

5th Just Transition Platform Meeting - Global Dimension of Just Transition

Matthieu Prin, Programme Co-Ordinator, People-Centred Clean Energy Transitions 11 May, 2022

Global Commission on People-Centred Clean Energy Transitions





Ministers and policymakers from:
Austria, Belgium, Canada, Chile,
China, Colombia, Denmark, France,
India, Indonesia, Italy, Japan,
Mexico, Oman, Norway, Panama,
Poland, Senegal, South Africa,
Spain, Switzerland, United States,
European Commission, and Prime
Minister of Guyana, the Vatican.

Representatives from labour, youth, access, civil society

Honorary Patron is Mette Frederiksen, Prime Minister of Denmark 30 members representing all geographies and perspectives.

Recommendations of the Global Commission



- **Theme #1**: Decent jobs and workers protection
- **Theme #2**: Social and economic development
- **Theme #3**: Equity, social inclusion and fairness
- **Theme #4**: People as active participants



IEA Clean Energy Labour Council

Convened by IEA Executive Director Fatih Birol



- Convened to foster stronger dialogue between the IEA, its stakeholders and the labour sector, a key and central voice in people-centred transitions
- Brings together leading trade union figures and other important voices from around the world
- First Meeting took place on 9 March 2022

Co-Chaired by Sharan Burrow, General Secretary, International Trade Union Confederation, and Bheki Ntshalintshali, General Secretary, Congress of South African Trade Unions



Thank you

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Leap-frogging on the horizon? The power system of the Western Balkans* is in urgent need of modernisation as the fleet of lignite units either need retrofitting &/or replacement or transformation with different technologies like PV and wind



Age structure of WB 6 lignite capacities and the power mix

- The vast majority of units is older than 30 years
- In all six countries the coal capacities and utilities (mines) are state owned, the market is slowly being developed
- Within the past two decades, only one plant was commissioned Stanari in Bosnia & Herzegovina
- Diversification is a problem: counties rely mostly on lignite and hydro

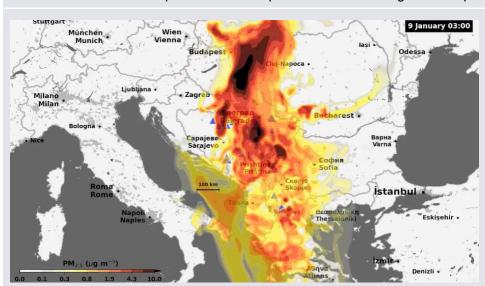


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The countries do however pollute the entire region and beyond. Pollution from the lignite sector is crossing borders and the Western Balkans are breaking all limits



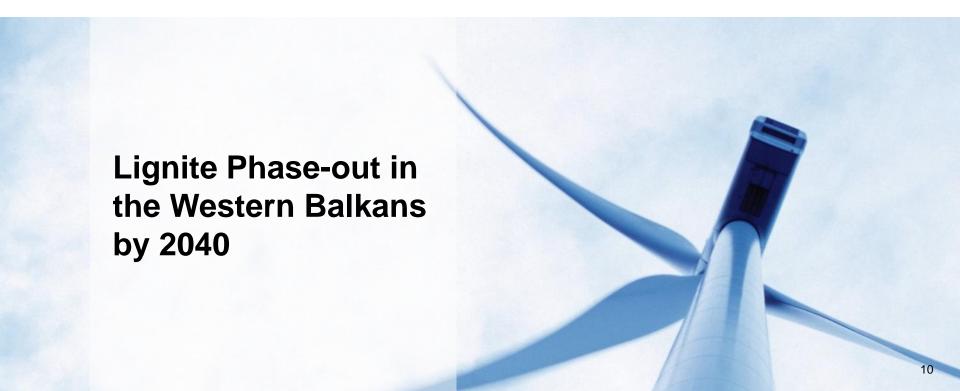
Satellite data and atmospheric model outputs of PM2.5 from lignite-fired power plants in the Western Balkans



- In the last three years, the Western Balkan countries' coal plants have emitted six times as much sulphur dioxide as allowed and 1.6 times as much dust pollution.
- Between 2018 and 2020, the pollution from this sector has caused nearly 12,000 deaths — 3,700 in the Western Balkans themselves, an additional 7,000 in the EU countries and 960 in other regions further afield (complyorclose.org)
- Opened cases for non-compliance against Bosnia and Herzegovina, Kosovo, North Macedonia

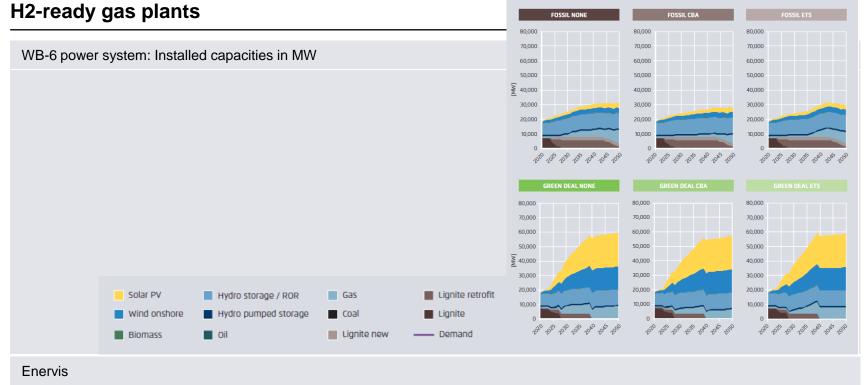
Basemap: GADM3.6 & A Schneider et al 2009 Environ. Res. Lett. 4 044003. Visualization: Andreas Anhäuser





Lignite exit is feasible from a security of supply perspective if it is accompanied by a rapid scaling of renewables, enhanced interconnections, regional power market integration, strengthening of existing hydro storage and limited investments in





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The Just Transition in South Africa: what are we missing?

- In theory, South Africa is committed to a just transition away from a coal-dominant energy system
- The dominant definition and narratives deal with how the losses suffered by those employed in coal mining and communities where coal mining is the dominant industry will be mitigated.
- We could refer to these as 'reactive' definitions: that is, the problem that requires solution is one that is caused by the transition itself. The implication of these reactive definitions is that the current energy system (apart from its climate impact) is not problematized to any significant degree
- BUT: the current energy (electricity) distribution system delivers many outcomes that are entrenching poverty and inequality. Despite high household electrification rates (86%) <u>universal enabling access</u> is declining, in large part because the notion of exactly what constitutes "affordability" has never been affectively addressed.
- The issue is that in order for poor households to leverage electricity to support development households need to consume more than they currently do.
- This implies that, in order for us to realise SDG 7 as a catalysts for growth and development, it is the cost of that "threshold" (enabling) level of consumption that should be assessed for affordability, and not the actual amounts that are consumed.
- Conservative estimates are that 55% of households cannot afford that threshold level of consumption.











CSPA Net Zero Transformation

Just Transition Platform Meeting Virtual May 11, 2022





Canadian Low Carbon Transition

- Canada has legislated a 2050 net zero target
- Canada released its most recent Emissions Reduction Plan in March 2022
 - Enshrining 40 45% reduction target by 2030
 - Elaborating on a detailed policy, regulatory and program package to enable and drive the transition
- Canada has launched a Just Transition consultation seeking views on how to support workers as the country transitions to Net Zero
 - Principles
 - Advisory Bodies
 - Support Mechanisms www.just-transition.ca/ for more details

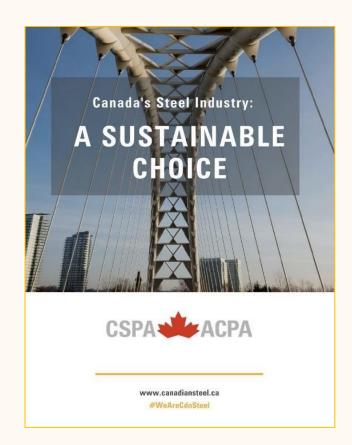
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CSPA's Climate Call to Action

- Released March 2020
- Maps out CSPA vision and conditions for an aspirational Net Zero future
- Significant progress with major projects announced in 2021
 - > 40% reduction by 2030
- Additional development and demonstration projects underway

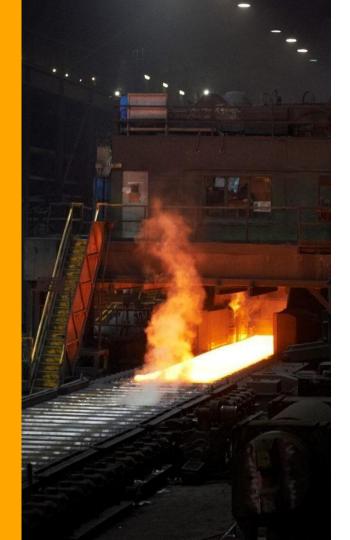
www.canadiansteel.ca





Transforming to Net Zero

- Transformational pathways will vary by company; investment strategies, asset base
- Finding workable alternatives to fossil fuel usage; reducing agents
 - Hydrogen, renewable natural gas, biocarbon, etc.
 - Availability, cost, access
- Carbon capture storage and/or utilization seen as important to all; 'last mile'
- Canada increasing low or zero carbon electricity generation capacity is critical
- Buy Clean Procurement policies will reward strong domestic performance, support green jobs, and reduce global CO2 emission levels
- Border Carbon Measures may have a role to play to protect the market and maintain a level playing field between high carbon and regulatory carbon jurisdictions,



Take Away Messages

- Canada has the ambition and building blocks for net zero
- Canadian steel producers have a long-term plan to decarbonize
- Many solutions are broadly applicable
 - Clean grids, hydrogen, CCUS, etc.
- Strong 'systems' approach will be required to manage the transition and limit disruption, job loss
 - > Pace, scale, partnerships, support mechanisms





Who We

The CSPA represents Canada's primary steel producers and pipe and tube manufacturers:

























