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A Green and Fair Transition - For Whom?

An analysis from Latin America

Executive summary

In recent years, the concept of *a just and green transition* has gained relevance as a response to the climate crisis and the urgency of adopting more sustainable economies. However, this approach faces significant challenges, particularly in its implementation in Global South regions such as Latin America, where the impacts of extractivism have historically been devastating for local communities and ecosystems.

This paper examines the potential human rights, global justice, and environmental impacts of European policies in their attempt to promote a green energy transition model. In particular, it analyses the possible consequences of these policies in Latin America, a region rich in natural resources and key to the European supply of critical raw materials (CRM) needed for this transition. There is concern that this model could deepen and perpetuate extractivist practices, affecting communities, territories, and the environment. The "Lithium Triangle" (Chile, Argentina, and Bolivia) is an example where excessive water use and the absence of clear prior consultation mechanisms raise concerns.

It is argued that to truly advance towards a fair and sustainable energy transition model, a systemic and global justice approach is necessary. This approach must establish robust regulatory and institutional frameworks based on human rights and consider and incorporate the perspectives and needs of Global South communities, who face the consequences of extractivism and the climate crisis most directly. Decisions made in this transition could either perpetuate historical inequalities or, conversely, create opportunities to build fairer and more equitable societies, making investments more sustainable. Therefore, it is crucial to analyse how current policies impact local communities, especially in resource-supplying regions like Latin America.

EU Policies for a Green Transition

Since its launch in 2019, the European Green Deal has been the cornerstone of the European Union's climate policies. With the central aim of transitioning towards climate neutrality by 2050, the EU seeks to promote renewable energies and a circular economy.

However, this transition requires vast amounts of CRM such as lithium, copper, and nickel, on which the EU is highly dependent on a few suppliers. The war in Ukraine and competition with China have exposed this vulnerability, leading the EU to prioritise "strategic autonomy" through supply diversification.

The Critical Raw Materials Act (CRMA) is central to the EU's strategy for securing the supply of CRM through diversification, increased domestic extraction, and recycling, although imports will remain key. However, the CRMA has faced criticism for restricting democratic debate, disregarding international human rights and environmental standards, and relying excessively on non-binding regulatory mechanisms.

In this context, Latin America has emerged as a key partner due to its vast reserve of resources like copper and lithium, essential for the European energy transition. Consequently, from 2023, the EU has revitalised its relations with Latin America through the EU-CELAC Summit and a new regional agenda, with a strong focus on trade, investment, and CRM supply. An example is the Global Gateway initiative, which allocates €45 billion to regional investment projects in sectors such as energy, transport, and mining. However, this new approach has not been without criticism due to the risk of deepening neocolonial dynamics that prioritise European economic and geopolitical interests, reproduce global inequalities, and ultimately cause negative human rights and environmental impacts.

A Perspective from Latin America: Just and Green Transition – For Whom?

Historically, Latin America has been relegated to the role of raw material supplier since colonisation, a pattern consolidated during industrialisation and perpetuated today. The intensive extraction of natural resources, primarily for export, has significantly increased in recent decades, representing 37% of the region's exports between 2015 and 2017. While this expansion has generated fiscal revenues, it has also resulted in significant social, environmental, and cultural costs. The negative impacts include:

- **ENVIRONMENTAL POLLUTION AND DEGRADATION:** Water and soil contamination, toxic waste accumulation, and a significant contribution to climate change.
- **INCREASE IN SOCIO-ENVIRONMENTAL CONFLICTS:** Tensions in local communities, forced displacements, criminalisation of environmental defenders, and violent conflicts in mining regions.
- **ECONOMIC INEQUALITY AND DEPENDENCY:** Dependence on raw materials exposes countries to the volatility of international prices, concentrates benefits among local elites, and perpetuates structural inequalities.

Historically, most of the benefits of extracting and exporting natural resources in Latin America have remained in the hands of economic power groups and a small portion of Latin American societies.

Meanwhile, communities affected by extractive activities suffer a double impact, as they often experience the consequences of the climate crisis most acutely, even though it is primarily driven by the consumption and corporate activities of more industrialised countries. By perpetuating traditional extractivist logic, the EU's promoted green transition model risks falling into a form of **green neocolonialism**, exacerbating historical inequalities between Europe and Latin America.

Notable examples include copper mining in Peru, where heavy metal contamination has severely affected community health, and lithium extraction in the "Lithium Triangle" (Chile, Argentina, and Bolivia), which generates tensions due to intensive water use in arid regions.

In response to the extractivist model, Latin American social movements, indigenous peoples, peasants, and Afro-descendant communities have proposed alternatives based on principles such as "buen vivir" (good living). These visions promote harmony with nature, collective well-being, and local sovereignty, challenging the extractivist logic. Resistance strategies have included popular consultations, the creation of transnational support networks, and proposals for alternative development models based on equity and respect for nature, achieving certain advances in rights protection (e.g. Escazú Agreement).

Recently, alternative narratives about a just transition have emerged from the region. These narratives propose a systemic change through the transformation of power relations, recognition of the ecological debt owed by the Global North to the Global South, and the establishment of fairer relations between central and peripheral countries, as well as within countries between elites and citizens. Not only this involves repairing historical damage, but also strengthening local capacities to manage resources sustainably.

Conclusions and Recommendations for a Just Transition for Latin America and Europe.

The green transition represents an opportunity to address the climate crisis. However, if a fairer and more sustainable model is to be achieved, a systemic and global approach must be adopted that considers the economic and socio-environmental impacts of the transition in regions like Latin America, as well as the historical and structural inequalities and violence underpinning them.

A truly just and green transition cannot be limited to replacing fossil fuels with renewable energies. It requires a profound transformation of production and consumption systems, prioritising global justice, human rights, and environmental sustainability. To achieve this, the EU must take responsible leadership that considers Global South countries and communities' experiences and needs, promoting equitable and respectful collaboration with life and the planet.

With these considerations in mind, we propose a series of key approaches, actions, and processes that should be implemented by the EU, its Member States, and organised civil society to advance towards a globally just and green transition:

1. A Just and Green Transition Requires a Systemic and Global Justice Approach.

ECONOMIC TRANSFORMATION:
The EU must prioritise transforming its economy towards one based on circularity and sufficiency, setting limits on the consumption of certain raw materials with measurable targets for each economic sector.

RESOURCE PRIORITISATION:
It is essential to prioritise the use of resources to meet basic social needs, such as mobility, energy, and housing, in both Europe and Latin America.

TRANSFORMATION OF GLOBAL FOOD SYSTEMS:
The EU must contribute to the transformation of food systems by supporting sustainable practices and prohibiting the export of dangerous pesticides.

ENERGY SOVEREIGNTY AND AUTONOMY:
The EU must respect Latin America's energy and decarbonisation needs, taking into account local solutions and proposals.

2. A Just and Green Transition Must Be Democratic and Participatory.

PARTICIPATION AND SELF-DETERMINATION OF PEOPLES:
Latin American communities affected by extractive projects and renewable energy generation must have their right to participate in decisions regarding the use of their natural resources guaranteed, in accordance with internationally recognised agreements.

RIGHTS OF INDIGENOUS PEOPLES AND RURAL COMMUNITIES:
In its projects in the region, the EU must ensure respect for the rights of Indigenous communities and rural populations in Latin America, in accordance with ILO Convention 169, UNDRIP, and UNDROP.

FREE, PRIOR, AND INFORMED CONSENT:
This non-negotiable right must be guaranteed at all stages of projects that impact the territories of Indigenous, Afro-descendant, and rural communities.

TRANSPARENCY AND ACCESS TO INFORMATION:
Transparency and access to information must be ensured regarding negotiations on partnerships, treaties, and Global Gateway projects, including accountability mechanisms for communities and civil society organisations. Additionally, we call on the EU to promote and respect the implementation of the Escazú Agreement in its relations with Latin American countries.

CORRUPTION PREVENTION:
It is essential to establish and strengthen coordination mechanisms between national authorities and international organisations to identify, prevent, and sanction acts of corruption in CRM supply chains.

3. A Just and Green Transition Must Place Human and Nature's Rights at its Core.

GUARANTEES FOR THE PROTECTION OF HUMAN RIGHTS AND THE ENVIRONMENT:
The EU and its Member States must establish binding and effective mechanisms to protect human rights and the environment in all policies related to the green transition.

GENDER AND INTERSECTIONAL APPROACH:
European policies for a green transition must incorporate a gender and intersectional perspective, considering the differentiated impacts on women and other groups, ensuring their participation in decision-making.

ENVIRONMENTAL PROTECTION:
Protected natural areas, highly biodiverse ecosystems, vital water reserves, and sites of cultural or spiritual significance must be excluded from exploration and extraction projects for CRM.

AMBITIOUS IMPLEMENTATION OF THE DUE DILIGENCE DIRECTIVE:
The scope of the new European Due Diligence Directive on sustainability is insufficient. We urge Member States to expand these provisions when transposing the Directive into national law.

PROTECTION OF CIVIC SPACE AND ENVIRONMENTAL DEFENDERS:
The EU must strengthen protection guarantees for civil society and environmental, land, and territory defenders in Latin American countries with which it engages, recognising and promoting diverse voices, leadership, and perspectives.