



Pillar III: Economic Diversification and Just Transition to 100% Renewable Energy

Summary of Workshop Presentations and Discussions

This summary captures some of the points that were highlighted and discussed in a series of three workshops on economic diversification and just transition to 100% renewable energy – the third pillar of the Fossil Fuel Non-Proliferation Treaty initiative (“Treaty Initiative”). These workshops gathered a mix of participants involved in the treaty process from across all continents, including partner organisations, members of the Treaty support team, steering committee, the research, campaign and political working groups and others.

Three pillars and four dimensions

The Fossil Fuel Non-Proliferation Treaty outlines the importance of simultaneously tackling, through international cooperation and ultimately an international treaty, three parallel pillars. In addition to the immediate halting of all fossil fuel expansion (pillar I) and the rapid and equitable phase-out of existing fossil fuel production (pillar II), both fossil fuel producing and consuming countries must undergo profound, structural transformations to cater for energy and other needs without any reliance on fossil fuels in ways that guarantee equity and well-being for all (pillar III).

This third pillar highlights four dimensions: i) The need for **economic diversification** and development models away from fossil fuel dependence ii) the transformation to **100% renewable energy** societies and iii) the need for equity and a **just transition**.

These first three dimensions will in turn need to be supported by a fourth dimension – the necessary conditions at the international level including trade, investments, debt and geopolitics – to enable these transitions to take place in every country, and to ensure no worker, community or country are left behind — a **global just transition**.

Each workshop featured a summary overview by Niclas Hällström, WhatNext?, highlighting key elements from a comprehensive **Pillar III mapping exercise and strategy** developed for the Treaty Initiative, followed by group discussions and interaction by the participants.

Pillar III spans an exceptionally broad range of issues. The workshops served to provide a relevant context and backdrop for a process of identifying the specific aspects of Pillar III in which the Treaty Initiative can most effectively engage, including Pillar III elements that may be useful to consider for an eventual legal treaty text.

Workshop 1: Context and Economic Diversification

The first workshop, on economic diversification, was held on 30 June 2021. It first introduced the Pillar III work and presented an overall context for the Treaty initiative and the climate crisis at large.

Summary of context and overview

The climate crisis as part of deeper systemic crises

Underpinning the overall Treaty initiative is a recognition that the climate crisis is **more serious** and urgent than generally understood – we are at the brink of collapsing the systems we rely on for life. This crisis is part of a **wider set of crises** – including crises of food, energy, inequality, patriarchy, racism, imperialism, colonialism, and extinction. It is a systemic crisis driven by profit and growth-oriented systems that sacrifice the needs of the many, and the health of the planet, to the interests of a few. Addressing these systemic root causes of the current crises requires **profound social transformation** in all countries and at all levels – local, national, and global, and requires **different models of development** — ones in which all countries move towards systems that enable humans to live well in harmony with each other and with nature.

Fair shares, equity and sufficiency

These crises cannot be successfully and appropriately addressed without placing equity and social justice at the core. Half of the world's population emit less than 10% of the world's emissions. 1% owns 43% of the world's wealth. This means that any **international cooperation scheme** need to ensure that elites, wealthy countries and historically large per capita emitters support poorer countries in undertaking their transitions to zero-carbon societies, as well as in dealing with adaptation and loss and damage. A core premise of the Treaty Initiative is the recognition that wealthy fossil fuel producers need to begin the phase out faster and help support economically poorer fossil fuel producing countries that are highly dependent on fossil fuel revenues to transition. In this context, there is also a growing recognition that overall **per capita energy use must converge** – with reductions among the wealthy and significant increases for those struggling to meet their basic needs, towards sufficiency levels allowing for good lives and well-being for all.

Climate, carbon budgets, urgency and maximization

The climate crisis is more dire than commonly understood. The “carbon budget” for keeping the world *safe* from global warming is already exhausted; we already risk setting in motion irreversible and in worst case run-away, rapidly escalating heating. Every fraction of a degree of additional heating increases such risks. Early action and ‘**maximization**’ of efforts to reduce emissions in the near term is therefore essential. Recent studies indicate the need for domestic reduction rates of at least 10% and up to 20% per year for wealthy countries such as US, UK and Sweden. Such research also shows how new infrastructure and technology alone cannot meet the necessary reduction levels in time. To successfully tackle the climate crisis hence also require **immediate behavioural, lifestyle and consumption changes** by middle classes and wealthy people (“more fun, less stuff”) through more life-embracing, non-material activities, in addition to simultaneously phasing out fossil fuel production and initiating an unprecedented infrastructure revolution for sound, renewable energy.

Dangerous distractions must be exposed and avoided

Misleading **rhetoric** and promotion of “dangerous distractions” or “false solutions” that gives the impression that action is happening could be as problematic as inaction. The Treaty Initiative can play a key role in articulating the real solutions and alternatives that must be pursued, and hence prevent intrusion and normalization of dangerous distractions, including **hollow and distant net-zero targets**, reliance on **off-sets and non-existing and risky, future technologies** such as CCS, CCUS, BECCS, and ultimately the dangers of normalization of **geo-engineering**.

Summary of presentation on economic diversification

Economic diversification measures relevant to all countries

The summary of the economic diversification dimension recognised that **every country needs to diversify their economies** – in ways appropriate to their particular situations – away from fossil fuel dependency. All countries need to undertake deep transformations and new ways to bring well-being to their peoples – both Global North and Global South. This calls for honest **questioning of mainstream economics, narrow economic growth models and the very idea of “development”**. This in turn calls for far-reaching changes of international conditions that underpin and constrain what countries can undertake, including trade, investment and foreign debt conditions.

It was recognised that all countries need to undertake plans for transformation to **real zero-GHG emissions across all sectors**. While particular approaches must necessarily differ and be attuned to local, endogenous conditions, there are similar needs for rapid transitions to agroecological agricultural systems, clean cooking, enhanced public transport systems, energy efficient and healthy housing, protection of natural forests and all other ecosystems, and new forms of well-being economics – and plans for 100% renewable energy provision as elaborated in the second workshop (see below).

All of this requires unprecedented **public spending**, and for poorer countries, provision of financial and other support by wealthy countries in accordance with equity and fair shares. It would be valuable to explore modern monetary theory approaches, building on experiences from public investment/public finance responses to the Covid-19 pandemic, and consider how these can be applied at scale. It is also important to understand how **state-owned fossil fuel producing companies** often play significant roles for (particularly) developing country state revenues and how they can be phased out from the fossil fuel sector without unacceptable social consequences.

It would also seem beneficial for all countries to find ways to enhance **social protection schemes**, public investments in **innovation**, and **horizon scanning**, foresight analyses and **systems approaches** to anticipate future new challenges and opportunities.

Economic diversification context for fossil fuel producing countries

The Treaty Initiative recognises that fossil fuel producing countries face particular challenges relating to economic diversification that must be addressed to enable rapid phase out of production. **A rapid phase-out must not lead to unfair and harmful impacts on those most vulnerable**, which means that poor countries that are highly dependent on fossil fuel revenues for their public services need more time and financial, technological and other support from wealthier countries.

For developing country **producers** in particular there seems to be a need for expansion of their domestic **tax bases** and support for enhanced self-reliance, **South-South collaboration**, **new productive sectors** and **localization** in ways that do not expand trade deficits and dependence on foreign capital.

Fossil fuel producers can also be assumed to have common interests in **price stability** so that orderly phase out plans can be established, and disruptive collapses of the markets avoided. This calls for enhanced international coordination and negotiations among both groups of fossil fuel producers and fossil fuel importers, so as to manage production and demand within an equity and support framework. The Treaty Initiative could play a conducive role in supporting such emerging processes towards the establishment of formal treaty negotiation process. It would also be key to advance the understanding that domestic renewable energy systems make sense for all, including for fossil fuel producers: it is imperative to build resilient energy systems for the long term that avoid risks of **stranded assets**.

Reflections on economic diversification by Fadhel Kaboub

Fadhel Kaboub is professor of economics at Denison University and President of the Global Institute for Sustainable Prosperity, and a leading academic on modern monetary theory. He is involved in the Treaty Initiative in relation to economic diversification strategies for Small Island Developing States (SIDS) and was asked to provide a few additional reflections.

Professor Kaboub concluded that we must be clear on the overall, **underlying conditions** in which the fossil fuel phase-out, economic diversification and transformation to zero-emissions societies are to take place. Few are aware of the fact that currently there is a **USD 2 trillion total financial flow annually from the poorest to the richest countries**, an expression of a neo-colonial, extractive economic system that has been in place and growing for decades. He concluded that the idea of developing countries “catching up” with the Global North under such conditions is impossible; we see a **perpetual problem** of colonial extraction where current imports of fossil fuels (including countries exporting oil) and agricultural goods, as well as industrialization where poor countries export low value-added products and import high value-added products, all combine to keep poor countries dependent on wealthy countries. Every year developing countries import more than they export, forcing a trade deficit which needs to be paid in foreign currency which forces a country to borrow more. **There is a need for a different model of development**— where much **enhanced self-reliance** on energy production (where renewables fortunately has a high potential for distributed, local harnessing) and food production (agroecology without foreign inputs of pesticides and acritical fertilizers) must be key components of the solutions. There is also need for enhanced coordination within the Global South.

Kaboub explained how modern monetary theory also shows how countries who control their own currency can undertake massive **public investments** for the necessary transformation by essentially printing money, without risking inflation (in addition to tax-based public financing). For poorer countries who don't control their currency, the international community must ensure the provision of the necessary funds, as part of their **climate reparations and climate debt**. He also noted that economic diversification can lead to the **new traps and false solutions**. For example, diversification by starting new diverse industries that are still within the same low value-added content of exports, or diversification by investing in tourism (which increases food and energy imports) may exacerbate the problems. There has to be real and **strategic diversification** that is based on country-specific conditions and that favours resilience and sustainability.

Reflections on economic diversification by Vice Yu, Third World Network

Vice Yu has followed climate negotiations closely for more than a decade, and engages closely with developing country governments and civil society on matters relating to climate and development. In providing his reflections on the topic and previous presentations, Yu emphasized how there is **no one size fits all** approach to economic diversification and development, and how there are different kinds of fossil fuel dependencies. One also has to be very careful in choice of **narratives** and how they apply differently to different contexts and countries: “more fun, less stuff” may work well in a wealthy country context, but less so in an LDC context. It is also important to avoid the trap of assuming current conditions as a baseline for what is appropriate (and cost-effective) for various countries, something that can easily **perpetuate inequities** and colonial legacies (e.g. suggesting wealthy countries transform their transportation systems to expensive electric vehicles while LDCs are advised to promote bicycles). The Treaty can provide powerful ways of questioning and considering what development ought to look like.

Open discussion

The lively open discussion welcomed that **reconsiderations of “development”** must be at the core of Treaty conversations and strategies, and that the initiative can be an important vehicle to advance such insights. Several comments emphasized the importance of **South-South collaboration** and also the value in learning from existing examples of developing countries such as China, Vietnam and India

successfully developing and implementing institutional reforms to guide a particular type of economic development. While the models might in many ways be flawed, there is something to learn from how development efforts can be pursued without considerable interference or influence by wealthy countries. Comments also included how there's a sense of **entitlement to conventional development** in many countries of the Global South, something that needs to be understood and carefully transformed into a desire for another development trajectory without fossil fuels and with focus on economic diversification with well-being for all.

It was suggested that a useful intervention could be facilitating exit/diversification pathways for producer countries by offering **real debt relief**. The need to **scrap GDP as a metric** to be replaced by diverse and more meaningful quality of life indicators were highlighted repeatedly in the conversations, directly connecting to the need for new forms of **well-being economics**, ecological economics and other approaches to economics that may be better equipped to tackle the current crises than the dominant neo-classical economic theory.

The discussions on a how to resource, support, and realise a global just transition from the fossil fuel system is going to be heavily context informed. It is in this context useful to understand for each particular country the extent of fossil fuel dependence, the **nature of dependence** (as export revenues, government revenues etc.) and the specific means to address these forms of dependencies. Participants also appreciated the recognition that Treaty must be grounded in a **broad, systemic understanding** of the larger challenges of development models, worldviews, economic and structural barriers and cultural hegemony. It will be of key importance for the Treaty initiative to find ways of advancing such systems level challenges to the current mainstream structures, including around notions of **sufficiency** and **post-growth**, and how this relates to different country contexts.

Workshop 2: The transition to 100% renewable energy societies

The second workshop was held on 12 July 2021 and focused on the requirements and strategy options for a rapid transition to a 100% renewable energy world. The first part provided an overview presentation of the current renewable energy situation, 100% renewable energy scenarios and the visions of people-centred, smart and distributed renewable energy systems.

Summary of presentation on current renewable energy situation, 100% renewable energy scenarios and the renewable energy systems of the future

The initial summary presentation recognised that a successful and rapid transition to fully renewable energy systems that can cater to all energy needs is necessary to allow a phase out of fossil fuels. As importantly, the energy transition simultaneously needs to cater to providing **access to sufficient, clean energy** for the close to 1 billion people currently lacking access, and 2.6 billion not having clean cooking facilities. While every region of the world has renewable energy potential exceeding and in most times **vastly exceeding** any projected energy needs, the transition is going much **too slow**. While the rate of growth is much higher, renewables start from a very low level which means that the proportion of renewables has not changed much over the past 20 years. **Fossil fuels are still increasing as much as renewables** in absolute terms. For renewables to meet the future energy needs as the world rapidly phases out fossil fuels, the rate of growth must increase at least 4-5 times. There has also been a disproportional focus on the electricity power generation sector (where renewables now constitute 27%), while the transportation and the heating and cooling sectors include hardly any renewables (3.4% and 10.2 % respectively) despite these sectors constituting 84% of the total energy consumption. We are **nowhere near on track** to reach 100% renewable energy in time to remain within a 1.5C temperature target.

Yet, it is still **possible** to keep global warming under 1.5°C through a **100% renewable energy** transition. A **recent report** by Sven Teske and Sarah Niklas for the Treaty Initiative outlines how all regions of the world can shift to renewable energy (and rapidly increasing electrification), and how it is possible to provide the necessary energy (including projected increase in energy use and growing populations in poor countries) without reliance on nuclear power, large-scale bioenergy, CCS or BECCS.

These **future renewable energy systems** will need to be **qualitatively different** from the current, mainly centralized and grid-centred energy systems. The renewable energy systems of the future will be **smart, multi-directional** and encompass a wide diversity and number of **distributed** generation sources at different scales. Millions of smaller production units will be connected and constitute smart, resilient production with new opportunities for households, communities, cooperatives, schools, hospitals, farmers, small and medium size enterprises, as well as larger companies and utilities to be **both producers and consumers** of energy. The distributed nature of most renewable energy sources allow for new kinds of increasingly **democratized energy systems** and **diversified ownership**.

Reflections from discussion in groups

Reflecting on the initial presentation, participants engaged in group discussions responding to the questions "How do you imagine the transition to 100% renewables will play out? What barriers do you envisage? Do you share the vision of how these future zero-emission societies will look?" Reflections were also captured through electronic post-it notes.

Reflections included the need for national governments to underwrite a just transition, literally guaranteeing a transition for fossil fuel workers and sectors that need to decarbonise. Participants concluded that **market-based solutions** will happen **too slowly**, requiring a major role for the **state** both at national and international levels, with international cooperation arrangements as key requirements.

Some comments reflected on barriers relating to problematic solutions such as temptations to exploit new-found fossil fuel reserves, too much emphasis on hydrogen and the importance of understanding and **anticipating the countermeasures** opponents and those standing to lose from the transition will muster. Reflections also included the importance of better understanding how the just transition to 100% renewables can play out in sectors such as **agriculture** and **tourism**. Participants appreciated the **transformative potential** in people owned and small-scale energy provisions that can drive both local and national economic development and add up to significant provision of the overall energy needs of countries.

It was recognized that once **workers** and **communities** are on board, it will have direct impact on voting and political landscapes, but that challenges in communicating the benefits of the 100% renewable energy transition in the face of fossil fuel industry and right-wing misinformation still pose serious barriers.

Summary of presentation on renewable energy policies and interventions required to deliver 100% renewable energy systems

The second presentation provided an overview of policy measures and other interventions required to enable the 100% renewable energy transition. One key feature of most renewables is the fact that almost all investments need to take place upfront through the payments for wind turbines, photovoltaic solar panels and concentrated solar power plants, dams, geothermal and marine/wave equipment, while there are **no running fuel costs**. While this means tremendous benefits in that renewable energy can be harnessed almost anywhere without vulnerability to fluctuating fuel costs, those investing in renewables are putting **all eggs in one basket** and require access to considerable capital before any income is generated. In most cases renewable energy is now cheaper than fossil fuels, which means that rather than subsidising cost, there is a need for **guarantees to de-risk the investments** and enable access to upfront capital – particularly for **smaller and inexperienced developers**. The Treaty initiative could play a transformative role in helping unleash and promote **international schemes** to enable such state-backed and internationally financed guarantee systems for both grid-connected and off-grid electricity production.

Other areas where the Treaty initiative could play a key role include the **shifting of subsidies** from fossil fuels to renewables, the promotion and facilitation of **100% renewable energy targets** and planning across countries and local jurisdictions, international support schemes for access to and **domestic manufacturing** of renewable energy technologies, establishment of **global recycling schemes** of key materials and metals, and ambitious collaborative **capacity mobilization** and capacity building efforts.

As shown in numerous studies and reports, the **economic benefits** are huge from both reducing global warming and its devastating (and costly) impacts, as well as benefits from avoidance of harmful **health** and **ecosystem** deterioration of extraction, production and consumption of fossil fuels – exceeding the costs of all necessary investments and transformative measures towards zero-carbon societies many times over (the costs of run-away climate change are essentially **infinite** and can't be meaningfully measured in monetary terms). The Fossil Fuel Treaty can help leverage ambitious **mobilization of the necessary funds** to enable a rapid transformation – including both pressuring for the provision of **fair share** climate finance/climate debt reparations, public investments and modern monetary theory interventions and the reversal of current financial flows from poor countries to rich

countries. The elaboration of strategies and plans for such interventions should be of high priority for the initiative.

Reflections from open discussion

The lively discussion, triggered by the previous presentations and group discussions, spanned a broad range of issues. The importance of tackling and shifting subsidies were highlighted, including the observation that **many fossil fuel subsidies are hidden**. For example, in many countries the hotel industry is heavily subsidised in terms of energy and food costs to enable tourism, and hence indirectly subsidized via the fossil fuel industry. To tackle such problems, **international, collective approaches** are required since it is difficult for individual countries to tackle the issue by themselves. Another reflection was the importance of access to **appropriate technologies** and the need for meaningful technological **innovation** conditions. It was also noted how the role of the **military** and militarization in relation to both the geopolitics and security dimension of fossil fuel production, as well as its direct role as some of the world's largest emitters.

Participants expressed that the **broad, systems approach** of the Pillar III work and the Treaty as such is of tremendous value, also in relation to the previous workshop's discussion on development alternatives. They emphasised how it is important to connect the renewable energy transition discussion to these discussions, noting that one of the most interesting debates is currently about the very notion of "**development**" and "**energy democracy**". While it is important to pursue an unprecedented, large-scale, publicly led push for renewables at both national and international levels there are also massive **limitations** and **dangerous implications** of various kinds of developmentalist programmes at such scale and pace. It was pointed out the Treaty initiative will need to tread and balance this carefully, and consider the most appropriate narratives. There could for example be concerns around a **technology-centered** and techno-modernist focus/language. Rather than talking about a transition to particular technologies (renewable energy), one may for example consider talking about a peaceful transition to a different way of living, with renewable energy as an essential enabler. A relevant question is whether fully industrialised, high-throughput, high-consuming societies across all continents are indeed conceivable without some fossil fuels. Given the requirements for a total and rapid **fossil fuel phase out** from a climate imperative, this makes discussions around **sufficiency** and **post-growth** essential.

Workshop 3: Equity and Just Transition

The third workshop was held on 19 July 2021 and focused on the equity and just transition dimension of Pillar III:

Overview of equity and just transition dimensions

The summary presentation recognized the key role that trade unions and in particular ITUC has had for the evolution and wide spread of the concept of Just Transition, which originally centred on **workers directly affected by the transitions**. The Treaty Initiative will need to work closely with unions and the ILO on the various dimensions of just transitions that have been identified and highlighted in this context, including measures towards **investments** and **job creation** in alternative sectors, **retraining** and **skills development**, **social protection** (and the idea of a global social protection fund), **economic diversification plans** and **social dialogue**.

The term Just Transition has however received increasingly diverse interpretations, with deeper and **transformative interpretations** where just transition is equated with systems change and alternatives to capitalism. There are also **indigenous interpretations of just transition** that are integrated with indigenous cosmovisions and relations to nature.

Considerations of Just Transition and equity also need to factor in how the transition affects people, communities and nature affected by **mining and extraction**, as well as impacts of particularly **large-scale renewable energy** plants on local livelihoods, land rights and local environments, recognizing that the renewable energy industry has generally low levels of unionization, and **poor track records** of human rights compliance. The Treaty could play important roles in facilitating capacity to **monitor** the renewable energy sector as well as the establishment of international, well-regulated **recycling** schemes.

Other dimensions of equity and just transition include **equity in energy use** where the wealthy and overconsuming part of the world's population reduce energy use while poor people and countries increase theirs, towards eventual convergence at **sufficiency levels**. Related equity considerations include the importance of fair shares in terms of emissions reductions and equitable phase-out of fossil fuel production.

Equity and just transition dimensions at the international level include addressing and reconstituting the **international economic system** at a structural level, including on **trade** and **investment**, **international debt**, overall financial flows, as well as **regulations of transnational corporations**, and inequities relating to, for example, **intellectual property**, biopiracy and vaccine inequity.

Concrete interventions that might play important roles for a Treaty Initiative strategy on just transition could include the establishment of a renewable energy and just transition **watchdog** function with extensive monitoring capacity of both renewable energy projects and policies, just transition measures relating to extraction of minerals and resources needed for the transition. Measures could also involve close collaboration with trade unions and others already promoting the idea of a **global social protection fund**.

Reflections from discussions

Participants were invited to discuss a number of initial questions in groups: What are key dimensions of equity and just transition that the Treaty Initiative needs to address? Were there any reflections on the current strategy document? Are any dimensions missing and what should the Treaty Initiative focus on?

Reflections included recognition of the many intertwined justice issues that exist, and the question of what can be tackled through the treaty initiative – and the need to see through fossil fuel companies’ tactics to delay by claiming all issues need to be resolved before climate action can be taken. At the same time it is important to tackle the various dimensions of Pillar III in simultaneous and integrated ways, not shying away from the **hard, systemic dimensions** and the fact that we may not currently have the political economy to address the foundational issues.

The need for enabling a global just transition by addressing underlying, international conditions such as trade, finance, intellectual property rights – and the need for **democratization and recreation of political institutions** that currently mediate north-south interactions and just governance was emphasized in this regard, with the recognition that so far the discussions on just transition have primarily been conducted in national contexts as opposed to a truly international frameworks. There is a need to **transform the rules of trade, investment, finance and technology** to favour, not punish, sustainable policies and practices. The need for dedicated **debt cancellation** mechanisms at the UN level and the needs for **climate and colonial reparations** to ensure transfer of funds and sound technologies to the Global South were emphasised, with the recognition that the Treaty initiative can play an important role in this regard.

It was suggested that the Treaty Initiative could play a leading role in proactively advocating for a renewable energy expansions that properly recognizes **protection of biodiversity and ecosystems**, and navigates the arising conflicts. Suggestions of regional work that could be interesting included how oil and gas in the North Sea could be replaced by a build-out of offshore wind in line with climate and biodiversity targets, while respecting worker’s rights.

Participants emphasised the importance of tackling fossil fuel related impacts beyond climate change, including for example impacts of **air pollution** and other **health** related inequities in relation to fossil fuels. The role of the **military** and its heavy reliance on fossil fuels, whose daily actions produce many power imbalances was also highlighted as an often neglected area. An observation was also made that the use of the term “Marshall Plan” may raise concerns in that it can have a militaristic and imperialist tone, connoting (contrary to the intentions of the Treaty) the idea of the Global North through its technological and industrial base selectively supplying green tech to the Global South. The framing of a **global green new deal** may be favourable in this regard – while still carrying US references it does not carry militaristic connotations.

Participants suggested making “**fair shares**” more of a central idea to the treaty’s vision both in terms of the North-South as well as the rich-poor dimensions. It was made clear that for example in the US, equity within the country has to be central in order to also expect people to embrace internationalism. Some participants mentioned that they are already using the notion of “Fair shares phaseout”. The intergenerational dimension of equity and just transition was highlighted, with the Norwegian oil fund as an example of a structure to provide a share of fossil fuel generated revenue to **future generations** – while also recognising how from an equity and fair shares perspective substantial parts of this fund should be **shared with countries in the Global South** and economically poor fossil fuel producing countries needing means for economic diversification away from fossil fuel production.

Participants also highlighted the importance of **social protection** schemes at both national and global levels, and how these need to go beyond incomes to cater for meeting all **basic needs**.

Ways forward

The workshop discussions recognised how Pillar III covers a vast number of issues, and is of central importance to the Treaty process. Participants agreed how the issues discussed in the workshops need to be highlighted and integrated with the Treaty work across political, research, campaigns and communications activities.

In some circumstances, such as in the context of some trade unions and developing countries, it may make sense to turn the framing around, and start with the overall need and desire for just transition, economic diversification and new development models (“Global treaty for just transition and phase out of fossil fuels”).

The Treaty Initiative recognises that the climate crisis is an expression of deeper, systemic, intertwined crises of development, inequality, historical pollution and a perverse global economic system. To effectively address these crises requires deep, systemic changes including reconsiderations and alternatives to notions such as “progress” and “development”.

More concretely, to advance work on Pillar III, the Treaty Initiative could:

- Further highlight Pillar III dimensions in **outreach** and **communications** around the Treaty.
- Promote and help develop **bold, global financing/guarantee schemes** to allow all kinds of entities – from households and cooperatives to public institutions and companies – to safely invest in renewable energy; enabled by international support mechanisms for Global South countries in accordance with climate finance and fair shares.
- Promote and help develop **refinancing mechanisms** for overcoming contractual lock-in to fossil fuels, enabling fossil fuel utilities to transform to renewable energy producers while re-training and retaining fossil fuel workers.
- Facilitate formulation of **100% renewable energy and just transition plans** for regions, sub-regions and individual countries, building further on experiences from the Fossil Fuel Exit Strategy and pioneering country plans.
- Promote and refine approaches for **shifting fossil fuel subsidies** to renewable energy investments and just transition measures.
- Promote and enable consolidation of examples and **lessons learned** from sound alternatives to fossil fuels and corporate concentration practices, including **community energy** and enhanced energy democracy approaches.
- Develop and promote a **global renewable energy and energy access registry** – similar to the fossil fuel registry currently under development – that tracks progress towards 100% renewable energy commitments/targets and actual renewable energy roll-out among both countries and other jurisdictions.
- Advance already initiated work on examples and options for **state-owned fossil fuel companies** to transform to non-fossil fuel activities, including renewable energy production.
- Collaborate with trade unions and other actors to promote and develop a **global social protection fund** and other measures to ensure just transition for workers across affected sectors.
- Help direct existing international negotiation processes (such as UNFCCC negotiations on **response measures**) to get on track to effectively support countries to end fossil fuel expansion and phase-out.

- Develop and initialise a **just transition and renewable energy Watch** that can effectively monitor conduct by government and companies in relation to human rights, just transition measures, and social and environmental abuses.
- Engage in measures to replace GDP by diverse and more meaningful **well-being economics and quality of life indicators** that may be better equipped to tackle the current crises than the dominant neo-classical economic theory.
- Promote engagement, public debate and deepened interaction to refine ideas and foster shifting of dominant, mainstream development thinking to new, **alternative development** approaches that place **well-being, equity, sufficiency and ecological sustainability** at the centre.

A Pillar III concept note summarising the mapping exercise and comprehensive strategy developed for the Fossil Fuel Non-Proliferation Treaty Initiative is available on-line at <http://www.fossilfuel treaty.org/pillar-3-concept-note>

