



A Real Mosaic of Solutions to Respond to Loss and Damage from Climate Change

Just Transition

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Introduction

This publication is part of a [series of briefs](#) unpacking the pieces of a fit for purpose “mosaic of solutions” to respond to loss and damage from climate change. This series expands on our earlier work which presented a [five-year vision for Loss and Damage under the United Nations Framework Convention on Climate Change \(UNFCCC\)](#) to look beyond the international climate regime at catalysing a wider mosaic of solutions.

In the [flagship paper](#) of the series, we unpack the pieces of the mosaic. In these thematic briefs we dive deeper into existing solutions and how they can be strengthened. We also consider any reforms needed and explore emerging solutions.

This brief unpacks the relationship between loss and damage responses and a just transition to net-zero carbon emissions. It provides a short introduction to what a just transition entails, highlights the challenges that developing countries face in implementing a just transition, and how these challenges can be addressed.

What is a just transition?

Current national climate plans put the world on track for a catastrophic 2.3-2.5°C of warming by 2100.¹ The Intergovernmental Panel on Climate Change (IPCC) tells us that loss and damage from climate change will escalate with every increment of warming.² A just transition is needed to facilitate a transition away from high carbon activities, such as the burning of fossil fuels and unsustainable agriculture, to get us back on track to limiting warming to the 1.5°C survival limit enshrined in the [Paris Agreement](#).³

A just transition frames the shift to net zero carbon emissions through a human rights lens with the intention of eliminating existing inequalities,⁴ maximising the benefits of climate action, and minimising the negative impacts for workers and their communities.⁵ It involves supporting workers and communities in high-carbon industries (e.g. coal mining) through training, social protection, and livelihood diversification.

A critical component of a just transition is ensuring that Indigenous Peoples and their lands and territories are not exploited through the extraction of critical minerals.⁶ Without a just transition, communities that depend on high carbon livelihoods and/or are living in close proximity to sites of critical mineral extraction, could face marginalisation during the shift to net zero (e.g. through displacement and/or the loss of livelihoods). This would leave them with increased vulnerability to loss and damage and less means to respond to it.

Responses to loss and damage can be complementary to just transition actions. For example, strengthening social protection programs will provide safety nets for people who face a loss of livelihood during the transition to net-zero^{7 8} by ensuring access to essential services (e.g. health care and education) and/or income security.⁹ This will also enhance their capacity to cope with loss and damage.

Furthermore, actions to respond to [non-economic loss and damage](#) can complement just transition actions related to safeguarding heritage, cultural continuity, and social cohesion, tied to high-carbon livelihoods. For example, memorialisation and commemoration in the context of the closure of a coal mine may intersect with efforts to strengthen social cohesion following loss and damage caused by flooding in the same community.¹⁰

What is the problem?

The extraction of critical minerals often happens without the Free, Prior and Informed Consent (FPIC) of affected Indigenous Peoples, violating their rights.¹¹ Developing countries lack fiscal space and the social protection needed to undertake transitions.¹² These challenges, alongside the failure of developed countries to provide climate finance,¹³ are delaying the transition and increasing the risk of un-just transitions.

Past transitions have been profoundly un-just. For example, the UK’s rapid transition away from coal in the 1980s included the violent suppression of miners strikes and long lasting social and economic impacts in affected communities.¹⁴

What are the existing solutions?

Under the UNFCCC, the just transition is guided by the Paris Agreement. At COP 28 in Dubai in 2023, a Just Transition Work Programme (JTWP) was established. Two years later, at COP 30 in Belém, Brazil, in 2025, countries decided to establish a Just Transition Mechanism (JTM). The purpose of the JTM is to enhance international cooperation, technical assistance, capacity-building, and knowledge sharing to enable equitable, inclusive just transitions.¹⁵ National level efforts include establishing just transition commissions¹⁶, funds, and programs.

What do we need to see?

Developing countries will require at least 50 billion USD a year by 2035¹⁷ to undertake a just transition. They must also receive finance, technical assistance, and capacity building support to establish just transition commissions¹⁸, funds, and/or programs, as needed and as they see fit. While a just transition for Indigenous Peoples means centring their rights, self-determination, and FPIC, ensuring fair benefit-sharing and restoring ecosystems based on traditional knowledge, rather than perpetuating colonial extraction. Table 1 explores several existing solutions for the just transition and how to enhance them. Underneath the table, we look at the operationalisation of the JTM in greater detail.

Table 1 : Enhancing existing just transition solutions to prevent loss and damage.

CURRENT SOLUTIONS	HOW DOES IT WORKS?	WHAT ARE THE ISSUES?	WHAT NEEDS TO CHANGE?
Just Transition Work Programme (JTWP)	The JTWP aims to facilitate countries’ just transitions to a low-emissions and climate-resilient future through actions that also contribute to reducing inequalities both within and between countries. ¹⁹	The establishment of a JTM at COP 30 marked the first time the JTWP has been given a forward-looking institutional pathway, rather than a mandate centred primarily on dialogue and exchange. ²⁰	The JTM needs to be designed and operationalised in 2026 ²¹ (See below).

CURRENT SOLUTIONS	HOW DOES IT WORKS?	WHAT ARE THE ISSUES?	WHAT NEEDS TO CHANGE?
Just Transition Commissions	Just transition commissions have been established by Scotland, South Africa, Germany, Canada, New Zealand, and Spain. These bodies often focus on community support, worker retraining, and economic diversification in regions impacted by coal phase-outs or industrial restructuring.	Developing countries face a lack of technical assistance and institutional capacity to establish just transition commissions. ²²	The JTM must provide developing countries with the support they need to establish just transition commissions.
Just Energy Transition Partnerships	Just Energy Transition Partnerships (JETPs) aim to support climate actions in carbon-intensive developing countries at risk of a carbon lock-in. Whereby fossil fuel-intensive infrastructure and systems perpetuate greenhouse gas emissions, delaying the transition to low-carbon alternatives. Funded by the International Partners Group (IPG), JETPs have been launched in South Africa at a cost of 8.5 billion USD, and Indonesia at a cost of 20.0 billion USD. ²³	JETPs are slow, heavily reliant on loans rather than grants, and lack transparency. They have also neglected the “just” social component for affected communities. ²⁴	JETPs must have no hidden social or environmental costs. They should not merely support a transition to new technologies but also be socially just. ²⁵
Sustainable Jobs Plans	Sustainable jobs plans like Canada’s <u>Alberta Coal Workforce Transition Programme</u> , can provide direct financial aid, training, and relocation assistance to workers in the fossil fuel sector, alongside community-focused economic diversification initiatives. ²⁶	Developing countries need finance, support, technical assistance, technology transfer, and capacity building to support the development of sustainable jobs plans.	Developing countries must receive technical assistance from the JTM to set up sustainable jobs plans as well as adequate grant based finance to run programs.

CURRENT SOLUTIONS	HOW DOES IT WORKS?	WHAT ARE THE ISSUES?	WHAT NEEDS TO CHANGE?
<p>Just Transition Funds</p>	<p>Just Transition Funds (JTFs) have been established by Scotland and the EU. Scotland’s Just Transition Fund has invested more than £85 million into 28 projects since 2022 –helping to support hundreds of jobs and companies entering the offshore wind, marine energy and carbon capture sectors.²⁷ The EU Just Transition Fund supports the territories within the EU most affected by the transition towards climate neutrality to avoid regional inequalities growing.²⁸</p>	<p>A JTF at the national level could be a valuable tool for developing countries to support national just transition plans and actions. However, developing countries face a lack of technical assistance, capacity building support, and institutional capacity to establish them. JTFs must also prioritise sustainable and equitable renewable energy technologies, rather than false solutions like carbon capture storage.²⁹</p>	<p>Developing countries must receive technical assistance from the JTM to set up JTFs. Just transition finance should also be used to compensate for the unequal impacts certain communities will face. A national JTF can be used to disburse this compensation.</p>
<p>Just transition assessment frameworks and tools</p>	<p>Just transition assessment frameworks provide methodologies to analyse, plan, and monitor the socio-economic impacts of climate actions on workers, communities and businesses. Examples include Climate Strategies’ Just Transitions Toolkit, the Critical Energy Transition Minerals Toolkit for Just Transition and Wales’s Just Transition Framework.</p>	<p>Developing countries lack the finance and institutional capacity to develop frameworks and put toolkits to use.</p>	<p>Developing countries should receive technical assistance from the JTM to develop frameworks and adequate grant based finance.</p>

What does a fit for purpose JTM look like?

The JTM needs to be designed and operationalised in 2026.³⁰ A fit for purpose JTM should have three core functions:³¹

1. Enhancing coordination and coherence;
2. Enhancing knowledge sharing and generation; and
3. Enhancing action and support.

Below we unpack what each of these functions should entail and how they relate to enhancing loss and damage response.

Coordination and Coherence

The JTM must be the central just transition coordination entity. It must map existing just transition initiatives, identify gaps, and steer the overall transition. This would ensure that transition efforts are aligned with the objectives of the Paris Agreement and the principle of common but differentiated responsibilities and respective capabilities (CBDR-RC).³² This will strengthen loss and damage responses that are complementary to just transition actions. In doing so, it can help to ensure that affected communities are left more resilient to loss and damage.

Knowledge Sharing and Generation

The JTM should serve as a global hub for just transition practitioners, facilitating dialogue, sharing best practices, and generating new knowledge to inform policy, plans, and implementation.³³ This will be key to enhancing understanding of how just transition actions can compliment and enhance loss and damage responses. In light of this, synergies should be explored between the JTM and the knowledge and convening work of the Warsaw International Mechanism for Loss and Damage (WIM) and its Executive Committee (ExCom) and Santiago Network.

Action and Support

The mechanism should provide direct support through a helpdesk or facilitative platform for countries and communities. It should also assist in matchmaking between projects and funders. The JTM must also work to mobilise and channel non-debt-inducing finance and technology transfer for just transition actions, particularly for developing countries.³⁴

Support and finance will be critical to accelerating the just transition and therefore to preventing loss and damage. Where just transition activities may intersect with loss and damage responses, synergies should be explored between the JTM and the Santiago Network, Fund for Responding to Loss and Damage (FRLD), and Action and Support Expert Group of the WIM ExCom. This will help to strengthen loss and damage responses that are complementary to just transition actions through the catalysation of technical assistance, readiness support, and funding.

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