

The Way Forward Towards a Just Transition

Achieving global adaptation and mitigation ambitions will require a transformation of economies and the future of work. This transformation, in turn, will require investments in new skills and the reskilling of those in impacted industries and communities. A lack of a qualified workforce could not only significantly delay the implementation of climate and energy projects but also make them more costly as the demand for skilled labor will outstrip supply. Yet, fewer than 40% of Nationally Determined Contributions (NDCs) have implementation plans regarding skills development. And few education and training systems have been agile enough to rapidly adjust to deliver relevant skills training and workforce development. This impacts especially young people and women, as they are more likely to be under-educated, unemployed, or underemployed in the informal economy. In general, climate financing still focuses mainly on technologies and infrastructure, and too little on the development of skills necessary to plan, build and maintain these.

At the Africa Climate Summit in September 2023, a High-Level Panel hosted by the First Lady of Kenya, HE Rachel Ruto, and including representatives from governments, the private sector and civil society issued a **call for global action to promote investments in skills as a key strategy to create a green future**. It proposed a global coalition that would bring together young people, governments, implementing organizations, the private sector, multilateral institutions, philanthropies, universities and think tanks to ensure we develop the human capacities needed to power the green transformation.

Five gaps must be addressed to build the human capital necessary to drive the transition to a low-carbon and climate-adapted economy and realize the promise of green jobs. These gaps include the *information gap* (lack of information on demand trends for green and blue labor, particularly at local levels); the *skills training and education gap* (lack of technical training in green and blue skills and general knowledge of climate change); the *coordination gap* (lack of coordination between actors such as government, the private sector, youth, education and training institutions, and nongovernmental organizations, as well as sectors such as climate, education, and employment); the *financing gap* (lack of financing for education and skills development in existing climate fund mechanisms); and the *inclusion gap* (lack of targeted skilling and reskilling programs for those in industries and communities most impacted by climate change, particularly youth and women).

A Global Action Plan on Skills for a Green Future could:

- 1) Set a global agenda to support skills development as a key climate and workforce development strategy, and;
- 2) Politically champion the transformation of education and training systems in order to equip people with the skills and competencies they need to succeed in green and climate-adapted economies.

Concrete actions could include:

- **Articulating a compelling narrative** around the importance of education and skills training to address the critical challenges of climate change.
- **Assessing scalability of emerging workforce development and employment solutions** targeting foundational, green, and blue skills and focusing attention on five gaps in information, education and skills training systems, coordination, financing, and inclusion.
- **Establishing 'co-design' teams with governments and private sector in selected champion countries** to develop national scale program models for wider impact, catalyze partnerships, and support peer-to-peer learning and regional cooperation.
- **Leveraging public and private financing** through domestic and international instruments.
- **Accelerating adoption of solutions** in a wider set of low, middle-and high-income countries.

Such actions could be operationalized through a global coalition that works with existing climate platforms.