

January 20, 2025

## Just Energy Transition Partnerships: Accelerating a Fair and Inclusive Global Clean Energy Transition

**Key policies:** *Just Energy Transition Partnerships (JETPs), European Green Deal, Fit for 55 package, UNFCCC Climate Framework, COP26 Glasgow Climate Pact, COP28 decision on transitioning away from fossil fuels, COP29 New Collective Quantified Goal on Climate Finance, Global climate finance mobilisation agenda*

The following joint article reflects the shared commitment of international partners to advance **Just Energy Transition Partnerships (JETPs)** as a key instrument for accelerating global decarbonisation while supporting inclusive economic growth and social fairness.

The article is signed by senior representatives from partner countries and institutions, including the **European Commission**, and was published in the context of global climate discussions following **COP29**.

### Climate challenge and economic opportunity

World leaders meeting at COP29 reaffirmed that **climate change is the defining challenge of our time**. The energy sector alone is responsible for **around 75% of global greenhouse gas emissions**, making energy transition central to climate action.

At the same time, technological progress and economies of scale have dramatically reduced the cost of clean energy. Renewable energy is now among the **cheapest sources of power**, making a rapid transition not only environmentally necessary, but economically rational.

Global markets are already responding. Investment and industrial activity are increasingly flowing toward regions with **low-carbon energy systems**, creating quality jobs and new opportunities, including for women. Countries that fail to invest in clean energy infrastructure risk falling behind in a rapidly changing global economy.

### Mobilising finance at scale

Public funding alone is insufficient to meet the scale of the energy transition. Recognising this, international partners are working to **mobilise private capital**, in line with the **New Collective Quantified Goal on climate finance** agreed at COP29.

The **International Partners Group (IPG)** — comprising Canada, Denmark, France, Germany, Italy, Japan, Norway, the Netherlands, the UK and the US — is collaborating closely with private investors from the **Glasgow Financial Alliance for Net Zero (GFANZ)**. Together, they aim to identify investable opportunities and support partner countries in establishing policy frameworks that can unlock large-scale investment.

### What are Just Energy Transition Partnerships?

**Just Energy Transition Partnerships (JETPs)** are country-led partnerships designed to support ambitious energy transitions in economies with significant fossil fuel dependence. They focus on:

- Accelerating the deployment of renewable energy

- Modernising and expanding electricity grids
- Supporting a managed and socially fair transition away from fossil fuels
- Promoting inclusive economic growth and energy security

JETPs align with the historic commitment made at **COP28** to transition away from fossil fuels.

The first JETP was launched with **South Africa** at **COP26** in Glasgow, followed by partnerships with **Indonesia, Viet Nam and Senegal**.

### **Progress and early results**

Following their launch, JETPs have moved from high-level commitments to **concrete reforms, investment planning and financing**:

- **Indonesia:** USD 1 billion approved, with an additional USD 5.5 billion in renewable energy financing in the pipeline
- **South Africa:** Nearly USD 2 billion already disbursed, alongside major energy market reforms
- **Viet Nam:** Preparing a first investment tranche worth USD 1 billion
- **Senegal:** Finalising its investment plan and identifying priority projects

South Africa, as the first JETP partner country, has demonstrated that **deep structural energy reforms are achievable**, setting an important precedent for others.

### **A flexible, country-led approach**

Each JETP reflects the **unique energy system, political context and development priorities** of the partner country. Energy transitions are complex and require time, broad stakeholder consultation and careful policy design.

JETPs therefore emphasise:

- National ownership and leadership
- Engagement with citizens, civil society and the private sector
- Flexibility, iteration and adaptive implementation

This approach ensures that transitions are not only fast, but also fair and socially sustainable.

### **Ensuring a just transition**

JETP financing packages combine **grants and concessional loans**, providing access to capital on favourable terms. Funding is strategically directed to support “just” outcomes, including:

- Workforce reskilling and skills development
- Support for small and medium-sized enterprises
- Sustainable alternatives to fossil fuel-based livelihoods

- Broader social and economic resilience

### **A shared global benefit**

JETPs are built on partnership. Without the commitment and ambition of partner countries, they would not exist. At the same time, investing in emissions reductions abroad also helps reduce future climate impacts — and adaptation costs — at home.

JETPs therefore represent a **win-win proposition**, grounded in mutual benefit, shared responsibility and unprecedented international collaboration.

*Source:* [https://climate.ec.europa.eu/news-other-reads/news/joint-article-just-energy-transition-partnerships-2025-01-20\\_en](https://climate.ec.europa.eu/news-other-reads/news/joint-article-just-energy-transition-partnerships-2025-01-20_en)