

BOOKLET FOR A

JUST ENERGY TRANSITION OF OIL



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 **Sindipetro RJ**
Sindicato dos Petroleiros do Rio de Janeiro

luoal | League for the Universalization
of Participation in Public
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Avançados da
Universidade de
São Paulo

 **OBSERVATÓRIO
DO PETRÓLEO E GÁS**

COESUS
COALIZÃO NÃO FRACKING BRASIL

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PRESENTATION

Power generation accounts for 73.2% of all greenhouse gases (GHG) artificially emitted into our atmosphere. This is because 78% of all energy demand in the world today is supplied by fossil fuels. In the internal energy supply in Brazil, the generation by fossil fuels is 53.3%. Despite this, the year 2021 was marked by a 24% increase in thermoelectric generation in relation to the previous year. The highlight was the growth of natural gas, oil derivatives and coal, to the detriment of hydroelectric generation, a result of a strong hydroelectric crisis in the country. Putting Brazil against the IPCC guidelines of reducing up to 45% of GHG emissions by 2030, and international commitments, such as the Paris Agreement (2015) and COP 26 (2022).

Based on the understanding that the energy sector has an essential role in these commitments, but that the discussion should be extended to various sectors of society, a working group was formed to think about a just energy transition, its guiding principles, and possible paths. The working group is formed by the articulation between academia, the oil workers' union and the third sector, and comprises the following groups:

Arayara International Institute, facilitator of the working group, has been operating for 30 years promoting social change through environmental education and political activism in the search for more efficient use of energy matrices and broad land rights in all regions of Brazil;

League for the Universalization of Participation in Public Environmental Policies (LUPPA), an initiative of students from the Federal University of Rio de Janeiro which since 2019 produces studies, widely disseminating the environmental agenda topics, seeking to strengthen the democratic spaces of decision and facilitate the action of the population;

The **Institute for Advanced Studies (IEA)** at the University of São Paulo (USP) is an integrating entity aimed at researching and discussing, in a comprehensive and interdisciplinary way, funda-

mental science and culture issues. To this end, it is integrated by different research and study groups, such as the **USP Global Cities Synthesis Centre**, part of this working group, dedicated to urban sustainability issues;

The **Oil Workers' Union of Rio de Janeiro (Sindipetro-RJ)** is dedicated to the defence and representation of workers of industry and transport of oil, gas, raw materials, derivatives, petrochemicals and related, biomass energy and other renewable and alternative fuels, seeking improvements in living and working conditions of its members.

The guiding principles presented in this document aims to sensitize and raise awareness among governments and public policy makers, the press, Petrobras workers, other international unions, and other peripheral countries. The methodology for the construction of this document comprised a survey of the bibliography on Just Energy Transition and case studies, discussions with the groups involved, and the creation and congregation of principles. And finally, the systematisation of consultations carried out with other groups representing traditional communities, people affected by impacts, workers, and companies in the energy sector, allowed for better qualification in the definition of principles, with a broader perspective of society.



WHAT IS JUST ENERGY TRANSITION?

Energy transition is the process of transforming the energy system from one energy matrix to another. Throughout history, other transitions have occurred, such as that from coal to petroleum, with the objective of favouring industrial and economic processes. However, when we talk about energy transition nowadays, the main motivation is the attempt to mitigate the impacts caused by anthropogenic climate change. Knowing that fossil fuels release large quantities of chemical compounds that increase global warming when burnt, such as carbon dioxide (CO₂) and methane (CH₄), the need to replace the energy matrix for one with less atmospheric emissions arises. Thus, the movement for decarbonisation of the energy chain is born.

This process is already underway in several countries, but there are still inconsistencies regarding its efficiency in relation to Sustainable Development Goal No. 7 - Clean and Accessible Energy. This is noticeable when the energy transition is discussed through the eyes of traditional and low-income communities, especially in developing countries, since clean energy does not reach, or worse, increases the socio-environmental vulnerability of this population

Debates must be held in a just and representative manner with all those involved in this process, such as traditional communities that may be affected, workers in the energy sector, the general population, energy companies (whether public or private) and the State. When the parties are aligned, it is possible to develop the Just Energy Transition, through public policies, government incentives and research and development, aimed at sustainable energy management.

Therefore, it is necessary to discuss the Just Energy Transition, where the process of replacement of the energy matrix is participatory, responsible and universal, thinking not only in the modernization and decarbonisation of the processes, but also in the respect to the territories, to the popular demands and to the principles of human dignity and well-living.

PRINCIPLES FOR JUST ENERGY TRANSITION OF OIL

1

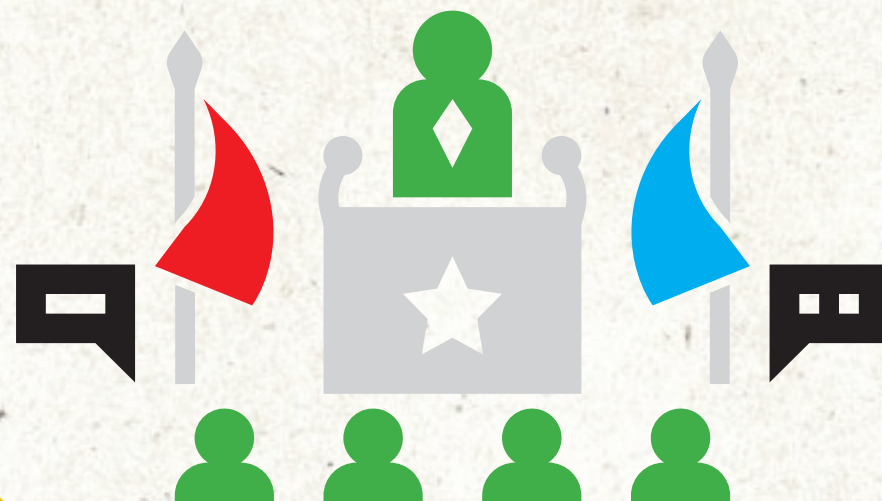
GOVERNANCE AND POPULAR PARTICIPATION:

*Multi-level participatory governance
guided by self-determination that
effectively includes traditional
communities.*

Energy is present in the lives of all citizens. Therefore, this topic should not be debated without the presence of those who are directly affected by the management of the energy matrix.

When the Just Energy Transition is put on the agenda, the inclusion and assurance of popular participation in decision-making processes, in a multi-level governance structure, is essential for the effectiveness of the change in the energy matrix and for the fair distribution of the benefits and burdens resulting from this transformation.

Thus, joint construction with communities, especially traditional and vulnerable communities, is one of the main principles to assure Social, Environmental and Energy Justice in the transition.



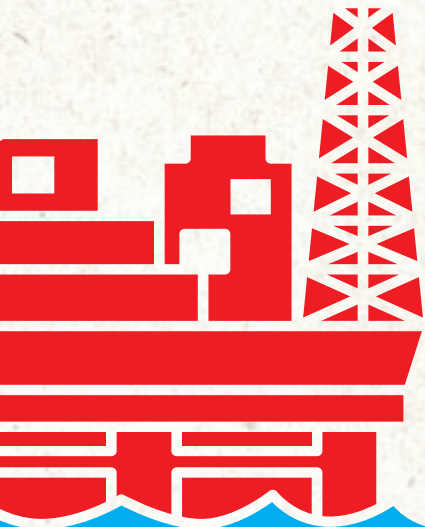
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ROLE OF PETROBRAS IN THE JUST OIL TRANSITION IN BRAZIL:

Petrobras as a public energy company, protagonist of the energy transition, democratically at the service of the Brazilian people and the development of the Country.

Of the three main raw materials produced in Brazil, oil is the only one that reverts its profits partially in dividends to the Brazilian government. As Petrobras is the largest and most strategic company in Brazil, it is a fundamental axis for the Brazilian economy and fulfils an important role for the development of the country. A 100% state-owned Petrobras, at the service of the Brazilian people, will allow greater control over production and greater autonomy to resume investments in renewable energy. The maintenance of Petrobrás Biocombustível (PBIO) as part of the Company is an example of this integration, diversifying the energy sources in its portfolio to ensure the country's energy security.

Petrobras, as a public company, should serve as an example to other Brazilian companies, not omitting itself in a clear scenario of global warming, not only to follow a world trend of energy companies, but also to avoid a possible climate collapse scenario. Based on the understanding of what environmental racism is, Brazil and other peripheral countries need to impose measures to protect the most vulnerable populations as they are the most impacted by climate change.



3

WORKERS AND JOBS FOR THE CLIMATE:

Inclusion of fossil sector workers in the Energy Transition with training and incentives for the creation of green jobs, developing human potential and raising opportunities.

The working class is essential for a just energy transition. The change in the energy matrix must be conducted in such a way as to generate more and better jobs, protecting existing jobs, creating new formal jobs, and improving working conditions, not only in the energy sector but also in the associated sectors of services, commerce, and industry. Workers' unions and other workers' representation organizations are central actors in the energy transition and the legal, institutional, and political conditions for their actions must be ensured.

A just energy transition is absolutely incompatible with precarious, forced or degrading work. Thus, it must be guided by guaranteed employment, respect for human rights, fair remuneration, protection against accidents and occupational diseases, promotion of workers' health, welfare and social security, social inclusion and gender and colour diversity, including in the top management of companies and institutions.



4

ENERGY POLICY:

Creation of participatory public policies that foster investment in strategies to gradually advance the Just Energy Transition.

The just energy transition depends on an energy policy guided by clear objectives and goals, in the short, medium, and long term, formulated in a participatory manner, supported by technical studies and evaluations of costs and benefits, duly monitored by indicators, and subject to periodic review and adjustments, with publicity, accountability and transparency.

The energy policy cannot be conducted in an isolated manner. It must be integrated with the other public policies involved in the decarbonisation effort, especially the climate policy, the environmental policy, and the territorial and urban development policy.

To this end, participatory planning, based on evidence and implemented in a multi-level governance environment, founded on a legal framework, and guided by respect for human rights, is fundamental for the shared, democratic, and sustainable use of energy resources.

In this sense, the Union, States and Municipalities must guide their respective plans, programs, projects, and public policy actions towards the achievement of decarbonisation goals, with transparency, efficiency, and responsibility, mobilising the private sector and civil society to adapt production and consumption patterns to sustainable parameters.

The gradual decommissioning of the exploitation of national oil and gas reserves should be programmed and managed as a facilitator of the decarbonisation process to, on the one hand, ensure the necessary energy security to the transition, and on the other hand, finance both the construction and maintenance of infrastructure in the renewables market and as regards the national development of sustainable clean energy technologies and solutions adapted to socio-territorial realities and needs.

5

SOCIAL JUSTICE:

Ensuring access to energy as an essential element of social justice, combating environmental and energy racism and promoting the good living.



The Just Energy Transition must promote social inclusion, especially of traditional communities and vulnerable communities. To achieve this, energy generation must be cheap, decentralized, and diverse, easy to maintain, with the potential to create jobs with minimal impact on the environment, favouring the natural potentials of each region and reducing territorial conflicts.

The Transition must guarantee fundamental human rights and energy supply for all in harmony with the way of life of the rural population, traditional communities, and native peoples.

The collective wellbeing (in line with the rights of peoples, communities, and nature) and the wellbeing of future generations must prevail over individual and ephemeral interests.

The energy transition must be accompanied by the recognition of traditional territories and the strengthening of the principles set out in Convention 169 of the International Labour Organization (ILO), to be effectively fair.

6

RESEARCH AND TECHNOLOGY DEVELOPMENT:

Stimulate national clean energy technology development, research, and climate education.

The Just Energy Transition must include the participation of universities and research institutions, which are already developing technologies to facilitate this process.

The incentive for technological research and development, aligned with the development of counter-hegemonic technologies, social technologies, and nature-based solutions, is one of the principles that should guide the transition.

It is necessary to recover and strengthen the mechanisms of the national policy for scientific and technological development and innovation, promoting responsible and transparent cooperation between the public, private and third sectors and universities and research institutes.

Furthermore, the integration between academia and society must be fostered by encouraging university extension projects that work with accessible scientific dissemination and environmental and climate education.



7

REGENERATIVE ECOLOGICAL ECONOMY:

Promote ecological resilience, reduce resource consumption, restore biodiversity and traditional livelihoods.

The energy transition must be accompanied by a transition to a fairer and more sustainable way of producing and consuming with encouragement for the regenerative ecological economy. Favouring local and regional potentialities for decentralised small-scale production and local consumption. In addition to gradually reducing GHG emissions, economic models that allow for the regeneration of impacted ecosystems and the conservation of biodiversity, areas of relevant ecological interest, as well as landscapes and lifestyles of traditional peoples should be favoured, with broad oversight by the responsible government agencies. To favour the use of nature-based solutions to reduce socio-environmental conflicts in the management of natural resources.

Energy generation must be diversified and cheap to ensure security of supply and contemplate the environmental fragilities of the different Brazilian biomes and communities. In this sense, even renewable generations, such as wind and solar, should be decentralised and avoid large generation enterprises, and favour a popular energy production for communities that today remain unprovided.



8

PATHWAY TO LEAVING OIL IN THE GROUND:

Plan and implement gradually the decommissioning of oil and other fossil fuels, reducing the expansion of exploration areas.

The reduction of exploration and production and commercialization of fossil fuels in producing countries in development must be gradual because it involves, among other factors, the real possibility of decapitalisation of financial resources. The financial capacity to invest in renewable energies may be put at risk, further increasing the country's dependence on non-renewable energy sources.

In Brazil, oil companies must commit to a greater public and environmental agencies participation in decision-making that involves the environment, so that there is control over areas to be explored. The commitment not to drill wells in areas of special biodiversity, nor to explore unconventional oil and gas, are examples of the preservation of sensitive areas essential for the livelihoods of local people.

Measures in this sense aim to approximate and unify decision-making in the relationship Company-Society, thus ensuring the survival of both parties. But not only that, it is necessary to monitor and demand investments in renewable energies so that the intended reality: "leave the oil in the ground", is achieved in

a fair, gradual, and timely manner. The contribution to decarbonisation cannot be a mere footnote uncommitted to the climate urgency already established. Oil companies in Brazil should not only continue taking carbon reduction measures, but also commit to new targets aimed at renewable energies.

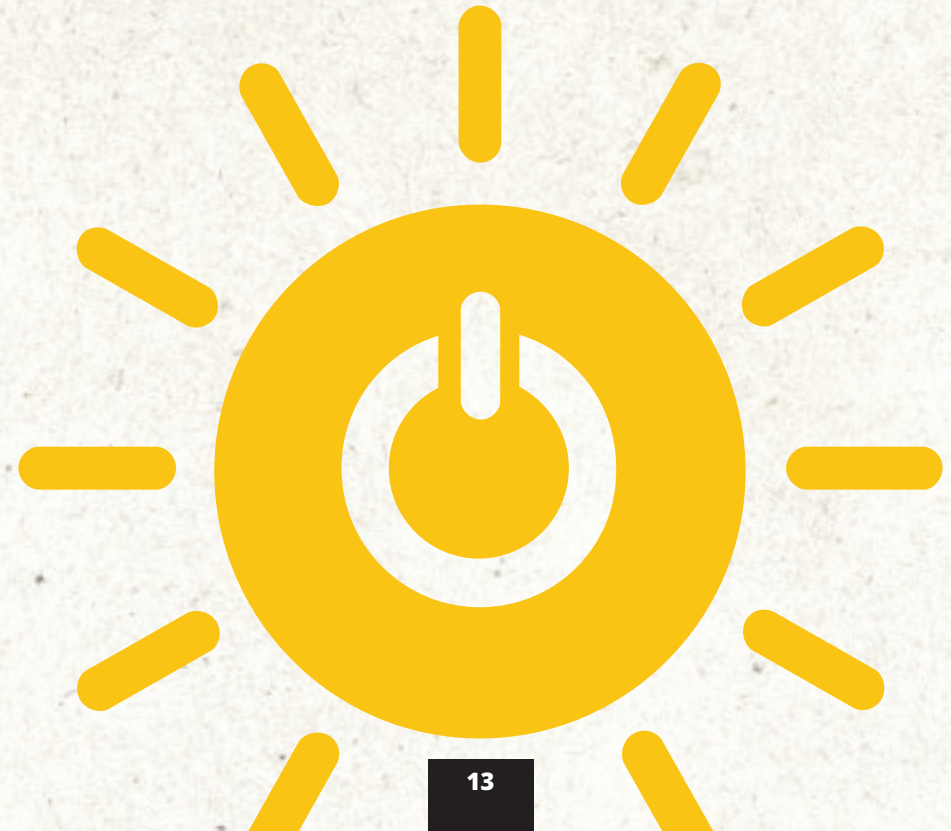


CONCLUSION

The principles presented in this booklet were written by many hands, result of frequent meetings and consultations with other groups considered indispensable to this debate to make it as representative and inclusive as possible.

This document is therefore a first product of the project initiated by this working group. It does not intend to resolve all the issues and challenges presented by the decarbonisation of the energy sector. It aims, above all, to foster dialogue for the construction of democratic paths for a just energy transition.

The working group does not end here. The next steps are the development of proposed pathways for the Just Energy Transition, based on the principles outlined in this booklet.



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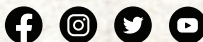
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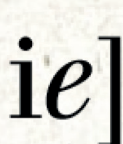


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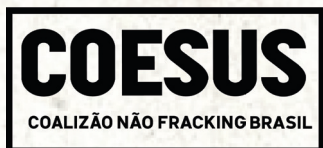
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