

Just Energy Transition: Governance needs and implications

Testing the application of a conceptual framework

Discussion Paper for COP28

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This discussion paper is the first output of a research initiative by the United Nations Development Program (UNDP) which seeks to unpack the political economy of fair, green transitions. The paper is a snapshot of the research at midpoint — after a conceptual framework on 'governance needs and implications of a just energy transition' has been developed and tested, and before a set of country case studies will be conducted with the help of the framework. The research team considers COP28 a critical opportunity to present first insights from this cross-disciplinary effort and to gather further feedback on the proposed framework and envisaged research process. Putting our experiences out there early on seems particularly important as guidance on the governance of fair green transitions, including just energy transition, is still scarce and the forthcoming case studies seek to facilitate wider reflection and learning within but also between countries. The reader is invited to engage in the discussion, for example through the questions raised at the end of this paper.

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Acronyms

CIF	Climate Investment Fund
COP 28	28 th UN Climate Change Conference (Conference of the Parties)
CSO	Civil Society Organization
ECOSOC	United Nations Economic and Social Council
ETO	Energy Transition Office, Nigeria
ETP	Energy Transition Plan
ETWG	Energy Transition Implementation Working Group
GEAPP	Global Energy Alliance for People and Planet
HLPF	High-Level Political Forum
IEA	International Energy Agency
IFI	International Financial Institutions
LNOB	Leave No One Behind
M&E	Monitoring and Evaluation
NASPA-CCN	National Adaptation Strategy and Plan of Action on Climate Change for Nigeria
NCCC	National Council on Climate Change, Nigeria
NDC	Nationally Determined Contribution
NHRI	National Human Rights Institutions
NNPC	Nigerian National Petroleum Corporation
REA	Nigerian Rural Electrification Agency
SDG	Sustainable Development Goals
UNDP	United Nations Development Program
WEC	World Energy Council
WEF	World Economic Forum

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Background

As countries move towards a green economy to mitigate existential threats to climate, biodiversity and ecosystems as a whole, it has become clear that this rapid change has consequences beyond the environment and the economy. For example, social implications — whether positive or negative — will be far-reaching and may challenge the pledge to leave no one behind: When industries transform at the scale and speed required to stay within planetary boundaries, new jobs will be created but others will change or disappear, new health challenges and opportunities will arise, and education systems will need to adapt.

In this context, energy transition is a case in point: Critical to achieve carbon neutrality, energy transition commitments and policies can have significant affects for all parts of society and, likewise, require action and collaboration from all stakeholders (incl. policymakers, civil society, academia and business) across sectors and administrative levels.

Indeed, UNDP-supported socio-economic impact assessments of countries' just energy transition efforts² show that negative energy transition **impacts are often distributed unevenly** (e.g. geographically or affecting unskilled labour and women unequally) and that **decarbonizing strategies also come with new risks**. For example, increased demand for critical minerals or biofuels can have significant negative impacts on nature and already marginalized communities, including indigenous peoples. Decarbonisation efforts can also lead to inadvertent ecosystem infringements with negative feedback loops and cascading adverse impacts on assumed environmental, social and

political equilibriums. Energy transitions have the potential to create opportunities. But if conflicting economic, environmental, and social needs are not managed well, an energy transition in any given country has the **potential to** jeopardize achievements on social justice and human rights, and to **question a society's entire social contract**.

But while the opportunities and challenges (the 'what') of a green transition are becoming clearer, there is much less experience and guidance on how best to go about them (the 'how'). 3 Internal and external consultations conducted by UNDP's Global Policy Centre for Governance indicate that policies focused on reducing emissions only may undermine ecosystems and human rights and , that a whole-ofwhole-of-society government, systems perspective is needed. At the same time, there is also broad agreement that governance approaches to manage a fair green transition are much less discussed and understood.4 Questions emerging in this context include: What kinds of governance systems promote fair green transitions in terms of institutional arrangements and capabilities of public institutions, openness of decision and policy making processes, and interests and power dynamics between actors? Are new institutions or governance mechanisms needed or are existing ones fit for purpose? How can frameworks or processes to assess the impacts of a green transition on people and their rights be used effectively? How can we achieve a common understanding across society of what "fairness" means in the context of a green transition? Do we need new approaches to build public engagement and acceptance of policy changes, e.g. by exploring

¹ The terminology around just transition is evolving, both within and outside of UNDP. Some refer to "Just Transition" and "Just Energy Transition", others to "Inclusive Green Transition. For this study, we use the term "just energy transition" (specific) and "fair, green transition" (broader). ² See, for example, UNDP (2022), "How Just Transition can help deliver the Paris Agreement", or UNDP China (2023), "Ensuring Just Transition is key for 'leaving no one behind'". https://climatepromise.undp.org/research-and-reports/how-just-transition-can-help-deliver-paris-agreement; https://www.undp.org/china/news/ensuring-just-transition-key-leaving-no-one-behind.

³ One notable exception is the Climate Investment Fund's Just Transition Planning Toolbox, launched in July 2023. The toolbox aims to help actors think through some of the many activities needed for a transition to be just, relating to the energy sector and beyond. Through reflections around the activities needed, the toolbox can provide guidance on how to assess and manage just transitions. https://cif.org/just-transition-toolbox/home. ⁴ For example, World Resources Institute (WRI) India, "Decoding Energy Governance", interview with Bharath Jairaj (2 August 2023). https://wri-india.org/blog/decoding-energy-governance.

deliberative democracy approaches or by expanding the role of parliaments? Do we need to go beyond policy coordination and find ways to support systemic collaboration and co-creation? How do we create an *enabling* environment for a fair, green transition while also addressing *disabling* forces that try to lock in the status quo (whether at national or international level)? What are we learning about the need for meaningful stakeholder engagement, including free, prior and informed consent? These are fundamental governance questions that will be critical for countries embarking on a green transition.⁵

Against this background, UNDP will develop a set of country case studies that **explores and examines core governance issues at stake in a just energy transition**. These case studies seek to facilitate exchange and learning between countries on a more cohesive and robust approach to managing a just energy transition. They will be launched at the High-Level Political Forum (HLPF) 2024, where both Sustainable Development Goal (SDG) 16 on governance and SDG 13 on climate change will be under thematic review.⁶

The case studies are expected to be useful for a broad target audience, including:

 Policy-makers in line ministries dealing with just transition (including labour, energy, environment/climate, social protection), central/coordinating ministries such as economy, finance, planning, transportation, public works, and other ministries or agencies whose role is also critical (such as education departments, national women's machineries, urban affairs, heavy industries, digital transformation), decentralized

- **governance** actors such local authorities, members of parliament who are charged with law making, oversight and representation functions.
- Civil society organisations, including women's organizations and youth groups, working on just transition or more broadly on accountability, transparency, inclusion, human rights, stakeholder engagement etc.
- Researchers at universities or think tanks.
- Oversight institutions such as National Human Rights Institutions (NHRIs), anticorruption agencies, consumer protection agencies, or Supreme Audit Institutions.
- Development practitioners including UN(DP)
 regional and global policy advisors and
 programming staff as well as practitioners in
 development cooperation agencies and
 International Financial Institutions (IFIs) etc.

In addition, the **insights** from the case studies will guide further research and innovation to inform programming and contribute to global knowledge and debate on just energy transitions.

This discussion paper presents the result of the first step of the research process (see below). It introduces a conceptual framework for the case studies and offers initial findings from applying the framework in one case study country, to help inform its development and application in other case study countries. The paper has been reviewed by UNDP experts from across different policy teams and UNDP's External Advisory Group on Energy Governance.

there can be practical value in looking at the former as part of the latter.

⁵ Some of these are fundamental governance questions that may be critical for countries to address even without embarking on a green transition, others may be very specific to a green transition. The understanding in this paper is that these are difficult to disentangle and that

⁶ United Nations, High-Level Political Forum 2024. https://hlpf.un.org/2024.

Methodology: The conceptual framework

The **overall question** for the planned country case studies is: *How do countries manage their energy transitions from a governance perspective?*

It can be broken down into two aspects ('directions'):

- How do countries use governance mechanisms to manage their just energy transitions? (Needs).
 This is to understand to what extent countries use existing governance mechanisms (e.g. laws, regulations, guidelines, and implementing actions) to manage opportunities and challenges that arise from their energy transition commitments and policies. This can be helpful for countries to pinpoint and address specific governance bottlenecks and to share tested, innovative governance approaches and experiences with other countries.
- How do countries' just energy transitions affect their governance mechanisms? (Implications). This is to explore the reverse, i.e. to explore whether some energy transitions may be so transformative that they require fundamental adjustments of the very governance systems that are meant to bring them about (e.g. can carbon budgeting practices change internal dynamics of governments?). This can be useful for countries to recognize indirect, knock-on effects of energy transitions that may require more systemic thinking and action.

Practically, the research process for the case studies entails three steps:

- Developing a conceptual framework that includes key governance principles and key energy transition elements to explore the abovementioned questions and testing the application of the framework. The present discussion paper describes the results of this first step.
- Identifying 3-5 countries which have developed significant energy transition commitments (e.g. through their Nationally Determined Contributions (NDCs) or Long-term Strategies

- under the Paris Agreement) and / or policies (e.g. on carbon pricing, renewable energies, energy efficiency), with priority given to countries where UNDP teams and partners have already identified governance challenges and opportunities around just energy transition.
- Conduct research and develop country case studies through a) desk review of written, video or audio materials from case study countries and b) interviews and / or consultations with country stakeholders – in collaboration with the UNDP Country Office and a local research partner.

For Step 1, i.e. to develop a conceptual framework, the research team considered relevant work across UNDP policy teams such as on socio-economic impact assessment of green transitions, on transformation leadership and thinking and working politically, on institutional and context analysis, systems thinking and on deliberative democracy approaches.

The framework is presented below in the form of a matrix: On its X-axis, it includes the four priority entry points on governance. These coincide with those put forward in UNDP's Energy Governance Framework and include the elements of The United Nations Economic and Social Council (ECOSOC)-endorsed Principles of Effective Governance for Sustainable Development:

- Inclusive and effective institutions
- Legal and regulatory frameworks
- Civic engagement and empowerment
- Appropriate and Independent oversight

On its Y-axis, it proposes four key elements of energy transitions which draw on <u>UNDP's framework of support on integrating just transition into NDCs</u> as well as elements highlighted by key partners (e.g. see World Economic Forum (WEF), <u>Fostering Effective Energy Transition 2023</u> report; International Energy Agency (IEA), <u>Energy Transition Indicators</u>; Climate Investment Funds (CIF), <u>Just Transitions Planning</u>

<u>Toolbox</u>; World Energy Council (WEC), <u>World Energy</u> Trilemma Index):

- Political Vision & Commitment
- Financial Capital & Investment
- System Infrastructure & Innovation
- Social Impacts

Where the two intersect, illustrative questions are formulated which can be used to review key governance aspects of a just energy transition in a given context, e.g. a case study country.

For example, considering inclusive and effective institutions when the political vision and commitment for a just energy transition is developed can help ask whether efforts are being made to 'develop a transformational vision across ministries and administrative levels' and to 'understand power relations, incentive systems and mental models that influence key stakeholders'.

The following considerations will be kept in mind in the development of the case studies:

- Case do not produce results that are generalizable, nor show a blueprint of 'best practices' because national histories, institutions, actors, needs and opportunities are by definition contingent.
 Country case studies can, however, suggest potential levers, curation of constituencies, and specific experiences that can be helpful for policy makers in developing their own menu of public policy options.
- Based on initial desk research, the research team will propose which intersections in the conceptual framework should be the focus and how questions should be refined, with the objective of addressing most pressing issues.
- The method for data collection may be individual interviews or consultation meetings (or a combination).

Conceptual framework with illustrative questions.

	Inclusive and Effective Institutions	Legal & Regulatory Framework	Civic Engagement &	Appropriate Oversight
Energy Governance Principles Elements of Energy Transitions	 Competence (e.g. technical capacities, RBM, financial management) Collaboration (e.g. coordination across policy areas, levels, borders) Integrity (e.g. anti-corruption) Subsidiarity (e.g. local capacity and responsibility) 	 Sound policy making (e.g. coherence, strategic planning, statistics and Monitoring & Evaluation (M&E)) Leave No One Behind (LNOB) (e.g. data disaggregation, impact assessment) Non-discrimination (e.g. in policy implementation) 	 Participation (e.g. multistakeholder mechanisms) Intergenerational equity (e.g. impact assessment) Transparency (e.g. access to info) 	 Independent oversight (e.g. parliaments, access to justice, audits) Transparency (e.g. lobby registries)
Political Vision & Commitment (i.e. transformational vision, commitment and leadership)	 What efforts are made to Develop a transformational vision across ministries and admin levels? Understand power relations, incentive systems and mental models that influence key stakeholders? 	- Ensure that a transformational vision is championed by leadership and supported by coherent, crosssectoral strategies?	 Ensure that rights of future generations are reflected in vision? Enable marginalized groups to shape vision, e.g. find common ground on what is 'just' or 'fair'? 	- Make influence in key decisions transparent (e.g. lobby registries - Ensure parliament is involved in developing a transformational vision?
Financial Capital & Investment (i.e. increasing overall / share of investment in clean energy, decreasing cost of capital for clean energy)	 Ensure integrity and avoid conflict of interest in key budget / financial decisions? 	- Make investments available to local communities and marginalized households?	 Make information used for key budget decisions accessible to the public? Enable key stakeholders to influence key policy- decisions? 	 Assess whether public investments are used as intended? Consider court rulings that scrutinize policy implementation?
System Infrastructure & Innovation (i.e. infrastructure to facilitate clean energy, eg into grid, smart grid, off-grid)	 Ensure integrity and avoid conflict of interest in major policy/implementation decisions on infrastructure and technology? 	 Ensure policy coherence, e.g. by assessing and managing risks and impacts of key decisions on other (e.g. social and environmental) policy areas? 	 Make information used for key policy decisions accessible to the public? Ensure impact on marginalized groups and future generations is assessed? 	- Assess the results of key policies on infrastructure and technology?
Social Impacts (i.e. workforce to support deployment of clean energy technologies, social protection)	 Collaborate across ministries and admin levels to develop coherent social (e.g. reskilling and social protection) policies? 	 Ensure that reskilling and social protection addresses inequalities? 	 Make information used for key policy decisions accessible to the public? 	- Assess the results of key social (e.g. reskilling and social protection) policies?

Application: Testing the framework

Before developing 3-5 in-depth case studies, the research team was keen to test the conceptual framework. It was decided to do so with UNDP Nigeria and its partners, as part of their effort to determine the focus of the Nigeria country case study.

Country – Nigeria: brief background

Nigeria evidently faces complex circumstances with regard to energy transition:

- While oil-rich, it relies almost entirely on expensive imports to meet its gasoline needs. Low crude oil production means Nigeria was barely able to cover the cost of imported petrol from its oil and gas revenue in 2022. Nigeria's oil sector employed 0.03% of the workforce in 2018. Fossil fuels constitute about 90 percent of Nigeria's total goods and services exports and 8.4% percent of its GDP.
- Nigeria has over 223.8 million citizens and struggles with energy security and electricity access for its citizens. ¹⁰ Of its 223.8 million citizens, only 60% have access to electricity and only 17% have access to clean cooking, of the total population. There are large differences between urban and rural areas, whereby 89% of citizens in urban areas and 26% of citizens in rural areas have access to electricity. Of citizens residing in rural areas, 74.2 million people do not have access to electricity, and in urban areas, 12.2 million people live without access to electricity. ¹¹

- Against this backdrop, the Nigerian Government developed its Energy Transition Plan (ETP) in 2021, the first African country to do so. The ETP represents an evolving national ambition to deliver on Nigeria's green-growth, climate mandates and Net Zero targets. It is a "living document" and is subject to revision as national circumstances change. Through its energy transition, the Nigerian Government endeavors to "tackle the dual crises of energy poverty and climate change". ¹² Embedded in the plans are also ambitions of net-zero by 2060, and providing energy for development, industrialization and economic growth. ¹³
- The implementation of the ETP is managed by the Energy Transition Implementation Working Group (ETWG), comprising Ministers for Environment, Power, Finance, Works & Housing, Petroleum Resources, and Foreign Affairs. Supported by SEforALL and the Global Energy Alliance for People and Planet (GEAPP), the body make up the Energy Transition Office (ETO). 14 The ETO was formerly placed under the Office of the Vice President but has since the inauguration of the new administration been placed under the National Council on Climate Change (NCCC).

https://trackingsdg7.esmap.org/country/nigeria.

⁷ Reuters. May 27, 2022. "Nigeria finance minister: low oil output barely enough to cover petrol imports". https://www.reuters.com/business/energy/nigeria-finance-minister-low-oil-output-barely-enough-cover-petrol-imports-2022-05-26/.

⁸ NEITI (2019). Oil and Gas Industry Audit Report 2018. https://eiti.org/sites/default/files/attachments/neiti-oga-2018-report.pdf.

⁹ Oberthür et. al. (2021). "Nigeria: Addressing fragility away from oil?" in *European Foreign Policy in a Decarbonising World: Challenges and Opportunities* (1st ed.). Routledge. https://doi.org/10.4324/9781003183037-2.

¹⁰ UNFPA. World Population Dashboard Nigeria. https://www.unfpa.org/data/world-population/NG.

¹¹ The Energy Progress Report 2023.

¹² Nigeria's Energy Transition Plan.

https://www.energytransition.gov.ng/.

¹³ Rural Electrification Agency Nigeria (2021). https://rea.gov.ng/the-unveiling-of-nigerias-energy-transition-plan-at-cop26/.

 $^{^{\}rm 14}$ Nigeria's Energy Transition Plan.

Process — How was the conceptual framework used?

The specific approach for primary data collection was co-created between the core team and UNDP Nigeria. Concretely,

- UNDP Nigeria complemented desk research with group consultations and recommended doing the latter through a two-step approach: First, to conduct initial group conversations to prioritize areas of the conceptual framework that the case study should focus on (Q4 2023) and then to conduct consultations on those priority areas themselves (Q1 2024).
- In November 2023, five one hour-long conversations brought together 29 stakeholders over video call software Zoom.
- Stakeholders represented government (around forty percent), civil society (twenty five percent), academia (about twenty percent) industry/private sector (fifteen percent), and multilateral organizations.¹⁵
- The core team prepared immediate summaries of the call for feedback and then analysed the information in more depth based on recordings of the conversations. To capture the very rich discussions, each contribution (e.g. an argument, reflection, insight or similar) was summarized in

as many codes required to capture its essence. 16 From these, a simple clustering exercise was conducted, clustering codes by thematic proximity and mapping them onto the conceptual framework (see below).

Reflections on the process

- Stakeholders were very engaged and placed high hopes in the framework, e.g. suggesting it could be useful to surface deeply rooted issues such as power imbalances around land ownership (see below).
- Constructive suggestions were also made, e.g. to name and discuss specific responsibilities of different actors as opposed to only referring generically to 'stakeholders'.

Content – What did conversations based on the conceptual framework yield?

The conceptual framework allowed the team to cluster and map contributions (e.g. an argument, reflection, insight or similar) during the conversations. This is reflected in the below 'heatmap' which highlights intersections that relate to a high number of contributions in 'red', those that relate to few contributions in 'green' and those in between in 'yellow'.

'Heat Map' - Testing the framework in Nigeria

Energy Governance Principles Elements of Energy Transitions	Inclusive and Effective Institutions	Legal & Regulatory Framework	Civic Engagement & Empowerment	Appropriate Oversight
Political Vision & Commitment	23 contributions	18 contributions	18 contributions	7 contributions
Financial Capital & Investment	4 contributions	15 contributions	3 contributions	6 contributions
System Infrastructure & Innovation	5 contributions	6 contributions	5 contributions	3 contributions
Social Impacts	8 contributions	6 contributions	10 contributions	7 contributions

¹⁵ List of stakeholders (organizations) in Annex.

¹⁶ Details available upon request.

The 'heat map' indicates that the issues discussed were 'top-heavy', i.e. mainly related to the element of 'Political Vision and Commitment' with 18 to 23 contributions each (more detail on those below). Issues discussed the least were those around Financial Capital & Investment relating to Civic Engagement & Empowerment, and System Infrastructure & Innovation related to Appropriate Oversight with only three contributions each.

The remainder of this section provides more detail on the 'red', i.e. most discussed, intersections.

It is important to note that the below content is not yet a case study but simply paraphrases and summarizes contributions that were shared by participants of the initial group conversations in Nigeria. These contributions are not analyzed or contextualized and represent the views of the individual interlocutors. The purpose of sharing this 'raw material' is to illustrate what discussions the conceptual framework proposed here can trigger.

Political Vision & Commitment / Inclusive & Effective Institutions

This intersection includes indicative questions such as 'What efforts are made to develop a transformational vision across ministries and administrative levels?' and 'What efforts are made to understand power relations, incentive systems and mental models that influence key stakeholders?'. Some of the issues discussed when testing the framework in Nigeria included:

- Political expediency vs coherence: Ministry of Environment has a harder standing in comparison to Ministry of Finance, Budget and Planning. Political action on climate policies and/or energy transition ends up relying on political expediency. There is often a lack of long-term thinking. There is also a lack of political cohesion and leadership on energy transition by the government with two political siloes: climate change, sustainable energy and just transition in one and governance, transparency, accountability in another. There is a lack of inter-ministerial harmonization.
- Political vision: There is overarching consensus around elements of a just transition: Being fair,

being equitable, being just, and also ensuring the security of jobs and trying to ensure that in the process of transitioning, jobs are not lost, and that new jobs are even created along the way.

- Political commitment: Challenge of leaders not being fully aware of content of policies. Especially in situation of political transition, at either Federal or State levels: policies 'die' with holder in office.
- Fragmentation: The Energy Transition Office was moved from Office of Vice President to the office of the National Climate Change Council. It means that it is now stand-alone and not under any ministry or government agency. It should be embedded across the three strata of government: Federal, State and local. It should also be embedded across ministries, departments and agencies of the federal government, so that key governmental stakeholders are involved from beginning of planning, not at the end.
- Role of sub-national entities: If siloes are not connected, there is fear of history of ill-managed oil and gas extraction in the country repeating itself with implications for people's safety and security. The solution may be to involve subnational entities in implementation to avoid that they are indifferent to climate legislation. Just transition discussions are primarily happening at the federal level.

Political Vision & Commitment / Legal & Regulatory Framework

The intersection of Political Vision and Commitment and Legal & Regulatory Framework includes questions around sound policy making, LNOB, and non-discrimination, e.g. indicative question such as 'What efforts are made to ensure that a transformational vision is championed by leadership and supported by coherent, cross-sectoral strategies?'. Some of the issues discussed when testing the framework in Nigeria included:

 Coherence: There are inconsistencies in the Nigerian energy transition policies which delay the prospects of achieving a green transition. Nigeria's energy transition is to be driven by

natural gas and government is exploring the Niger Delta to discover new fields, at the same time industry assessment say that Nigeria is not ready to transition and both gas and oil will be essential for years to come. If this reflects a lack of commitment, it can lead to perverse incentives. of Moreover, lack oversight and transparency/accountability mechanisms assess government processes can allow vested (e.g. political or economic) interests to influence policy-making.

- Accountability: Need to refrain from generic references to 'stakeholders'. It should be clear who will be involved, who is doing what and who is not. If the NNPC (Nigerian National Petroleum Corporation) or the REA (Nigerian Rural Electrification Agency) and their mandates tied to energy are not specifically mentioned, then results of using the framework will be too generic.
- Data: Green jobs assessment reveal big data gaps and questions around data transparency. The final ETP was not made publicly available, however, working documents were available when the ETP was drafted. In these working documents, the numerical justifications were not being presented. Sector practitioners need to understand the thinking and the evidence of what went into developing the ETP. Furthermore, most climate policies are market oriented and 'gender-blind', in particular on energy transition effects on work and labor participation.

Political Vision & Commitment / Civic Engagement & Empowerment

This intersection includes topics like participation, intergenerational equity and transparency, and indicative questions such as 'What efforts are made to ensure that rights of future generations are reflected in vision?' and 'What efforts are made to enable marginalized groups to shape vision, e.g. find common ground on what is 'just' or 'fair'?'. Some of the issues discussed when testing the framework in Nigeria included:

- Power imbalances: Transformational vision to whom? To what the majority of citizens in the country identify with? Ownership of land and production needs to be reviewed. The Gini coefficient (income inequality across a population) of Nigeria is high. Perhaps analysis with this conceptual framework should consider whether concept of Just Transition can be used to challenge power and ownership of production. It could surface questions about who is leading the conversations about what land should be used for.
- Inclusion: Dominating concern is how to engage communities. Civic engagement and empowerment is weak in the ETP. Climate policies are generally market oriented and are 'genderblind'. The ETP was written by an independent, international consultant, and without a sufficiently inclusive process. However, there is progress on inclusion today, with revisions of plans.
- Future generations: In the NCCC, Women and People with Disabilities representatives are included. Inclusion of children's representatives is pertinent as well, as by 2050-2100, Nigeria will be the third largest population in the world.
- Learning: Learn from how the NDC was revised in 2021. First NDC (2015) was drafted hastily and without any inclusivity. During revision process, several consultations were held including subnational levels, women and youth groups, private sector, and civil society. Information was provided from bottom up. The 2021 NDC revision thus became nationally owned. Another good example is NASPA-CCN (National Adaptation Strategy and Plan of Action on Climate Change for Nigeria) of 2012. But the policy ended up 'hanging' at the national level.

Financial Capital & Investment / Legal & Regulatory Framework

This intersection includes topics like participation, intergenerational equity and transparency, and indicative questions such as 'How to make investments available to local communities and

marginalized households?'. Aspects that emerged in the conversations included:

- Investment in critical minerals: No plan for environmental impact for lithium exploitation in Africa. Investors are increasingly rushing to place their money in lithium market, just like it was done with oil and gas. "Rushed investment before impact assessment".
- Funding opportunities: Much buzz around government announcing funding and investment opportunities linked with Just Energy Transition, but not justified with a long-term plan. "Investment without a plan".
- Integrity in budget decision. The way budgets are done is not inclusive. Consultation is not an embedded part of how budgets are proposed, neither in national nor state level. Instead, budgets are often just copied from previous years.
- Carbon market participation. Carbon markets, credits, sequestration: Huge parts of the population across Africa have no knowledge about this growing market. There is a huge influx of companies wanting to trade with people who have low emissions. There is an entire industry built on the backs of the continent where people don't have enough knowledge to be participants in it. There must be a deliberate effort to get people educated around energy transition, not just by civil society organizations (CSO).

Reflections on content

Using the framework to map consultation contributions (or other information, for that matter) is useful to get a broad-stroke, initial overview. However, there are overlaps in the framework and also differences and bias in how those involved in the analysis relate a piece of information to one or another part of the framework. For example, an issue with engaging

- certain communities can be seen as an issue of (non-)inclusive institutions or of civic engagement and empowerment. It may therefore be useful to have at least two team members review the contributions to make sure the same understanding is applied consistently.
- The framework helps flagging which issues there is a concentration of information on or engagement around (or a lack thereof), but it does not show why. For example, there could be little discussion on a particular intersection in the framework because the respective questions are not considered problematic by any stakeholder or, on the contrary, they may not be discussed precisely because they are considered highly sensitive. Similarly, there may be a lot of information and discussion on a good practice or, reversely, on a problematic practice. It is therefore important to be clear that aspects surfaced in an initial application of the framework need to be examined in much more detail, e.g. through more focused follow-up consultations and desk research, as planned here.
- The matrix format of the framework helps connect two different aspects but many challenges are not just two- but **multi-dimensional**. For example, regulation is linked (driven by) political vision but also affected (undermined) by a lack of oversight if vested interests are not checked. The framework may thus be useful to start a discussion on governance dimensions of a fair green transition but may need to be complemented by additional, e.g. systems based analysis.
- In some cases, the implications (the "what") of a just energy transition may not have been sufficiently addressed yet, making it premature to conduct a conversation about the management of these challenges the "how". In using the framework, it may be necessary to allow for both questions on what an energy transition can lead to and how to manage these challenges.

Questions for Discussion

The research team is interested in feedback on the following questions:

- 1. What **efforts** at country, regional or global level to strengthen the governance of just energy transition processes are you aware of and recommend we look at?
- 2. Is the **conceptual framework** logical and coherent?
- 3. How do the reflections on **testing** the conceptual framework in Nigeria resonate (whether regarding process or substance)? Do they indicate that the framework (or guidance on how to use it) should be adjusted?

Feedback on the questions above can be sent to Julia Kercher, Research and Innovation Team Lead with UNDPs Global Policy Centre for Governance: julia.kercher@undp.org.

Annex: Interlocutors

Contributors to initial group conversations in Nigeria included colleagues from:

Alex Ekwueme Federal University
Carbon Limits Nigeria
Clean Technology Hub
Community Research Centre
Corporate Accountability and Public Participation Africa
Department of Climate Change
Economic Community of West African States
Energy Commission Nigeria
European External Action Service
Federal University Ndufu-Alike
Human and Environmental Development Agenda
Human Environment Agenda
Institute for Peace and Conflict Resolution
International Labour Organization
National Bureau of Statistics
National Climate Change Council Nigeria
National Human Rights Office
Nigerian Atomic Energy Commission
Rural Energy Agency Nigeria
Tracking Climate Commitments
University of Nigeria Nsukka
University of Port Harcourt
Women Environmental Programme

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