

iFOREST convenes the first Global Just Transition Dialogue. The Dialogue will inform the deliberations of the G20.

1. iFOREST organized the first Global Just Transition Dialogue in the backdrop of India's G20 Presidency, to discuss issues of a just and inclusive energy transition.
2. The two-day meeting brought together national and international stakeholders to discuss policies, plans, and financing for just energy transition, particularly from a Global South perspective.
3. The discussions and outcome of the convening are intended to inform the deliberations of the G20.
4. iFOREST released two reports at the Dialogue highlighting a strategy for India to start implementing just energy transition without compromising the country's energy security while promoting green growth and jobs.
5. For India to meet its net zero targets by 2070 and energy independence goal by 2047, a transition of all fossil fuel sectors will need to be considered in a phased manner. To steer this, a Framework of Just Transition will be required at both the national and state levels to guide policies, plans and institutional mechanisms.
6. At least \$900 billion will be required for just energy transition in India over the next 30 years, only for coal mines and thermal power plants. While \$600 billion will have to come as investments in new industries and infrastructure, \$300 billion will be needed as grants/subsidies to support the transition of the coal industry, workers and communities.
7. International cooperation is essential for a just transition in the global South. Countries like India will need grants and concessional financing to support the economic diversification of fossil fuel regions, green energy and industrial development and to build the resilience of the impacted communities.

New Delhi, March 23, 2023: The International Forum for Environment, Sustainability and Technology (iFOREST) organized the first Global Just Transition Dialogue in Delhi to discuss policy and financial aspects of just and inclusive energy transition. The event brought together national and international stakeholders to exchange ideas and experiences on just transition, specifically focusing on the global South.

While inaugurating the event, Amitabh Kant, the Sherpa of India's G20 Presidency, said that "Private financing will be crucial for just transition. Our ability to push for just transition gets impacted by our ability to leverage private financing. We need new financial instruments and revision of how multilateral institutions work to improve financing." Kant added that "Wind and solar energy combined with pumped storage will be the key to lower the cost of green hydrogen. These will pave the path towards an energy transition for India."

At the Dialogue, **Chandra Bhushan, President & CEO of iFOREST** said, "While our strategy for just transition should be guided by the country's net zero target and energy independence goals, our actions should be to build green energy and industries and develop a skilled workforce. Therefore, just transition should be viewed as an opportunity for India to support green growth in the country's fossil fuel dependent states and districts, create good quality green jobs, and provide a better life for all".

Shamika Ravi, Member, Economic Advisory Council to the Prime Minister, said at the inaugural session that the need for an energy transition needs to be balanced with the issue of energy security. Many of the districts are also aspirational districts and labour transition there is going to be a time taking and challenging task." Talking of financing, she added large multilateral banks will have to step up and provide finance for transition."

The Dialogue had sessions focusing on international experience, the roles of national and state governments, policy prerogatives to ensure a just transition, and the financing needs focusing on the global South. Experts representing global South countries such as South Africa, Indonesia and Vietnam, leading policy advisors, top Central and State government officials, and representatives from labour unions, industry, multilateral institutions, banks and philanthropies shared their insights and observations during various sessions.

Regarding states' role, Pradeep Jena, Chief Secretary, Odisha said that it is simpler to handle the technology transition. “However, fossil-fuels, particularly coal mining and the associated transport sector are human intensive sectors. The bigger challenge for just transition will be to address the human question and the fossil-fuel associated economy. Planning a transition will require a lot of investments in jobs, skilling and reskilling. Another important aspect will be to define the differential responsibilities of the Central and State governments.” “Lot of partnership technical support and guidance will be required for the states to make a low-pain transition,“ he added.

Talking of the need for finance, **Jayant Sinha, Member of Parliament from Hazaribagh, Jharkhand**, said that “The transition is an energy transition and it has to start with coal. We need to deploy diverse sources of capital for this. However, we also need to urgently build the institutional and administrative capacity to utilize this capital. Both financing and institutional capacity building must happen together.”

iFOREST released two reports - ‘Just Transition Framework for India: Policies, Plans and Institutional Mechanisms’ and ‘Just Transition Costs and Cost Factors: A Decomposition Study’ – which provide the first blueprint for policies, plans, institutions and financing that will be necessary for a just energy transition in India.

Key findings and recommendations of the reports

- India’s just transition framework should include all fossil fuel sectors, not just coal.
- A comprehensive decarbonization strategy needs to be adopted, which will involve the progressive substitution of coal-based power with renewable energy and storage, using hydrogen in industrial processes, scaling up zero-emission mobility, and efficient energy use by all, including individuals and industries.
- A phased transition approach should be adopted to ensure energy security and minimize social and economic disruptions. Over the next decade, old and unprofitable mines, old power plants, and sectors where rapid technological transformation is underway, such as the automobile sector, should be considered for transition.
- The key role of the central government will be to develop a National Just Transition Policy focusing on green growth, green jobs and the development of fossil fuel regions. In addition, the central government will also have to mobilize domestic and international financing.
- Developing a comprehensive State and District Just Transition Action Plan will be the most critical responsibility of the state government.
- An independent Just Transition Commission at the national level and Task Force at the state level will be necessary to design a people-centric plan.
- The major costs of just transition will include the costs of closure of mines and thermal power plants, support to workers, investments for green industries and green energy, and investment in social and physical infrastructure in the impacted regions.
- At least \$900 billion will be required for just energy transition in India over the next 30 years, just considering the coal mines and thermal power sectors. Out of this, about \$300 billion will be needed as grants/subsidies to transition coal mines and power plants and to support the workers and the impacted communities. The estimate is based on a study of four key coal districts of India and eight cost factors identified in the study, assuming that all existing mines and coal-based power plants will be phased down by 2050. The money will be required over the next 30 years.

- International cooperation is essential for a just transition in the global South. Countries like India will need grants and concessional financing to support the economic diversification of fossil fuel regions, green energy and industrial development and to build the resilience of the impacted communities.

“Our work and engagements are intended to guide a holistic just transition process that can help achieve national growth ambitions and climate commitments in the global South. In this regard, the Global Just Transition Dialogue has created a platform for stakeholders worldwide to meet and discuss critical issues related to just and inclusive transition. We will plan to make this Dialogue an annual event”, said Chandra Bhushan.

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