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PEOPLE ARE AT THE CENTRE OF CHANGE: THE ROLE OF JUST TRANSITION IN THE NDC



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1. Introduction

In the context of global climate policy, the concept of “just transition” has become a key tool for ensuring socially just changes in the processes of economic decarbonisation. It envisages creating conditions under which environmental transition does not lead to social inequality, but rather contributes to job preservation, social stability and regional development.

The global decarbonisation process is expected to create new economic opportunities and provide a number of co-benefits, such as improved air quality and increased energy security. However, these opportunities and costs will not be distributed evenly across and within countries. A study by the International Labour Organization (ILO) shows that while the transition to a low-carbon economy will boost employment, new job opportunities will not necessarily come from regions where carbon-intensive jobs are being phased out.¹

Currently, Ukraine faces the Russian full-scale invasion and its consequences have only deepened existing crises in specific communities and accelerated transition processes. Communities around destroyed or heavily damaged coal-fired power plants already require specific support for the local population, economy and energy supply. The situation is similar with mining communities, where coal continues to be produced, but in smaller quantities, or where facilities have been destroyed or ceased to function due to the proximity of hostilities or are occupied by Russia.

The Ministry of Environmental Protection and Natural Resources is currently working on setting a national greenhouse gas emission reduction target for 2035 as part of the Nationally Determined Contribution (NDC) to the Paris Agreement². The document will serve as a guide for planning long-term climate policy. Given the full range of current challenges, a good integration of the concept and principles of just transition can strengthen both the ambition of Ukraine's NDC and make it more concrete and practical at the local level. Just transition can not only help achieve climate goals, but also ensure a more sustainable and greener reconstruction of Ukraine.

Based on this, the main objective of this paper is to analyse the international experience of establishing and implementing a just transition policy, the evolution of the concept in Ukraine at the national and local levels, and to provide recommendations for its better integration into the Nationally Determined Contribution to the Paris Agreement with the 2035 goals.

1. World Employment and Social Outlook 2018: Greening with jobs: <https://www.ilo.org/publications/world-employment-and-social-outlook-2018-greening-jobs>.

2. Head of the Ministry of Environment: NDC 3.0 will set Ukraine's target for reducing greenhouse gas emissions by 2035: <https://interfax.com.ua/news/general/1055689.html>

2. Concept and principles of just transition

The concept of «just transition» is increasingly being mentioned in public debates on fossil fuel divestment and industrial decarbonisation. The need to better integrate just transition into global decarbonisation planning stems from both the moral imperative to leave no one behind and the political expediency to reduce resistance to change and potential social tensions in specific regions and communities.

As defined by the ILO³, a just transition means «greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind».

The Stockholm Environment Institute identifies 7 basic principles of just transition:⁴

1. Active promotion of decarbonisation.

The prospect of negative impacts on carbon-intensive regions is not a reason to avoid or postpone decarbonisation. Delaying decarbonisation is fundamentally unfair, as it creates unrealistic expectations that decarbonisation processes will take place in isolation or will not influence the operation of, for example, coal mines. Just transition contributes to the achievement of globally agreed climate goals and should therefore be framed through potential new opportunities and benefits for communities.

2. Avoid creating more carbon lock-in through new fossil fuel projects and increasing the number of those negatively affected by these sectors.

Ensure that the energy transition is not undermined by new investments or other forms of support for carbon-intensive industries or fossil fuel production, or by increasing the dependence of other businesses on these activities.

3. Support for the affected regions.

The main priority should be to strengthen and support local economic resilience and stability.

The regions with less financial capacity to invest in local economic diversification will need support first and foremost.

4. Support for employees, their families and other stakeholders impacted by the closure of enterprises or downsizing.

When re-employment is not possible, adequate social protection (early retirement, social benefits, etc.) should be in place. The economic, social and personal consequences of transition should not increase the vulnerability of the most marginalised and disadvantaged people, and should not compromise the fundamental rights of workers or threaten broader human rights.

5. Eliminate damage to the environment.

The «polluter pays» principle should be followed and responsibility should not be shifted from private companies to the state.

6. Addressing existing economic and social inequalities.

Social equality and the empowerment of vulnerable social groups should be explicit objectives when designing support measures, assessing economic opportunities, evaluating impacts and prioritising outcomes of just transition.

7. Ensure an inclusive and transparent planning process.

The planning process for decarbonisation policies should be based on broad social dialogue, and economic development pathways and priorities should be determined at the local level.

The notion of just transition and the above principles are in line with the general concept of «sustainable post-war recovery» and offer a set of solutions to the current socio-economic challenges Ukraine faces due to Russia's full-scale invasion. Currently, our country is in the midst of a large-scale restructuring of the energy sector,

3. Guidelines for a just transition towards environmentally sustainable economies and societies for all: https://globalcompact.at/wp-content/uploads/2022/09/wcms_432859.pdf

4. Seven principles to realise a just transition to a low-carbon economy: <https://www.sei.org/publications/seven-principles-to-realize-a-just-transition-to-a-low-carbon-economy/>

structural economic changes, and has already started recovery processes and their further planning, and has a unique chance to make just transition the conceptual core of national policy, which will help build a sustainable, inclusive and competitive economy.

Ukrainian carbon-intensive communities and those whose economies depend on fossil fuel extraction and/or processing (coal, gas, oil, other mineral resources), as well as fossil fuel-dependent industries that will reduce their operations or

close down completely, should be covered by a just transition policy. Ukraine already has its own targets for phasing out coal in power generation by 2035, as well as a commitment to achieve climate neutrality by 2050⁵. But in the absence of proper socio-economic planning, these goals could be achieved in an unjust manner, jeopardising the well-being of hundreds of thousands of workers and their families in specific communities across the country.

5. Law of Ukraine «On the Basic Principles of State Climate Policy» of 08.10.2024: <https://zakon.rada.gov.ua/laws/show/3991-20#Text>



3. Trends under the UNFCCC and the international context

Just transition is included in the preamble of the Paris Agreement⁶, adopted in 2015, which emphasises “the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities”.

In just a few years, the topic of just transition has become more clearly defined and detailed. At COP24 in 2018 in Katowice, 45 countries adopted the so-called Silesian Declaration on Solidarity and Just Transition⁷. It was the first to proclaim just transition as an important priority for future UN climate change conferences. At COP26 in 2021 in Glasgow, a number of countries had already formally agreed and supported the principles of just transition⁸, and at COP28 in 2023 in Dubai, countries agreed on a Just Transition Work Programme.⁹

In general, the UN, when referring to just transition, almost always takes as a basis and refers¹⁰ to the basic principles proposed by the ILO, often simply copying them. These include¹¹:

- Strong social consensus on the goal and pathways to sustainability is fundamental. Social dialogue has to be an integral part of the institutional framework for policymaking and implementation at all levels. Adequate, informed and ongoing consultation should take place with all relevant stakeholders;
- Policies must respect, promote and realize fundamental principles and rights at work;
- Policies and programmes need to take into account the strong gender dimension of many environmental challenges and opportunities. Specific gender policies should be considered in order to promote equitable outcomes;

- Coherent policies across the economic, environmental, social, education/training and labour portfolios need to provide an enabling environment for enterprises, workers, investors and consumers to embrace and drive the transition towards environmentally sustainable and inclusive economies and societies;
- Prioritise the promotion of creation of more decent jobs, including as appropriate: anticipating impacts on employment, adequate and sustainable social protection for job losses and displacement, skills development and social dialogue, including the effective exercise of the right to organize and bargain collectively;
- There is no “one size fits all”. Policies and programmes need to be designed in line with the specific conditions of countries, including their stage of development, economic sectors and types and sizes of enterprises;
- In implementing sustainable development strategies, it is important to promote international cooperation between countries.

An analysis of the above statements and declarations at COP24, COP26 and COP28 confirms that the ILO recommendations are the key document on which the architecture of all other documents on just transition is based. They are also often reflected in the recommendations for the development of the NDCs to the Paris Agreement.

A study by the ILO shows¹² that as of mid-2024, the inclusion of just transition in NDCs has increased significantly since the first round of NDC submissions, when only one country included it.

More than a third (72 out of 193) of the NDCs explicitly mention the term “just transition”. Interestingly, its use varies by region and income

6. Paris Agreement: <https://unfccc.int/process-and-meetings/the-paris-agreement>

7. Solidarity and Just Transition Silesia Declaration: <https://www.ioe-emp.org/index.php?eID=dumpFile&t=f&f=134978&token=91237abd5b4e38c1e7c2e4364b2b8e7095d8e0fd>

8. Supporting the Conditions for a Just Transition Internationally: <https://webarchive.nationalarchives.gov.uk/ukgwa/20230313132211/https://ukcop26.org/supporting-the-conditions-for-a-just-transition-internationally/>

9. UAE Just Transition work programme: <https://unfccc.int/documents/636589>

10. Just Transition of the Workforce, and the Creation of Decent Work and Quality Jobs. Technical paper under the UNFCCC: <https://unfccc.int/documents/226460>.

11. Guidelines for a just transition towards environmentally sustainable economies and societies for all: <https://www.ilo.org/publications/guidelines-just-transition-towards-environmentally-sustainable-economies>

12. Mapping Just Transition in NDCs: An overview: <https://www.ilo.org/publications/mapping-just-transition-ndcs>.

group. The proportion of NDCs with direct references is higher in Europe and Central Asia (70%), the Americas (51%) and the Arab States (27%), and lower in Africa (19%) and Asia and Oceania (15%). In terms of income groups, 62% of high-income countries explicitly refer to just transition, while 28% of lower-middle-income countries and 4% of low-income countries mention the term.

In turn, dedicated chapters on just transition remain rare, with only 6% of the NDCs (12 countries) including them. Separate chapters are most prominent in high-income countries (10%) and upper-middle income countries (9%). The majority of countries with a dedicated chapter on just transition are in the Americas (8), 3 in Europe and Central Asia, and 1 in Africa.

Another good indicator is the inclusion and specification of instruments for implementing just transition policies. Globally, 19% of NDCs refer to specific instruments or agreements for follow-up, such as transition plans and strategies, and/or institutional arrangements.

1% of all NDCs refer to the allocation of specific resources for just transition. International cooperation for a just transition, such as partnerships, support for developing countries, and technical assistance, is mentioned by 16% of countries.

Overall, the ILO's analysis shows considerable variation in the extent to which just transition is addressed, as seen in the frequency of use of the concept, the presence or absence of a dedicated chapter on it, and the formulation of mechanisms, follow-up strategies or institutional arrangements, financing and international cooperation. This suggests that there is room for a more substantial integration of just transition in the next round of the NDC update.

In addition, just transition is extremely relevant for Ukraine in the context of European integration. European Union has a special "Just Transition Mechanism"¹³, which supports the development of local (territorial) Just Transition plans in the regions of the Member States that may be most affected by the energy transition. This mechanism

also includes a three-tiered possibility of financing just transition measures: through a special Just Transition Fund, budget guarantees under the InvestEU programme, and a special credit line for the public sector (Public Sector Loan Facility). **It is important for the Ukrainian government to include provisions and requirements in its strategic documents that are in line with the EU norms and directives on just transition**, such as the criteria for identifying just transition projects on the ground. This will help to avoid the need to rewrite, update and re-adopt relevant documents in several years' time.

The Energy Community (EnC), of which Ukraine is a member, also puts a separate focus on just transition when assessing national legislation. According to the EnC recommendations, National Energy and Climate Plans (NECPs) should have a well-written component on just transition.

But speaking about the importance of just transition for the EU and the Energy Community member states, it is worth noting that very few countries actually approach the relevant planning in a comprehensive manner. One of the latest European studies¹⁴ shows that "most NECPs [of the EU countries] fail to offer a systemic approach to fulfilling the EU's just transition requirements [and] provide insufficient assessments of socio-economic impacts of planned measures and fall short on adequately considering vulnerability factors." **Thus, the positive experiences are rather chaotic and rather relative, reminiscent of the situation with NDCs analysed above.**

Lessons for Ukraine

It is too early to analyse the positive integration of the principles of just transition in the world - this is a long-term process, and it will take more than 10-15 years to objectively assess the success of a particular approach.

However, it is important that the integration of just transition is not limited to mere references in the text or a separate chapter - this would risk leaving it on the periphery of political discourse.

13. The Just Transition Mechanism: making sure no one is left behind: https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/finance-and-green-deal/just-transition-mechanism_en

14. REPORT: Just transition requirements insufficiently covered in the updated National Energy and Climate Plans: <https://1point5.caneurope.org/wp-content/uploads/2025/04/Just-Transition-Briefing-1.pdf>

Such an approach could promote declarativeness instead of real integration. **Just transition should be a cross-sectoral phenomenon, a framework that should become an integral part of planning for economic, educational, energy, environmental and other transitions.**

Two approaches should be used when updating the Ukrainian NDC: direct references to just transition in the text and a separate focus on the 9 key policy areas from the ILO guidelines, namely:

- Macroeconomic and growth policies
- Industrial and sectoral policies
- Enterprise policies
- Skills development
- Occupational safety and health
- Social protection
- Active labour market policies
- Rights
- Social dialogue and tripartism

4. Analysis of the role of just transition in the first and updated NDC of Ukraine

Ukraine's first Nationally Determined Contribution (NDC) to the Paris Agreement in 2016 did not contain a separate concept of "just transition"¹⁵. The document enshrined a commitment not to exceed 60% of 1990 greenhouse gas emissions by 2030, but did not emphasise the socio-economic risks of the decarbonisation process. The first NDC mentioned in passing that Ukraine's economy needed "significant structural changes, infrastructural development, technological modernization and recovery after military operations in eastern Ukraine", but nothing more.

The second, updated NDC, which was adopted in 2021¹⁶, introduces the concept of just transition, but uses it only twice:

- In Chapter 4, describing the national context and processes: "GHG emissions reduction has also a significant social aspect associated with just transition of coal regions as well as thermal energy generation."

- In Chapter 6, in the list of areas where the Ukrainian government needs external support: "The foundation for achieving the NDC is linked to the transformation of the energy sector, the success of which depends on support provided to the Government of Ukraine on: full-scale implementation of the program on just transition of coal regions".

Thus, neither the first nor the second Ukrainian NDC prioritised the concept of just transition, and when they did mention it, it was only in the context of coal combustion and support for coal regions, essentially choosing to marginalise and narrow the content and potential of such a comprehensive policy.

15. Intended Nationally-Determined Contribution (INDC) of Ukraine to a New Global Climate Agreement: <https://unfccc.int/sites/default/files/NDC/2022-06/Ukraine%20First%20NDC.pdf>

16. Updated Nationally Determined Contribution of Ukraine to the Paris Agreement: https://unfccc.int/sites/default/files/NDC/2022-06/Ukraine%20NDC_July%2031.pdf

5. Current policies and strategic documents of Ukraine on just transition

Despite the weak references in the NDC, Ukraine has demonstrated tangible progress and political will over the past decade in defining the concept of just transition. **At the same time, it is important to emphasise that this concept is currently inextricably linked to economic restructuring and energy supply in coal regions, to the exclusion of other communities.**

National level

In May 2020, the Coordination Centre for the Transformation of Ukraine's Coal Regions was established¹⁷ - a temporary advisory body of the Cabinet of Ministers of Ukraine to ensure coordination of actions of central and local executive authorities, local governments, enterprises, institutions and organisations to determine (develop) policy priorities for the transition of coal regions. It included representatives of the government, heads of regional state administrations, members of the Verkhovna Rada of Ukraine, representatives of all-Ukrainian associations of local governments, coal mining companies, trade unions and industry experts.

On 8 October 2020, during the inaugural meeting of the Coordination Centre, the heads of the Ministry of Energy and the Ministry of Community and Territorial Development of Ukraine presented the draft Concept for Reforming the Coal Industry and the National Programme for the Transformation of Ukraine's Coal Regions until 2027¹⁸. The government planned to finance the transition measures from the state budget (including the use of up to 50% of the State Fund for Regional Development), local budgets, and programmes of international partners and banks.

However, the Coordination Centre's work has had very limited success. There were only two official meetings in 2020-2021, and since 2022, when

the Russian full-scale invasion started, the Centre's work has effectively ceased.

At the same time, on 22 September 2021, the Cabinet of Ministers approved the Concept of the State Target Programme for the Just Transition of Coal Regions until 2030¹⁹. According to it, "just transition is a model of regional development that provides for a decent life and sufficient income for all residents, including workers who will be affected by the process of fossil fuel phase-out (elimination of production facilities, closure of coal mining enterprises, etc). This is the first document in the history of independent Ukraine that attempted to comprehensively outline solutions to the economic, social, cultural, housing and environmental issues arising from the decline in coal production and the gradual closure of coal mining and related enterprises.

The concept outlined the main ways of just transition of coal communities:

- Creating conditions for investment development;
- Improving living conditions, promoting the development of high-quality and convenient infrastructure;
- Switching to alternative energy sources and improving energy efficiency in the housing and utilities sector;
- Creation of economic growth points, taking into account the existing economic and human potential to diversify the local economy;
- Re-profiling of vocational education institutions;
- Solving environmental issues.

These measures were also envisaged to be implemented gradually within the pilot coal communities, where the gradual closure of coal mining enterprises had already begun through the development of separate transition plans for each community.

17. Resolution of the Cabinet of Ministers of Ukraine No. 391 of 13 May 2020 «On the Establishment of the Coordination Centre for the Transition of Coal Regions of Ukraine»: <https://zakon.rada.gov.ua/laws/show/391-2020-%D0%BF>

18. The Ministry of Energy presented the Concept of Coal Industry Reform until 2027: <https://www.ukrinform.ua/rubric-economy/3114435-minenergo-predstavilo-koncepciu-reformi-vugilnoi-galuzi-do-2027-roku.html>

19. CMU Resolution No. 1024 of 22 September 2021 «On Approval of the Concept of the State Target Programme for the Fair Transition of Coal Regions of Ukraine for the Period up to 2030»: <https://zakon.rada.gov.ua/laws/show/1024-2021-%D0%BF#Text>

A full-fledged State Target Programme for the Just Transition of Coal Regions was to be developed over the next six months, but Russia's full-scale invasion in February 2022 halted the process.

It should be noted that all of the above processes took place without an official coal phase-out date. In other words, the Ukrainian government declared the gradual closure of unprofitable coal mines, but tried to avoid direct statements about the phase out of coal in power generation. This all changed in the autumn of 2021.

During the COP26 international climate conference in Glasgow, Ukraine joined the Powering Past Coal Alliance (PPCA)²⁰, an international coalition that seeks clear commitments from governments and the private sector to phase out coal in the energy sector. The Ukrainian authorities have announced 2035 as the date for the closure of state-owned coal-fired power plants.

However, a few months after the announcement of the coal phase-out date, which was not enshrined in national legislation, regulations or strategies at the time, a full-scale Russian invasion of Ukraine began. Ukraine's energy infrastructure came under massive attack in the autumn and winter of 2022-2023, and resources were diverted to defend the country, creating uncertainty about which climate and energy transition goals remain in place and which are unrealistic to implement before active hostilities end.

On 21 April 2023, the Cabinet of Ministers adopted a new Energy Strategy until 2050. As of April 2025, the full text is not publicly available, but official presentations by the Ministry and references to the Strategy in the National Energy and Climate Plan indicate that the document envisages a complete phase-out of coal-fired generation by 2035. The Energy Strategy does not distinguish between public and private generating capacity, using 2035 as the last year to phase out coal in electricity generation. Before the Ukraine Recovery Conference in London in the summer

of 2023 the Deputy Minister of Energy confirmed that Ukraine does not plan to use coal for electricity generation after 2035²¹. This was the first public statement by the Ukrainian government that the previously announced plans remain unchanged.

Also, the Ukraine Facility Plan for the period 2024-2027 states that Ukraine remains "committed to the phase-out of coal in electricity generation by 2035" and "In this context, one of the key objectives will be to ensure a sharp reduction in fossil fuel production and consumption and to facilitate the phase-out of coal in Ukraine by 2035, while taking measures to avoid negative socio-economic impacts on vulnerable groups"²².

The National Energy and Climate Plan of Ukraine for the period up to 2030 (NECP), adopted in June 2024, also mentions²³ that "the Energy Strategy of Ukraine confirms the previously announced plans, in particular, it states that the use of coal-fired generation will be reduced until its complete decommissioning in 2035". On the other hand, it is noted that "the feasibility of achieving this goal by 2035 will be assessed after the end of the full-scale invasion of Ukraine by the Russian Federation, taking into account the condition and available capacities that will remain in operation after the end of hostilities".

The NECP has only one special just transition measure - the development and adoption of **the State Target Programme for the Just Transition of Coal Regions until 2030**.

It is important to note that this approach was criticised by the Energy Community, to which the Ukrainian government provided the NECP for commenting. The EnC Secretariat has emphasised²⁴ that just transition should be integrated deeper than just a mention in a single policy or measure, and recommended to "consider extending the just transition concept – currently limited only to coal regions – to regions using additional criteria, such as the existence of GHG emission- and energy intensive industry and/or regions that

20. New PPCA members tip the scales towards 'consigning coal to history' at COP26: <https://poweringpastcoal.org/news/new-ppca-members-tip-the-scales-towards-consigning-coal-to-history-at-cop26/>

21. Amid war, Ukraine recommit to phasing out coal power by 2035: <https://poweringpastcoal.org/press-releases/amid-war-ukraine-recommits-to-phasing-out-coal-power-by-2035/>

22. Ukraine Facility Plan: <https://www.ukrainefacility.me.gov.ua/en/>

23. National Energy and Climate Plan for the period up to 2030: <https://me.gov.ua/Documents/Detail?lang=uk-UA&id=17f558a7-b4b4-42ca-b662-2811f42d4a33&title=NatsionalnyiPlanZEnergetikiTaKlimatuNaPeriodDo2030-Roku>

24. Secretariat's Recommendations on the draft National Energy and Climate Plan of Ukraine: <https://www.energy-community.org/news/Energy-Community-News/2024/06/07.html>

are expected to face challenges and require managed change as a result of war-inflicted damage and the green transition.”

As of April 2025, the State Target Programme for the Just Transition of Coal Regions was almost finalised: the SEA procedure was completed²⁵, and the Programme itself was published for public discussion.²⁶

An important innovation of the State Programme is the expansion of the definition of “coal communities”, which now includes not only mining communities, but also communities with generating capacities: TPPs or CHPs. In addition, the document identifies four main priorities for the implementation of a just transition policy:

- Diversification of the local economy based on the existing economic and human potential;
- Mitigating the negative social consequences of the closure and transformation of coal enterprises, and developing human capital;
- Switching to renewable energy sources and improving energy efficiency;
- Solving environmental issues and combating climate change.

The estimated amount of funding for the implementation of the State Programme is UAH 22.7 billion, of which UAH 5.4 billion is to be provided from the state budget, UAH 5.5 billion from local budgets, and UAH 11.8 billion from other sources, primarily international assistance.

Local level

In May 2019, the Platform for Sustainable Development of Coal Towns of Donetsk Region was formed, which initially included 6 coal mining towns, 3 local NGOs and the Donetsk Regional Chamber of Commerce and Industry²⁷. By 2021, the number of towns in the Platform increased to 9, thus including all communities in the non-occupied part of Donetsk region where coal mining enterprises operated. The success of the Platform’s

work was the development of the Strategy for the Transformation of Coal Towns of Donetsk Region (Pokrovsk, Myrnohrad, Dobropillia, Novohrodivka, Selydove, Vuhledar and Toretsk) for the period up to 2030²⁸ with the support of international assistance projects from the US, Germany and the EU. This Strategy was the first of its kind for coal mining communities and included such strategic areas as:

- Changes in the structure of the economy;
- Attracting investment;
- Development of small and medium-sized businesses;
- Human capital;
- Renewable energy sources and energy efficiency.

The document was developed during 2020-2021 and was to be approved by local councils of coal mining communities in early 2022, but the Russian full-scale invasion made it impossible.

In 2021, active processes also began in the Lviv region. Thanks to the support of the German Federal Ministry for Economic Affairs and Climate Action and the project “Supporting Structural Change in Ukrainian coal regions” implemented by GIZ, a Just Transition Action Plan of the Sheptytskyi Coal Microregion (the city of Sheptytskyi and several communities around it) was developed²⁹. It contains 3 strategic objectives:

- Energy transition and clean environment of the microregion for the life of different generations and social groups;
- New competitive economy of the coal microregion;
- A coal microregion adapted to the new social needs of its residents.

Following Sheptytskyi’s example, a similar Just Transition Action Plan was developed for the Volyn Coal Microregion (Novovolynsk, Poromiv, Lytovezh).³⁰

25. <https://mindev.gov.ua/news/povidomlennia-pro-opryliudnennia2103>

26. <https://mindev.gov.ua/news/povidomlennia-pro-opryliudnennia-proiektu-postanovy-kabinetu-ministriv-ukrainy2504>

27. Ukraine: Grassroots Local Cooperation through the «Platform for Sustainable Development of Coal Towns of Donetsk Region: <https://www.wri.org/update/ukraine-grassroots-local-cooperation-through-platform-sustainable-development-coal-towns>

28. Announcement on the publication of the draft Strategy for the Transition of Coal Communities in Donetsk Oblast: <https://myrnohrad-rada.gov.ua/news/23492-povidomlennya-pro-opryliudnennya-proiektu-strategiyi-transformaciyi-vugilnix-gromad-doneckoyi-oblasti>

29. Action Plan for the Just Transition of the Coal Microregion of Lviv Oblast until 2030: <https://sheptytska-rada.gov.ua/spravedlyva-transformatsiia/p-1264>

30. Official website of the Association of Coal Communities of Ukraine: <https://accu.in.ua/>

It was also announced that in 2025, with the support of the European Investment Bank (EIB), a separate financial mechanism with the possibility of contributions from international donors will be launched. Coal communities will be able to receive both grants and loans to implement their own just transition projects.

In addition, to better advocate and promote the interests of coal regions the Association of Coal Communities of Ukraine was established with the support of the above-mentioned GIZ project in 2023-2024³¹. Its main objectives are:

- Promoting just transition of mono-industrial territorial communities dependent on coal mining and thermal generation;
- Representing the interests of communities in the processes of just transition, energy transition and post-war reconstruction;
- Promoting local and regional development.

Opportunity for rethinking the notion of just transition

As already mentioned, the concept of just transition in Ukraine is still inextricably linked exclusively to coal regions. But the end of 2024 brought some progress towards expanding the concept to include other regions and communities.

For example, the Law of Ukraine “On the Basic Principles of State Climate Policy”, adopted in October 2024, identifies just transition as one of the principles of state climate policy and contains the following definition: “just transition is the promotion of state climate policy to ensure a decent life and livelihood for all workers and communities affected by the process of transition to low-carbon development and achievement of climate neutrality”. This definition does not refer to coal regions and allows for a broader interpretation and inclusion of other communities and territories that will require socio-economic support.

On the other hand, although the NECP limits just transition to only one measure related to coal regions, in December 2024, during a thematic discussion at COP29 in Baku, Andrii Teliupa, Deputy Minister of Economy of Ukraine, noted that “as a government, we also understand that just transition is not only about coal regions. Therefore, we want to use the results of the State Programme to extend the transition to other regions that need it”³². This also gives some hope that the concept will be updated and expanded during the future revision of the NECP.

31. Official website of the Association of Coal Communities of Ukraine: <https://accu.in.ua/>

32. Just transition is not only for coal communities - conclusions of the COP29 discussion: <https://ecoaction.org.ua/transformatsiia-nelyshe-vuhilnym-hromadam.html>

6. Further steps for Ukraine: recommendations

After analysing the current situation in Ukraine at the national and local levels, updated climate and energy targets, as well as international experience in defining just transition and integrating it into the NDC, the following recommendations were developed:

1. Full and successful decarbonisation of the economy requires expanding the scope and understanding of just transition beyond the current focus on one type of region and enshrining it in an updated NDC. Currently, the processes of just transition in Ukraine are inextricably linked to coal regions. However, other carbon-intensive and mono-industrial communities, such as those dependent on gas, oil and other mineral and fossil resources, as well as on fossil fuel-dependent industries that will reduce their operations or close down completely, should also be covered by the government's just transition policy. At the same time, the positive examples and lessons learned from the coal regions should be used to introduce the principles and definitions of just transition to other sectors.

2. Consideration of the just transition as an integral and necessary part of Ukraine's European integration through the provisions of Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing a Just Transition Fund. Thus, the updated NDC may mention the need to develop special local Just Transition Plans, which should take into account the existing experience and methodology for the development and adoption of Territorial Just Transition Plans under the EU Just Transition Mechanism, as well as the criteria for identifying just transition projects on the ground.

3. The NDC 2035 should include an initial analysis and specific measures within the framework of 9 key policies developed by the International Labour Organization:

- a. Macroeconomic and growth policies
- b. Industrial and sectoral policies
- c. Enterprise policies
- d. Skills development
- e. Occupational safety and health
- f. Social protection
- g. Active labour market policies
- h. Rights
- i. Social dialogue and tripartism

The mention of these areas and their qualitative content will directly implement the principles and mechanisms of just transition.

4. Diversify the local economy of carbon-intensive and mono-industrial communities by creating green jobs in sectors that will contribute to a sustainable energy transition, climate resilience and post-war recovery. In particular, it is worth supporting:

- a. localisation of production of energy-efficient building materials;
- b. localisation of production of equipment or components for renewable energy sources.

In addition, the policy should take into account the need to create new employment opportunities for women, veterans and internally displaced persons.

5. Strengthen social dialogue at all levels. Mechanisms for social dialogue need to be improved. They can be conducted at the local, regional, or national level through cross-sectoral consultations, sectoral platforms, or corporate bargaining. The objectives of the dialogue can range from general information consultations to coordinating policy implementation and agreeing on binding decisions.

To achieve real justice in the transition, the planning process should involve not only traditional stakeholders (the Ministry for Communities and Territories Development and the Ministry of Energy), but also other key Ministries: the Ministry of Environmental Protection and Natural Resources, the Ministry of Economy, the Ministry of Finance, the Ministry of Social Policy, the Ministry for Strategic Industries, etc.

6. The NDC can also outline the potential for financing just transition, such as the possibility of using the resources of the Ukraine Facility (Pillar 1 of which stipulates that at least 20% of grant funds should be directed to the needs of the regions), creating and supporting a separate or modernising an existing mechanism (e.g. a separate package for carbon-intensive and mono-industrial communities under the Decarbonisation Fund, etc.)

