

# WOMEN \* GENDER CONSTITUENCY

## WGC submission on the process for the operationalization of a Just Transition Mechanism<sup>1</sup> March 14, 2026

*Contributors: Maggie Rochi, Katherine Quaid, gina cortés valderrama, Sinéad Magner, Ayshka Najib, Felicitus Okoko, Floridea Di Ciommo, Valeria Peláez, Hajar Al-Beltaji, Tara Daniel, Liane Schalatek, Mikhail Aruberito, and other contributions from members of the Women & Gender Constituency.*

### OVERVIEW

At COP30 in Belém, Brazil, Parties agreed to develop a Just Transition Mechanism to **strengthen international cooperation, technical support, capacity-building, and knowledge exchange, enabling equitable and inclusive transitions.** This global mechanism on Just Transition, or Belém-Antalya Mechanism (hereinafter, BAM), is a proposed new institutional arrangement within the UNFCCC to accelerate, consolidate, and achieve a holistic Just Transition, within and between countries. For the BAM to respond coherently with current socioeconomic contexts, it must be based on the principles of equity, Common But Differentiated Responsibilities and Respective Capacities (CBDR-RC), the respect and promotion of the ILO's Fundamental Labour Rights, and human rights including the rights of Indigenous Peoples, Afrodescendants, and Local Communities, women and gender-diverse people, persons with disabilities, and other rightsholders.

The Women and Gender Constituency aims to consolidate key elements towards the operationalisation of the BAM, proposing functions that address gaps and barriers for the mechanism to serve as a holistic and facilitative structure, which coordinates and streamlines support across sectors and regions, enabling countries to contribute based on their capacities and respective capabilities.

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<sup>1</sup> Authors' Note: The following is a working proposal on the process for the operationalisation of the Just Transition Mechanism. The WGC is committed to delivering a mechanism that makes just transition a reality for people, workers and communities on the front lines of climate impacts and action. We envision that many months of rich exchange with our fellow rightsholder constituencies and Parties will result in this proposal evolving and developing. Therefore, the following should be considered an initial WGC position on the mechanism that is open to amendment as discussions develop.

In this document, we propose a mechanism that works in synergy with existing UNFCCC structures, such as the CTCN and KCI, as well as non-UNFCCC structures that play an important role in Just Transition (ILO, UNDP, UNCTAD, etc.).

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**I. THE MECHANISM AND ITS POSITION WITHIN THE LEGAL FRAMEWORK OF UNFCCC**

The development of the mechanism derives its legal authority from Article 16 of the Paris Agreement, which empowers the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) to establish subsidiary bodies deemed necessary for the effective implementation of the Agreement. **Decision -/CMA.7 mandates the development of this mechanism to enhance international cooperation, technical assistance, capacity-building, and knowledge sharing**, positioning it as an operational delivery mechanism distinct from, yet complementary to, existing UNFCCC workstreams.

**The mechanism should be operationalized as a constituted body under the authority and guidance of the CMA, following established UNFCCC institutional practice.<sup>2</sup> Under Article 16 of the Paris Agreement, the CMA is empowered to establish institutional arrangements and specialized bodies to support effective implementation. Establishing the mechanism as a constituted body would **provide it with the institutional authority, dedicated resources, and accountability structures necessary to fulfill its functions of building and sharing knowledge, delivering technical assistance, and facilitating matchmaking to strengthen cooperation and enable just transitions.****

Additionally, the decision explicitly requires that the mechanism *builds on and complements* relevant work under the Convention and the Paris Agreement, particularly referencing the Just Transition Work Programme (JTWP). This complementarity clause establishes a functional relationship between the Belém-Antalya Mechanism (BAM) and the JTWP while ensuring the mechanism derives its authority independently from the CMA's constitutive decision rather than from the continuation of any single prior workstream.

**The relationship between the BAM and the JTWP follows precedent within the UNFCCC system, where deliberative work programmes have evolved into operational mechanisms with distinct mandates.<sup>3</sup> The JTWP, established through Decisions 1/CMA.4 and 3/CMA.5 as a Party-led, SBSTA/SBI-guided forum, has served as a deliberative space focused on dialogue and exchange of views regarding just transition pathways. Decision -/CMA.7 marks a critical shift from dialogue toward operationalisation, recognizing that while the JTWP has successfully generated knowledge and fostered stakeholder engagement, a more robust institutional arrangement is necessary to translate these insights into concrete support for countries implementing just transitions.**

**The BAM should build directly upon the JTWP's foundational work, including the guiding principles on just transition pathways recognized in paragraph 12 of Decision -/CMA.7 and the knowledge generated through JTWP dialogues, while establishing new functions, including coordination and coherence, knowledge building, and action and support, as explained below, for monitoring implementation, providing technical assistance, and facilitating access to financial and technological support.**

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<sup>2</sup> For example, a directly relevant precedent is the Article 6.4 Supervisory Body, which demonstrates how Paris Agreement mechanisms can be operationalized through defined governance bodies with clear mandates, membership composition, reporting lines, and Secretariat support.

<sup>3</sup> For example, as in the case of the evolution from the Loss and Damage work programme (Decision 1/CP.16) to the Warsaw International Mechanism (Decision 2/CP.19).

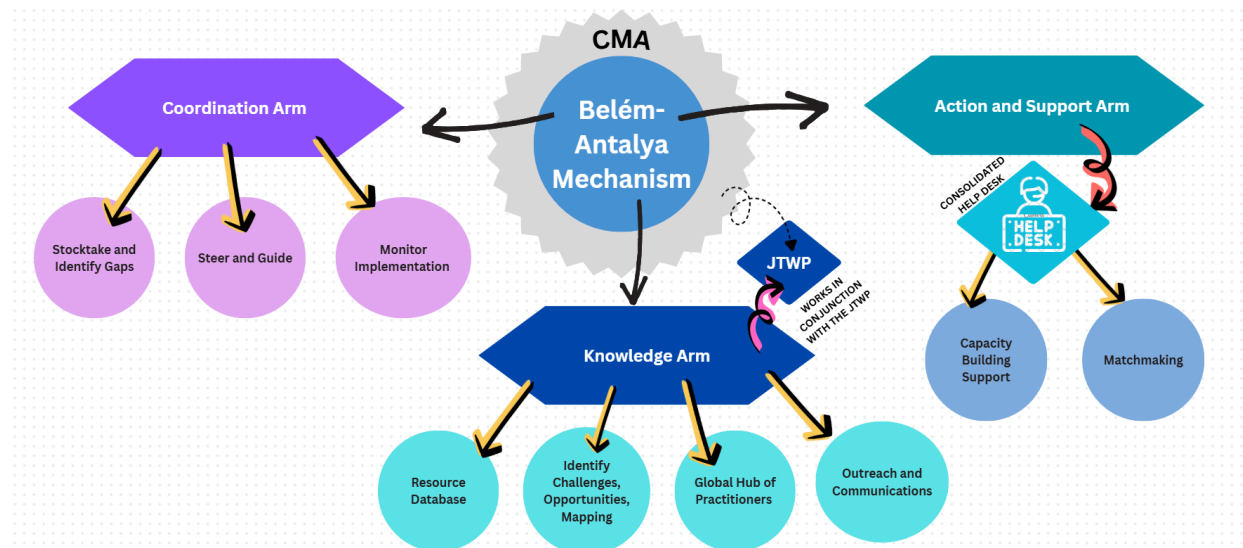
**The norm- and standard-setting role of the JTWP will continue to be essential to just transition implementation at national and international levels, and will inform the operationalisation of the BAM.** We recommend that the dialogue and knowledge generation functions currently performed by the JTWP be integrated into the design of the just transition mechanism's Knowledge Arm, which will be detailed below.

## **II. PROPOSED FUNCTIONS AND STRUCTURE FOR THE MECHANISM**

To fulfill its mandate, the mechanism must operate with clear institutional authority while building on and complementing existing UNFCCC workstreams and constituted bodies. The BAM's structure should establish dedicated functions for monitoring the implementation of just transition commitments by member States, developing actionable guidance for integrating just transition pathways into national climate policies, including NDCs and NAPs, and providing concrete recommendations that accelerate rapid and equitable fossil fuel phase-out alongside shifts toward sustainable economies, that guarantee human rights and advance gender equality.

Central to the mechanism's structure must be its role in strengthening equity in the deployment of just transition support, and ensuring that financial mechanisms, technology transfers, and capacity-building initiatives do not exacerbate existing inequalities between and within countries. The mechanism should operate as a facilitator and connector, strengthening the effectiveness of existing support channels by identifying gaps, coordinating complementary efforts across UNFCCC bodies, and ensuring that support reaches countries and communities facing the greatest barriers to undertaking ambitious just transitions. It brings together experts in areas related to just transition, funders, states, and other actors to collectively drive just transition worldwide and across sectors. Guided by the principles of equity and justice, the structure of the BAM also creates a pathway to institutionalize meaningful participation and contribution of rightsholders, particularly trade unions, women and gender-diverse people, youth, persons with disabilities, Afrodescendants, and Indigenous Peoples.

**The mechanism is designed through multiple and intersecting functions: (A) Coordination and Coherence, (B) Knowledge Building, and (C) Action and Support.**



### A. Coordination and Coherence Function

The coordination and coherence function would systematize information coming from multiple bodies, identify opportunities for convergence as well as gaps and challenges, and indicate the most effective ways to further advance discussions or decisions. In doing so, it would present a comprehensive picture of just transition work that encompasses all dimensions relevant for national policymaking (mitigation, adaptation, finance, gender, technology transfer, response measures, among others). This function includes explicit reference to the participation of workers, women and gender diverse people, youth, Indigenous Peoples, people with disabilities, and civil society, beyond consultations, with clarity on how their inputs influence outcomes and the role they play in the overall coordination of the mechanism.

The coordination and coherence function achieves this through three core pillars:

- *Stocktake and Identify Gaps:*

The stocktake pillar sets into motion the synthesis and streamlining of progress, gaps, and lessons learned across just transition initiatives, rather than duplicating existing work from other institutions and UN bodies. It connects just transition projects within

and beyond UNFCCC, including institutions such as the ILO and UNCTAD, as well as voluntary and country-led initiatives such as the Just Energy Transition Partnerships.<sup>4</sup>

This pillar **provides analytical output and recommendations to strengthen partnerships and improve access to support.** It also delivers a comprehensive analysis of just transition across key thematic areas, including adaptation, mitigation, finance, GST, and related issues.

- *Steer and Guide*

The steer-and-guide pillar is at the heart of the coordination function. It is facilitated by Parties and relevant non-Party stakeholders, with **particular emphasis on institutionalizing the participation of rightsholders, including workers, women and gender diverse people, youth, persons with disabilities, Afrodescendants and Indigenous peoples, and environmental NGOs.** This also pins down opportunities to work and collaborate with representatives from relevant workstreams within the UNFCCC (i.e., KCI) as well as with entities working on just transition outside the UNFCCC (i.e., ILO, UNCTAD, etc.)

This pillar guides the work of the different arms of the mechanism to **ensure that each activity addresses identified gaps, lessons learned, and emerging needs. It also acts as a catalyst for implementation by proposing matters for consideration that can advance the current scope and ambition of just transition work.**

- *Monitor Implementation*

The monitoring of the implementation and support pillar **systematically tracks progress on just transition efforts through activities undertaken and outcomes achieved.** The mechanism will complement and add value to the work of other UNFCCC-constituted bodies by centring equity and justice in policies and measures advanced to transform key sectors of the economy.

It will furthermore **seek to build synergies and provide inputs to other UNFCCC workstreams to address the structural causes of the climate emergency and promote effective, transformative, and rights-based solutions that deliver equitable outcomes.**

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<sup>4</sup> Institutional arrangements, such as the BAM, may legally engage with other UN bodies and external institutions. Such cooperation with competent organizations is established under Articles 7 and 8 of the UNFCCC. The BAM may therefore identify and map relevant just transition initiatives, convene coordination platforms, establish referral or matchmaking mechanisms and/or develop joint technical work with different partners, such as UN bodies.

For example, as countries implement national just transition programs and policies, this shall also give way to cross-border implications and transboundary impacts. To anticipate, discuss, and resolve these issues, the BAM can work in tandem with the KCI, as per Activity 6 of the Workplan of the forum on the impact of the implementation of response measures (2026-2030). Moreover, this function also includes regular stocktaking, periodic assessments, stakeholder consultations, and transparent reporting, including tracking how just transition support is being deployed, which will also contribute to more informed and responsive knowledge, action, and support components of the mechanism. This will require gender-disaggregated reports to ensure just transition pathways and work align with GAP and other agreed-upon gender goals. Tracking how Just Transition support is being deployed will also contribute to more informed Knowledge and Action/Support components.

### ***Procedural path and timeline for operationalising the Coordination and Coherence function***

#### Stocktake and identify gaps

- As per Articles 7 and 8 of the Convention, there is a provision to seek and utilize the services and cooperation of competent international organizations and intergovernmental and non-governmental bodies. It also confirms the Secretariat’s role in coordinating with other relevant international bodies and its capacity, under COP guidance, to enter administrative/contractual arrangements. This provides a clear legal basis for cooperation with UN bodies and other relevant institutions. **Procedurally, the mapping outlined to the Secretariat in para 24 of decision -/CMA.7 should be used as a basis to identify relevant entities outside the UNFCCC, with which the BAM can facilitate collaboration and coordination.** Henceforth, the operationalisation decision to be adopted at CMA 8 should also entail a detailed engagement framework for these entities.

#### Steer and guide

- In accordance with Article 16, paragraph 4 of the Paris Agreement, the CMA is empowered to establish institutional arrangements necessary to implement the Agreement, including mechanisms, committees, supervisory bodies, and advisory structures. In principle, this provides a clear legal basis for the BAM to include a coordination entity to advise, steer, and support the coherent implementation of just transition work. **Procedurally, the operationalisation decision to be adopted at CMA 8 must explicitly establish such a “steer and guide coordination entity”, including its mandate, core functions, and composition, in accordance with institutional precedents under the UNFCCC.** Following this, the CMA 8 decision can also request the Subsidiary Bodies in 2027 to develop

and agree on the detailed terms of reference, modalities and rules of procedures, thereby enabling the Coordination Entity to become fully operational.

#### Monitor implementation

- Pursuant to Article 16 of the Paris Agreement, the BAM could be operationalized under the mandates of the CMA, therefore following the reporting arrangements of the CMA.

### Structure to Operationalize the Coordination and Coherence Function

**To carry out its coordination and coherence functions, the BAM will include a Coordination Arm.** Following precedent from Article 6.4 Supervisory Body, the CTCN, Santiago Network, among others, the BAM can operationalize a coordination body, with defined terms of reference and reporting cycles. We propose a composition of the Coordination Arm that particularly consists of equal regional representation of Parties (from Annex I and non-Annex I), including rightsholder constituencies and caucuses (i.e., TUNGO, WGC, ENGO, YOUNGO, IPO, Disability Caucus) as full members. To ensure transparency and accountability, a conflict of interest policy must be developed and implemented.

This constituted body shall work along with the support of the Secretariat, primarily in the form of organizational, substantive, and administrative assistance. The Secretariat support can also be an interagency effort among relevant UN entities (i.e., UNFCCC, ILO, UNCTAD, UNIDO). This proposal can help grapple with the current budgetary burdens as well as complement UN80 reform efforts to increase effectiveness, agility, simplify coordination, and better align systems efforts towards a common goal. Key aspects of the Secretariat's support for the Coordination Arm could consist of:

- *Substantive and technical advice:* preparing, analysing, and synthesizing technical reports that directly inform the decision-making of the Coordination Entity.
- *Meeting organization and logistical support:* planning, organizing, and servicing meetings and workshops.
- *Procedural and legal:* providing legal advice to ensure that the operations of the BAM comply with the rules, procedures, and institutional requirements under the convention and the CMA.
- *Data management and tools:* maintaining databases and creating tools such as the submission and statement portal needed for transparency, reporting, and enhancing technical work.

***Procedural path and timeline for operationalization of Interagency Secretariat Support***  
 UNFCCC Article 8 confirms the Secretariat's role in coordinating with other relevant international bodies and its capacity, under COP guidance, to enter administrative or contractual arrangements. This supports the practical route for cooperation outside UNFCCC through MOUs, joint work plans, shared technical work, etc.

- Decision -/CMA.7, paragraph 25, only mandates the development of BAM without prescribing any participation or structural modalities. Hence, the operationalisation decision CMA.8 should also determine the detailed engagement framework of the Secretariat with the mechanism and its internal structures.

## *B. Knowledge Building Function*

The knowledge building function will systematize information from multiple bodies, identify commonalities and challenges, while providing a mapping and picture of the just transition work taking place at the local, national, and international levels of policy making. This function will incorporate and build upon the work currently undertaken by the Just Transition Work Programme (JTWP). Throughout the development and establishment of the BAM, until it becomes fully operational, the JTWP should continue its dialogues, knowledge-sharing activities, and stakeholder engagement to build an even stronger foundation for the mechanism's work in guiding just transition pathways. Once the mechanism is fully operational, these functions will be taken on and continued by the mechanism under its knowledge building arm to continue creating and developing overarching resources, facilitating knowledge generation, identifying best practices, and enabling exchanges among key just transition actors, ensuring continuity and building on the substantial groundwork laid by the JTWP. Additionally, to ensure the mechanism is widely used and to avoid duplicating efforts, this function will include outreach and communication activities by the BAM.

Moreover, the knowledge arm will operate in a dialectic relationship with the coordination arm to respond to and share recurring needs, identified gaps, and emerging priorities, while providing necessary resources for the action and support arm.

The knowledge building function achieves this through the following four pillars:

- *Develop Resource Database*

The Knowledge Arm will build a library of just transition principles, tools, best practices, approaches, and resources to support the development of just transition projects and pathways. The Just Transition library will be accessible by Parties and non-Parties, ensuring stakeholders have access to the resources and the ability to contribute to the library. The database will also be utilized by functions in the Action and Support arm to provide necessary data and other resources to address challenges, support matchmaking, and other needs related to implementation.

- *Identify Challenges, Opportunities, and Mapping Just Transition Work*

The Just Transition Work Programme and its dialogues remain an essential space for collective dialogue to guide and facilitate knowledge generation and exchanges during the development and establishment of the mechanism. Throughout this transition period, the JTWP should continue strengthening the knowledge base that will inform the mechanism's work. Once fully operational, the knowledge arm can utilize the information from JTWP dialogues to further identify collective challenges and opportunities, facilitate additional knowledge generation and exchanges, identify best practices, and map ongoing just transition work at the local, national, and international scales. Moreover, once the mechanism is operationalized, its knowledge-building arm will assume responsibility for the JTWP's functions, ensuring continuity of dialogue spaces, knowledge systematization, and stakeholder engagement while building on the foundation established through the Work Programme.

The knowledge building function will create and develop overarching summaries and resources that provide guidance on implementation and adherence to just transition principles. Based on a review of opportunities and challenges, the knowledge function will host engagement opportunities for Parties and non-Party stakeholders, especially rightsholders constituencies, to exchange information, methodologies, and knowledge on topics related to the implementation of just transition pathways and projects to enable multi-stakeholder learning, support, and cross-sectoral engagement.

- *Establish a Global Hub of Practitioners*

The Global Hub of Practitioners will connect communities of just transition and climate practitioners and experts while enhancing access to knowledge and

information on just transition, at the local, national and international levels. This hub will provide a dedicated space for knowledge building and dissemination of emerging work in sectors where just transition frameworks are being applied, including industry, transport, health, gender, agriculture, and adaptation, among others. By facilitating practitioner-informed dialogue and knowledge exchange, the Hub aims to advance both the theoretical understanding and practical implementation of just transition principles, ensuring that policy development and operational guidance remain grounded in the experiences and expertise of those working directly on just transition pathways across diverse contexts.

- *Conduct Outreach and Communications*

For the mechanism to be known and effectively utilized by countries, communities, and projects at all levels, adequate planning, staffing, and financial resources for outreach and communication will be essential. At a minimum, the mechanism’s outreach should aim to widely socialize its existence, functions, accessibility, and utility – including the Help Desk from the Action and Support Arm – among potential users, communicating in a clear and accessible manner how Parties and other just transition actors can engage with it, while also disseminating its outputs and facilitating knowledge sharing through a well-functioning information platform that is responsive to the information and knowledge service requirements of Parties, just transition actors, experts, and stakeholders.

### Structure to Operationalize the Knowledge Building Function

**To carry out the knowledge-building functions, the BAM will include a Knowledge Arm.** The resource database will be housed digitally on a website of the Mechanism, with a portal to receive resource suggestions. Furthermore, the Global Hub of Practitioners will provide recommendations for the creation of the database as a part of the hub’s mandate.

*Procedural path and timeline for the operationalisation*

Paragraph 25 of the decision -/CMA.7 calls on parties to develop a just transition mechanism by building on and complementing existing workstreams. This gives way for the BAM to operationalize outputs generated under the JTWP. Allowing the JTWP to act as a critical space for political guidance, continued dialogue, and knowledge generation, which works in tandem with the mechanism, until it becomes fully

operational. This can function similarly to an existing structure under the UNFCCC, i.e., the knowledge function of the Warsaw International Mechanism (WIM), where operational, coordination, and knowledge enhancement occur alongside, rather than above other processes.

Although the JTWP and BAM are legally distinct instruments under the CMA authority, there is an advantage in outlining how BAM's future mandate, development, and work can be guided and informed by the JTWP in the CMA8 operationalisation decision.

### *C. Action and Support Function*

**The action and support function of the mechanism focuses on providing the necessary technical, financial, and capacity-building support to implement just transition projects, particularly in areas undergoing industrial restructuring and phase-out, enabling international cooperation through best-practice sharing, bilateral and multilateral partnerships, and means of implementation. This function also helps identify the structural barriers and political landscape hindering equitable just transition, such as trade, finance, technology needs, etc.** It provides a clear indication of the issues that require further attention by the Knowledge Arm and other existing modalities under the UNFCCC.

The action and support function has two pillars:

- *Capacity Building Support*

**This is a multidimensional pillar to ensure that countries most in need and those with fewer resources have access to the right tools to implement just transition projects in their own national capacities, creating more opportunities at the national and global levels. The support pillar works to ensure that non-financial support, such as capacity-building, the sharing of best-practice methodologies that can be replicated across countries, and enabling technology transfer and the availability of patents, is in place, so that developed, developing, and most affected countries are able to advance just transition strategies.** Throughout its work, the mechanism will incorporate just transition principles and guidance into projects, policies or decision-making frameworks.

- *Matchmaking*

**The matchmaking pillar identifies potential financial and technical avenues and connects them to countries and projects based on their needs, assisting Parties as they**

**shape their national transition plans.** This reduces barriers to access for countries and actors that lack networks, resources, and the capacity to navigate the fragmented funding and knowledge landscape. One of the key activities of this pillar is to identify, map, and communicate existing funding lines through coordinating with financial institutions, philanthropies, regional development banks, and operating entities of the UNFCCC Financial Mechanism also serving in the same function for the Paris Agreement, namely the GCF, the GEF and the FRLD, but also other relevant UNFCCC funds, such as the Adaptation Fund. It also facilitates peer-to-peer monitoring and accompaniment, for instance, by identifying experts, mentors, and good-practice methodologies currently advancing the just transition that can be matched with those in need of support and technical guidance. This allows countries and territories to further align their just transition journey and to support each other.

### Structure to Operationalize the Action and Support Function

To carry out this function, the BAM will establish an Action and Support Arm integrating a consolidated Help Desk to provide technical assistance, capacity-building, and knowledge-sharing for Parties looking to enhance and implement just transition pathways and projects. The Help Desk can connect local initiatives with global practices, policies, and approaches to guide the success of the just transition project or pathway.

The Action and Support Arm provides tools and resources to Parties seeking support on emerging challenges, gaps, and implementation processes. The support is individualized but relies on agreed-upon practices and approaches that guarantee just transition principles and a multi-stakeholder approach to just transition projects and pathways.

Further, the Help Desk will inform the BAM by providing a summary of recurring challenges, trends, and systemic gaps that can inform the Coordination Arm, and overall, the work of the Mechanism.

#### ***Procedural path and timeline for operationalization***

##### Matchmaking

- Article 7(2)(i) of the convention states to seek and utilize, where appropriate, the services and cooperation of, and information provided by, competent international organizations and intergovernmental and non-governmental bodies; forming a basis for the matchmaking function. On this basis, the CMA operationalisation decision could authorize BAM to establish a matchmaking

platform.

#### Consolidated Help Desk

- The consolidated help desk follows the precedent of the CTCNT CP.19/25, annex 1 decision on technical assistance; laying out the modality for technical assistance tasked to the just transition mechanism in paragraph 25 of decision -/CMA.7. Hence, the BAM operationalisation text could also explicitly lay out this modality.

### III. GUARANTEEING THE PRINCIPLES FROM DECISION-/CMA.7 IN THE WORK OF THE MECHANISM

The guidance on just transition pathways recognized in Decision -/CMA.7, paragraph 12, represents the culmination of years of deliberation within the Just Transition Work Programme (JTWP), distilling insights from stakeholder dialogues, expert inputs, and Party submissions into a foundational framework for rights-based climate action. These are not external impositions but reflect the consensus agreement of the Parties themselves regarding what constitutes a just transition. **As the mechanism is explicitly mandated to build upon and complement the JTWP's work, operationalizing this guidance must be central to the mechanism's structure, functions, and modalities.**

The principles recognized in paragraph 12 cannot remain aspirational language - they must be translated into concrete operational frameworks that guide how the mechanism delivers technical assistance, monitors implementation, and facilitates international cooperation. Critically, this guidance must also inform the architecture of the mechanism itself, **guaranteeing participatory approaches and meaningful social dialogue** as recognized in the COP30 decision. This means the mechanism's governance structure must ensure substantive representation and decision-making power for affected workers, Indigenous Peoples and Afrodescendants, women and gender-diverse people, persons with disabilities, frontline communities, and civil society organizations. Without robust mechanisms to ensure these principles govern both the operational delivery of just transition support and the institutional design of the mechanism itself, Parties will fail the very standards they set to abide by.

Operationalizing the paragraph 12 principles is impossible without ensuring that the communities whose rights these principles are meant to protect have substantive decision-making power within the mechanism itself. The recognition in the Decision -/CMA.7 of the importance of social dialogue, inclusive participation, and people-centric

approaches reflects the fundamental understanding that those most affected by just transition pathways must shape their design and implementation. In developing the mechanism, such participatory approaches will be fundamental to guaranteeing that principles from paragraph 12 are also embedded in all functions and operations of the mechanism. To do so, the mechanism's governance structure must guarantee seats for representatives of rightsholders, as explained below in the Stakeholder Engagement section.

Moreover, the mechanism's knowledge arm must reflect and expand the comprehensive understanding of just transition embodied in paragraph 12, moving beyond narrow definitions focused solely on energy sector workers to address the full range of social, economic, and environmental dimensions considered within just transition frameworks. This requires generating and disseminating knowledge on how just transition pathways can simultaneously achieve emissions reductions while respecting, promoting and fulfilling human rights, labor rights, upholding Indigenous Peoples' rights, including Free, Prior and Informed Consent, advancing gender equality, protecting biodiversity and nature, recognizing the centrality of care, and ensuring universal access to clean, reliable, affordable, and sustainable energy. To ensure a just transition away from fossil fuels, the principles must also be applied to transition mineral mining and other resource extraction practices utilized across the renewable energy supply chain.

Moreover, the mechanism's Action and Support functions must be fundamentally grounded in the paragraph 12 principles. This requires providing technical assistance that actively upholds and promotes human rights, labor rights, Indigenous Peoples' rights, gender equality, meaningful participation, and social dialogue. Support delivered through the Action and Support arm, for instance, the technical assistance packages and the matchmaking function, must strengthen local institutions, empower affected communities, including workers and Indigenous Peoples, and build national ownership rather than imposing externally-designed solutions or focusing solely on phase-in of renewable technologies that do not advance social or environmental justice, ensuring that the mechanism's operational delivery advances the very standards Parties have collectively committed to uphold.

#### **IV. STAKEHOLDER ENGAGEMENT WITHIN THE MECHANISM**

Just transitions drive societal transformations that affect workers, communities, and rights holders. This is why stakeholder engagement must be central and fully integrated across all BAM structures. In effect, engagement within the BAM must move beyond consultation toward structured, institutionalized, meaningful, and iterative participation.

Stakeholder participation should be formalized as a fundamental governance principle and operational necessity through the mechanism. A percentage of seats in its internal sub-structures, particularly in the Coordination Arm, should be set aside for representatives of rightsholders constituency groups such as trade unions, women's and gender-diverse organizations, Indigenous Peoples, youth, and people with disabilities. These representatives would have clear responsibilities, such as the ability to evaluate and approve work plans, set priorities for technical assistance, provide strategic guidance, and take part in oversight and grievance procedures. They would also be provided with resources for ongoing involvement, such as travel and interpretation, including sign language. Such institutionalized participation would strengthen legitimacy, accountability, and equity in the mechanism's design and implementation.

Public participation must also be institutionalized in the work done by the mechanism at the local, national, and regional levels.<sup>5</sup> To ensure accessibility and inclusivity, stakeholder engagement processes must integrate language justice, interpretation services, and accessible communication formats. Transparency and accountability measures, including clear conflict-of-interest policies, disclosure requirements, and safeguards against undue influence, should underpin all engagement structures.

The BAM should incorporate quantifiable and qualitative metrics to monitor whether participation significantly influences policy development, resource allocation, peer-to-peer learning, and decision-making. Recognizing that equitable engagement requires financial support in addition to formal invitations, participation tracking needs to be more than just a numerical representation. To determine who is influencing just transition processes and whose viewpoints are still marginalized, the mechanism should gather and disseminate participation data broken down by gender, age, race and ethnicity, disability, and other pertinent, intersecting factors. Drawing on this data, the mechanism could pinpoint structural obstacles to participation to allocate financial support and

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<sup>5</sup> At the local level, the mechanism could promote community-led consultations, particularly in regions undergoing fossil fuel phase-out, industrial restructuring, or critical mineral extraction. At the national level, Parties seeking support through the mechanism should demonstrate inclusive consultation processes in the development of just transition plans. At the regional level, the mechanism could convene dialogues reflecting shared economic, ecological, and labor realities. These platforms could strengthen South-South cooperation, peer learning, and collective approaches to common challenges, while ensuring that regional perspectives feed into global deliberations.

Such level of engagement of key stakeholders and practitioners in advancing just transition at all levels follows the precedent of the informal gender expert network of the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI). This is a voluntary group established to support the KCI in mainstreaming gender perspectives into its technical work on climate change policies. This lays down an opportunity for the BAM to also tap into external expertise to ensure that policies and programs aimed at implementing just transition also considers the different needs and realities on the ground as well as key intersecting principles such as human right, gender equality, labor rights, and more.

conduct outreach accordingly. Documenting the degree of support for community-led monitoring initiatives and whether their results influence program modifications, policy changes, or funding decisions is equally crucial. By doing this, accountability would be strengthened, and the implementation of the mechanism would be informed by the lived experiences of communities navigating through transition.

## V. FINANCE AND THE BAM

### *A. Budgetary support*

Developed country Parties,<sup>6</sup> in line with their obligation under Article 9.1 of the Paris Agreement to provide financial support to developing countries for climate action, must take the lead in providing adequate, predictable and grant-based support for the administrative and operative budget of the BAM, with all other Parties invited to do so on a voluntary basis, to enable the full and sustained functioning of all elements of the mechanism. The BAM operational budget must include sufficient dedicated funding earmarked to fully operationalize participatory justice throughout the mechanism, including to enable the full and meaningful participation of Non-Annex I Parties and rightsholders constituency representatives, including travel support, per diem, interpretation and accessibility needs, amongst others.

### *B. What should the BAM do for JT finance?*

The BAM should enhance cooperation across all means of implementation, including just transition finance, by mapping, in particular non-debt creating, predictable and accessible sources of funding, matchmaking projects and funders, providing access to peer-to-peer learning on fiscal levers to advance a just transition, and showcasing arguments, mandates, and evidence to substantively scale finance that enables, supports, and enacts just transition and operationalizes just transition principles while also highlighting collaborative efforts and pathways for successfully addressing and removing structural barriers to the implementation of specific just transition actions.

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<sup>6</sup> For the purposes of this section, we refer to “developed” and “developing” country parties, cognizant of the colonial implications of these terminologies but also of obligations related to climate finance within the UNFCCC framework based on these designations.

### *C. Interactions with the Operating Entities of the Finance Mechanism*

The BAM and coordinating entity should, via a COP31 decision, establish a structured, formal relationship with the operating entities of the Financial Mechanism and the Adaptation Fund.<sup>7</sup> The BAM should have an explicit mandate to submit recommendations to the Standing Committee on Finance for consideration in the guidance provided by the COP/CMA to the GCF, GEF, and FRLD to ensure that Just Transition mandates are effectively incorporated into UNFCCC climate funds' strategic planning and own resource mobilization goals. This is of particular importance as in 2027 the GCF, as the largest multilateral climate fund, will seek its third replenishment and develop its updated strategic plan for the third GCF replenishment period (2028-2031). The respective funds should also be encouraged to establish direct communication and exchange on how to better collaborate with the BAM, such as through a Memorandum of Understanding.<sup>8</sup>

The BAM should be leveraged by existing readiness and preparatory support programmes to provide technical assistance and enhance the quality and quantity of climate finance supporting a just transition. The GCF readiness and preparatory support programme already funds national planning instruments, and the CTCN's function as a GCF delivery partner under the previous readiness programme could highlight a valuable direction to pursue. The BAM should seek to formally and technically integrate just transition criteria and priorities into these existing windows, reducing duplication and accelerating access for Global South countries, particularly around just transition planning, stakeholder engagement, and NDC/NAP alignment. However, the flows of the Operating Entities and the Adaptation Fund will not meet the scale of just transition finance needs, although the high quality public finance these funds provide can serve to target specific actions that would otherwise not be supported and can have a broader signaling function to other funders. The BAM's role with respect to the Operating Entities of the Financial Mechanism and the Adaptation Fund should be a guidance and coordination relationship to improve coherence, ensure just transition considerations are embedded in Operating Entity guidance as well as in Operating Entities' own strategic planning for programming, connect countries and communities to existing flows, and flag persistent gaps back to the COP/ CMA for follow-up.

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<sup>7</sup> As per precedents such as the formally established relationship between the Standing Committee on Finance and the FRLD.

<sup>8</sup> As for example, the FRLD has with the Santiago Network on Loss and Damage.