## Shared prosperity and corporate justice must underpin a fast and just energy transition

28 November 2023 - An appeal to the United Nations Framework Convention on Climate Change (UNFCCC) & State parties meeting at COP28, signed by 102 organisations

There is no doubt the climate crisis is upon us, but progress to address it is moving dangerously slow. We have wasted 40 years, deluded by powerful vested interests, the ease of 'business as usual', and the distraction of political manoeuvring. Fighting the worst effects of climate change will now take the best of humanity.

We represent a wide range of movements and organisations, working for climate justice, human rights including Indigenous Peoples rights, labour rights, protection of Human Rights Defenders, and corporate accountability. We are concerned our calls for a fast and just energy transition have not been heard.

Our global energy model is based on a growth at all costs and profit-driven extractive model - worsening social inequality and amplifying the devastating impacts of climate change. The world's most vulnerable communities, who have done the least to contribute to its causes, are paying the highest price. Indigenous Peoples, occupying more than one third of Earth's protected land, are most at risk. Meanwhile and for the first time in years, we are seeing an increasing number of people without access to electricity as a result of the current cost-of-living crisis.

This state of affairs cannot deliver change at the pace required to meet the immense challenge of climate change. We have witnessed the largest oil and gas companies making all-time record profits in 2022 – while rolling back their climate and renewable energy commitments, failing to adopt credible transition plans, and instead doubling down on the expansion of fossil fuels extraction – despite the International Energy Agency Net Zero Emissions by 2050 Scenario recommending no approvals of new fossil fuels projects post-2021. Beyond this sector, the reality of corporate climate efforts is equally bleak: only 13% of the medium-term emissions targets adopted by 150 of the world's largest companies are in line with a 1.5°C pathway.

We are also told that the only way to cut carbon emissions is through an explosion in transition minerals mining. We undoubtedly need minerals to support a burgeoning renewable energy sector. But we also know there is no 'just energy transition' if the goal is replacing conventional vehicles with electric vehicles (EVs) one for one. The number of new mines that will need to open in this scenario is at best simply unrealistic, at worst poised to lead to severe environmental and human rights harms. Alternative policy choices are within reach: cutting EVs battery sizes, improving chemistries and reducing private car journeys can cut expected European raw materials consumption 36-49% by 2050, for example.

Mining always comes with risks of human rights and environmental abuses. Over 510 allegations of abuses associated with top-producing mining operations of cobalt, copper, nickel, manganese, lithium, and zinc have been documented in the past decade - with one in four associated with attacks against human rights defenders. The extractive industry is the most dangerous sector for those voicing concerns - with little progress in bringing the drivers of these attacks to justice recorded to date.

This is unfortunately the <u>tip of the iceberg</u>. Ignoring and violating the rights of workers and communities, illegal land and water grabs, pollution of rivers, dam collapses, <u>gender-related impacts</u> including <u>sexual violence</u>, compensation below living wages, and dangerous working conditions have been part of the 'business as usual model', contributing to a growing culture of community resistance. The reality of corporate state capture compounded by corruption represents <u>a heightened risk</u> as mining for transition minerals accelerates: as many are located in countries with high levels of corruption, including <u>59% of nickel</u>, <u>70% of cobalt</u>, and <u>94% of rare earths</u>. Indigenous Peoples are disproportionately affected, with more than <u>50% of the world reserves for transition minerals on or near Indigenous or peasants lands</u>, while in 2022 they <u>counted for 34%</u> of all the environmental defenders killed in the world. Too often, Indigenous Peoples' rights to self-determination, including the right to give -or withhold- their <u>Free</u>, <u>Prior and Informed Consent (FPIC)</u>, to projects affecting their lands and resources, are denied as the mining sector approach to FPIC <u>remains vastly inadequate</u>. Consultation is not enough in law or in practice for Indigenous Peoples; nothing less than a true say in the decisions that affect their lives will do.

A revamped global energy system is an urgent climate and human rights imperative. But it is also possible, as is our ability to build a more socially just global economy. On the other hand, a climate agenda that sees public participation, environmental and human rights protection as barriers to – rather than facilitators of – a fast energy transition will be resisted and likely fail. In particular, companies in the renewable energy value chain must also close the gap between human rights policy and practices. Public and private investments in renewable energy projects must not undermine partner countries' own green transition, either by exhausting their resources, undermining local energy access or tax avoidance, or else. To the contrary, they should integrate support for domestic green industrialisation, decent jobs, tax justice and the sharing of knowledge, technology, patents and capital.

For decisive progress to be made at COP28, we call the UNFCCC and State Parties to unequivocally agree on a full, rapid, and equitable phase-out of all fossil fuels. This should be supported by a clear recognition of the differentiated impacts of a rapid transition to a low-carbon economy towards Indigenous Peoples, peasants, local communities, and workers and a clear commitment to adopt human rights-centred climate action plans, including in Nationally Determined Contributions (NDCs).

We call on world leaders to commit to climate action firmly resting on three key imperative pillars that must inform discussions on the Just Transition Work Programme:

- (i) Putting human rights and social protection at the core of the energy transition
- Adopt and implement regulation on corporate due diligence in relation to human rights, including Indigenous Peoples' rights, climate and the environment, responding to growing public calls for greater corporate accountability. It must include clear provisions for remedy and ensure access to justice to all victims. Clear requirements for the largest companies to adopt science-based emissions targets aligned with 1.5°C must be adopted and supported by multistakeholder, rights-based just transition plans. Such regulation must also include clear protection mechanisms for human rights and environmental defenders. The legacy of the fossil fuels sector and its responsibility to clean past environmental damages and provide adequate remedy must be addressed.
- Stop the greenwashing of the concept of a 'Just Transition', and the manipulation of the urgency to transition to a low-carbon economy to justify business practices that ignore human rights and environmental impacts. Regulatory frameworks, and policies and standards to protect human rights and the environment should be strengthened to support a green economy. This must include preventing industry-led certification schemes and standards from overriding legally binding frameworks.
- Review national taxation frameworks in support of strong social protection systems

## (ii) Prioritising shared prosperity for all workers and communities, underpinned by fair negotiations and equitable benefit sharing

- Adopt regulations and incentives which favour business models that deliver shared prosperity project
  models supported by just fiscal terms, offering true opportunity for those affected by new mining and
  renewable energy infrastructure projects through careful deliberation with rightsholders to avoid harm and
  build public trust.
- Strengthen respect for Indigenous rights regulation in line with international standards including United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and ratify ILO Convention 169 Indigenous and Tribal Peoples.
- Adopt strong just transition plans with workers' organisations; uphold ILO core conventions including
  workers' rights to freedom of association and collective bargaining, elimination of all forms of forced or
  compulsory labour, abolition of child labour and elimination of discrimination.

## (iii) Requiring resource efficiency and demand reduction for raw materials consumption for a genuine transition

- Adopt plans to reduce raw materials and energy consumption, including through decreasing size of electric vehicles and batteries, as well as the promotion of public transportation and low-carbon/carbon-free means of transportations.
- Adopt plans to increase resource efficiency including through responsible product design, and the recycling
  of raw materials.

## SIGNING ORGANISATIONS

- 1. Business & Human Rights Resource Centre
- 2. 350.org
- 3. ABColombia
- 4. AbibiNsroma Foundation (ANF) Ghana
- 5. Above Ground (a project of MakeWay)
- 6. Africa Child Care Nation (ACCN)
- 7. Alliance for Tompotika Conservation
- 8. Amazon Watch
- 9. Amnesty International
- 10. Andrew Lees Trust
- 11. Anti-Slavery International
- 12. Asia Indigenous Peoples Network on Extractive Industries and Energy (AIPNEE)
- 13. AsM Law Office / Accountability Sustainable Monitoring Indonesia
- 14. Asociación Pro Derechos Humanos de España (APDHE)
- 15. Asociacion ProPurus
- 16. BankTrack
- 17. Batani Foundation
- 18. Both ENDS
- 19. Broederlijk Delen
- 20. CAFOD
- 21. Canadian Network on Corporate Accountability
- 22. Care About Climate
- 23. CATAPA Comité Académico Técnico de Asesoramiento a Problemas Ambientales
- 24. Christian Aid Ireland
- 25. Climate Action Network Europe
- 26. Community Empowerment and Social Justice Network (CEMSOJ)
- 27. Community Work Ireland
- 28. Core Group Transparency/Publish What You Pay, Timor-Leste (CGT/PWYP-TL)
- 29. Corporate Justice Coalition UK
- 30. Cultural Survival
- 31. Danish Institute for Human Rights
- 32. Eco Advocacy
- 33. Earth Thrive
- 34. Earthworks
- 35. Environics Trust
- 36. EU Raw Materials Coalition
- 37. European Coalition for Corporate Justice
- 38. European Environmental Bureau
- 39. Feasta
- 40. First Peoples Worldwide
- 41. Forest Peoples Programme
- 42. Friends of the Earth Australia
- 43. Friends of the Earth Canada
- 44. Friends of the Earth Spain
- 45. Fundación Alboan
- 46. Geneva Centre for Human Rights Advancement and Global Dialogue
- 47. Global Initiative for Economic, Social and Cultural Rights
- 48. Global Justice Now
- 49. Global Legal Action Network (GLAN)
- 50. Global Witness
- 51. Heartland Initiative
- 52. Indigenous Peoples Rights International (IPRI)
- 53. International Center for Not-for-Profit Law (ICNL)
- 54. International Land Coalition (ILC)
- 55. International Lawyers Project
- 56. IUCN National Committee of the Netherlands
- 57. Jamaa Resource Initiatives
- 58. Klimadelegation
- 59. La Coordinadora de Organizaciones para el Desarrollo-Spain
- 60. Lawyers' Association for Human Rights of Nepalese Indigenous Peoples (LAHURNIP)
- 61. London Mining Network

- 62. MiningWatch Canada
- 63. National Women's Council of Ireland
- 64. Natural Justice
- 65. Natural Resource Governance Institute (NRGI)
- 66. Natural Resource Women Platform
- 67. NOAH Friends of the Earth Denmark
- 68. Observatoire d'Etudes et d'Appui à la Responsabilité Sociale et Environnementale (OEARSE)
- 69. Observatori del Deute en la Globalització
- 70. Oxfam
- 71. Peace Brigades International
- 72. PowerShift
- 73. ProDESC (Proyecto de Derechos Económicos, Sociales y Culturales)
- 74. Protection International
- 75. Publish What You Pay
- 76. Resource Matters
- 77. Rights & Accountability in Development (RAID)
- 78. Rights CoLab
- 79. Roots2Justice
- 80. Sange Research Center
- 81. Satya Bumi
- 82. Securing Indigenous Rights in the Green Economy Coalition (SIRGE)
- 83. Sierra Leone Land Alliance
- 84. Sisters of Mercy of the Americas Justice Team
- 85. SJ Around the Bay
- 86. Society for Threatened Peoples.
- 87. SOMO
- 88. Stand.earth
- 89. Student Sustainability Summit
- 90. Swedwatch
- 91. Tax Justice Network Africa
- 92. The Governance Action Hub / Results for Development
- 93. The Marginalised Mirror
- 94. The Sunrise Project
- 95. Traction Energy Asia
- 96. Transparency International Australia
- 97. Transparentem
- 98. Unseen
- 99. Vredesactie
- 100. Western Sahara Resource Watch
- 101. Women on Mining and Extractives (WoME)
- 102. Youth Climate Collaborative