

MCC Press Release

Coal: expanding the notion of just transition

Experts from four continents propose to extend the concept of "Just Transition" to industry and consumers. MCC leads an article on this topic in the journal *Nature Climate Change*.

Berlin, 28/07/2020. "Just Transition". This key term inspired many banners at climate demos, and is in the preamble of the world climate agreement: "a just transition of the workforce," it states, is an "urgent necessity" in the fight against global warming. But in view of the moderate success recorded so far, experts from four continents are now warning that this approach might not be sufficient. It is time to extend the term Just Transition to industry and consumers, they argue in the August issue of the renowned journal *Nature Climate Change*. The Berlin-based climate research institute MCC (Mercator Research Institute on Global Commons and Climate Change) led the article.

Showing the importance of a comprehensive understanding of justice, the authors use the example of the urgently needed global phase-out of coal. They state that the public debate has focused intensively on the fact that job losses in the coal industry should be compensated by new jobs in future industries. However, it has failed to include other, equally important aspects, namely: regional economic development, global value chains, the effect of higher energy prices on consumer purchasing power, and the concerns of energy-intensive industries.

"To achieve the internationally agreed climate targets, the world needs a rapid phase-out of coal," says [Jan Steckel](#), head of the MCC working group Climate and Development and lead author. "Covid-19 makes this rather more difficult, that's why we need really viable road maps now. And it will only work if policymakers involve all stakeholders equally in the process and take their concerns into account." So far, the article says, there has been no global decline in coal, despite decades of knowledge about its major contribution to climate change. Coal mining alone employs 8 million people worldwide and has an annual turnover of 900 billion dollars.

Politicians will also have to solve the problem that foregoing coal can affect the competitiveness of energy-intensive industries such as steel, aluminium, and chemicals, stresses [Michael Jakob](#), Senior Researcher at the MCC and likewise lead author. "They must observe carefully where migration to regions with laxer climate protection occurs, and react appropriately. Trade restrictions in the form of a so-called carbon border adjustment are an option, even within the framework of a world trade order that is, in principle, liberal."

About the MCC

The MCC explores sustainable management as well as the use of common goods such as global

MCC was founded jointly by:

environmental systems and social infrastructures against the background of climate change. Our seven working groups are active in the fields of economic growth and development, resources and international trade, cities and infrastructure, governance and scientific policy advice. The MCC was co-founded by the Mercator Foundation and the Potsdam Institute for Climate Impact Research (PIK).

Reference of the cited article:

Jakob, M., Steckel, J., Jotzo, F., Sovacool, B., Cornelsen, L., Chandra, R., Edenhofer, O., Holden, C., Löschel, A., Nace, T., Robins, N., Suedekum, J., Urelainen, J., 2020, The future of coal in a carbon constrained climate, *Nature Climate Change*

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