

Opening remarks from John Morrison

We leave Glasgow and COP26 with a lot of work to do

Thank you for the opportunity to speak to you all today. Like many other people, I was at the climate negotiations in Glasgow, Scotland, earlier this month. I am not one of these people who will just bring negative news. Compared with where we were just two years ago, our leaders have at least woken to the size of the challenge ahead. We might not think that the planet has the leaders it needs or deserves but we all have to work with what we have got in terms of politicians, business leaders and civil society.

The UK Government's mantra as the Chair of COP26 was to "keep 1.5 alive", by which they meant the possibility of limiting global average temperature below 1.5 degrees centigrade above pre-industrial levels. Quite a challenge as we are already at 1.1 degrees above where we were 200 years ago and the Net Zero agreements made at Glasgow, even if they are all achieved over the next 30 years, would bring us to at least 2.4 and not 1.5! 1.5 is alive, but only just and much depends on getting further commitments from governments over the next 12 months, in particular to half emissions over the near term – between now and 2030. Achieving this means strong action, particularly in relation to high-carbon industries such as coal mining.

You might ask what does the difference between 1.5 and 2.4 mean in practice? Well, climate scientists themselves have already answered this question before COP26. It's all about tipping points.

If we can stay below 1.5, then there is a good chance we can prevent most of Greenland's ice from melting and the West Antarctic Ice Sheet from collapsing. We might limit global sea level rise to one or two metres and not above 10 metres which is the prediction of 2.4 and above. Warming of 1.5 degrees will destroy 70% of the world's coral reefs, but warming above 2.0 will eliminate 99%. Above 2.0 and we will see many more crop failures, disease and the loss of much of the world's biodiversity. Anything above 2.0 degrees pushes the planet's systems to the limit and great hardship for humanity. But you know

all of this already. The question is what we do about it and what we do now. It is indeed true that the countries have benefitted most from 200 years of carbon-based industrialisation have a moral responsibility to lead the commitments, but all nations and business must now play their part. This issue of co-responsibility is critical as we move forward.

I recognise that Cesar is also vulnerable to these impacts – from agriculture to cattle ranching and the reliability of the region’s water supply.

We need bold action but it must be fair and just transition

There is now broad international agreement that bold and urgent actions are needed to address the climate crisis. Achieving global net-zero objectives will require unprecedented economic, industrial, and technological transformation in all countries. The necessary transitions from carbon intensive to more sustainable economies will have significant impacts on workers and communities - some positive, others negative. There are clear and foreseeable risks for people around the world, in particular those who are least able to adapt to environmental and economic changes.

The transition in to new forms of sustainable energy can have significant impacts for individuals and communities across the full value chain, from vulnerabilities facing those involved in extracting critical minerals for renewables technologies, to potential abuses of the rights of people near land needed for rapidly scaled up green infrastructure growth. This at a time when both governments and businesses are looking to “securitise supply” of essential commodities (such as copper, nickel, lithium, cobalt and rare earths), with pressure for greater traceability and the potential bifurcation of global trade. And when it comes to the transition out of high-carbon industries, exiting from mining and fossil fuel extraction risks not only instability for commodity-dependent economies, but also for workers and communities who may not be able to secure new employment and livelihood opportunities. Transitions also bring a range of major implications beyond pure climate considerations, including responsible management of the fourth industrial revolution and addressing disruptive aspects of new technologies.

Not acting carries huge social risk but Climate Action will also have social consequences

Addressing all of these issues will require prevention, mitigation, and remediation by governments and the private sector in order to achieve net-zero in ways that are consistent with international human rights and labour standards. All actors must do more to prioritise the social dimensions of climate policy and actions. This will require a diversity of actions, including ongoing social dialogue and meaningful engagement among all actors involved in transition processes, as well as innovative actions through which new and existing alliances prioritise strategies that benefit people and the planet. It is here I want to acknowledge again CREER's work and the importance of today's Forum.

The parties to the 2015 Paris Agreement committed to taking into account "the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities." Although originally focused almost exclusively on the rights of workers, the concept of "just transitions" has grown to encompass wider considerations, including households and communities, particularly those facing poverty, and those vulnerable to immediate climate threats such as sea-level rise, extreme weather, and biodiversity loss.

While the "just transitions" concept is an increasingly visible framing for discourse and action in some contexts, it has not yet received the broad-based attention it merits with in ongoing climate-related policy discussions and decision-making processes nationally, nor at regional and global levels. There are early examples of how countries are seeking to recognise the impacts of transitions on workers, consumers, taxpayers and voters, and the development of such approaches should be learned from and tested elsewhere.

The recent COP26 in Glasgow did see greater attention paid to Just Transition on the margins compared with previous meetings. A number of principles were launched or restated, including those by the ILO, multi-lateral development banks, the Grantham Climate Research Institute, the Vatican's Initiative on Inclusive Capitalism and the World Benchmarking Alliance. Perhaps most notably was the announcement of \$8 billion of investment (led by the EU, US and UK) in South Africa for a just transition out of coal, something we have yet

to see from other coal rich economies such as Colombia, India, Indonesia or Australia.

Historically, calls to address the social dimensions of climate change have often been met with fears that it could slow progress or undermine the urgent environmental action required. This perspective fails to recognise the many important ways that the social dimensions are critical to opening up pathways for climate action at scale, for example, reducing the risk of opposition and protest against new policies or projects, reducing the risk of deepening inequality within and between countries, and the migration flows these can trigger. Put another way, many of the strategies that make sense from a human rights perspective – around indigenous rights and local co-ownership, decent work, affordable housing, access to food – can in turn support better climate outcomes.

The question now is how best to ensure that the full range of human rights considerations and approaches are built into transition strategies at every level. Below, IHRB offers four initial areas ripe for rights-based approaches to urgent climate action.

Why the South African example matters to regions such as Cesar

South Africa has long been a coal-dependent economy, and mine workers – and their Unions – played a key role in the establishment of the African Nation Congress and the opposition to the Apartheid system. For President Cyril Ramaphosa to publicly announce on the 2 November 2021 that his country was going to undertake a Just Transition away from coal over the next 20 years is very significant: a “just transition to a low carbon, climate resilient society that promotes employment and livelihoods.” The Energy Transition Partnership, supported by the EU, UK and US Governments as well as a range of financial actors, will be worth around \$8.5 billion for the first phase of financing, through various mechanisms including grants, concessional loans and investments and risk sharing instruments, including to mobilise the private sector. The Partnership is expected to prevent up to 1-1.5 gigatonnes of emissions over the next

20 years and support South Africa to move away from coal and to accelerate its transition to a low emission, climate resilient economy.

We expect other similar statements from around the world over the months and years ahead.

Areas for multistakeholder Action

So, to summarise, there are perhaps 4 areas for urgent multistakeholder action.

1. The Transition Out: Government and business decisions to withdraw or diversify away from particular products, services, sourcing countries or markets is one under-explored issue from a human rights perspective. Communities and other stakeholders need to be directly involved in the decision-making relating to such processes. Climate action is increasingly becoming a driver for decisions to exit, but doing so raises profound human rights concerns if not undertaken responsibly. For example, assets may be 'dumped' back onto host governments unable to fulfil their regulatory obligations, or sold on to other less responsible actors, potentially leading to a range of harms to impacted individuals and communities. The 'responsible exit' challenge is one of national industrial policy, workers, social dialogue, reskilling and new jobs and cannot be left to the market alone. What does a responsibly managed exit from brownfield assets look like in a way that meets both climate and social considerations?
2. The Transition In: Rapid growth of the low-carbon economy has brought about unprecedented demand for specific commodities needed to power related technologies, which in turn requires greater focus on worker safety, indigenous rights, and protections for people involved in artisanal mining, among other considerations. At the other end of the value chain, exploding demand for renewable energy (in particular wind and solar) requires scaled up actions to address social risks linked to diverse issues from financing to land acquisition to manufacturing, as well as questions relating to community equity and fair access to energy sources. The green economy will certainly mean less coal

mining, as well as oil and gas, but it will mean a significant uptick in mining generally perhaps at a scale that is unprecedented (with many new incursions into indigenous lands) and with a green imperative that will put considerable social pressure on some of the world's poorest communities. At present, "demand-side" corporate initiatives such as the "Climate Pledge" have no social considerations at all, and no commodity value chains are yet vertically integrated (from "mine to windfarm") in human rights terms, the "supply side" is at best opaque (particularly at the shipping, trading, refining and smelting stages) and China sits across most of the key transition commodities (e.g. whilst cop

per is mined worldwide, and in particular in Latin America, most of the world's copper is smelted in China).

3. Funding the Transition: One of the key announcements of COP26, was the \$130 trillion of international finance now claiming to align with Net Zero by 2050, albeit no metrics are yet in place to verify this. But there remains little or no attention to addressing social concerns, not least the absence of any agreement on "Loss or Damage" for the victims of contemporary and historic climate change, and less than \$100 billion available in development assistance to the poorest nations. Whilst some of the multilateral banks are moving to integrate just transition considerations, this is not true of most of other components of the financial ecosystem, such as the private banks, private equity, export credit, sovereign wealth funds and impact investment. There are, however, unexplored areas of financial leverage. Corporations are swiftly moving to ensure the composition of their tremendous energy usage comes from increasingly affordable renewable sources. This position in the renewables value chain comes with significant leverage, and a responsibility to exercise that influence in alignment with human rights and core labour standards. No one should be waiting, Cesar can take the lead now – the transitions belong to everyone.
4. Cities and the built environment: A final example can be seen in ongoing work on infrastructure and the built environment, including within COVID-19 recovery packages. There is growing recognition of "social value", "impact investing", and the importance of the 2030 Development Agenda among some investors, developers, architects, construction and engineering firms. But there is much less awareness of the potential adverse human rights impacts that

can arise throughout the built environment lifecycle (from land acquisition, planning, and finance to construction, use, and end-of-life), including in the growing wave of green buildings and retrofits. The human rights framework and core principles of participation, accountability, transparency and non-discrimination are a key tool in achieving systems changes appropriate to local contexts. The opportunity of working with Sadiq Khan, the mayor of London and new chair of the C40, is already being investigated by IHRB.

IHRB looks forward to maintaining our work with CREER and its partners here in Cesar, and we will work with you on Just Transition strategies over the months and years ahead.

Muchas gracias.



Confianza
en el Cesar

