

### THREE INSIGHTS

### HOW CAN WE ENSURE A JUST TRANSITION FROM CARBON TO RESILIENCE BY INVESTING IN EDUCATION AND SKILLS?

CLIMATE JUSTICE / ONLINE FORUM DISCUSSION / 21 APRIL 2022

We would like to thank the following panellists and members of the **Business Fights Poverty** community for their participation:

Samantha Smith, ITUC, Just Transition Centre, Sandra Latner, Senior Director, Sustainability & ESG Investor Engagement, Pearson; Justin Perrettson, Head of Sustainability Partnerships, Novozymes; Brendan Curran, Policy Fellow, Grantham Institute, LSE; Simon Connell, Global Head Sustainability Strategy, Standard Chartered; Daniella Foster, Global VP & Head, Public Affairs, Science & Sustainability, Consumer Health, Bayer; Simon Derrick, Global Head of Sustainability, Blue Skies; Alexandra Knezovich, Managing Director, Market Development & Communications, Toilet Board Coalition; Jacqueline Garcia, Project Manager, Energy Saving Trust

Moderator: Alice Allan, Collaboration Director, Business Fights Poverty

In this <u>online forum</u>, our panellists first defined what a just transition in business means, before considering what a move towards a just transition might look like, using examples of organisations taking action. Using this definition, the panellists reflected on the success of different approaches, in particular how companies can promote a just transition by investing in skills, tools, knowledge, and education.

The panel then moved their attention to the challenges that businesses face and how education can help overcome these obstacles. Finally, the panel discussed the role of technology, including social technology, and how it can help employees, workers, and impacted communities contribute and innovate towards a just transition.

INSIGHT 1: FOR THE
TRANSITION TO BE JUST,
IT IS VITAL THAT ALL
PEOPLE BENEFIT FROM
THE TRANSITION, NOT
JUST THOSE WITH THE
CAPITAL OR CAPABILITY
TO BE FIRST MOVERS

Our panelists first set out to define what a just transition means to them and their organisation. "A just transition is both the outcome—a fairer, greener future for all—and the process that must be undertaken

in partnership with those impacted by the transition to net zero," said Jacqueline Garcia. "For the transition to be just, it is vital that all people benefit from the transition, not just those with the capital or capability to be first movers. A just transition must also address the needs of marginalised groups such as women and girls, people with disabilities, and displaced people," she added.

Brendan Curran identified a just transition by looking at the impact on <u>four main</u> <u>groups</u>: workers, suppliers, communities, and consumers. Meanwhile, Daniella Foster identified <u>four key areas</u> to focus on when achieving a just transition: firstly, inclusive growth and sectors investing in communities; secondly, behaviour change—changing habits and practices; thirdly, collective action—everyone playing their role; and finally, the supply chain—a code of conduct for how companies treat their suppliers.

Alexandra Knezovich, from the Toilet Board Coalition, emphasised that they now



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Energy Saving Trust

grow the experts they need from within the organisation by committing to learn and create opportunities and environments for others around them to learn together. Brendan Curran mentioned several examples of energy utility companies taking action on a just transition, including **ZE PAK**, who is based in one of Poland's key coal regions. This company is using the EU's just transition programmes to engage investors in the conversation and also as a catalyst for action to leave no workers behind. The panellists also touched on which industries, aside from energy, must pull together to fly the flag for a just transition—from big tech companies to fashion, to food and hospitality. Justin Perrettson highlighted that the dialogue around Just Transition will continue to evolve, and it's important to "consider a range of aspects—for example, ecosystems and value chain approaches to social impacts—as much as climate/emission reductions". Sam Smith concluded succinctly: "To do something meaningful about climate change and decent work involves all sectors and all jobs."

# INSIGHT 2: TO HELP SMES IN SUPPLY CHAINS REACH NET ZERO, WE NEED COLLABORATION ON EXPANDING ACCESS TO EDUCATION AND FINANCIAL SUPPORT

Multinational buyers can play an important role in helping SMEs build their capacity and transition to net zero. There are many challenges in achieving a just transition, and the panellists spoke at length about how they can combat them through education.

"Education plays a critical role—and there is a second dimension to that education, which is creating skills to enable individuals to succeed and have meaningful employment in a low-carbon world," said Simon Connell. Sandra Latner highlighted that Pearson aims to meet the changing needs of learners and help to address wider societal and environmental challenges in the process. "We have a particular focus on increasing access to learning—offering more people more learning opportunities through more products."

Sam Smith says a key challenge is maintaining and creating decent jobs while also making sure people are supported in transition through nationalised services. For Daniella Foster, it's all about collaboration and overcoming obstacles. "Going it alone isn't always the best path. For instance, the Global Self-Care Federation recently launched the Charter for Environmentally Sustainable Self-Care, the first industry-wide climate action resolution by the consumer health sector."

Several of the panellists noted that SMEs often lack the time and resources to work effectively towards net zero. Simon Connell observed that there has been "substantial growth in supply chain finance programmes with a climate focus", citing Walmart's Gigaton Programme as an example.

# INSIGHT 3: TECHNOLOGY CAN GIVE VOICE AND PROVIDE SIMPLE SOLUTIONS—BUT TO MAKE A DIFFERENCE, WE NEED TO SCALE ACCESS TO THESE SOLUTIONS

Daniella Foster opened by citing technology's role in implementing a just transition as an enabler—helping farmers feed a growing population through digital solutions, for example. She also sees technology as a platform helping to give people a voice to discuss ideas or crowdsource, but the challenge remains to secure equal access. Finally, it can be a convenient way to communicate. Many of the panellists highlighted the need for simplicity and allowing end user participation when designing solutions. Daniella Foster shared an example of OR codes serving as a means

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to deliver education. Additionally, Simon Derrick referenced how technology has a vital role to play in data collection, transparency, and impact reporting that will ultimately help businesses make <a href="https://petch.com/betch/betch/betch/">better decisions</a>.

Other examples included tech-facilitated funding platforms to make sure impacted communities are reached, as well as techenabled carbon footprint quantification tools. Jacqueline Garcia used the example of solar-powered appliances working to level the playing field for women and girls. "Due to their user-friendly design, solar mills can free women from the drudgery associated with manually processing grain, giving them time to engage in income-generating activities." However, she also noted that large upfront costs can be a key obstacle for implementing a just transition, even in developed countries like the UK, requiring solutions like grants and low-cost loans.

Simon Derrick summarised: "We have talked a bit about transparency, research,

It means taking time to properly understand and improve our impact without having unintended consequences that might compromise the ability of future generations to meet their needs.

Simon Derrick, Global Head of Sustainability, *Blue Skies* 

access to data, funding, innovation, tech, and stakeholder engagement—so for me, the key takeaway is the importance of 'connecting the dots' ... how we need to collaborate as much as possible with all the stakeholders across the whole value chain."

#### **RESOURCES SHARED:**

- International Labour Organization:
   Guidelines for a just transition
- Charter for Environmentally Sustainable Self-Care
- Grantham Research Institute:
   Climate Change and the Environment
- Clifford Chance Just Transactions:
   A white paper on just transition and the banking centre