



Global Summit on People-Centred Clean Energy Transitions

International
Energy Agency



INTERNATIONAL ENERGY AGENCY

The IEA examines the full spectrum of energy issues including oil, gas and coal supply and demand, renewable energy technologies, electricity markets, energy efficiency, access to energy, demand side management and much more. Through its work, the IEA advocates policies that will enhance the reliability, affordability and sustainability of energy in its 31 member countries, 13 association countries and beyond.

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The importance of people-centred clean energy transitions

Around the world, clean energy transitions are gathering pace. In 2023, the world mobilised a record USD 1.8 trillion in clean energy investment, according to analysis from the International Energy Agency (IEA). To align with the IEA's pathway to reach net zero emissions by 2050, this investment needs to be scaled up to roughly USD 4.5 trillion annually by 2030.

The exceptional mobilisation of financing for clean energy transitions presents a unique opportunity to invest in local communities around the world and bring the benefits of clean, secure and affordable energy to those who need it most. Ensuring that these benefits are maximised for all – in other words, placing people at the centre of clean energy policies – is essential for transitions to succeed.

Intentional policy design is key to achieving this. Additionally, how such policies are perceived in terms of their fairness and their impacts is crucial to maintaining public support for them – and for transitions as a whole.

Governments are therefore looking to further understand how to ensure clean energy transitions will be a tool for positive social change and equity. The IEA has been working with governments to provide actionable principles and policy guidance and to help track and monitor progress. The IEA aims to support governments by providing key analytical tools and by using its convening power to share learnings and best practices towards ensuring that people are at the centre of clean energy transitions.

With the aim of driving further action, the IEA's first **Global Summit on People-Centred Clean Energy Transitions** will bring together ministers, policy makers, labour leaders, CEOs, youth representatives, Indigenous voices and other international experts to engage in robust dialogue on how to collectively address the challenges of implementing and tracking people-centred clean energy transitions.

The Summit's sessions will foster open discussion to help build a collective understanding of what adopting a people-centred approach means, providing governments with specific tools, and supporting the work of multilateral platforms such as the G7, G20 and COP.

This paper is designed to help frame the discussions at the Summit. It presents data points and good practice examples to illustrate some of the key issues that will be discussed.

Key issues and themes

In 2021, the IEA convened the Global Commission on People-Centred Clean Energy Transitions to help define the key issues within people-centred transitions. The Global Commission's recommendations were developed by its 30 members, including government and labour leaders, ministers and prominent thinkers, under the honorary patronship of Denmark's Prime Minister and co-chaired by the energy ministers of Denmark and Senegal.

Based on best practices around the world and the experiences of its members, the 2021 Commission identified four key areas policymakers should focus on to generate positive social impacts: decent job and worker protection; social and economic development; equity, social inclusion and fairness; and engaging people as active participants. The Commission developed 12 actionable recommendations based on these pillars, which are detailed below.

Decent jobs and worker protection

Clean energy transitions can significantly improve the livelihoods of people, generating more jobs than will be lost. However, strategic design of clean energy transitions by governments, in consultation with labour unions, communities and other stakeholders, is essential to minimise disruptions and maximise opportunities for new, high-quality roles across regions that are aligned with existing strengths, infrastructure and skillsets. Governments should also work to identify job creation opportunities in new and emerging areas.

Recommendations from the Global Commission:

1. Design transitions to maximise the creation of decent jobs.
2. Develop tailored government support for communities and workers as well as a focus on skills and training.
3. Use social dialogue, robust stakeholder engagement and policy co-ordination to deliver better outcomes.

Social and economic development

Clean energy transitions will provide an important opportunity to advance economic and social development, not only through job creation, but also by providing the clean, affordable energy required for economic development and an

improved quality of life. Renewable energy infrastructure can also serve as a major driver for economic development in regions with plentiful renewable resources. Successful clean energy transitions should also ensure that policies promote universal energy access and the eradication of energy poverty.

Recommendations from the Global Commission:

4. Ensure that policies enhance social and economic development and improve quality of life for all.
5. Prioritise universal clean energy access and the elimination of energy poverty.
6. Maintain and enhance energy security, affordability and resilience.

Equity, social inclusion and fairness

Equality and inclusion should be built into clean energy policy design to prevent any risk of disproportionate or unintended consequences for certain segments of society; avoid exacerbating existing inequalities; and support the principles of human rights, while providing all people with an opportunity to contribute to clean energy transitions.

More consideration should be given to programmes that directly impact women's health and social and economic well-being, including those that boost access to clean cooking supplies. The needs and priorities of historically marginalised groups should be carefully considered and incorporated through broad consultations with representatives of relevant constituencies.

All policies, and clean energy policies in particular, require careful design to prevent negative effects or perceived unfairness, which could diminish public support for transitions. Transparent and straightforward communication can help with acceptance and build public trust.

Recommendations from the Global Commission:

7. Incorporate gender, equality and social inclusion considerations in all policies.
8. Ensure fair distribution of clean energy benefits and avoid the risk of disproportionate negative impacts on vulnerable populations.
9. Integrate the voices of younger generations in decision making.

People as active participants

Gaining broad public support at the beginning of the policy making process will play a crucial role in accelerating the successful implementation of clean energy policies, both in terms of overall political support and to build local acceptance of new developments or infrastructure. Citizens and communities should be active participants as decision makers, innovators and beneficiaries of the shift to clean energy systems. Clear communication on the benefits and process of clean energy transitions can greatly bolster citizen engagement and generate momentum for change.

Many aspects of clean energy transitions hinge on behaviour – for example, how people use energy in their daily lives, what appliances they choose to purchase and how businesses of all sizes choose to invest. Evidence shows that well-designed policies, informed by behavioural science, can unlock great potential for responsible energy consumption.

Recommendations from the Global Commission:

10. Involve the public through participation and communication.
11. Use insights from behavioural science to design effective behaviour change policies
Integrate the voices of younger generations in decision making.
12. Enhance impact through international collaboration and exchange of best practice.

From principles to implementation

These foundations support the work governments and others looking to advance people-centred transitions, and since the Commission's recommendations were announced, the IEA has continued to expand its work on this topic.

IEA Executive Director Dr Fatih Birol has convened a group of labour union leaders from every region of the world to form the [IEA Clean Energy Labour Council](#), which aims to give a greater voice to the labour perspective in energy and climate policy discussions. The Agency recently launched the [Global Observatory on People-Centred Clean Energy Transitions](#), a repository of global best practices on the design and implementation of people-centred clean energy policies. And, at the IEA's 50th anniversary and Ministerial Meeting in February, a [high-level dialogue on people-centred transitions](#) led by Canada highlighted the need to foster jobs, skills, equity, leadership opportunities, and social inclusion throughout clean energy transitions.

As part of the outcomes of the Ministerial Meeting, the IEA was given a mandate by ministers of member countries to “continue supporting governments in advancing just people-centred energy transitions.”

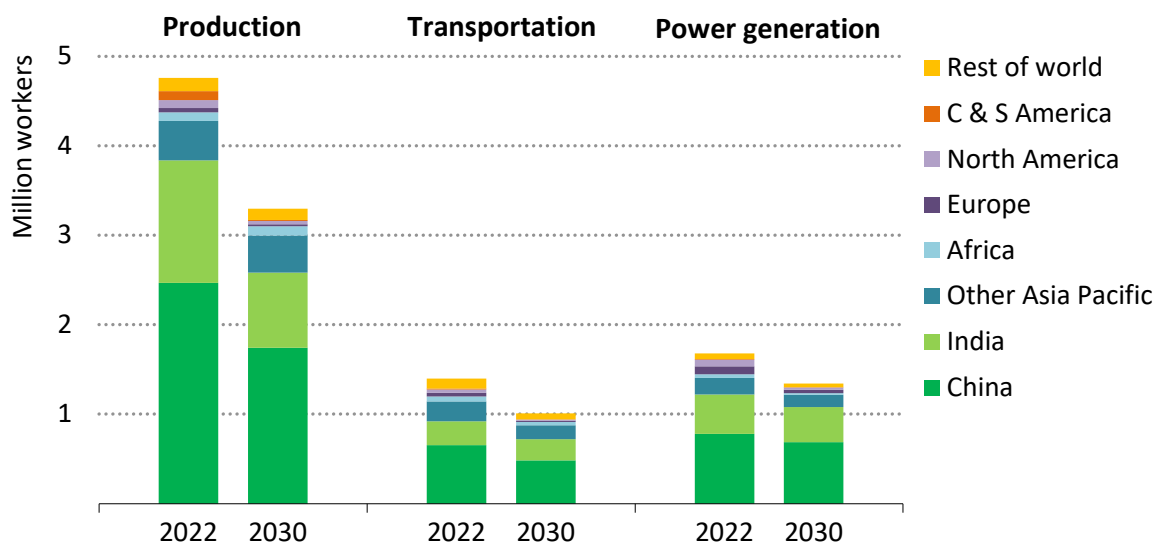
The upcoming **Global Summit on People-Centred Clean Energy Transitions** seeks to drive additional progress across a number of major topics.

Shifting labour dynamics

Clean energy job growth is expanding rapidly, with clean energy jobs globally already outnumbering fossil fuel jobs. According to the IEA's [World Energy Employment 2023](#) report, clean energy sectors added 4.7 million jobs from 2019 to 2022 – bringing the total number of workers in the sector to 35 million, compared with 32 million workers in fossil-fuel-related jobs.

While this expansion is providing new job opportunities, careful planning and partnership between government, labour unions and other stakeholders is needed to mitigate negative impacts. The coal sector is, understandably, an immediate policy focus, given the effects of the transition away from coal use on workers in the sector. IEA estimates show that by 2030, if announced climate pledged from governments are met in full and on time, over half a million total coal industry workers may retire early in South Africa, India, Indonesia and the People's Republic of China, the four leading coal-producing countries. Governments must play a leading role, in partnership with labour unions and other stakeholders, in providing workers there and elsewhere with the necessary support.

Coal employment by region and activity in the IEA’s Announced Pledges Scenario



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In response to these trends, the adoption of the Just Transition Work Programme at COP28, supported by the International Trade Union Confederation, has helped anchor the 2015 Guidelines for a Just Transition Towards Environmentally Sustainable Economies and Societies for All from the International Labour Organisation (ILO). These guidelines provide governments with key principles to ensure that energy transition policies are socially inclusive and support decent work. At the national level, several countries, including Spain, Chile, Germany and South Africa, have also engaged in large-scale just transition processes that deliver tailored support to local communities.

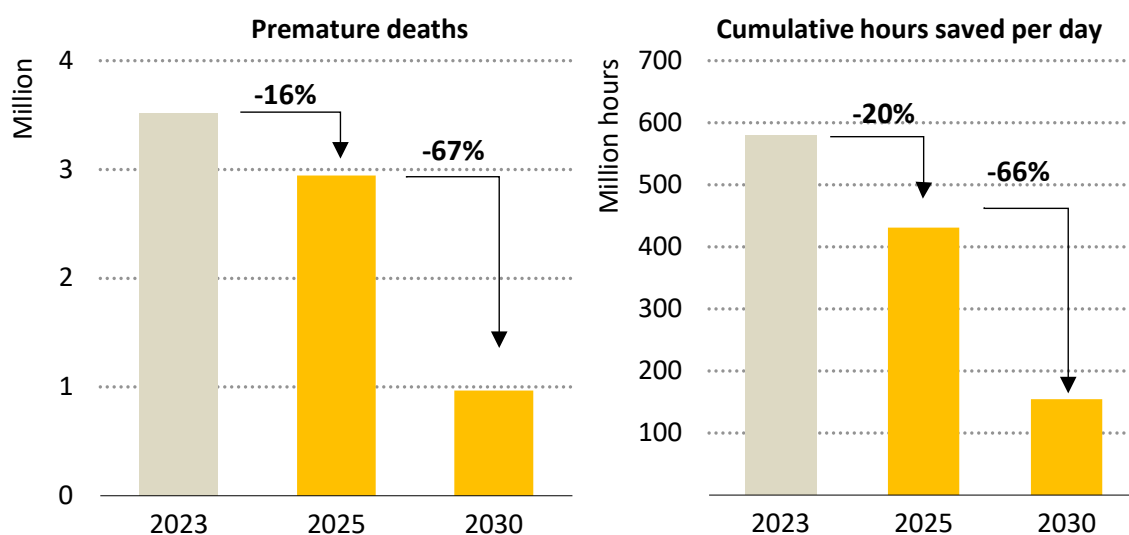
Policy makers are also facing challenges due to skilled labour shortages in parts of the energy sector, including for clean energy. As noted in [World Energy Employment 2023](#), the energy sector requires higher skill levels compared with other sectors; 36% of energy jobs are defined as high-skilled occupations compared with 27% in the broader economy, according to classifications by the ILO. However, the number of workers pursuing relevant degrees or certifications is not on par with the expected surge in labour demand tied to clean energy projects. Particularly acute shortages in construction occupations could pose great challenges, as they make up nearly half of new energy-related jobs to 2030.

Advancing gender equality

As governments develop and implement clean energy policies, the need to advance gender is a priority across many issues.

In emerging and developing economies, women are disproportionately affected by lack of access to electricity and clean cooking technologies. Inhaling hazardous smoke from wood, charcoal, animal dung and other polluting fuels causes millions of premature deaths each year – with women and children bearing the worst consequences. In Africa, it is the second leading cause of premature deaths among women and children, accounting for 60% of early deaths alone due to respiratory and cardiovascular diseases.

Reduction in premature deaths, and time saved in fuel gathering, fire tending and cooking, due to household air quality globally in the Access for All Scenario, 2022-2030



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Women are often in charge of collecting firewood and other fuel sources, resulting in significant economic costs due to lost time and productivity. On average, women tasked with this responsibility spend five hours each day collecting fuel and cooking, which creates a barrier for them to access basic education, employment or entrepreneurial opportunities.

Implementing policies that promote universal energy access would have the potential to save women significant cumulative hours per day on fuel gathering, fire tending and cooking – thereby reducing their health risks and freeing up valuable time. Given the importance of this issue, clean cooking is a major focus of the IEA in 2024. On 14 May, 2024, the IEA along with the President of Tanzania, the Prime Minister of Norway, and the President of the African Development Bank will host a [Summit on Clean Cooking in Africa](#) in Paris.

Clean energy transitions are additionally giving governments the opportunity to build a more inclusive, gender-balanced and equitable workforce. Today, only 16% of the energy workforce is made up of women. Even when accounting for differences in skill levels, women earn wages that are 20% lower than those earned by men, a divergence that is greater than in non-energy sectors. Moreover, less than 15% of senior managers in the energy sector are women.

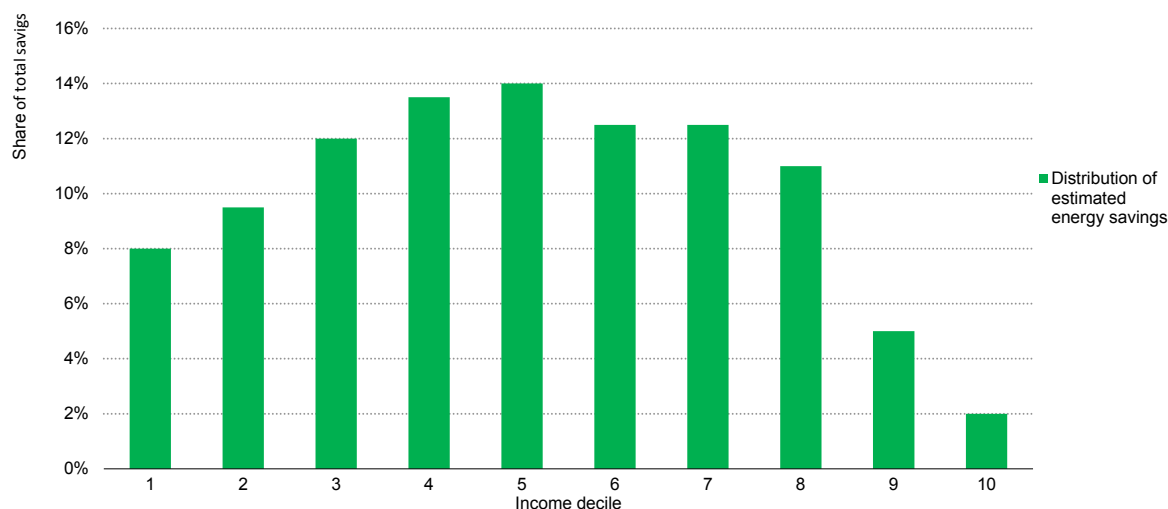
The IEA has promoted wider inclusion of women in the energy sector, including through [educational and skills development programmes](#). Partnering with the Clean Energy Ministerial Secretariat, the IEA supports the Equal by 30 initiative, which works towards equal pay and leadership opportunities for women in the clean energy sector by 2030. The [IEA Gender Advisory Council](#) has brought together senior officials from IEA member countries to provide direction and best practices to the IEA Secretariat and ensure gender equality and inclusion are given a central focus.

Designing policy to maximise social benefits

Policy design affects how the impacts of clean energy policies are distributed. Fortunately, there is a growing body of real-world analysis and best practices that will allow governments to ensure that the benefits of clean energy policies are maximised, spread fairly and targeted to lower-income populations.

For example, the design of energy efficiency programmes and upgrades affects the affordability of housing renovation programmes and who can access them. In France, for instance, the [MaPrimeRénov'](#) home refurbishment programme was designed to help cover the upfront costs of improving energy efficiency in homes, with support adjusted according to households' incomes. The programme was designed so that the least-well-off households would receive the highest proportion of grants to cover upfront costs. However, monitoring showed that those on the lower side of the income spectrum were not taking advantage of the programme at the same rate as middle income deciles. This led to a revision of the programme, with the government further lowering the upfront costs for those who could least afford them.

Distribution of estimated energy savings per income decile



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Source: IEA analysis based on data from [SDES](#).

In general, energy efficiency measures can broaden access to technologies and the benefits they bring, such as heating, air conditioning and refrigeration, by lowering the lifetime running costs of appliances. Minimum Energy Performance Standards (MEPS), for example, have dramatically reduced the running costs of many appliances in countries where they have been applied consistently over a long period of time. Solid policy design can ensure that such measures do not increase the purchase costs. IEA data shows that in many parts of the world, MEPS are successfully pushing markets towards much more efficient appliances that are cheaper to run, without raising upfront prices. This is making key technologies more affordable and accessible.

Engaging people as active participants

Engaging people as active participants in clean energy transitions can lead to better and more widely supported policies and actions. If the public perceives transitions as only benefitting wealthier groups, while placing disproportionate costs on the shoulders of the most vulnerable, or sees that they have not considered local impacts, then energy transitions will lose public support and legitimacy.

This can have specific impacts on clean energy projects such as renewables deployment; when government entities and project developers do not acknowledge and respond adequately to community concerns, project delays and cancellations can result. Evidence shows that involving affected stakeholders early in the process can lead to productive dialogue, reducing delays and

roadblocks, while helping to empower local communities in the decision-making process. It can also bolster societal support for clean energy transitions as a whole.

There are many different forms of community engagement, ranging from broad processes such as citizens' assemblies to public participation processes for specific initiatives and projects that are tailored to local circumstances. For example, Denmark formed a "Citizen Assembly" involving a representative selection of the Danish population in the planning of its climate policies. The recommendations for the green transition made by the Assembly have been shared widely across government ministries. A similar process in Ireland saw a representative body of citizens make recommendations that were subsequently translated into climate action legislation.

Many countries have successfully deployed similar processes to help identify innovative ideas, better understand societal preferences, and build awareness and support.

Moving toward an implementation roadmap

The **Global Summit on People-Centred Clean Energy Transitions** will provide an opportunity to hear from policy makers, labour leaders, practitioners and experts on how to approach these key issues and more. Participants will discuss real examples, challenges and lessons learned, helping to draw a collective understanding of how to ensure a people-centred approach to clean energy transitions.

At the Summit, the new **IEA Global Commission on People-Centred Clean Energy Transitions: Designing for Fairness** will also be launched. This new Commission will focus on designing and tracking people-centred clean energy transitions, helping to inform discussions within the G7, G20 and COP.

The IEA will continue to work with governments, labour leaders and all stakeholders to support clean energy transition strategies that are truly fair and inclusive and maximise benefits for all people.

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