

Just Transition

GIZ Orientation Framework
and Service Offer





Why?

Urgent need to make the transition to a carbon-neutral and resource-efficient economy and society in a fair and equitable way



Our understanding

In our understanding JUST TRANSITION is...

...the socially just design of medium- and long-term structural changes with the aim of organizing the economy, society and state in a climate- and environmentally friendly way.

JT has to respond to two challenges:

- to significantly and equitably improve the living conditions of the population
- to drastically reduce greenhouse gas emissions





No „Just Transition“ projects without climate impact.

Principles



Leave no one behind



Nothing about us without us - Inclusive and transparent Processes of Decision Making



Tailor-made solutions aligned to needs and capacities of partners

मेरा स्वाभिमान | मेरी सुरक्षा

GIZ
für Internationale
Zusammenarbeit (GIZ) GmbH

Distributing opportunities and risks fairly
Making the potential of a transformation available to as many people as possible



Focus on particularly affected regions



Support services should be long-term and flexible

Our technical approaches

Policy framework

- Legislative
- Incentives
- Regional structural policies
- Raw materials policy / supply chains
- Transport policy
- Environmental policy

Sustainable finance

- Public and private

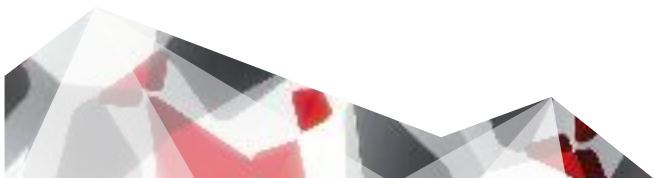
Energy transition and climate protection

- Vision 100
- Mitigation (NDCs, LTS)



Our methodological approaches

- Multilevel approach to capacity development
- Multi-actor partnerships
- Joint implementation with others
- Digital applications
- S&G



Our role

Making the case for action

Communication, scientific data, projections, transparency

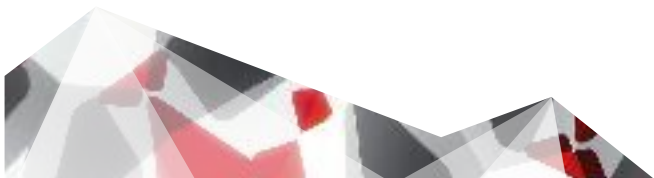
Honest broker

Build trust, networks, expertise e.g. from German coal regions

Intersectoral / nexus thinking

e.g. SME promotion, regional economic development, renewable energy, environmental policy

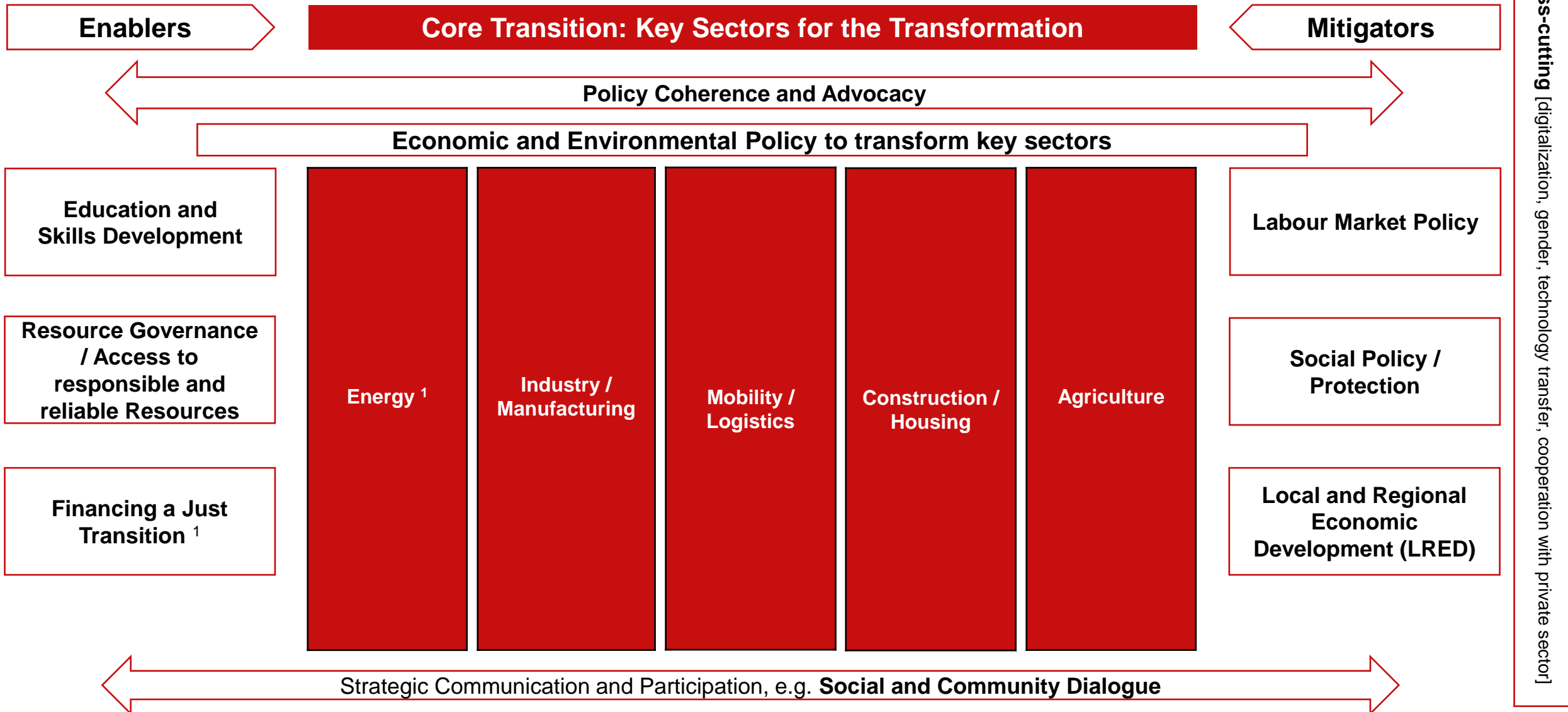
Experience with NDC definition and implementation





Initial drafts of our GIZ service offers

GIZ Approach- Just Socio-Economic Transformation



¹ For Energy and Financing a Just Transition, kindly see the relevant service offers on the other pillars for a Just Transition

Just Energy Transition

(Pathways to low emissions development, ensure all of society benefits, decarbonisation of energy sector by 2050, economic opportunities, green jobs // key principles)

4 Fast tracking of RE/EE as enabler of fossil phase out

- generation and grid planning
- incentive mechanisms / market integration
- technical grid and system integration
- energy security and power system stability
- energy storage
- EE in buildings, transport, industry



5 Fossil fuel phase out

- reduce project pipeline for fossil fuel-fired generation,
- early retirement of plants,
- halting investment in fossil fuel plants,
- closure/decommissioning of old, inefficient plants,
- Repurposing of plants
- Incentives for job migration or skill development with improved social and working conditions



6 Coal mine closure

- strategies to environ. and econ. restore mined land,
- technical solutions to reduce contamination from drainage,
- reduce land use risks,
- approaches to improve mine closure governance
- Long-term inclusive dialogue and planning and skills development for reuse of coal mine

7 Skills development

- educational, vocational training, re-skilling
- supporting job creation
- capacity building for professionals and managers
- According to gender- and age specific needs including vulnerable groups and the informal sector

8 Social dialogue and protection

- elaborating a common vision for a JET
- social investment and inclusion of all stakeholders mechanisms to improve conditions of workers, informal sector and communities
- Building/strengthening capacities for civil society to participate in dialogue (nat./reg./loc.)
- Compensation schemes

9 Economic diversification

- local RE/EE industry/ manufacturing capability
- local content requirements
- concrete alternative and inclusive development pathways in affected regions (incl. Extended value chain actors)
- diversification and innovation potential incl. employment potentials

3 Private Sector Mobilisation, Access to Finance, Public Sector Financing

[based on an actors/stakeholder mapping incl. cost and benefit analysis; divestment, financial incentives for early retirement of fossil fuel plants, interlinkage with fast-tracking RE, investment support, project identification and pre-preparation; market development: project and investment-related information, events and match-making / access to finance support: business model and financial structuring, transaction advice / TA for domestic financiers, "compensation" funds for extended (informal) actors/stakeholders and communities/social infrastructure, alternative income generation for direct and extended actors]



2 Enabling policy environment, implementation strategies and mechanisms, and regulation

[starting from an analysis of framework conditions incl. rule of law institutions, procedural justice regulations, civic space for civil society; Coal phase out negotiations and regulation, increase ambition level on RE share or phase-out coal-fired generation in accordance with int. climate commitments; just energy transition plans, including regional development plans, support for and inclusion of education and science]



1 Socio-economic analysis of energy transition scenarios ('Vision 100') in line with long-term low emission development strategies

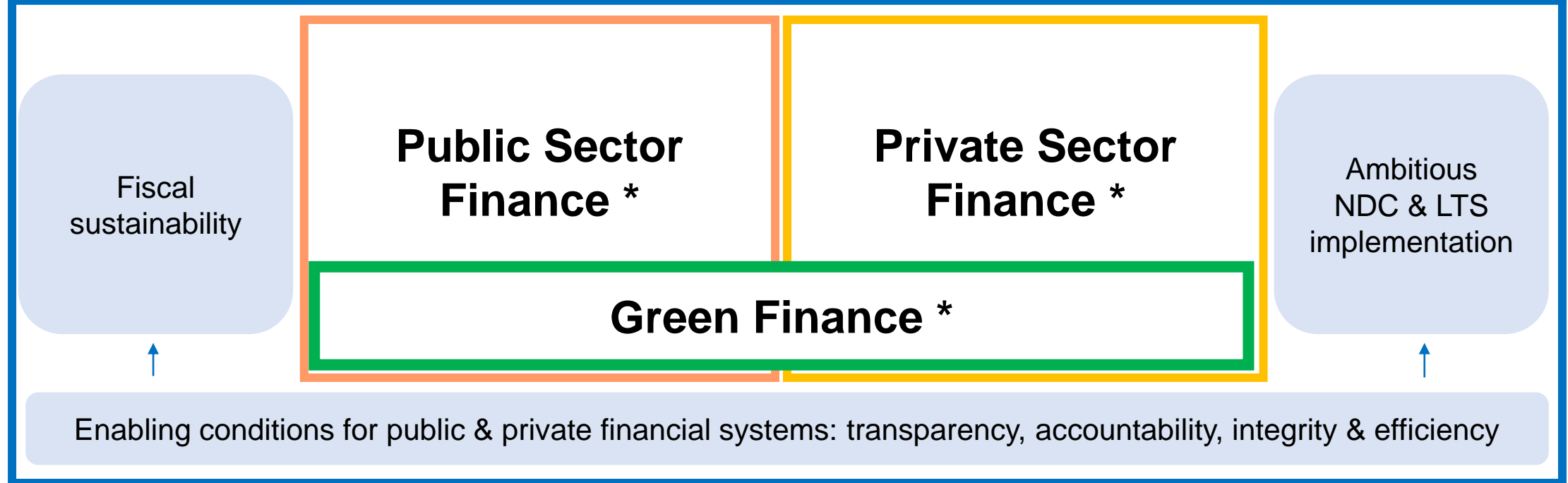
[Long-term just energy transition scenarios; increase ambitions on RE share by 2030, trajectory away from fossil fuels; starting from a social-economic, costs and potentials context analysis, identification of challenges and options for the 4 dimensions of JUST energy transition]



Financing the Just Transition – GIZ Service Offer

Integrated just transition finance approach

Just Transition Finance



* see disclaimer Slide 12

Just Transition Project Examples



Flagship: IKI Innovation Regions for a Just Energy Transition

Flagship: Supporting structural change in Ukrainian coal regions



Flagship: Just Transition to a Decarbonised Economy for South Africa

[Directories - Just Transition Vorhaben Sammlung_08.2023.pdf - Alle Dokumente \(sharepoint.com\)](#)

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Thx

Just Energy Transition

Break out group on the role of technical cooperation. Is GIZ well equipped?

Key questions:

- What is the added value of interdisciplinary approaches? Where are limits?
- How do we anchor such broad approaches in our partner systems? Is there demand from the partner side?
- What are our experiences with portfolio management across sectors?
- Do we have to change out modes of delivery to be able to respond adequately to broad missions instead of individual projects?
- Integrated solutions look at policy coherence, standard products, strategic partnerships and integrating service modalities, project types, country profiles. What are experiences so far?
- Management across individual projects: Where do we stand regarding e.g. tendering cross-project consulting pools? Flexibilisation of personnel deployment?