

# Financing the Just Transition through the Bond Market

JUST TRANSITION  
COMMUNITY OF PRACTICE  
MARKET STATEMENT  
2026

## KEY FIGURES

# 24M

new jobs the green economy could create by 2030<sup>1</sup>

# 17M

workers coal phase-out alone could displace, ~80% in a handful of regions<sup>1</sup>

# 60+

countries now referencing just transition in national policy<sup>2</sup>

# ~6

of ~630 framework references explicitly mention "just transition"<sup>3</sup>

## COMMUNITY OF PRACTICE MEMBERS

[Asia Investor Group on Climate Change \(AIGCC\)](#)

[Business and Human Rights Centre \(BHRC\)](#)

[Climate Bonds Initiative \(CBI\)](#)

[Council of Europe Development Bank \(CEB\)](#)

[The Institutional Investors Group on Climate Change \(IIGCC\)](#)

[Impact Investing Institute \(III\)](#)

[United Nations Environment - Finance Initiative \(UNEP FI\)](#)

## CONVENED BY

Just Transition Finance Lab and 103 Ventures

## WHY THIS MATTERS NOW

Capital markets can play their part in a fair transition through the use of bond proceeds. The green economy could create 24 million new jobs by 2030, yet the phase-out of coal alone could displace up to 17 million people, around 80% of whom are concentrated in a small number of regions.<sup>1</sup> Reflecting this challenge, more than 60 countries now reference the just transition in national policies.<sup>2</sup>

Despite this momentum, translation challenges remain within bond frameworks. While just transition language is increasingly present in narrative sections, it rarely translates into clear criteria, allocations or reporting commitments. Integration remains patchy, despite growing investor awareness and policy momentum. A review of 29 sovereign and multilateral development bank (MDB) sustainable finance frameworks found that out of approximately 630 references to climate, social, or community issues, only around six explicitly mention "just transition."<sup>3</sup>

**The opportunity is within reach.** Following the experience with green and social bonds, our goal is to catalyse integration of just transition through pioneer issuance, supported by practical guidance and robust market standards.

## WHO DELIVERS IT

**Closing the gap requires a community of practice.** Convened by Just Transition Finance Lab and 103 Ventures, the community brings together core stewards across MDBs, standard-setters, investor bodies and labour and human rights organisations including AIGCC, BHRC, CBI, CEB, IIGCC, III, and UNEP FI – alongside consultation with market actors such as corporate issuers, investors, underwriters, and community voices.

## OUR COLLECTIVE ACTION PLAN

By November 2026, two key outputs will create the conditions for pioneering issuance in 2027:

- **Position Paper:** Guidance on the integration of just transition at entity level and across Green, Social, and Transition bond frameworks.
- **Actionable Templates:** Practical case studies for Corporate, MDB, and Sovereign issuers organised by bond type and sector.

These outputs will be stress-tested through industry consultation and released in partnership with 103 Ventures.

1. Intergovernmental Panel on Climate Change, Sixth Assessment Report, Working Group III: Mitigation of Climate Change, 2022

2. Grantham Research Institute on Climate Change and the Environment, Climate Change Laws of the World database, London School of Economics, 2024

3. JTFL review of sovereign and MDB labelled bond frameworks to assess how just transition is currently being reflected in green, social, and sustainability bonds

# Financing the Just Transition through the Bond Market

JUST TRANSITION COMMUNITY OF PRACTICE MARKET STATEMENT 2026

This statement is our public signal that the market is ready to move. Join us in building the momentum by supporting this statement with other market actors who are committed to the pioneering issuance of a just transition integrated bond.

## STATEMENTS OF SUPPORT

"At AIGCC, we recognise that a climate resilient and nature positive future for Asia requires a fair and inclusive transition, grounded in place-based realities, that leaves no one behind. Having collaborated closely with the Just Transition Finance Lab, we are pleased to endorse the guidance as a vital step in helping bond issuers integrate worker protections, community resilience, and social equity into investment strategies."  
**Rebecca Mikula-Wright, CEO, AIGCC**

"BHRC supports the Community of Practice on Just Transition bonds and its efforts to translate just transition principles into practical bond guidance. The CoP has strived for a truly multi-stakeholder approach that takes account of the lived experience of rightsholders worldwide, and one which embeds human rights due diligence, participation, and accountability. We welcome the group's ambition to centre real-world impacts and strengthen the credibility of transition finance, and we look forward to continuing to contribute to this important work."  
**Áine Clarke, Head Labour Rights in Supply Chains & Investor Strategy, BHRC**

"Building strong and resilient societies is vital to dealing with increasingly severe climate impacts. That means transition investment that creates jobs and strengthens communities while delivering mitigation and resilience. We are working to deliver future-fit investment opportunities at scale."  
**Sean Kidney, CEO and Co-founder, CBI**

"The Council of Europe Development Bank (CEB) is pleased to support this initiative to embed just transition considerations into bond markets. As Europe's social development bank, we believe climate action must be accompanied by measures that protect vulnerable groups. This work marks an important step towards building credible market practice and unlocking the capital needed to deliver a just, inclusive and resilient transition."  
**Carel Cronenberg, Senior Technical Adviser, Climate Change, CEB**

"IIGCC welcomes this initiative to support the development of standards and the practical integration of just transition considerations into bond markets and broader investment practices. Integrating just transition can strengthen investment strategies by enhancing portfolio resilience and reducing risk. This work contributes further to existing investor knowledge and guidance, including the Net Zero Investment Framework's supplementary guidance on just transition."  
**Elena Vydrine, Senior Investment Specialist, IIGCC**

"The Impact Investing Institute is delighted to support this work to embed just transition principles into the bond market, addressing a critical need for credible standards that align environmental ambition with social outcomes. By providing investors with practical tools and a shared framework, the taskforce's strategy will help unlock the capital required to deliver a transition that benefits communities and the planet alike. We see this as an important milestone in ensuring that the move to a net-zero economy is a fair and inclusive one."  
**Sarah Teacher, Co-CEO, Iii**

"UNEP FI welcomes this initiative to integrate just transition considerations in bond markets, which aims to bridge the gap between climate goals and social equity by developing much-needed clarity for the market. The strategy developed by the community of practice is a significant step forward to help channel capital towards a transition that is not only low-carbon, but also fair and inclusive."  
**Eric Usher, Head of UNEP Finance Initiative, UNEP FI**

## OUR SUPPORTING MEMBERS INCLUDE

