

Just transition, international organizations and international finance institutions, and the right of access to information

Dr Giada Giacomini – Postdoctoral researcher, Geneva Graduate Institute

Just transition. It is well-established that human activities are the primary cause of climate change. The current alarming pace of global warming, extreme weather events, and their effects on human rights are significant concerns for the scientific community and are increasingly being recognized at the political and policy levels. As a result, global laws and policies have evolved to address the complex challenges of reducing greenhouse gas emissions, preserving biodiversity, and adapting to and mitigating the impacts of climate change.

In this context, the discourse on the need of transitioning away from an economic model based on fossil fuel and non-renewable energy dependency has progressively gained traction, especially after the energetic crisis started with the war in Ukraine and the realization that the reflection on how the dependency on exported fossil fuels was not anymore feasible for many countries. As we enter a new era of phasing out fossil fuels, legislators and policymakers face new challenges and dilemmas. They must ensure that fundamental social and economic rights are respected as societies strive to achieve net-zero emissions.

Thus, the green transition not only addresses climate challenges but also encompasses social, economic, and human rights concerns associated with sustainable development. Transitioning away from a fossil fuel-based economy brings about issues related to distributional, procedural, and representative justice. This is because there is a risk that the **costs of this transition may be disproportionately shouldered by certain communities or population groups located in areas interested by green development projects.**

The concept of a “just transition” has gained prominence, with its origins rooted in North American trade union and environmental justice movements in the 1980s. Beyond this broad understanding, the concept has been embraced by a range of new actors in different contexts, leading to various interpretations and applications of just transition. Some actors employ it as a framework to support specific industries and communities undergoing decarbonization, while others use it as part of broader transformative visions to address existing structural injustices within our socioeconomic systems.

The green transition framework also applies to development strategies implemented through financing of projects sponsored by IOs and International Financial Institutions (IFIs). IOs and IFIs are directly involved in the implementation

of green development projects to facilitate sustainable development in a great number of countries of the so-called Global South.

Role of IOs. IOs have always played a crucial role in conveying financial resources for the implementation of green development projects, environmental conservation and creation of carbon sinks following the establishment of the need of pursuing sustainable development and fighting climate change. For example, the WB has been financing the construction of hydropower plants as early as the 1940s, so well before the concept of sustainable development was internationally acknowledged in law and policy.

Another example is the GCF, the world's largest multilateral climate fund, has a pivotal role in ensuring a green and just transition through the financing and implementation of climate adaptation and mitigation projects. The GCF, at the time of writing, has destined 3.2 billion dollars to development projects in the energy sector. In the context of the energy transition, the GCF increases investment in renewable energy and energy efficiency.

At the UN level, the UNDP is committed to pursue just transition in its projects through the "Climate promise", an initiative to actively assist over 120 countries in enhancing and implementing their Nationally Determined Contributions (NDCs), functioning as a bridge between UNDP's extensive efforts in climate action, social inclusion, gender equality, and sustainable development.

The right of access to information in IOs and IFIs.

The implementation of just transition policies and procedures is at the heart of current global climate change mitigation efforts. A just transition ensures that the shift towards a sustainable economy is fair and inclusive, minimizing the negative impacts on workers and communities, particularly those that are vulnerable. Because of the **possibility of negative externalities of such projects on local communities and individuals, the right of access to information is particularly important to ensure transparency and accountability of IOs and IFIs.**

1. Importance of Access to Information:

- **Transparency.** Access to information ensures that all stakeholders, including local communities, civil society organizations, and the general public, can understand and scrutinize the actions of IOs and IFIs. This transparency helps build trust and ensures that the decision-making processes are open to public examination.

- **Accountability** When IOs and IFIs are transparent, they can be held accountable for their decisions and actions. This accountability is crucial for ensuring that the projects they fund and implement do not harm local communities and that any adverse effects are promptly addressed.
- **Participation:** Access to information enables stakeholders to participate meaningfully in the decision-making process. It allows them to voice their concerns, contribute local knowledge, and ensure that their interests are considered in project planning and implementation.

2. **Examples of Access to Information and Transparency Policies:**

- World Bank

The World Bank has a comprehensive Access to Information Policy that was adopted in 2010. This policy is based on the principle that transparency is essential to the development process. It allows the public to access a wide range of information, including project documents, research, and operational information. The World Bank's policy has been instrumental in increasing the institution's accountability and fostering public participation.

- International Monetary Fund (IMF):

The IMF's Transparency Policy aims to make information about the IMF's activities, policies, and country-specific work more accessible. This includes publishing staff reports, policy papers, and other relevant documents. The IMF believes that greater transparency enhances the effectiveness of its policies and promotes a better understanding of its work.

- United Nations Development Programme (UNDP):

The UNDP has a Transparency and Open Data Policy that underscores its commitment to making information available to the public. The policy ensures that key documents, including project details, financial information, and evaluation reports, are accessible through the UNDP's online transparency portal. This openness helps foster greater trust and accountability in the UNDP's development work, including its initiatives in climate change mitigation and adaptation.

- Green Climate Fund (GCF):

The GCF has established a comprehensive Information Disclosure Policy that promotes transparency and accountability. This policy ensures that information related to funding decisions, project proposals, and evaluation reports are publicly available.

The GCF's commitment to transparency helps ensure that its climate finance initiatives are implemented effectively and equitably.

- Asian Development Bank (ADB)

The ADB's Public Communications Policy focuses on transparency, accountability, and participation. It mandates the disclosure of a wide range of information, including project documents, policies, and strategies. This policy helps ensure that stakeholders are well-informed and can participate in the development process.

- European Bank for Reconstruction and Development (EBRD):

The EBRD's Access to Information Policy is designed to promote transparency and accountability. It provides public access to information about the EBRD's operations, including project documents and environmental impact assessments. This policy helps ensure that the EBRD's activities are subject to public scrutiny and that any negative impacts are mitigated.

3. Impact on Climate Change Mitigation and Green Development Projects:

- Enhanced Stakeholder Engagement: Access to information allows for better stakeholder engagement, ensuring that the voices of those affected by climate change projects are heard and considered. This is particularly important for vulnerable communities that may be disproportionately affected by such projects.

- Improved Project Outcomes: Transparency and access to information contribute to better project outcomes by enabling more informed decision-making and fostering greater community support.

- Mitigation of Negative Impacts: When information is readily available, potential negative impacts of climate change projects can be identified and addressed more effectively, ensuring that the benefits of such projects are maximized while minimizing harm.

In conclusion, access to information is a fundamental aspect of ensuring transparency and accountability in the operations of IOs and IFIs. This is particularly important in the context of climate change mitigation and just transition policies, where the potential for significant social and environmental impacts requires that stakeholders be well-informed and actively involved in the decision-making process. By upholding strong access to information policies, IOs and IFIs can enhance their effectiveness, foster greater public trust, and contribute to more equitable and sustainable development outcomes.