A JUST TRANSITION AWAY FROM FOSSIL FUELS

Policy Briefing

GREENPEACE

A Just Transition Away From Fossil Fuels
[Policy Briefing]
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Wind energy in Portugal
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Protest in the Turow Lignite Open Pit Mine in Poland
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POLICY BRIEFING

Introduction

From deadly heatwaves and catastrophic fires to extreme downpours and sea level rise, the impacts of climate change are accelerating - driven by the burning of coal, oil and gas. Fossil fuels do more than destabilise the climate; they drive widespread health, social and economic harms, while fuelling instability around the world. The current war-induced energy crisis lays bare the inherent vulnerability of fossil fuel dependence.

A just transition away from fossil fuels is about more than simply swapping coal, oil and gas for renewables. It is an opportunity to transform energy, transport, industrial and other systems so they are more secure and affordable, reduce inequality, protect ecosystems and shift power from elites and multi-billion-dollar corporations to people. To seize this opportunity, and not repeat the extractivism and colonialism of the fossil fuel era, the transition must go beyond a technocratic exercise. It must be a process of social transformation - one that places social justice, human rights, and people-centred decision making at its core.

Managing the global phase out of fossil fuels - in a way that no country and community are left at a disadvantage, and the benefits of the new, stronger energy system are reaped by all - will require international cooperation, accountability, and a shared vision. A just transition demands we ask: How fast must we phase out fossil fuels, and what's needed to limit warming to 1.5°C? How will fairness be ensured in the distribution of costs and benefits within and between countries? How will the transition be funded, and who pays? And critically, who shapes the decisions that guide the transition, and whose rights and voices need to be protected and heard?

This brief outlines the core elements of a just transition away from fossil fuels, and the urgent, priority actions needed from national governments and through global co-operation to make it a reality. Justice is both the compass and destination - guiding the vision for the transition and the pathway to achieve it.

Fast-Track Just Transition for Green Jobs - Activity in Johannesburg, South Africa. © Karabo Choma / Greenpeace

How fast must we phase out fossil fuels, and what's needed to limit warming to 1.5°C?

Under the Paris Agreement, all countries committed to pursue efforts to limit warming to 1.5°C[1] - a survival line for vulnerable communities - and agreed that their contributions should reflect their "highest possible ambition".[2]

Yet while the world has achieved very rapid growth in renewable energy deployment, fossil fuel consumption has also continued to climb, pushing global emissions to dangerous new highs (see Figure 1). Governments, in aggregate, still plan to produce more than double the amount of fossil fuels in 2030 than would be consistent with limiting warming to 1.5°C.[3] This failure to curb the production,

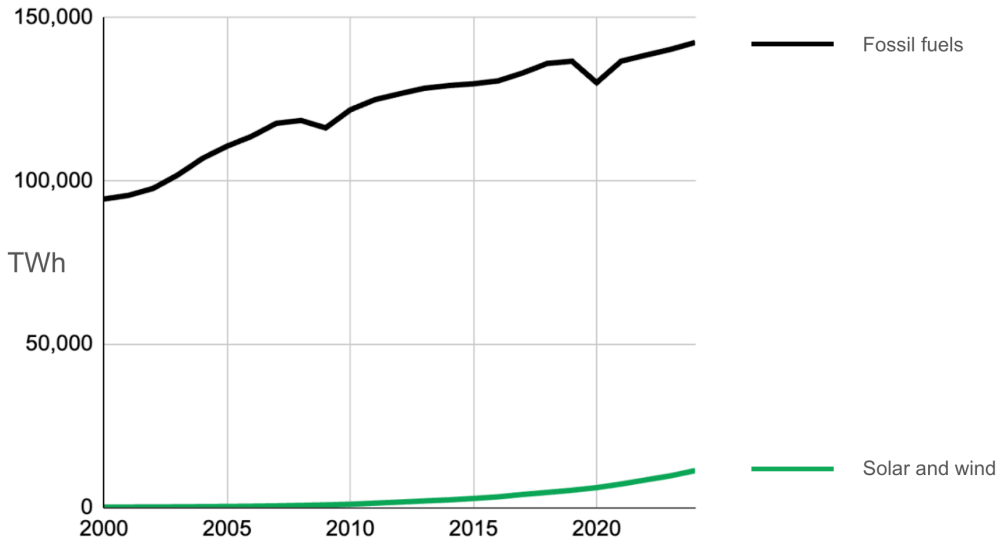
[1] Paris Agreement, Article 2.1

[2] Paris Agreement, Article 4.3

[3] See SEI, Climate Analytics & IISD (2025) *The Production Gap Report 2025*

supply and use of fossil fuels - the main root cause of the climate crisis - strongly signals the need for a proactive, managed phase out of coal, oil and gas.

Figure 1 - Primary energy consumption from fossil fuels compared to solar and wind 2000-2024[4]



In the decade since Paris, the case for limiting warming to 1.5°C has only grown stronger, with the latest science affirming that warming beyond this limit would be extremely dangerous for communities and ecosystems worldwide. In 2025, the International Court of Justice affirmed the legal obligation of all states to continually strive to limit warming to 1.5°C. Should we overshoot, the task will be to minimise the extent and duration of the overshoot as much as possible.

Differentiated phase out timelines

The speed of the transition away from fossil fuels must be driven by the fundamental moral, legal and scientific imperatives of limiting warming to not exceed 1.5°C. The urgency of this challenge demands that every country transition away from fossil fuels as rapidly as their capabilities and circumstances allow. The slow phase out by the Global North has depleted the global carbon budget, compressing the time all countries - including from the Global South - now have.

The speed of progress will vary between countries in accordance with their level of development, historical responsibility for emissions, economic capability, opportunities for transition - including renewable energy deployment - and other factors.[5] It will also be contingent on the adequate flow of funding between and within nations. Lower-income countries that are currently highly dependent on

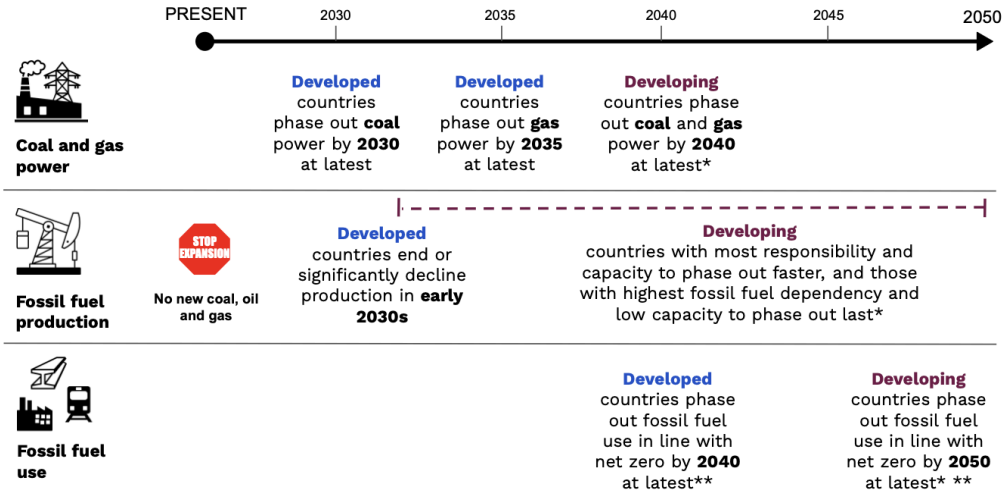
[4] Data from Our World in Data

[5] Within the UN Framework Convention on Climate Change and Paris Agreement, this is termed Common But Differentiated Responsibilities and Respective Capabilities (CBDR-RC).

fossil fuel revenues must have the financial support and headroom to transition without compromising essential services and development needs. Crucially, the transition must be just, ensuring human rights are fulfilled and communities are left stronger.

The table below provides indicative timelines for developed and developing countries for (a) the phase out of coal and gas from power generation, (b) the full phase out of fossil fuel production, and (c) the full phase out of fossil fuel use.[6] For all countries, the phase out begins with an immediate halt to expansion of fossil fuel production. These timelines are indicative rather than definitive, recognising different country circumstances, responsibilities and capacities. Developing countries are particularly diverse, varying widely in historic emissions, economic capacity, fossil fuel dependence and development needs - all factors that should shape the pace and pathway of fossil fuel phase out.

Figure 2: Indicative timelines for the phase out of fossil fuels[7]



* With international climate finance and other means of implementation support for countries that need it.
** Net zero pathways must prioritise rapid, absolute emissions cuts, with use of removals at later stages restricted to genuinely hard to abate sectors (such as agriculture) and not used to delay the phase-out of fossil fuels.

[6] The terms "developed" and "developing" countries have limitations given the diversity of characteristics between countries in these groupings. However, these terms are retained in this brief where relevant for consistency with international frameworks - above all the UNFCCC - where they remain in common use and have obligations and commitments associated with them.

[7] For timelines on coal and gas power see Climate Action Tracker (2023) *Pulling the plug on fossil fuels in power*. For fossil fuel production timelines see Civil Society Equity Review (2023) *An equitable phase out of fossil fuel extraction*, which are broadly aligned. For the immediate halt to new coal, oil and gas see SEI, Climate Analytics & IISD (2025) *The Production Gap Report 2025*. The phase out fossil fuel use dates are underpinned by the 2050 goal for net zero emissions set out in the IPCC 6th Assessment Report, and a recognition that in line with equity developed countries need to phase out sooner.

Those countries that can move faster than these timelines should do so. For example, the European Union can, and therefore should, aim to phase out coal and gas for all energy uses, and not just the power sector, by 2030 and 2035 respectively.

Cutting the plastics lifeline for fossil fuels

Petrochemicals are a systemic driver of fossil fuel supply and curbing their use is critical. The transition cannot succeed if the industry simply shifts its extraction from fuel to feedstock. The International Energy Agency projects that petrochemicals will drive 75% of global oil demand growth from 2023 to 2030.[8] They are also a significant growth sector in both gas and coal. Because plastics - the fastest-growing bulk material globally - represent the largest share of this demand, they have become the primary survival strategy for the fossil fuel industry. Plastic production must be cut rapidly - by at least 75% by 2040 - to align with the 1.5°C temperature limit.[9]

> In the decade since Paris, the case for limiting warming to 1.5°C has only grown stronger, with the latest science affirming that warming beyond this limit would be extremely dangerous for communities and ecosystems worldwide.

How are the costs and benefits of the transition distributed?

A just transition requires that the costs and benefits of the transition are distributed fairly within and between countries, so that existing inequalities are reduced and not exacerbated. This is about ensuring countries and fossil fuel companies most responsible for generating and perpetuating the climate crisis bear the greatest share of the transition costs, while the financial, social and environmental risks and damages do not fall on the countries and communities least responsible and least able to manage them. For example, the transition must facilitate clean, affordable power through energy systems controlled and owned by people, not just corporations, designed to deliver social, economic, and environmental benefits for all and responsive to local needs.

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[8] International Energy Agency (2024) *Oil 2024: Analysis and forecast to 2030*

[9] Eunomia (2022) *Is Net Zero Enough for the Material Production Sector?*

Ensuring the benefits of renewables reach all

The global shift to renewables remains highly uneven. Around 90% of energy transition investment is concentrated in advanced economies and China, leaving many developing countries without the access to capital they need for renewable energy deployment.[10] This disparity is reflected in installed capacity: developed countries have on average over 1,100 watts of renewable capacity per person; while low income countries/Sub-Saharan Africa have only around 40 watts despite huge solar potential.[11] As the transition moves ahead in richer parts of the world, many Global South countries are being left behind - including parts of the world that also lack basic access to electricity. Over 666 million people remain without basic access to electricity.[12]

A just transition is one that ensures the rollout of renewables is equitable across countries while simultaneously expanding access, ending energy poverty, sustaining socio-economic transformation and supporting livelihoods. Targeted finance is critical to achieving this, alongside technology transfer, capacity building and knowledge-sharing from countries with more advanced renewables industries. Stronger coordination between countries - such as collective purchasing - can also reduce costs. At the same time fairer energy partnerships between the Global North and the Global South are needed, that benefit local communities through shifts to decentralised renewables that strengthen energy sovereignty.[13]

Holding plastics polluters accountable

Curbing plastic production fairly means holding the biggest polluters accountable, not shifting the costs onto communities. Governments must enforce this accountability and drive a transition to a reuse-based economy through regulation and financial support. The oil and petrochemicals industries must take responsibility for a just transition to a low-carbon, zero-waste, reuse-based economy, with meaningful participation from waste pickers, frontline communities and affected workers to ensure equity.

Support with unfair costs

Vulnerable countries and communities that have contributed least to the climate crisis and have least capacity to pay must be supported in covering the costs of the transition away from fossil fuels. Finance is needed to enable renewable energy system transformation - including investment in grid infrastructure and energy storage - as well as broader economic diversification and transformation

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[10] IRENA and Climate Policy Initiative (2025) *Global Landscape of Energy Transition Finance*
[11] World Bank (June 2025) *Tracking SDG 7: The energy progress report 2025*
[12] Ibid
[13] Greenpeace MENA (2025) *From Energy Security to Sovereignty: Pathways for a Just Energy Transition in Egypt, Morocco, and Tunisia*

such as investment in sustainable transport. This is particularly important for lower income countries that rely heavily on revenues from fossil fuels for public services, employment and investment, and those with limited access to renewable energy. International financial support for adaptation and loss and damage is also critical, particularly for low-income developing countries, so that they do not bear the disproportionate costs of a climate crisis they did least to cause. Support is also essential to protect consumers - especially vulnerable households - from bearing the costs of the transition through higher energy bills or being deprived access to affordable energy.

The question of who should pay these transition costs and how is explored in the next section.

How do we fund the transition, and who pays?

How we fund the transition away from fossil fuels will determine whether it is fast, just and fair. To move at the pace required, significant upfront investment is needed across sectors - including renewable energy, sustainable transport, strengthening grids and improving energy efficiency.[14] Capital costs are generally higher in developing countries. For example, renewable energy projects in developing countries often face capital costs two to three times higher than those in developed economies, significantly slowing renewable deployment.[15] Finance is also critical to managing the transition in a just way within countries: to fund social policies to protect workers and affected communities; to support retraining, job creation and economic diversification; and to ensure people are not forced to bear the cost of the transition through higher prices.

> Vulnerable countries and communities that have contributed least to the climate crisis and have least capacity to pay must be supported in covering the costs of the transition away from fossil fuels.

A just transition requires finance to flow from those most responsible for emissions, and most able to pay, to those less responsible and needing support to act - both within and between countries.

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[14] For more on sustainable transport see Greenpeace (2024) *Vision for sustainable mobility*

[15] International Energy Agency (2023) *Scaling Up Private Finance for Clean Energy in Emerging and Developing Economies* and UNCTAD (2023) *World Investment Report 2023: Investing in Sustainable Energy for All*

Activists Reveal Massive Climate Polluters' Bill at the Gateway to the Amazon. © Tuane Fernandes / Greenpeace

Responsibility and capacity should determine who pays

Those with most responsibility for causing the climate crisis - the most polluting countries, corporations and individuals - and those most able to pay, should fund the transition.

Funding the transition is being blocked by many failures, but chief among them is the gross underdelivery of climate finance by developed countries. With the greatest historical responsibility for causing the climate crisis and largest economic capacity, they have clear obligations under the UNFCCC to provide finance to developing countries that need support. Rich developing countries with the capacity to do so should also step up voluntarily. The finance gap is huge. Current needs for international support - across mitigation, adaptation and loss and damage - are estimated to be in excess of US $1 trillion per year.[16] But the latest reported contributions from developed countries suggest mobilised finance only reached US $115 billion in 2022.[17] Independent estimates show the true figure may be closer to US $28–35 billion[18]. And the agreed goal for 2035 is only US $300 billion a year.

[16] Climate Action Network Submission: *NCQG*

[17] OECD (2024) *Climate Finance Provided and Mobilised by Developed Countries in 2013-2022*

[18] Oxfam (2025) *Climate Finance Shadow Report 2025*

Equally urgent is holding the fossil fuel industry and other big emitters accountable - by making polluters pay. Corporate polluters have an obligation to remediate the harm caused in their pursuit of profit. Yet despite driving the climate crisis, the fossil fuel industry continues to enjoy exorbitant and record profits, with no obligation to pay for the transition.

Polluter taxes to fund and drive the transition

Taxes on profits are one of the most powerful tools to hold fossil fuel corporations to account. This has the potential to raise hundreds of billions of dollars to fund the transition, while also undermining the attractiveness of investment and discouraging further capital allocation to this dirty industry. Just a 20% top-up-tax on the global profits of the world's 100 biggest oil and gas companies applied since the adoption of the Paris Agreement could have raised an additional US $1.08 trillion in revenue.[19]

Fiscal reform: ending handouts and tackling debt

Large volumes of public revenue are still spent (or foregone) on supporting fossil fuels in the form of subsidies - with explicit subsidies reaching US $725 billion in 2024 according to the IMF[20] - pointing to the urgent need for progressive fiscal reforms to secure just transition and align spending with climate objectives. Reforms must prioritise phasing out production subsidies and untargeted consumption subsidies, while strengthening targeted support to vulnerable groups. Funding the transition must not increase the debt burden on developing countries and also needs to include measures to alleviate debt, which severely constrains their ability to invest in the transition, as well as health, education and other critical priorities.

Overcoming dependency on fossil fuels

In many countries, revenues from fossil fuel production constitute a significant proportion of government income. For around 40 countries, these revenues secure more than 3% of GDP - with a significant number as high as 50% - and on average account for more than 60% of exports and at least one third of total government revenue.[21] These structural conditions, compounded by high debt, can lock countries into fossil fuel dependent development pathways. It is therefore crucial that countries use these revenues to build reserves for the future but also to diversify their economies and support green industrialisation. For lower income countries, which have limited savings to cushion the impact of declining fossil fuel demand and revenues, international support is essential.

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[19] Global Alliance for Tax Justice (2025) *Make polluters pay: Proposal for a surtax on fossil fuel industries' profits*

[20] IMF (2025) *Underpriced and Overused: Fossil Fuel Subsidies Data 2025 Update* accessed 3/24/2026

[21] UNDP (2023) *Global Decarbonization in Fossil Fuel Export-Dependent Economies*

Who shapes decisions, and whose rights and voices need to be protected and heard?

A just transition away from fossil fuels can help build resilient communities, strengthen democracies, overcome energy poverty, and redress historical plus current injustices. An unjust transition, on the other hand, could further entrench patterns of domination, extractivism and inequity that have characterised the fossil fuel era.

The question of who shapes decisions and whose rights are protected is at the heart of whether the transition is just and leaves all communities stronger, or serves the interests of the few while leaving the majority behind.

Unions and Green Groups Rally at Treasury in London. © David Mirzoeff / Greenpeace

Taking the power back: inclusive, locally led decision-making

Indigenous Peoples, women, youth, workers, and communities traditionally tied to fossil fuel industries or likely to be impacted by new industries, all have a special stake in the transition: Indigenous Peoples as the traditional custodians of land and resources; women due to persistent patterns of marginalisation and disempowerment; youth because they will live longest with the consequences of today's decisions; workers and affected communities because their livelihoods

and dignity may depend upon adequate support and protections through the transition.

Crucially, these and other affected groups and communities need more than consultation. The transition must be a collective endeavour, rooted in local realities, with affected groups and communities able to shape their own futures and remedies. This requires inclusive planning and decision-making processes, a co-created vision of justice, valuing local and traditional knowledge and practices, ensuring equitable access to and shared control over the technologies and intellectual property underpinning the transition, and ensuring Free, Prior and Informed Consent.

Supporting workers and affected communities: safety nets and transition support

Supporting communities and regions with close ties to the fossil fuel industry will require a combination of social safety nets, joint planning, and targeted transition support. Safety nets, such as income support, provide immediate security and shield workers and households from hardship as old industries decline. Regional transition plans, co-created between governments and local communities, can help to spur and guide economic transformation and diversification. Targeted transition support, including funding for high quality vocational training, can enable reskilling and investment in new economic opportunities.

Energy sovereignty, security and resilience

Reserves of coal, oil and gas are concentrated within a few regions of the planet, and their extraction, supply and use depends on large-scale, centralised infrastructure. As a result, fossil fuels have tended to concentrate power and wealth and have been at the root of many conflicts.[22] Long term peace and stability therefore depends on transitioning away from fossil fuels.

The energy crisis triggered by the 2026 US–Israel war on Iran and the effective closure of the Strait of Hormuz has shown that fossil-fuel dependence deepens vulnerability during crises and conflict. It has demonstrated the value of renewable energy in strengthening energy security and sovereignty by enabling countries and communities to control how their energy is produced, distributed and used.

No repeat extractivism: Protecting people & nature

The transition needs minerals including lithium, cobalt, copper and rare earth elements for renewable energy, batteries, and storage. It also requires a large

[22] The term “resource curse” is often used to describe the pattern by which countries that are rich in natural resources - especially fossil fuels - often experience slower development, weaker institutions, higher levels of corruption and greater political instability than countries with fewer natural resources. As a result, they often become trapped in extractivist development paths.

manufacturing industry for renewable and battery technologies. This mining and manufacturing must not deepen global inequalities by exploiting resources in the Global South to fuel the Global North's transition. Respecting the rights of Indigenous Peoples and local communities - and protecting biodiversity and critical ecosystems on land, in freshwater systems and throughout the ocean from mining - is essential to staying within the Earth's planetary boundaries and ensuring the transition does not repeat and compound the injustices of past extractive models.

It is also essential to reduce demand for these minerals through public and active transport, improved recycling programmes, and advanced battery technologies. Where mining does take place, the countries and communities endowed with these resources must be the ones to benefit the most, rather than bearing the cost for the benefit of others. As with any industry, protecting workers requires the fulfillment of human rights and strong labour protections. The transition to renewable energy and sustainable transport also needs to uphold the agreed global goals under the Convention on Biological Diversity. This will require appropriate environmental safeguards when it comes to deployment of renewable energy, including public and accessible impact assessments.[23]

By freeing communities and households from expensive fossil fuel imports and volatile energy markets, renewable energy creates opportunities for more resilient and equitable energy systems. It also enables energy access for people who live beyond the reach of centralised energy grids. A just energy transition must maximise these opportunities for decolonising the energy system, increasing community resilience, and for redistributing power and wealth.

Accelerating the just transition: priority actions for 2026

2026 needs to be a turning point. National action and multilateral cooperation must align behind a just transition away from fossil fuels, accelerating action by 2030, by advancing the priority actions set out below.

NATIONAL ROADMAPS

- All governments should develop **national roadmaps for transitioning away from fossil fuels, as part of comprehensive just transition plans** aligned with each countries' fair share of the global action required to limit warming to 1.5°C. These roadmaps should be anchored in social justice and supported by international climate finance and other means of implementation where needed.
- Roadmaps should:

[23] *Kunming-Montreal Global Biodiversity Framework*

- Include an immediate commitment to **no new fossil fuel expansion**; and **set timelines to phase out production and consumption**, with developed countries moving fastest (per timelines on page 6);
- Include **ambitious renewable energy targets** to strengthen energy security and sovereignty, supported by fiscal and policy incentives that prioritise electrification, local benefits, decentralised solutions and community-led initiatives.
- **Exclude and phase out false solutions** and new forms of environmental harm, including biofuels that cause deforestation and forest degradation and fuel pesticide use, Carbon Capture and Storage, and nuclear which is inherently high cost and high risk.
- Take a **comprehensive approach to reducing fossil fuel demand across all sectors**, including energy, transportation, buildings, agriculture and petrochemicals - while improving efficiency in energy use.
- **Advance a just transition** by centering impacted communities, redistributing resources (including access to technologies), co-creating solutions and safeguarding the environment and human rights.

COP31 AND GLOBAL COLLABORATION

- COP31 **must operationalise and accelerate the commitment to transition away from fossil fuels** in a just, orderly and equitable way, building on the momentum from COP30, the Santa Marta conference and the Brazil Presidency roadmap initiative.
- COP31 must turn the promise of a new **Just Transition Mechanism** into action by establishing the Belem-Antalya Mechanism (BAM) to coordinate fragmented global efforts and accelerate international finance and capacity support for a just transition.
- Alongside and in support of the UNFCCC - the central multilateral climate forum where all countries can participate - **willing countries should cooperate to advance ambition** through initiatives such as the Fossil Fuel Treaty, the Santa Marta conference and its follow up, and bilateral and regional collaborations.

FINANCE & FISCAL REFORM

- To support developing countries in delivering a just transition, developed countries need to urgently **scale-up predictable, accessible and affordable climate finance** - especially grants and concessional finance - progressing towards the US $300 billion goal, increasing it to reflect actual needs, and also scaling up towards US $1.3 trillion investment goal.

- To increase public finance for the transition and incentivise fossil fuel phase-out, governments should implement **top-up taxes on fossil fuel profits and taxes on high net worth individuals at national level** - to fund domestic action and international support, as appropriate. At the global level, a new top-up tax on the profits of international fossil fuel corporations should be introduced under the UN Tax Convention. Tax rates must align with a just global fossil fuel phase-out, with developed countries moving fastest.
- The **new UN Tax Convention** should also ensure a fairer allocation of taxing rights, global coordination on transparency and accountability tools, and global minimum taxes on corporate profits and wealth, to reduce inequality within and between countries and enable all governments to increase investment in sustainable development.
- Progress on broader fiscal reform is also vital including **ending fossil fuel subsidies**, above all production subsidies, and replacing untargeted consumption subsidies with support for vulnerable households. Action to deliver **debt relief** in highly indebted developing countries to free up fiscal space for action on the transition is also essential.

PLASTICS

- Agree a **new Global Plastics Treaty** to regulate and reduce the production of plastics in a way that supports a just transition by ensuring the rights and voices of affected workers, communities and countries are safeguarded in the process. The Global Plastics Treaty represents a near-term, once-in-a-generation lever to manage the reduction of one of the most significant drivers of growth in consumption of oil, gas and coal.

"CRITICAL" MINERALS

- **Prioritise and govern mineral use to support a just transition**. Governments must ensure mineral use is prioritised for renewable energy and sustainable transport - particularly to expand energy access in underserved communities and regions - while also reducing demand through increasing public transport, battery innovation, circularity, and recycling; safeguards people and nature by protecting vital ecosystems and upholding the rights, voices and territories of Indigenous Peoples and local communities; and ensures that producing countries and communities are the primary beneficiaries.