









#### INTERNATIONAL CONFERENCE ON CLIMATE JUSTICE – 22 July 2022

## Climate justice and fossil fuel extraction Principles for a managed phaseout

Greg Muttitt

gmuttitt@iisd.org

International Institute for Sustainable Development

www.climate-justice.earth









#### Fossil fuel phaseout within a generation

Figure A1. Global oil and gas production 25 Interquartile range IPCC 1.5°C feasible 15 pathways GtCO2 IPCC 1.5°C feasible pathway 10 IEA NZE pathway IPCC alternative feasible 1.5°C pathways 5 IPCC IMP-Ren pathway IPCC IMP-LD pathway 2020 2025 2030 2035 2040 2045 2050

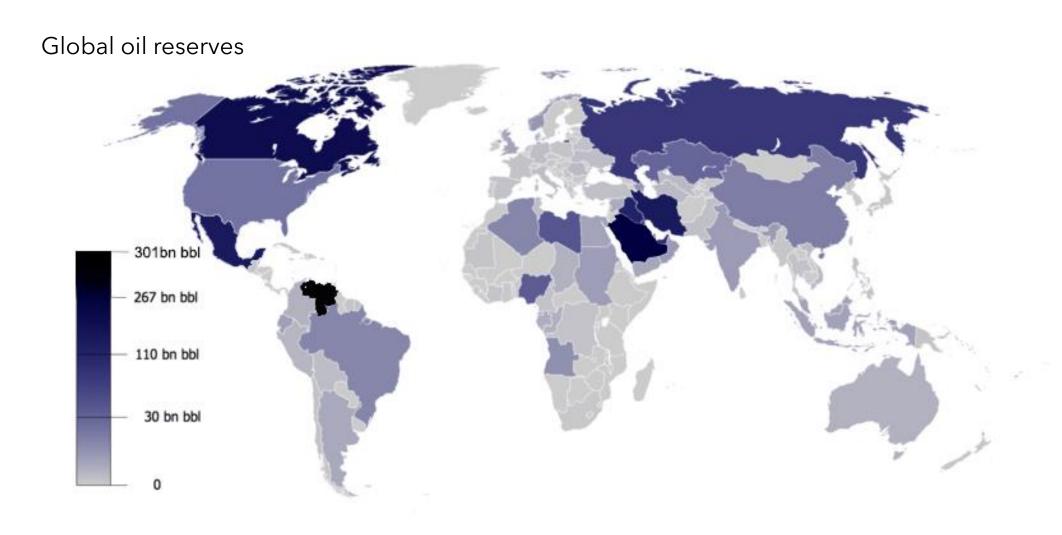


Equity is usually thought about for territorial emissions.

This Agreement will be implemented to reflect equity and the principle of **common but differentiated responsibilities and respective capabilities**, in the light of different national circumstances.

Paris Agreement, Article 2.2

### **Extraction is shaped by geology**



#### **Extraction causes benefits for some, harms for others**





#### Just transition - Broad agreement on principles

- Sound investments in low-emission and job-rich sectors;
- Local economic diversification plans that support decent work and enable communities to thrive in the transition;
- Training and skills development to support affected workers in obtaining decent employment in new sectors;
- Social protection for workers and communities disrupted by job losses and displacement (e.g. social insurance, employment guarantees, public works employment);
- Social dialogue and democratic consultation of social partners (trade unions and employers)
  and other stakeholders,

### Whose employment rights?

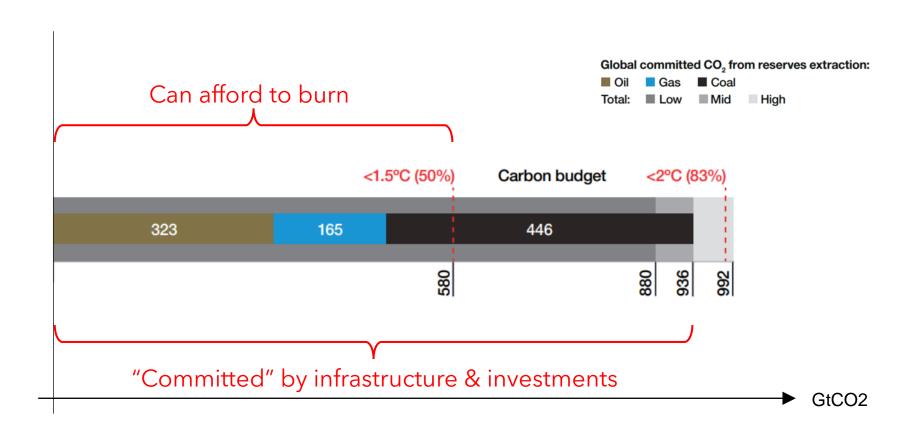




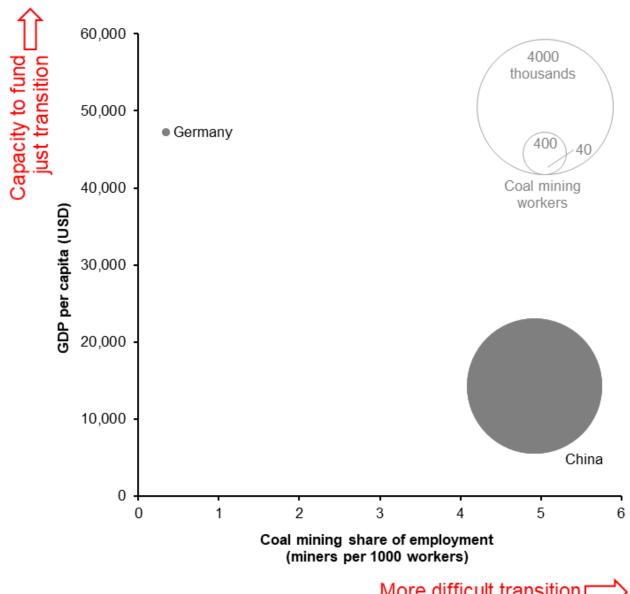
"There are no jobs on a dead planet"

International Trade Union Confederation

#### Too much fossil fuels in existing fields and mines

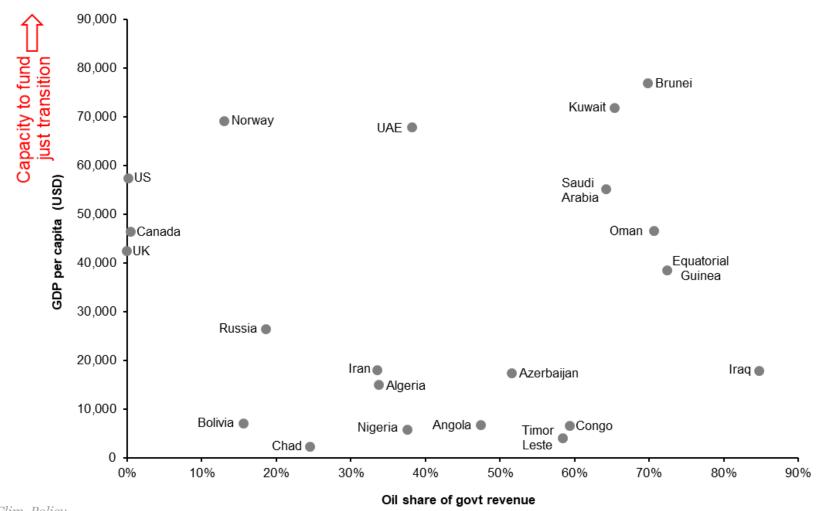


## Relative just transition challenges: **Coal employment**





#### Relative just transition challenges: Oil revenues



#### Some countries are highly dependent on extraction

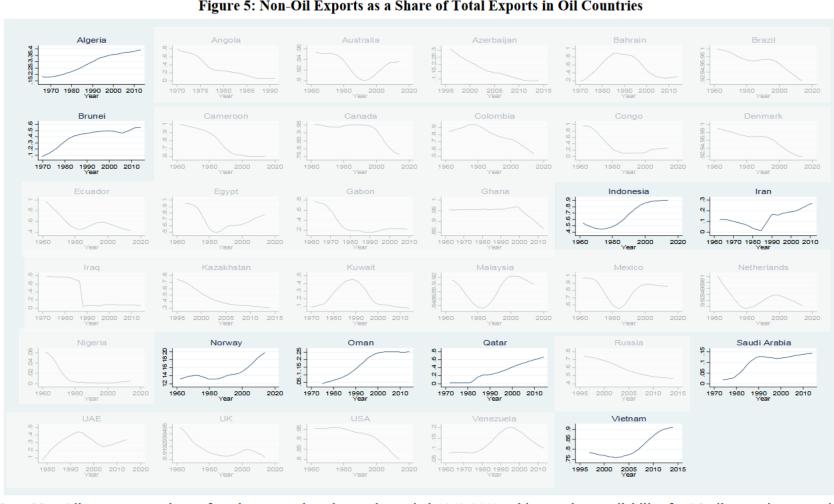
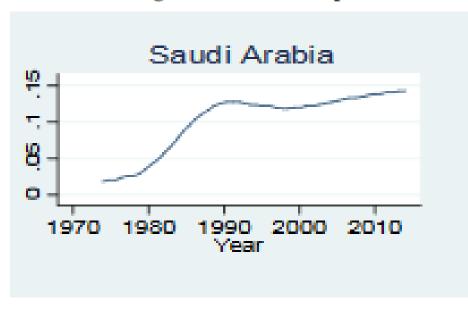
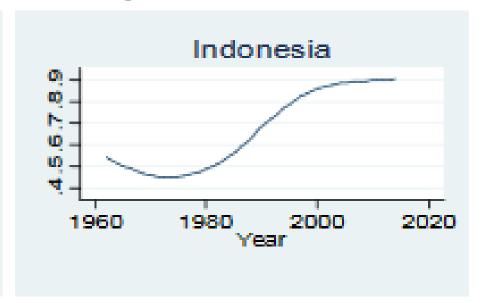


Figure 5: Non-Oil Exports as a Share of Total Exports in Oil Countries

# Diversifying extraction dependent economies is extremely difficult

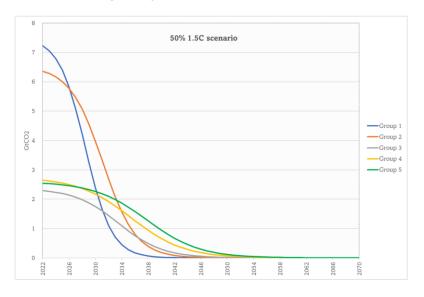
Figure 5: Non-Oil Exports as a Share of Total Exports in Oil Countries





#### Phaseout according to capacity for just transition

#### Oil and gas production



Country group	e.g.	End date	2030 reduction
Highest capacity	USA, UK, Norway, Canada, UAE	2034	69%
High capacity	Saudi Arabia, Kuwait, Argentina	2039	38%
Medium capacity	China, Brazil, Mexico	2043	25%
Low capacity	Indonesia, Iran, Egypt	2045	21%
Lowest capacity	Iraq, Libya, Angola, South Sudan	2050	13%

#### Principles for a managed phaseout of extraction

- Phase out global extraction at pace consistent with limiting warming to 1.5°C;
- Enable a just transition for workers and communities;
- Curb extraction consistent with environmental justice;
- Reduce extraction fastest where doing so will have the least social costs;
- Share transition costs fairly, according to ability to bear those costs.