

## **FINAL - Fair share, equity & justice**

*This document lays out the draft suggestions from the working group focused on Fair share, equity & justice.*

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# Guiding Questions

**How, if at all, is this topic currently reflected in the Race to Zero starting line criteria, lexicon, and interpretation guide?**

*[Current wording is included in the Criteria Evaluation section]*

**What are the strengths and weaknesses of the current starting line criteria approach?**

| Strengths   | Weaknesses   |
|---|--|
| Potential for 'signalling', norm creation and standard-setting    | Currently thin on issues of fair share, equity and justice; including no explicit reference to equity or justice in the minimum criteria   |
| Paris-aligned target setting with a clear timeframe and goalposts | Lack of specific, practical guidelines and/or benchmarks for planning and implementation, particularly for contested issues such as fair share, equity and justice   |
| Encouraging transparency and consistent reporting                 | Untapped collaborative potential between different actor types, i.e. between subnational governments, private sector, financial institutions and national governments on cross-cutting issues such as just transition. |
|   | Lack of people-centred framing, rights-based considerations and bottom-up approaches, accounting not only for net-zero but also the wider social, economic and developmental impacts of transition                     |

**In practice, is this topic addressed consistently across the various Race to Zero partners? What different approaches can be seen?**

**To what extent can a frontier of best practice(s) be defined?**

- **Fair share** is not consistently addressed across Race to Zero partners and members. There are a wide range of approaches to the issue of Fair Share. Best practices should account for:
  - *Definition*: Develop a system of determining fair share, on the basis of which actors can be included in the Race to Zero
  - *Operationalization*: Application of common but differentiated responsibility and capabilities
  - *Transparency*: Entities should explain publicly how they believe their target represents their fair share contribution

- The definition, interpretation and operationalization of best practices regarding Fair Share, Equity and Justice should be **aligned with the entity type**.
- The definition, interpretation and operationalization of best practices regarding Fair Share, Equity and Justice should **account for how plans will impact economically weaker sections of society and vulnerable/underrepresented groups**
  - Including gender, race, intergenerational outcomes

### **How can Race to Zero best address this topic in its minimum criteria (the floor below which members may not fall)?**

- *[Suggestions are included in the Criteria Evaluation section]*

### **How should Race to Zero encourage leadership on this issue (the stretch goals which members should aim for)?**

- The Paris Agreement refers to issues of fair share, equity and justice, but **does not go into the depth and complexity of the topic**, it particularly lacks **operational clarity**
- Race to Zero has the potential to encourage leadership on how to implement a just transition by presenting clear operational guidelines. This consultation is an opportunity to clarify the language of the Paris agreement, **further the scope of commitment** and develop robust guidelines and indicators for **implementation and evaluation**
- This is particularly relevant as a **non-state actor** platform, which can improve orientation for entities such as subnational governments and businesses.
- In the **private sector**, concepts around Fair Share, Equity and Justice have evolved significantly in recent years - Race to Zero has the opportunity to offer those as best practices, reframe approaches for other actor types, and offer more clarity.

### **Where do we see inspiring examples of leadership? What guidance can it provide to Partners for driving upward convergence?**

- [Framework for a Just Transition in South Africa](#): provides clear, operable guidance on implementing a just transition using the distributive—procedural—restorative justice framework
- [The Just Energy Transition Framework](#): clear framing of just transition in terms of global emissions; workplace evolution; community resilience; collaboration and transparency
- The [Pan African Climate Justice Alliance \(PACJA\)](#) provides resources for inclusive, representative climate movements in Africa, with applicability to considerations of these issues as they pertain to the global South more generally. Forefronts issues of narratives, human rights, community-focused initiatives and political will
- [LSE Framework of Expectations for Businesses on Just Transition](#): useful guidance specifically for the private sector

- [IDS Working Paper 540: Towards Transformative Climate Justice: Key Challenges and Future Directions for Research](#): provides conceptual and operational framing to focus attention on the need to disrupt power relations and shift decision-making processes which lock-in and reproduce climate injustices. Includes recommendations for governance, participatory and inclusive structures, association-building, gendered analysis and intergenerational outcomes
- [Climate Justice Alliance](#): presents key just transition principles, including self-determination, equitable redistribution of resources and power, regenerative ecological economics, culture and tradition and local, regional, national and international solidarity
- [World's Youth for Climate Justice](#): forwards an analysis of climate action beyond immediate effects, to forefront the rights of future generations.
- [Principles for Locally-Led Adaptation](#): provides mechanisms for actors, particularly subnational governments, to address structural inequalities, invest in community capabilities, devolve decision-making, increase transparency and improve the accessibility of resources, education and funding
- [ILO: Guidelines for a just transition towards environmentally sustainable economies and societies for all](#): these robust guidelines can be updated for the specific partner types included in Race to Zero

### **How could Race to Zero and its Partners expect these strengthened and enhanced criteria to be operationalised by members?**

**Expectations should include indications of timeline, metrics for reporting etc.**

- The pledge is not just an equation, it needs to be a more **holistic approach** (perhaps referencing SDGs), accounting not only for net-zero but also for the overall development of communities.
- **Common but differentiated responsibility must be at the core of the criteria** to account for Fair Share and the range of Partner's capabilities and capacities
  - Thus, Race to Zero should encourage ambitious pledges, but leave room open for actors to act (proceed) as per respective capabilities
- **Impact measurements** for equity and empowerment should be developed with an **intersectional lenses** framework and/or focus on specific groups
  - **Gender** emerges as one group that could be specifically mentioned
  - ***[It is worth noting there was no consensus within the group as to which specific groups should be accounted for, and whether gender specifically should be fronted].***

**What prevents entities from making greater progress on this issue? What would address those barriers? As required, give separate answers for cities, regions, companies, financial, healthcare and educational institutions, and other Race to Zero actor-types).**

| Barrier   | Suggestion to address this barrier  |
|---|---|
| <p><b>Lack of clear operational definitions for Fair Share, Equity and Justice, as well as comprehensive indicators for their measurement</b></p> | <p>With the recognition that terms like equity, empowerment and justice are very contested concepts, developing working definitions, minimum standards and guidelines for operationalization are critical to supporting entities in implementation</p> <p>Advance the current definitions included in the Paris Agreement preamble</p> <p>[Suggested definitional approaches are included in the <a href="#">Criteria Evaluation</a> section]</p> <p>Integration can be made more robust by the inclusion of these terms in the Race to Zero Pledge criteria, along with updated indicators for the subnational and private sector contexts</p> <p>Current impact metrics, such as the Human Development Index (HDI), may be a useful starting point, although they do not fully account for equity issues. As the HDI is nation-state focused, the development proxies are not equally applicable to all actors and would need to be adapted for entities such as subnational governments and businesses</p> <p>The groundwork has been laid (including in other Working Groups) to address equity, justice, social impact issues, mitigation and adaptation in the context of development. We can improve on and adapt existing methodologies</p> |
| <p><b>Substantiating and actioning ‘empowerment’ — what does empowerment mean, and for who?</b></p>   | <p>Distributive justice is particularly relevant here in the context of empowerment. Key ideals must include distribution and representation.</p> <p>If empowerment is a process toward the equal sharing of power (an ideal), we should consider how this is reflected in stakeholders' goals (e.g. empowerment to access decision-making structures, inclusive operations, achieving real diversity )</p> <p>Empowerment and equity should be addressed both through the lens of stakeholders and through the people directly affected by them (employees, consumers, citizens etc.)</p> <p>For instance, the references to training/capacity building for empowerment, included in the Interpretation Guide could be accompanied by clearer guidelines for <i>what</i> and for <i>who</i>?</p>   |
| <p><b>Limited capacity for individual members to address cross-cutting issues such as just</b></p>  | <p>Transition away from carbon must account for disruptions to the labour force as well as further impacts (e.g. chilling effects). These must be considered in light of the capacities of different actors to implement a just transition</p>  |

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| <p><b>transition, specifically in the context of socioeconomic and labour implications</b></p>  | <p><b>Race to Zero can be a valuable space to open up collaborative channels across actor types to support capacities for implementation</b></p> <p>There are clear limits as to the impact of individual actors e.g. what the private sector and financial institutions can achieve without partnering with governments/other stakeholders in labour transitions away from carbon-intensive sectors</p> <p>Language that emphasises the collaborative elements across stakeholders and entities in society, as well as Leadership principles and/or other standards to approach net-zero in a more holistic manner to encourage mutual understanding, dialogue and practical integration</p> <p>Collaboration should include trade unions as a method of enabling empowerment in the workplace, as well as civil society and grassroots organisations</p>  |
| <p><b>Financing and income inequality - how can fair share, equity, justice be more of a financing priority? How do we get stakeholders to re-route their financial plans to better account for these issues?</b></p> | <p><b>Climate justice and climate finance are integral to each other.</b> Climate justice can be a framing to move subnational entities towards thinking about how they can work with national governments to advocate for fairer financing. Additionally, guidelines can be developed about ways to engage the private sector in financing (e.g. funding, investments, business structuring)</p> <p>Articulate that income inequality lends itself to huge differences in the ability to transition and integrate financing differences into common but differentiated responsibilities at the Pledge stage</p> <p>Issues of financial allocation and distribution towards climate action are particularly relevant in the global south. What would be a just way to invest funding for emissions reduction while still driving development and resilience targets?</p> <p>Mindful of distinct roles/constraints/parameters separate guidelines can be developed to account for public finance, development finance, private finance (inc. philanthropic funding and social finance, such as cooperatives) and the ways in which these interact with specific actors</p> <p><b>Shared responsibility</b> is key across stakeholders, responses that are cross-cutting e.g. blended financing are key to avoid dis-incentivisation towards climate financing</p> <p>No regret actions can additionally provide a useful framing for the impact of climate investments on communities/wider social impact priorities</p> |
| <p><b>Lack of people-centered mechanisms for inclusion of the underrepresented communities in defining, implementing and</b></p>  | <p>Support pathways for partners and members to genuinely apply community-based, participatory approaches. We need to think harder about who is in the room, and developing criteria that relate to that</p> <p>We need to make the criteria open and inclusive while ensuring they hold stakeholders to account and maintains integrity</p>  |

|   |   |
|---|---|
| <p><b>evaluating fair share, equity and justice initiatives</b></p>   | <p>Engage underrepresented communities in ongoing dialogue (such as focus groups) to shed light on equity, fair share and justice outcomes throughout the year.</p> <p>Focus groups on intersectional outcomes can contribute to developing robust, inclusive applications for fair share, equity and justice</p>   |
| <p><b>Self-determination of actors to enact and evaluate fair share</b></p>   | <p>The fair share aspect of the Paris Agreement has been particularly contentious. Creating a process in which actors are a part of defining what this means for them specifically (and reporting on this publicly) could encourage uptake and implementation of fair share considerations.</p> <p>Fair share is also a fairly politicised concept. Including clear leadership principles to guide member’s implementation and evaluations of fair share can be a valuable, neutral starting point for engagement with the issue</p>  |
| <p><b>Lack of guidance on implementing a just transition</b></p>  | <p>Develop a toolbox for actors to understand the labour implications of a just transition, and sector/actor-specific recommendations to mitigate labour impacts (e.g. private-public partnerships for retraining and redeployment)</p> <p>Many current guidelines, e.g. the ILO just transition guidelines, are targeted towards national governments. Race to Zero definitions and recommendations on a Just Transition can contribute to the discourse by accounting for the actors in this process (specifically subnational governments, businesses)</p> <p>Current IPCC definitions do a good job of summarizing/defining justice as well as the scope for transformational change, this can be used as a ‘backstop’ from which specific recommendations can be developed</p> <p>The framing of justice as restorative, distributive and procedural components may be particularly useful here, as well as drawing from legal, ecological and political academic texts, and human rights frameworks.</p> <p>Further definitional guidance is provided in the Criteria evaluation section.</p> |
| <p><b>Lack of measurement and reporting capacity</b></p>  | <p>Support capacity building for the development, measurement and reporting of indicators for Fair Share, Equity and Justice. This could include the updating of existing mechanisms and indicators (e.g. development indicators, labour indicators) to be specifically aligned to the outputs of Race to Zero entities</p>   |
| <p><b>Lack of robust integration of Fair Share, Equity and Justice in the current criteria documentation interpretation guide</b></p> | <p>The lexicon and interpretation guide could be made more 'alive' to these issues — such as through linking adaptation actions to development outcomes (e.g. through the SDGs) as this is where deliberations interface with real-world implications</p> <p>Empowerment and Equity guidelines (in the Interpretation Guide) are currently oriented more towards the private sector — more direct recommendations for subnational governments could be included</p>   |

# Other comments

Some key points of debate within the group included:

- **Empowerment and equity**

- Does tackling empowerment and equity simultaneously offer a better implementation for stakeholders? Would it be better to deal with both approaches separately or as a whole?

- **Gender**

- Should gender be considered as a 'standalone' indicator, or integrated into wider intersectional analysis?

- **Access to vs distribution of finance**

- Financing can be used justly or unjustly, contributing to distributive issues. Should this be considered separately from wider climate financing at the FCC level?

- **Timeframes**

- Is it more effective to set ambitious targets for Pledge/Proceed, or rather to account for differentiated capacities for different actors, allowing more self-determination in their planning and timeframe? This is particularly relevant in the context of financial and institutional constraints (e.g. political instability, development priorities, funding capacity).

# Concrete suggestions

## Starting line criteria

*The starting line criteria defines the procedural steps for all actors in the Race to Zero.*

*Fair share, equity and justice features occasionally in these startling line criteria, though not always explicitly, nor in much detail.*

These suggestions are geared towards two key actor groups: governments (national and sub-national) and businesses

| Area   | Current wording   | Suggested new wording (minimum criteria)   | Suggested new wording (leadership practices)   |
|--------|---|--|--|
| Pledge | Pledge at the head-of-org level to reach (net) zero GHGs as soon as possible, and by midcentury at the latest, in line with global efforts to limit warming to 1.5C. Set an interim target to achieve in the next decade, which reflects maximum effort toward or beyond a fair share of the 50% global reduction in CO2 by 2030 identified in the IPCC Special Report on Global Warming of 1.5C. | <p>Pledge at the head-of-organization level to reach (net) zero GHGs as soon as possible, and by midcentury at the latest, <b>in line with the science</b> to limit warming to 1.5C. Set an interim target to achieve by 2030, which reflects <b>self-determined</b> maximum efforts toward or beyond a fair share of the 50% global reduction in CO2 by 2030 identified in the IPCC Special Report on Global Warming of 1.5C.</p> <p><b>Explain publicly how you believe your target represents your fair share contribution</b></p> <p><u>Further recommendations</u><br/>Develop a system of determining fair share, on the basis of which actors can be included in the Race to Zero.</p> <p>Admittance to Race to Zero needs to be on the basis of fair share. Seek immediate action but also acknowledge differentiated responsibility and capability</p> <p>Explain self-determined, and how it is determined, keeping fair share, equity and justice at the core</p> | <p>Explain how your entity will support more vulnerable communities in achieving the global goal of halving emissions by 2030, seeking to address injustices and build towards a more equitable future.</p> <p>Citing the scenario or set of scenarios used to define reduction targets' (i.e. transparency around how they are defining their fair share)</p> |

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|----------|--|--|--|
| Plan     | Within 12 months of joining, explain what actions will be taken toward achieving both interim and longer-term pledges, especially in the short- to medium-term.  | <p>Within 12 months of joining, explain what actions you will take toward achieving both interim and longer-term pledges, especially in the short- to medium-term.</p> <p>Explain what challenges you face in achieving more ambitious targets and what support you would seek in order to strengthen your capacity to do more.</p> <p><u>Further recommendations</u><br/>Acknowledge how Plan will be cognizant of equity and justice and upliftment/support of economically weaker sections of society<br/>An actor type-specific definition of fair share should inform how they meet the “Plan” criteria</p> <p>More nuanced Planning policies should address entities’ specific financing, resources and capacity</p> | <p>Explain what actions you will take to empower other stakeholders in your community to achieve their own targets, embracing the spirit of radical collaboration.</p> <p><u>Further recommendations</u><br/>Actors (particularly in the public sector) should explicitly include in their Plans adaptation and mitigation measures that account for the poor and vulnerable</p> |
| Proceed  | Take immediate action toward achieving (net) zero, consistent with delivering interim targets specified.   | Take immediate action toward achieving (net) zero, consistent with delivering interim targets specified, on the basis of differentiated capacity and capability.   | Empowerment and equity - empowering those in your ecosystem to implement Race to Zero plans, including through financing, capacity building knowledge-sharing and access to resources  |
| Publish  | Commit to report publicly both progress against interim and long-term targets, as well as the actions being taken, at least annually. To the extent possible, report via platforms that feed into the UNFCCC Global Climate Action Portal. | <p>Commit to report publicly both progress against interim and long-term targets, as well as the actions being taken, at least annually. To the extent possible, report via platforms that feed into the UNFCCC Global Climate Action Portal.</p> <p><u>Further recommendations</u><br/>There may be room for some actors to report more often e.g. financial institutions doing a quarterly report.</p>   | Help build capacity for actors to support their supply chains or relevant stakeholders in reporting back on their progress.  |
| Persuade | n/a  | Actively lobby national governments / policy-makers / standards organisations to enact policies that reflect the concept of fair share and align your entity’s policy advocacy with demands for a just transition.   | <p>Active advocacy to persuade other stakeholders to adopt fair and equitable policies</p> <p><u>Further recommendations</u><br/>Policy advocacy means different things for different actors. Will need to define what is meant by policy advocacy</p>   |



## Leadership principles

The leadership principles refer to equity & empowerment, but again, perhaps additional guidance would be beneficial.

| Area                 | Current wording   | Potential suggested changes?   |
|----------------------|---|--|
| Scope                | <p>Targets must cover all greenhouse gas emissions:</p> <ol style="list-style-type: none"> <li>1. Including Scope 3 for businesses and investors where they are material to total emissions and where data availability allows them to be measured sufficiently.</li> <li>2. Including all territorial emissions for cities and regions</li> </ol> <p>Leading targets may also include:</p> <ol style="list-style-type: none"> <li>1. Cumulative emissions (for all actors)</li> <li>2. Consumption emissions (for cities, states, and regions)</li> </ol>  | <p>Commitments should be self-determined in order to ensure Race to Zero is inclusive of all member types and capabilities and the specific outcomes they want to affect</p>   |
| Sinks & Credits      | <ol style="list-style-type: none"> <li>1. In the transition to (net) zero, prioritize reducing emissions, limiting any residual emissions to those that are not feasible to eliminate.</li> <li>2. Clearly specify what sinks or credits are used to make what, if any, neutralization claims, clarifying how sinks and credits are used both on the path to (net) zero, and after (net) zero is obtained. Any neutralization of residual emissions must transition to permanent removals by the time (net) zero status is achieved.</li> <li>3. Encourage immediate contributions to the preservation and restoration of natural sinks, not necessarily linked to neutralization claims.</li> <li>4. Ensure that any credits achieve robust outcomes for additionality, permanence, and accounting, and do not undermine social justice or harm biodiversity.</li> </ol> | <p>“Not harming biodiversity” is a broad statement. Be more specific about what that really means</p>  |
| Empowerment & Equity | <p>Seek to enable all actors to contribute to the global transition toward (net) zero through engagement, information sharing, access to finance, and capacity building. Develop pledges, plans, and actions in consideration of equity, drawing on, inter alia, the Sustainable Development Goals and Articles 2 and 4 of the Paris Agreement.</p>   | <p>Compel actors to think about broader societal/social consequences and impacts of their actions and their own equitable outcomes, including on race, gender and intergenerational equity</p> <p><u>Futher recommendations</u></p> <p>We don't want this to be too prescriptive, but we want actors to think about the consequences of their actions</p> <p>Be specific on the impact of decarbonization on men and women differentially.</p> |

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|  |  | Further than gender, account for other intersectional outcomes (race, income) as they relate to different actor types (e.g. with cities, inclusivity considerations would be very different than for companies) |
|--|--|---|

## Lexicon

*Race to Zero partners and stakeholders have identified a need to clarify and work toward harmonizing our language regarding the transition. This document, prepared by the Race to Zero Expert Peer Review Group, attempts to clarify some of the key terms we often use. We note, however, that Race to Zero partners currently use these terms in various ways. The aim of this lexicon is not to mandate standardization, but rather to suggest opportunities for convergence as a way to reduce communication friction and improve understanding across our community.*

A selection of terms relevant to Fair Share, Equity and Justice:

### Discussion:

- We need to include more people-centred terminology into the lexicon
- Provide conceptual clarity; bridge the gap between theory/ ideas/ best practice and realities/practical approaches based on individual capacities

| Term                        | Definition   | Potential suggested changes?  |
|-----------------------------|--|---|
| <b>Net zero</b>             | <p>Referring to the world as a whole, the IPCC defines net zero as: When anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period.</p> <p>Race to Zero considers individual actors to have reached a state of net zero when an actor reduces its emissions following science-based pathways, with any remaining GHG emissions attributable to that actor being fully neutralized by like for-like removals (e.g. permanent removals for fossil carbon emissions) exclusively claimed by that actor, either within the value chain or through purchase of valid offset credits.</p> | <p>Currently net-zero is communicated as a state. Need to <b>acknowledge and recognize that there is a transitional pathway toward net zero.</b></p> <p>In the second part of the definition - <b>acknowledge that the transition to net-zero will have an impact on social justice and equity.</b> Not to include that would be a mistake</p>  |
| <b>Climate neutral(ity)</b> | <p>Referring to the world as a whole, the IPCC defines climate neutrality as a state in which human activities result in no net effect on the climate system. Achieving such a state would require the balancing of residual emissions with emission (carbon dioxide) removal as well as accounting for regional or local biogeophysical effects of human activities that, for example, affect surface albedo or local climate.</p> <p>Race to Zero considers individual actors to be climate neutral when GHG emissions or other activities with warming effects attributable to an actor are fully compensated</p>                                   | <p><b>Acknowledge both internal and external dimensions of climate neutrality</b> (External: target time frame to achieve neutrality vs Internal aspects - how actions to achieve climate neutrality would impact different social groups.</p> <p>Climate neutrality has an underlying impact on fair share, equity and justice. We should understand that <b>to achieve climate neutrality, we need to address fair share, equity and justice and work to dismantle unjust institutions and global systems</b></p> |

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|                      | by GHG reductions or removals, or other activities with cooling effects, exclusively claimed by the actor, such that the actors net contribution is zero, irrespective of the time period or the relative magnitude of emissions and removals involved.  |   |
| <b>Offsetting</b>    | <p>Reducing GHG emissions (including through avoided emissions), or increasing GHG removals through activities external to an actor, in order to compensate for GHG emissions, such that an actor's net contribution to global emissions is reduced.</p> <p>Offsetting is typically arranged through a marketplace for carbon credits or other exchange mechanism. Offsetting claims are only valid under a rigorous set of conditions, including that the reductions/removals involved are additional, not over-estimated, and exclusively claimed.</p> <p>Further, offsetting can only be used to claim net zero status to the extent it is “like for like” with any residual emissions.</p> | Recognise that offsetting should not be used as an excuse for inaction by high-emitting countries. <b>Investing in offsets cannot be substituted for committing to net zero.</b>  |
| <b>Paris-aligned</b> | Targets are considered 'Paris-aligned' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C, with no or low overshoot.   | Make reference to the ideals of fair share, equity and justice as they are presented in the Preamble of the Paris Agreement   |
| <b>Fair Share</b>    | No current definition  | <p>The definition of Fair Share may include but should not be restricted to:</p> <ul style="list-style-type: none"> <li>• Human Development Index and development priorities</li> <li>• Historical Emissions</li> <li>• Current Emissions</li> <li>• Social Considerations (e.g. gender, race)</li> </ul> <p>The definition and operationalization of Fair share (time frame etc.) should account for the different actor types (subnational governments and corporations, for instance, would have different expectations and targets). The WG agreed that a new evaluation method might not be required but rather a new set of indicators could be introduced to enhance accountability on fair share.</p> |
| <b>Equity</b>        | No current definition  | <p>The definition of Equity may include:</p> <ul style="list-style-type: none"> <li>• Distribution of resources in proportion to circumstances in order to ensure that everyone has the same opportunities</li> <li>• Acknowledgement of the historical factors that contribute to inequality</li> </ul>  |

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|                |                       | <ul style="list-style-type: none"> <li>• Lenses on particular social cleavages, such as gender and youth, in conjunction with an intersectional framing</li> <li>• Equity in terms of decision-making and access to decision-making structures</li> <li>• Geopolitical considerations, including the unequal interfacing between national governments, and between subnational and national governments</li> <li>• Stronger reference to human rights as a key concern in climate change</li> </ul>   |
| <b>Justice</b> | No current definition | <p>Justice, perhaps one of the most complex terms here. However, it is central to climate action, accountability, sustainable development and human rights, and is a key element from which other criteria could be rooted. It should be emphasised more in the criteria.</p> <p>The definition of justice may include:</p> <ul style="list-style-type: none"> <li>• Distributive justice, restorative justice, transformative justice framework</li> <li>• The role of the law and political institutions</li> <li>• Minimum standards and moral foundations of conduct</li> <li>• Understanding that justice is fundamentally oriented towards systemic imbalances and historical roots of injustice. Therefore, a just transition can be transformational in terms of process and outcome</li> </ul> <p>As well as defining justice, the process of a <b>just transition</b> can be made more clear, including:</p> <ul style="list-style-type: none"> <li>• Outlining employment/labour implications (e.g. chilling effects) and suggested mitigation measures e.g. public-private partnerships to re-train and redeploy those affected by net-zero transitions</li> <li>• Translation of national-government specific recommendations (e.g. ILO just transition guidelines) to make them more effective for the subnational/local/community contexts, as well as more bottom-up methods of operationalization — include</li> </ul> |

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|  |  | <p>guidance from groups such as C40, ICLEI that are city-level based</p> <p>Relevant IPCC definitions:</p> <p>“The term climate justice, while used in different ways in different contexts by different communities, generally includes three principles: distributive justice which refers to the allocation of burdens and benefits among individuals, nations and generations; procedural justice which refers to who decides and participates in decision-making; and recognition which entails basic respect and robust engagement with and fair consideration of diverse cultures and perspectives.”</p> <p>“Justice is concerned with setting out the moral or legal principles of fairness and equity in the way people are treated, often based on the ethics and values of society. Social justice comprises just or fair relations within society that seek to address the distribution of wealth, access to resources, opportunity and support according to principles of justice and fairness. Climate justice comprises justice that links development and human rights to achieve a rights-based approach to addressing climate change.”</p> |
|--|--|--|

## Interpretation guide

### Discussion:

- Consider the types of actors and what these concepts mean contextually (Governments and Businesses)
- Building synergies between locally-led adaptations that are forefronting resilience agendas
- Cognizant of the fact that this is a big challenge — particularly because these are cultural norms that do not have a universal definition — we can work towards a minimum baseline

| Area                          | Current wording   | Potential suggested changes?   |
|-------------------------------|---|--|
| <b>Empowerment and Equity</b> | <p>1. EPRG understands this new leadership practice to highlight the importance of Race to Zero as a facilitator and catalyst that supports all entities' in the Race to Zero. While the Race to Zero criteria aim to ensure credibility, they also serve as tools to support all actors to be able to “run faster” in the Race to Zero.</p> <p>2. Recognizing there is not a single approach to these issues, EPRG looks for initiatives and networks to engage seriously with both empowerment and equity, and to explain how they are weaving them throughout their approach.</p> <p>3. Empowerment may refer to how networks and initiatives enhance the ability of their member entities to reach (net) zero, but may also refer to how those entities in turn enhance the work of others. This latter role may be particularly important for, e.g., universities, faith groups, or other types of actors whose direct emissions may be less significant than their broader role in society.</p> <p>4. Examples of promoting empowerment may include:</p> <ul style="list-style-type: none"> <li>a. Training and capacity building events</li> <li>b. Transfer of resources or supporting access to finance</li> <li>c. Peer-to-peer exchange and learning.</li> <li>d. Ensuring robust representation of all actors, including traditionally marginalized groups.</li> </ul> <p>5. Equity is one of the key concepts embedded in the Paris Agreement. EPRG recognizes that many different approaches and definitions of the term exist, and that these are often contested. For example, equity can refer to, inter alia, the</p> | <p><b>Distinction between the terms Equity and Empowerment</b></p> <p>There is currently a confluence of definitions, and some disjointedness regarding their relationship. Though empowerment and equity go together, the link between them is currently weak. They are distinct and have different impacts, hence they should be considered as two separate items. It is not necessary or operable for them to be considered together.</p> <p>Their definitions and the link between them can be made more clear. For instance, if equity is a state and empowerment is a process to achieve equity, we should consider what <i>else</i> is needed other than empowerment to achieve equity (E.g. education, awareness) — it is perhaps not just about empowerment. Empowerment without groundwork will not initiate sustainable change.</p> <p><b>‘Equity and empowerment’ rather than ‘Empowerment and Equity’</b></p> <p>Equity is a more robust term that can be considered first as an actionable point and solution that encompasses many things (representation, diversity etc.)</p> <p>Empowerment, on the other hand, is more of an ideal, and a broad term that can range from tokenisation to actual transformative work.</p> <p><b>Empowerment for who and to do what?</b></p> <p>Empowerment can be defined as a tool for an equal sharing of power — the act of empowerment as facilitating the distribution of power between groups (including rights, modes of engagement etc)</p> |

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|                      | <p>division of GHGs emissions across actors between or within countries at different stages of development, the division of GHG emissions between or within countries at different stages of time, attention to the differential impacts of climate change on more or less vulnerable populations, the allocation of resources both to mitigation emissions and adapt to climate impacts, etc. EPRG seeks networks and initiatives to reflect on and explain their own approach to these issues.</p> <p>6. Recognizing the need for further discussion and deliberation around these issues, EPRG will aim to convene a special working group on equity and empowerment, together with Race to Resilience and other stakeholders, to develop more specific options for advancing this leadership practice across our community.</p>   | <p>If empowerment is a process toward the equal sharing of power (an ideal), we should consider how this is reflected in stakeholders' goals? E.g. Empowerment to change decisionmaking structures, operations, diversity?</p> <p>Empowerment and equity should be addressed both through the lens of stakeholders and through the people directly affected by them (employees, consumers, citizens etc.)<br/>E.g, Training/capacity building for what?</p> <p><b>Specificity on target audience:</b><br/>The current wording seems to target the private sector and may not be easily applicable to sub-national governments. A more direct recommendation for subnational governments could be included.</p> <p>Clarity on <i>who</i> exactly is being empowered, and how that translates into implementation</p> |
| <p><b>Pledge</b></p> | <p>“Fair share” can be operationalized in different ways. While global CO2 emissions must reduce by 50 percent by 2030, different sectors and different actors will move at different speeds, reflecting their unique opportunities and constraints. The Race to Zero does not have a single way of operationalizing this division. Rather, EPRG requires partner networks and initiatives to operationalize “fair share” in a science-based fashion as appropriate for their members, and to explain and justify how they do this.</p> <p>Three salient examples:</p> <ul style="list-style-type: none"> <li>• a. Some initiatives simply require all members to reduce emissions by 50 percent or more by 2030. For example, over 800 Certified B Corporations from over 50 countries - nearly one quarter of the global B Corp community - have pledged to reach Net Zero by 2030, 20 years ahead of the Paris Agreement targets.</li> </ul> | <p>Clarity on 'science based' definition of fair share — must be in alignment with 1.5 degree pathway</p> <p>More comprehensive/ explicit reference to equity and justice in Pledge commitments.</p> <p>To include fair share, we need to account for the current level of emissions entities are putting out in proportion to global emissions — this needs to be addressed explicitly</p> <p>Articulate that <b>income inequality</b> lends itself to huge differences in ability to transition, and integrate financing differences into <b>common but differentiated responsibilities</b> at the Pledge stage</p>   |

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|                    | <ul style="list-style-type: none"> <li>• b. Some initiatives use climate models to generate scenarios for how the world reaches 1.5C, and then assign individual entities emissions reduction pathways, including interim targets, that reflect a share of the overall reductions calculated in that scenario. For example, the Science Based Targets Initiative uses scenarios to determine sectoral pathways to 1.5C, and then assigns participating companies a target based on their share of the market in a given sector. In this way it relies on climate models to determine what individual entities' shares should be.</li> <li>• c. Some initiatives assign different targets to entities at different stages of development. For example, C40's Deadline 2020 program includes cities from both the global North and South. Because many cities in the latter are still growing, they are on slower pathways to halving emissions, but, at the same time, the cities from the Global North that are part of the initiative have more accelerated timeframes, in many cases halving emissions before 2030 (all cities aim to reach net zero before 2050).</li> </ul> |   |
| <p><b>Plan</b></p> | <ol style="list-style-type: none"> <li>1. EPRG acknowledges that plans are often iterative, especially when entities first embark on their net zero transformation. For example, smaller entities or those facing resource and capacity constraints may require significant time to prepare a first GHG inventory. In such cases EPRG does not necessarily expect a "full" plan to be immediately available, but it does require that entities provide information on their progress and the steps they will take within 12 months.</li> <li>2. Entities' plans should address the initiative's approach to the Race to Zero leadership practices.</li> <li>3. Entities' plans may refer to Race to Zero "Breakthroughs" where appropriate.</li> </ol>  | <p>A recurring issue at the planning and proceed stages is access to <b>finance</b>, considerations of opening up pathways for financing to address equity and justice issues e.g. by engaging private sector actors, strengthening financing commitments between subnational and national governments</p> <p>Financing can be a useful framing for climate justice, especially considering distributive issues and the allocation of finance.</p> <p>An understanding needs to exist about funding priorities other than net-zero, especially in developing countries. What would be a just way to invest funding for emissions reduction while still driving development and resilience targets</p> <p>The <b>time frame</b> presented (12 months) may be a challenge for prioritisation, especially in the context of other constraints, priorities and financing expectations. Pathways to accommodate actors who cannot realistically achieve goals within this timeframe could be included, such as allowing stakeholders to set their own timeframes with justification.</p> |

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| <p><b>Proceed</b></p> | <ol style="list-style-type: none"> <li>1. The urgency implied by the IPCC’s Special Report on Global Warming of 1.5C means that we are now in a “decisive decade.” Pledges and plans must therefore be matched by immediate actions. While full plans may take time to formulate, all entities have available a number of “no regrets” measures to reduce emissions immediately. “Analysis paralysis” should not prevent immediate action.</li> <li>2. EPRG interprets “immediate” to mean within months, not more than a year.</li> <li>3. EPRG does not consider issuing a plan to be sufficient for the “Proceed” criterion to be met. Tangible actions are also required.</li> <li>4. The types of specific actions required to meet the “Proceed” criterion vary by actor and sector. In general, they should be things that can be done now that will have a direct impact on reducing emissions.</li> <li>5. In all cases, entities should explain how the immediate actions they are taking link to interim targets they are aiming for.</li> </ol>   | <p>Include a fair share, equity, justice lens in the proceed stage</p> <p>Is ‘immediate’ a realistic expectation in the context of fair share?<br/>Governance challenges will exist for less developed nations, especially to implement R2Z plans. It is in this 'proceed' stage that a timeframe may disincentivise uptake</p> <p>Due to institutional restraints etc. implementation takes longer in some places than others. The specific context of stakeholders could be taken into account</p> <p>[Note - there was significant debate in the WG about the time frame, with members advocating both for ambitious and more flexible framing]</p> |
| <p><b>Publish</b></p> | <ol style="list-style-type: none"> <li>1. Reporting may be done through any public channel, ideally including those that feed into the UNFCCC’s Global Climate Action Portal. This aggregator relies on partnerships with data providers like CDP, ICLEI, and others (see: <a href="https://climateaction.unfccc.int/views/about.html">https://climateaction.unfccc.int/views/about.html</a>), but EPRG recognizes that not all types of entities yet have a ready path to reporting to this platform.</li> <li>2. Reports should provide clarity both on progress toward interim targets as well as the steps entities are taking to deliver that progress.</li> <li>3. For entities relying on offsetting, it is valuable to report these separately from internal reductions.</li> <li>4. Provide information on remaining emissions that are particularly challenging</li> <li>5. “Annually” means within 12 months of joining Race to Zero, but also in line with the reporting cycle of the network initiative. So if a network or initiative has an annual disclosure cycle, entities joining Race to Zero should report in the next one that arises after they join.</li> </ol> |  |