of a just transition

ADVANCED VERSION

DOWNLOAD THE SUMMARY:

<https://climateactiontransparency.org/our-work/icat-toolbox/just-transitions-monitoring-guide/>

HIGHLIGHTS

- It is important to ensure that the transition towards a low-carbon, climate-resilient economy is just, and establishing a credible monitoring framework to track how it is being implemented can strengthen support for the transition.
- This guide provides high-level considerations for developing a framework to monitor social, economic and environmental indicators that reflect the state of the transition at the national, subnational and local level.
- A justice lens to monitor social, economic and environmental changes over time can help ensure no one is left behind in a transition.
- Just transition-related indicators help examine social, economic, and environmental changes among distinct groups of people (distributive justice); how inclusive the transition is (procedural justice); and efforts to address past inequities (restorative justice).
- This guide identifies steps that countries can take to better understand and monitor the progress towards achieving their just transition by identifying targets and indicators, collecting and analyzing data to gather insights, and communicating results to provide evidence, inform policies and facilitate a just transition.

CONTEXT

Climate policies may contribute to positive or negative, intended or unintended impacts across social, economic, and environmental dimensions. These may further exacerbate (or reduce) existing social and economic inequities. As countries transition to low-carbon and climate resilient economies and pursue development pathways aligned with the 1.5°C Paris goal, it is emphasized that this transition be implemented in a manner that is just and inclusive while minimizing negative social or economic impacts (UNFCCC 2023). A just transition towards net zero emissions, as agreed to in the Glasgow Climate Pact, can correct for and avoid perpetuating social, economic and environmental inequalities (Hickel and Slamersak 2022; UNFCCC 2015, 2022a). When shifting away from conventional and unsustainable production models, social and economic policies can provide support to communities, workers, vulnerable groups and businesses that are impacted by the transition.

ABOUT THE GUIDE

This publication provides guidance to monitor and analyse social, economic and environmental changes that may occur as countries implement policies to transition to low-carbon and climate

resilient economies. It employs the lens of justice—distributive, procedural, and restorative—to understand the changes for different groups. Identifying and tracking justice-related indicators can provide data and evidence to design policies that support positive outcomes for all affected stakeholders, minimise unintended and non-desirable changes, enhance transparency and accountability, build trust among stakeholders and facilitate access to finance. Without monitoring these indicators, decarbonization pathways can risk unintentionally causing harm to communities, perpetuating inequalities and triggering political resistance (Robins and Rydge 2019).

The guide provides a step-by-step approach to support the development of a monitoring framework that will enable governments to track the status of a just transition. Tracking key social, economic and environmental indicators shows changes over time and helps assess progress towards just transition targets. Similar to a national greenhouse gas inventory, a transition monitoring framework is a useful tool for monitoring changes in relevant indicators, but it alone cannot explain what is causing the changes. This guide does not provide a policy assessment tool meant to attribute impacts to specific policies; rather, it offers a methodology for monitoring the state of a transition to inform policy and practice. Monitoring may help identify where greater policy attention is needed when progress is off track, but it does not identify how specific policies affect people. The changes being observed may be due to a wide range of factors, including the implementation of policies as well as exogenous factors. The guide can be applied at different scales (e.g., national, regional, or subnational) and for tracking different kinds of social, economic and environmental changes. Although the guide draws mostly from social, economic and environmental changes accompanying climate mitigation actions, it can also be applied to monitor similar changes accompanying adaptation and resilience policies. The guide has been developed through a combination of desktop research, interviews and consultations, and exchanges and learnings from parallel national-level efforts to develop transition monitoring frameworks in Nigeria and South Africa.

This guide was designed for government agencies and ministries such as those responsible for development, climate planning, data management and finance, including national, subnational, regional or local jurisdictions. The recommendations and considerations could also be used by nongovernmental organisations, community service organizations and financial institutions to support government-led tracking efforts or better engage with the transition monitoring process.

UNDERSTANDING JUST TRANSITIONS

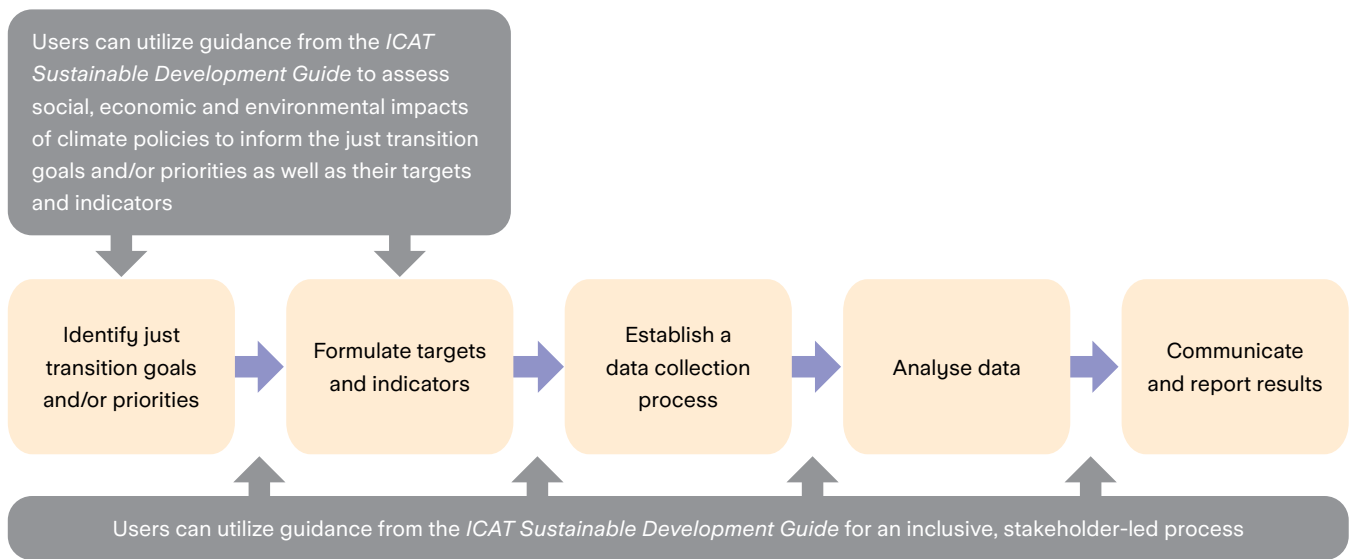
Chapter 2 provides a conceptual background to just transitions and different types of justice and introduces the monitoring framework as a method to track transitions. Although multiple definitions for *just transition* exist (Climate Justice Alliance n.d.; Denton et al. 2022; IEA n.d.; ILO 2021b; Just Transition Alliance n.d.), for the purposes of this guide, the term refers to addressing climate change in a fair and inclusive manner, creating decent work opportunities for all, leaving no one behind and managing challenges in the process through participatory approaches and social dialogue (ILO 2015, UNFCCC 2023).

FIVE KEY STEPS FOR MONITORING TRANSITIONS

Monitoring for just transitions entails using the lens of justice to track the social, economic and environmental changes facing communities, workers, vulnerable populations, businesses, and other groups. The guide outlines the following steps for monitoring (Figure ES-1):

1. Develop just transition–related goals and/or priorities.
2. Formulate targets and key social, economic and environmental indicators.
3. Establish a data collection process.
4. Analyse data to understand trends and progress.
5. Communicate information to reflect progress.

Figure ES-1 | Key monitoring steps for a just transition



Source: Adapted from Kusek and Rist (2004).

DEVELOP GOALS AND/OR PRIORITIES

In close collaboration with stakeholders, users should establish just transition goals and/or priorities. Goals represent high-level statements of desired change including equitable sharing of opportunities created during the transition as well as minimizing undesirable change across social, economic and environmental dimensions. Goals articulate the long-term, justice-oriented and inclusive change that should meet the needs of all stakeholders during the transition to a low carbon, climate-resilient economy. Setting goals enables users to define or conceptualize the just transition collaboratively with key stakeholders through an inclusive process. This includes finding out how various groups may experience the transition, how risks and opportunities may be distributed across society and how stakeholder groups perceive and apply the concept of justice in their context. The goals may address potential trade-offs and/or recognise and amplify any opportunities that should be fairly distributed.

In addition, users can identify their just transition priorities based on impact assessment studies. In the context of the guide, priorities focus on mitigating negative impacts that are expected to result from the transition and monitoring these impacts is the first step towards managing them. The Initiative for Climate Action Transparency (ICAT) *Sustainable Development Methodology* provides a methodology for assessing sustainable

development impacts. When developing their just transition priorities, the guide recommends that users understand the social, economic and environmental impacts of transition policies and develop the priority areas based on these impacts. Whether users develop goals and/or priorities may depend on available resources and time as well as stakeholder expectations.

Users developing goals should develop process- and outcome-related goals. Examples of process goals include instituting transparent processes to allocate resources for just transition programmes and initiatives and conducting gender-inclusive stakeholder dialogues. Outcome goals could include improving access to zero-carbon mobility in historically underserved communities and supporting micro, small and medium-sized enterprises (MSMEs) in transitioning from fossil fuel industries to low-carbon sectors. Broadly speaking, process-oriented goals may be useful for addressing procedural justice, whereas outcome-related goals may lend themselves better to distributive and restorative justice. Users identifying priorities based on impacts should develop outcomes related to their just transition priority areas. Emphasis on impacts though may not lend itself to identifying priorities related to processes. Where appropriate, new just transition goals and/or priorities should align with existing goals and objectives (e.g., in nationally determined contributions or sectoral policies).

FORMULATE TARGETS AND INDICATORS

Users should set targets for goals or priority areas and identify associated indicator(s) to monitor progress (Figure ES-2). In collaboration

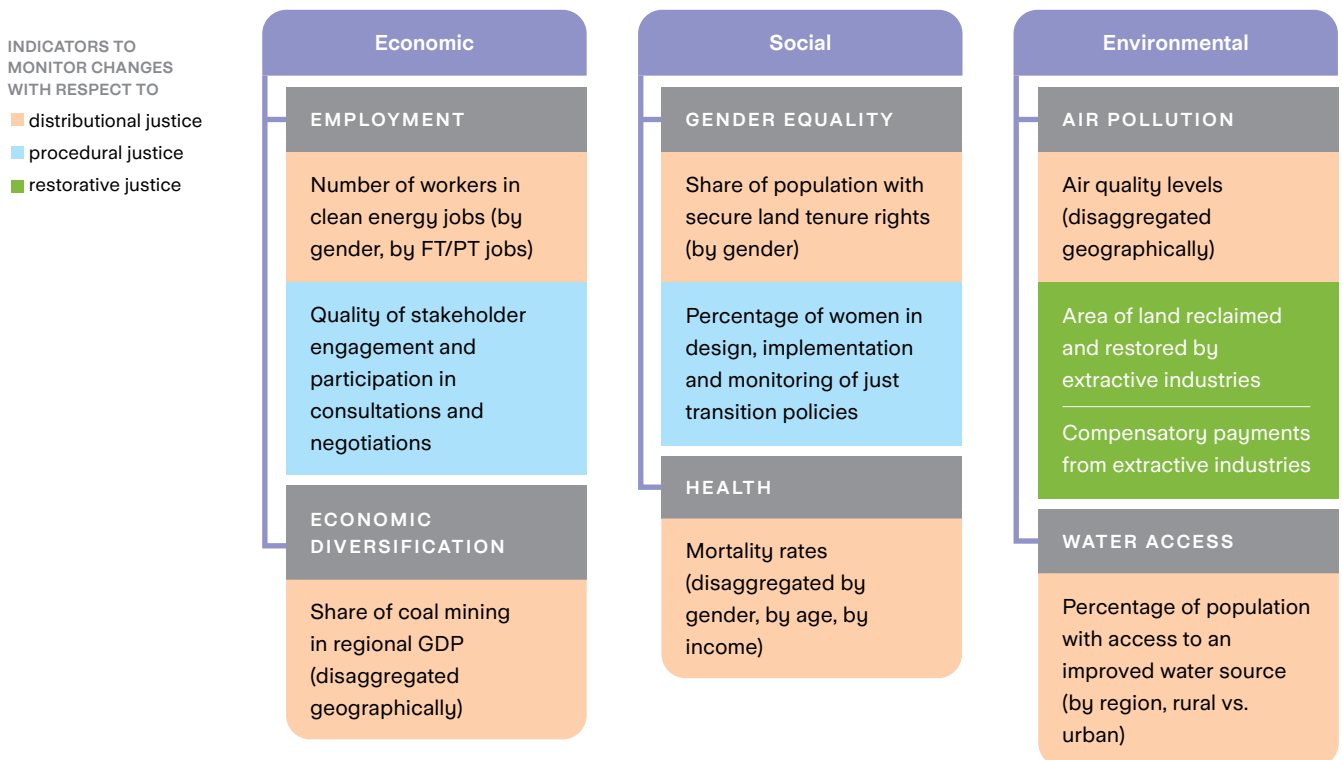
Figure ES-2 | Steps to define targets and indicators



with stakeholders, users should establish specific, measurable and time-bound targets, such as a 50 per cent increase in the number of MSMEs that provide renewable energy services in the next 10 years. Targets provide a benchmark to track movement in the desired direction.

Users should seek to identify existing, and new, when necessary, indicators that capture social, economic, and environmental changes with respect to distributive, procedural and restorative justice (Figure ES-3). For monitoring transitions, users should include indicators that reflect both outcome- and process-aspects of a just transition. Some examples include total percentage of full-time jobs created in new sustainable industries as a proportion of total jobs, land area reforested/ remediated in coal mining areas, investment in economic diversification programmes in fossil fuel-dependent regions, public-private partnerships agreed upon to promote good-quality jobs (e.g., union jobs with health benefits) in sustainable industries, and number of support measures in place for training opportunities for up- and re-skilling fossil fuel workers. Indicators should be clearly defined, relevant to the target audience and decision-makers, feasible to measure and distinct.

Figure ES-3 | Illustrative examples of just transition indicators



Notes: FT/PT = full-time/part-time; GDP = gross domestic product. The figure includes only a few examples of areas of interest and associated indicators for illustration. It is not meant to provide a comprehensive picture of all areas of interest and indicators.

Source: Adapted from ICAT (2020b).

ESTABLISH A DATA COLLECTION PROCESS

The guide recommends having a data management and monitoring process for just transition indicators to streamline data collection, analysis and communication of information. As much as possible, users should build on existing monitoring processes (Figure ES-4). It is crucial to identify a central coordinating body (such as a national statistical office) that can facilitate the execution of a wide variety of functions needed for data collection (Figure ES-5). These functions can range from identifying data sources for existing and new social, economic and environmental indicators, allocating resources, establishing data-sharing arrangements to regularly collecting data at the required level of disaggregation.

Figure ES-4 | Steps for data coordination and collection

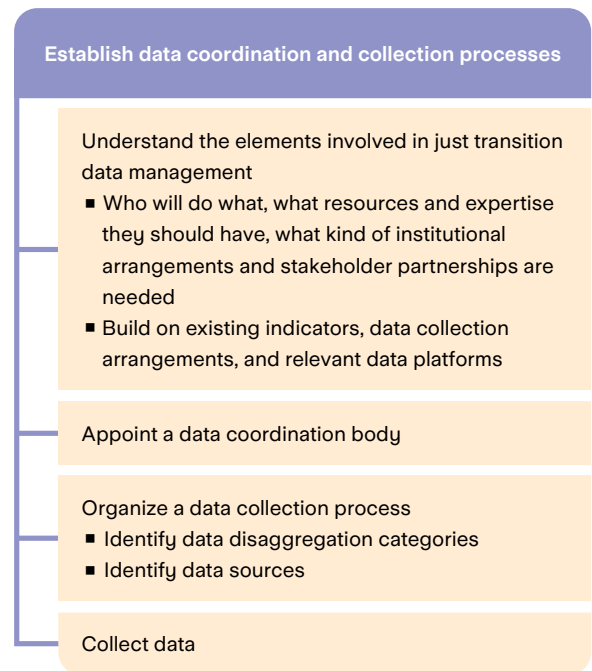
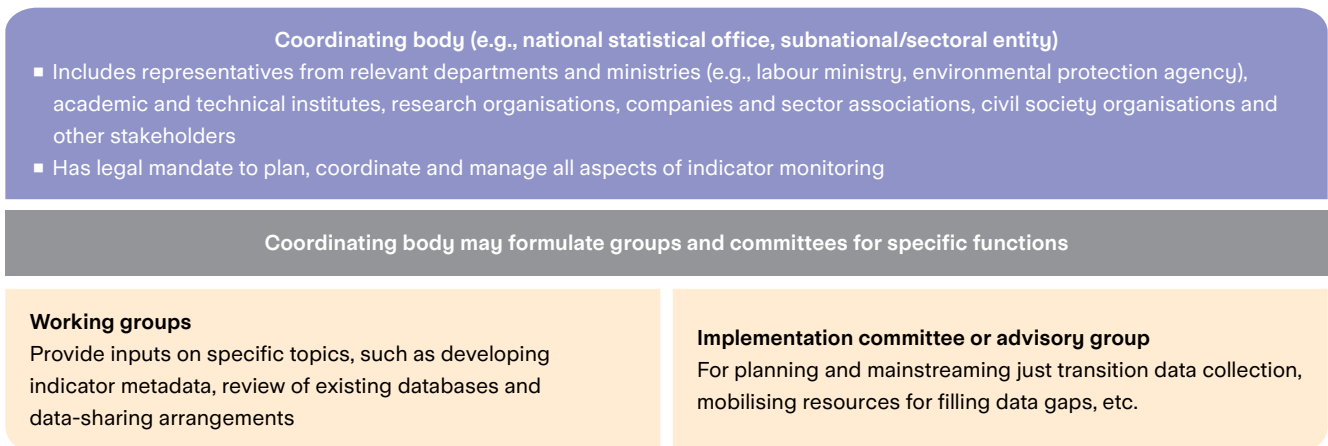


Figure ES-5 | Coordinating body for monitoring just transition



Source: Adapted from Min (2024).

ANALYSE DATA

Users should determine the method to analyse the collected data and apply consistent assumptions (Figure ES-6). Indicator data can be used to track progress against historical data or towards targets. Although trend analysis shows how indicators are changing over time, when combined with a target, the data can also help assess progress towards achieving the target. Time series data for various indicators can enable more complex analysis. Similarly, indices, which represent a compilation of indicators, can communicate interconnected results in a more accessible manner for stakeholders compared to individual indicators. Indicator analyses can inform recommendations for adjusting existing climate policies being monitored or developing new interventions (e.g., related to reskilling programmes, energy access, improving procedural aspects, etc.). It can also help identify funding and resource needs for alleviating observed negative changes and recommendations regarding where funds should be allocated to maximise benefits.

COMMUNICATE AND REPORT RESULTS

The final step is to communicate and report the monitoring results to stakeholders and policymakers (Figure ES-7). Reports summarising data analysis results should be tailored to target audiences, which can be domestic or international, and government agencies or other stakeholders. Users should include sufficient, relevant information to facilitate monitoring their just transitions. Public-facing national reports may also identify opportunities for improvement and provide information to adjust strategies to better achieve long-term goals and/or priority areas. At the international level, information on just transition indicators could be incorporated into reporting frameworks, such as the Enhanced Transparency Framework and Biennial Transparency Reports of the Paris Agreement (UNFCCC 2017, 2022b).

This guide was prepared with the support of World Resources Institute with contributions by Neelam Singh, Chelsea Gomez, Cynthia Elliott, Mikayla Pellerin, Ginette Walls and Mario Diaz.

Cover photo credit Unsplash/Karsten Wurth

Figure ES-6 | **Steps to analyse data**

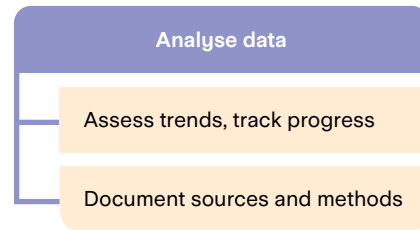


Figure ES-7 | **Steps to communicate and report results**

