Just Transitions Forum  
- Concept Note -

Dates: 15-16 May 2023

Organisation: EU-LAC Foundation

Co-Hosts: “la Caixa” Foundation and the Club of Rome

Format: Hybrid

Place: CaixaForum Macaya, Barcelona, Spain

Executive summary

The EU-CELAC Summit of Heads of State and Government, schedule for the second half of 2023, will provide an opportunity to generate a high-level strategic dialogue on the challenges and opportunities of the bi-regional cooperation between Latin America and the Caribbean (LAC) and the European Union (EU), particularly around their green transition and digital transformation. In context of the socioeconomic crisis produced by the coronavirus pandemic and the current conflict in the Ukraine, it will be essential to discuss and agree on strategies aimed at a just transition.

In the framework of its mission of facilitating and promoting the exchange between governmental and civil society actors of the two regions, the EU-LAC Foundation proposes the Just Transitions Forum. The objective of the Forum is to generate a discussion space for experts, researchers and other civil society actors on the challenges and opportunities of the bi-regional cooperation LAC-EU in the areas of climate change adaptation and mitigation, just energy transition and inclusive digital transformation. In addition, the purpose of the Forum will be to generate contributions and policy recommendations from civil society to the bi-regional dialogue that will take place at the next EU-CELAC Summit of Heads of State and Government.

Introduction

The EU-LAC Foundation is an international intergovernmental organisation made up of 60 states of Latin America and the Caribbean (LAC) and the European Union (EU), as well as the European Union itself. Its mandate is to work in close collaboration with its members, to promote bi-regional partnership and dialogue. An essential part of its mission is to increase the mutual understanding of both regions and promote dialogue on the priority issues on the agenda of their strategic partnership. Furthermore, the EU-LAC Foundation aims to link intergovernmental processes with business, academic, social, and broadly, civil society sectors of both regions.

The third CELAC-EU Foreign Ministers’ Meeting, which took place in Buenos Aires on 27 October 2022, stressed the importance of renewing the deep ties between LAC and the EU under the theme "Renewing the bi-regional partnership to strengthen peace and sustainable development".1

This was the first formal EU-CELAC ministerial meeting since July 2018 and marked the resumption of a bi-regional dialogue based on a forward-looking, substantive, and positive agenda. The topics discussed by the ministers largely revolved around the shared agenda on green and digital transition of the EU and LAC. In this context, the ministers:

---

• discussed ways to ensure an inclusive, equitable and sustainable post-pandemic economic recovery.

• agreed to deepen cooperation on food security, energy, health, social justice, and the integration of production systems and value chains, including on raw materials; as well as strengthening trade and investment relations between the two regions.

• exchanged views on innovation, the fight against climate change and biodiversity loss, disaster risk management and the digital agenda. In addition, they considered the financing of climate change adaptation and mitigation measures, the transition towards a circular economy, protection of the oceans and how scientific innovation can support development.

The ministers also agreed to organise a series of high-level meetings on shared thematic priorities, which would lead to the EU-CELAC Summit of Heads of State and Government to take place in the second semester of 2023, during the Spanish Presidency of the Council of the EU.

Several of the EU-CELAC high-level meetings included in the Bi-regional Roadmap 2022-2023, focus on the discussion of bi-regional strategies and actions around the green and digital transitions of both regions. These meetings address issues such as climate adaptation and comprehensive disaster response, environment and climate change, energy cooperation, integration of production chains and food markets, the EU-LAC Digital Alliance, the work of the Bi-regional Network of Women on climate actions, and the EU and CELAC youth and civil society dialogue.²

Subsequently, the VII Summit of Heads of State of CELAC, held in Buenos Aires on 24 January 2023, reinforced several of the commitments made at the third Meeting of CELAC-EU Ministers.³ The declaration of the Heads of State highlighted the importance of working in coordination for international climate action in the framework of the commitment to the 2030 Agenda. In addition, it put emphasis on accelerating an energy transition that is not only sustainable, but also just, equitable and inclusive. The declaration also stressed the importance of ensuring universal access to connectivity in the digital era without discrimination, especially to groups in vulnerable situation and in remote areas, as well as the reduction of digital divide.

In this context, the coming EU-CELAC Summit of Heads of State and Government will provide the opportunity to generate a high-level dialogue on the challenges and opportunities for bi-regional cooperation around the shared priorities of climate change adaptation and mitigation, energy transition and digital transformation. For LAC, in the face of increasing post-pandemic poverty and inequality, cooperation strategies for just transitions that do not deepen unequal regional or local development are strongly needed.

Civil society organisations, indigenous peoples, afro descendants, youth, private sector, labour unions, intellectuals, and artist, as well as other social actors have played an essential role in the EU-CELAC Summits. They have provided key information and recommendations on the thematic areas to the Member States and work, from their respective fields of expertise, in the implementation of initiatives addressing different aspects of the bi-regional agenda.⁴

⁴ Since the first summit in Rio de Janeiro, in 1999, organised civil society groups from both regions have come together and organised events to bring their experiences and perspectives to the attention of heads of state. To date, nine meetings convened by the European Economic and Social Committee (EESC) were held in
Consequently, and in the framework of its mission to promote exchange between governmental and civil society actors from the two regions, the EU-LAC Foundation proposes the **Just Transitions Forum**. The forum aims to promote discussion among researchers, experts, and other actors from civil society organisations on the challenges and opportunities of bi-regional cooperation around climate change adaptation and mitigation, just energy transition and inclusive digital transformation. In addition, the purpose of the forum will be to generate contributions and policy recommendations from civil society to the bi-regional dialogue that will take place at the next EU-CELAC Summit of Heads of State and Government.

1. **Climate Change Adaptation and Mitigation**

The third CELAC-EU Ministers' meeting allowed for an exchange of views between the regions on the fight against climate change and biodiversity loss. In addition, the importance of financing climate change adaptation and mitigation measures was discussed.5

In November 2019, the European Parliament declared a "climate emergency" and in December 2019 adopted the European Green Deal as a governance programme of the European Union designed to overcome the challenges of climate change and environmental degradation. 6 The European Green Deal is a package of policy initiatives, which aims to set the EU on the path to a green transition, with the ultimate goal of reaching climate neutrality by 2050, and an intermediate greenhouse gas emissions reduction of 55% by 2030 compared to 1990.7

As one of the main measures to achieve climate neutrality and net zero emissions, the European Commission launched the Emissions Trading System (EU ETS), which is applied to the sectors with the highest emissions in order to increase the price of carbon via emission allowances, and thus internalise their environmental costs.8 In addition, in order to avoid damaging European competitiveness and the substitution of local production by imports from countries where similar systems do not exist, the EU has proposed the implementation of a "carbon tariff" or carbon border adjustment mechanism (CBAM)9. The CBAM will mostly affect countries that export steel, cement, aluminium, petrochemicals, or fertilisers to the EU, including some LAC countries. While the CBAM has the potential to reinforce joint EU-LAC climate action and contribute to a green preparation for previous Summits. Likewise, CONCORD Europe and Mesa de Articulación (both confederations representing more than 2000 NGOs) organised eight Forums of Civil Society ahead of the EU-CELAC summits. In addition to these, the EU-CELAC Summit process has been also complemented by the EU-CELAC Trade Union Meetings organised by the European Trade Union Confederation, Confederación Sindical de Trabajadores de las Américas, and the International Trade Union Confederation (seven editions to date), as well as the EU-CELAC Business Summit (five editions to date). In the same vein, the academic and scientific communities from both regions have been engaged in organising events to discuss and elaborate relevant information and Declarations to be taken into account by Heads of State and Government in order to contribute to the construction of the Euro-Latin American and Caribbean Area of Higher Education, Science, Technology and Innovation.

9 Idem
recovery in the regions, in the short run it will have a negative effect on the exports of some LAC countries.\textsuperscript{10}

In addition, in order to contribute to the implementation of the commitments made by LAC in the Paris Agreement, the EU launched the EUROCLIMA+ cooperation programme in 2018. The programme has financed projects on forests, biodiversity and ecosystems, disaster risk reduction, energy efficiency, among others.\textsuperscript{11}

At the VII Summit of Heads of State, the CELAC countries confirmed their willingness to accelerate the energy transition in a sustainable, fair, equitable and inclusive manner, contributing to the energy security of the countries of the region and taking into account the different capacities of each country.\textsuperscript{12} In addition, they asked developed countries to fulfil their commitment to jointly mobilize 100 billion dollars per year for climate financing between 2020 and until 2025, in order to support developing countries. They also stressed the importance of climate justice, reparation policies in international cooperation, and finance and technology transfer by developed countries to achieve environmental goals. Finally, they opposed unilateral trade restrictions and qualified them as inappropriate to address environmental concerns and the promotion of sustainable development.

LAC is one of the most vulnerable regions to climate change. According to the OECD et al.’s Latin American Economic Outlook Report\textsuperscript{13}, while 13 of the 50 countries identified as most affected by the climate emergency are in LAC, the region is responsible for only 8.1% of the global greenhouse gas emissions, a figure proportional to its share of total global population and slightly higher than its share in the global gross domestic product (GDP). Given the dangerous consequences of climate change in the region, a just transition is imperative and will require the mobilisation of significant financial resources. In this context, enhancing the use of new financial instruments such as debt-for-nature swaps, catastrophe bonds and green, social, sustainable, and sustainability-linked bonds (GSSS) becomes a key strategy for governments in the region.\textsuperscript{14}

2. Just energy transition

The world is experiencing an energy crisis that has been aggravated by the conflict in Ukraine and the deepening climate crisis. In this context, at their meeting in October 2022, the Foreign Ministers of CELAC and the EU committed to strengthen their cooperation on energy security and the fight against climate change.

On the one hand, this cooperation will be framed around the European Green Deal and the new EU energy strategy embodied in the EU REPoweEU Plan. The energy transition in Europe has advanced strongly, especially in countries with limited fossil resources, reaching 38% electricity production from renewable sources by 2020.\textsuperscript{15} However, one of the great energy challenges

\textsuperscript{10} Iribarren López, I., & de la Cruz Prego, F. (2021). The new Carbon Emissions Border Adjustment Mechanism of the European union: what implications does it create for the bi-regional association? In Opportunities for the bi-regional strategic partnership in shaping a greener recovery - II EU-LAC Essay Contest on the Bi-regional Partnership. EU-LAC Foundation.

\textsuperscript{11} See: https://www.euroclima.org/en/home-en/about-the-programme

\textsuperscript{12} Véase: https://www.cancilleria.gob.ar/userfiles/prensa/declaracion_de_buenos_aires - version_final.pdf


\textsuperscript{14} Idem

\textsuperscript{15} Guzmán, S. (2022). La crisis climática, una oportunidad de verdadera colaboración entre Latinoamérica y la Unión Europea. In Multilateralismo y Regionalismo en Tiempos Desafiantes: Relaciones entre Europa y
remains dependence on natural gas, a challenge that has become more relevant due to the conflict in Ukraine.

The REPowerEU plan aims to drastically accelerate clean energy transition and increase Europe’s energy independence from fossil fuels, particularly from Russia. Among the measures to be implemented by the REPowerEU plan, is the cooperation with international partners to find, in the short term, alternative suppliers of gas, oil and coal. In the medium term, the REPowerEU plan aims to accelerate the green transition and stimulate massive investment and cooperation in clean energies, particularly renewable hydrogen. In the medium term, REPowerEU also plans to implement massive incentives for industrial decarbonisation, generate new legislation for faster permitting of renewables especially in dedicated ‘go-to areas’ with low environmental risk, invest in an integrated and adapted gas and electricity infrastructure network, increase the European renewables target for 2030 from 40% to 45%, generate Regulatory measures to increase energy efficiency in the transport sector, accelerate the use of hydrogen, and generate a modern regulatory framework for hydrogen.

On the other hand, the CELAC countries, at the VII Summit of Heads of State, confirmed their willingness to accelerate the energy transition in a sustainable, fair, equitable and inclusive manner, contributing to the energy security of the countries of the region and considering the different realities, capacities, and levels of development of each country. In the last two decades several LAC countries have made considerable progress in diversifying their energy matrix and building renewable energy markets. Thus, according to the OECD et al.'s Latin American Economic Outlook Report renewable energy resources currently account for 33% of the total energy supply in the region, and 61% of regional electricity generation. Beyond this, the region has great potential for renewable energy such as green hydrogen, which can boost green hydrogen industrial hubs.

The region also has a strategic position to supply key minerals for the energy transition, such as lithium (61% of global reserves), copper (39%), and nickel and silver (32%). The region’s renewable energy resources have the potential to promote innovative industries, generate quality jobs, enable universal access to electricity services, and foster renewable energy markets.

However, LAC faces important challenges in its just energy transition. In the region, 17 million people still do not have access to electricity, particularly in rural areas. The coronavirus crisis (Covid-19) and the conflict in Ukraine have worsened the already low region’s investment capacity in renewable energy and energy efficiency. This is compounded by the transport sector’s high dependence on fossil fuels.

In this context, deepening cooperation on energy transition between CELAC and the EU is relevant, mutually beneficial, and has the potential to enable the short and medium-term energy goals in both regions, as well as the Sustainable Development Goals (SDGs). However, in the framework of bi-regional cooperation, it is essential to discuss an agenda that: promotes a just energy transition,

---

18 Idem
19 Idem
20 Idem
prevents the generation of a new purely extractivist relationship between the EU and LAC\textsuperscript{21}, guarantees environmental protection in the energy trade in both LAC and the EU, promotes investments linked to the generation of quality jobs that guarantee labour rights in both regions and, finally, promotes energy security and the inclusion of vulnerable populations that do not have electricity and/or sustainable energy services.

3. Inclusive Digital Transformation

The coronavirus crisis (COVID-19) reinforced the urgency of driving a digital transformation in the EU and LAC. At the third CELAC-EU Foreign Ministers’ Meeting in October 2022, the Ministers agreed to work towards a Digital Alliance, with the objective of promoting a human-centred digital transformation, focused on values and social inclusion, as expressed in the EU Global Gateway initiative.

EU Global Gateway is the EU’s new strategy to drive smart, clean, and secure links in the digital, energy and transport sectors, as well as to boost health, education and research systems across the world.\textsuperscript{22} Particularly in the digital sector, through Global Gateway, the EU will strengthen connections between Europe and the world and to help partner countries address the digital divide and further integrate into the global digital ecosystem. In addition, under Global Gateway, the EU will invest in quality digital education, paying particular attention to the inclusion of girls and women, and other vulnerable groups. The EU will also work with partner countries to increase cooperation on research and innovation. Global Gateway will mobilise, through the European Fund for Sustainable Development+ (EFSD+), up to 135 million euros for infrastructure investments, including digital infrastructure, between 2021 and 2027\textsuperscript{23}.

In addition, the EU-LAC Digital Alliance proposes the creation of a global political and cooperation framework for bi-regional work on digital transformation.\textsuperscript{24} Among the lines of action proposed by the EU are: cooperation in the areas of regulation and public policy, the extension of infrastructure for connectivity, and innovation and cooperation with the private sector, with the goal of reducing the digital divide. An example of the potential of the EU-LAC Digital Alliance is the BELLA programme, developed in the framework of the scientific cooperation between Brazil and the EU. Its objective is to develop connectivity infrastructure to promote both bridging the digital divide and activities in the areas of research and education.\textsuperscript{25}

Likewise, at the VII Summit of Heads of State and Heads of State, CELAC countries committed to work on digital transformation, with special attention to vulnerable groups to reduce digital divides, such as the gender digital divide.

For LAC, the digital transformation opens new opportunities for post-pandemic economic, productive and social recovery. The region has made significant progress in relation to internet

---

\textsuperscript{21} See: Escosteguy, M., & Díaz Paz, W. F. (2021). the EU-LAC partnership for a green recovery: challenges and opportunities to build forward better. Reflexiones a partir del caso de la producción de litio en Argentina. In Opportunities for the bi-regional strategic partnership in shaping a greener recovery - II EU-LAC Essay Contest on the Bi-regional Partnership. EU-LAC Foundation.


\textsuperscript{23} See: https://ec.europa.eu/commission/presscorner/detail/en/ip_21_6433

\textsuperscript{24} See: https://europa.eu/capacity4dev/tei-ip-tracker/tei/eu-latin-america-and-caribbean-digital-alliance

\textsuperscript{25} See: https://international-partnerships.ec.europa.eu/policies/programming/programmes/bella-building-europe-link-latin-america_en
use, with internet penetration reaching 68% of the population in 2018\textsuperscript{26}. Moreover, in the aftermath of the coronavirus crisis (Covid-19), the region experienced an increase in the digital transformation in sectors such as production\textsuperscript{27} and education. However, significant digital divides persist between households by income level and territorial location (urban-rural). In the region, approximately 75\% of households in the richest quintile have internet access, compared to 37\% in the poorest quintile.\textsuperscript{28} In the education sector, the gaps are equally alarming. The latest figures available at the regional level show that while 14\% of primary school students from poor households had access to a computer with internet at home, 80\% of students from high-income households had access.\textsuperscript{29} Existing digital divides exacerbate gaps in cognitive development, knowledge acquisition, productivity and consequently income generation.

In this context, bi-regional CELAC-EU cooperation on an inclusive digital transformation that bridges digital divides, particularly in LAC, presents a historic opportunity for knowledge development, productivity growth, increased business and quality digital jobs, and sustainable economic development.\textsuperscript{30}

**General Objective**

In the framework of the EU-LAC Foundation’s mission to facilitate and promote the exchange between governmental and civil society actors of the two regions, the **Just Transitions Forum** aims to generate a discussion space for experts, researchers and other civil society actors on the challenges and opportunities of the bi-regional cooperation LAC-EU in the areas of: climate change adaptation and mitigation, just energy transition and inclusive digital transformation. In addition, the purpose of the Forum will be to generate contributions and policy recommendations from civil society to the bi-regional dialogue that will take place at the next EU-CELAC Summit of Heads of State and Government.

**Specific Objectives**

The Just Transitions Forum will provide a discussion space for academics, scientists, experts, and representatives of civil society organisations to have the opportunity to:

- Analyse the status and instruments of the EU-LAC bi-regional cooperation on issues related to climate change adaptation and mitigation, just energy transition and inclusive digital transformation.
- Discuss the main limitations of EU-LAC bi-regional cooperation in the areas of just green transition and inclusive digital transformation.
- Discuss opportunities for deepening EU-LAC bi-regional cooperation in the areas of climate change adaptation and mitigation, just energy transition and inclusive digital transformation, considering regional and sub-regional interests, agendas, and strategies, as well as the 2030 Agenda and the SDGs.

---


\textsuperscript{29} Idem

\textsuperscript{30} Idem
• Provide public policy recommendations in the framework of the EU-LAC cooperation for bi-regional priorities related to climate change adaptation and mitigation, just energy transition, and inclusive digital transformation.

• Provide a space to articulate sub-regional, regional, and bi-regional initiatives and cooperation, particularly of young people from both regions.

**Methodology**

The Just Transitions Forum will be implemented in a hybrid format (in-person and online), to enable larger participation from both regions. The Forum will take place over one and a half days.

The structure of the Forum will include an opening session, which will feature a keynote speaker. Subsequently, participants will be divided into three thematic groups: 1) climate change adaptation and mitigation, 2) just energy transition, or 3) inclusive digital transformation. Participants will be able to decide, according to their field of work and expertise, in which thematic group they will participate. Each thematic group is organised into working sessions, which in turn correspond to a specific aspect within the main thematic, as detailed below:

**Group 1: Climate change adaptation and mitigation**
- **Session A:** Economic, social, and environmental costs of climate change in LAC and the EU.
- **Session B:** Bi-regional cooperation and financing of climate change adaptation and mitigation measures in LAC.
- **Session C:** Bi-regional cooperation on the Carbon Border Adjustment Mechanism (CBAM).

**Group 2: Just energy transition**
- **Session A:** Energy transition during the crisis: subsidies and price-cap regulations in LAC and the EU as social protection measures in the face of rising fossil fuel prices?
- **Session B:** Bi-regional cooperation, technical transfer, and financing of renewable /green energy projects.
- **Session C:** Cooperation on lithium and other minerals of importance in the energy transition: regulatory framework, investment, environmentally friendly production, value chain, quality employment and marketing.

**Group 3: Inclusive digital transformation**
- **Session A:** Digital divide and the deepening of learning and productivity gaps in LAC and the EU.
- **Session B:** Bi-regional cooperation for inclusive digital transformation: closing learning gaps, increasing productivity and bi-regional trade.
- **Session C:** Civil society networks in the green and digital transition: opportunities for articulation and influence on the LAC-EU cooperation agenda.

Each working session will open with a 20-minute presentation on the session’s topic by an invited expert to guide the discussion. Afterwards, participants will openly discuss the topic with the help of a facilitator, who will record the conclusions and recommendations of the working session.
In order to facilitate hybrid participation at times suitable for both LAC and Europe, most of the sessions will be concentrated on the afternoons (attached proposed agenda).

The results of the work of each thematic groups will be presented and articulated in a plenary session in the afternoon of the second day. The presentation will be made by the facilitator or a participant who has contributed to all sessions of his/her working group. The Forum will conclude with a closing session at which a Keynote Speaker may be invited.

In addition, the Forum will have a specific space for the articulation of young people from both regions. Furthermore, equal participation in terms of gender and region will be promoted.

**Participation in the Forum**

To achieve the aims of the Just Transitions Forum, on the one hand, invitations will be extended to experts on the thematic of the working sessions. The experts may be affiliated to international organisations, research centres, universities, civil society organisations, among others, and will make presentations to guide the dialogue in the working sessions.

On the other hand, there will be an open call for the selection of researchers, academics or representatives of civil society organisations interested in participating. The evaluation of the expressions of interest for participation will be carried out by an EU-LAC Foundation’s internal evaluation committee, which will take into consideration the following criteria, among others:

- expertise and competence in the thematic area
- geographical representativeness of both regions
- gender
- age (young and senior participants)

It is estimated that a limited group of 30 experts and applicants will be invited to participate in person in the Forum, while a larger group will attend virtually.

**Expected Outcomes**

The main expected outcomes of the Just Transitions Forum are the following:

- Articulation between sub-regional, regional, and bi-regional networks and initiatives of civil society organisations focused on cooperation on climate change mitigation, just energy transition, and inclusive digital transformation.

- Exchange of knowledge and joint elaboration of public policy suggestions from civil society to the bi-regional LAC-EU cooperation on the topics of climate change adaptation and mitigation, just energy transition, and inclusive digital transformation.

- Preparation of a document that incorporates the presentations of experts on the topics of the working sessions, synthesises the debate of the participants, and details public policy proposals to be considered as contributions to the discussions of the bi-regional agenda and, particularly, for the EU-CELAC Summit of Heads of State and Government in July 2023. Subsequently, the document will be edited for a digital publication.

**Languages**

The Forum will use two languages: Spanish and English. Simultaneous interpretation will be provided to facilitate the dialogue.