



Justice in Transitions

Q & A Factsheet

Q The case studies for this report focus on the energy transition in the Arctic region. What is the state of play for a fossil fuel-free Arctic future?

A This is a complex question. The Arctic region has a long history of extractivism, which includes oil and gas resources. Some countries, Russia, for example, and provinces such as Alaska in the United States achieved their economic prowess because of oil and gas production. Path dependencies for fossil fuels remain strong. But they are not insurmountable – there are significant efforts underway in several Arctic countries aimed at making the region an integral part of the transition to a clean energy economy.

The Arctic region is home to many countries which face markedly different circumstances when it comes to the transition to a low-carbon energy system. A country's commitment to phasing out fossil fuels and cutting emissions of greenhouse gases is obviously a key factor. It is typically strongly correlated with the country's relative economic dependence on fossil fuels. It's urgent that we frame this issue from the point of view of meeting the goals of the Paris Agreement.

The energy question in the Arctic region is complex but it has broad implications for the future of humanity.

Q This work package contains six different case studies. Why did you choose these particular cases?

A Our aim was to shed light on the most important cross-cutting ranges in the broad domain that the energy system makes up. This includes energy supply and storage capabilities, lifecycle components (conversion and transportation), services (mobility and heating), carbon lock-in and stranded assets — to name a few. We also wanted to account for the diverse geographical and cultural realities in the region. Thus, in one case study we researched sustainable mobility and transport poverty in Iceland. In another, we looked at low carbon datacenters in Greenland, Iceland, and Norway from the point of view of emissions mitigation and community resilience. Another case study focused on stranded assets and carbon lock-in related to oil and gas development in Russia, Norway and the US. Across the six case studies, we conducted interviews, hosted online focus group discussions and made numerous site visits. Taken together, the case studies were selected to promote a better understanding of the main barriers to and opportunities for the energy transition.

Q A central aim of your research has been to map and understand stakeholders' and rightsholders' perspectives on the energy transition. Can you give us a brief summary of what you have found?

A We found a broad range of perceptions and values, both conflicting and compatible ones, so summarizing is a challenge. But a few points can be highlighted. To begin with, economic motives tend to take precedence among business actors. Take the wind power projects for example. They are chiefly looked at from the point of view of corporate profits, jobs creation, and the income generated for the local community. But corporate actors also stress environmental benefits that can result from wind power and other economic activities. This is the case for the carbon-intensive industries in the Swedish Arctic. What we found was that the major mining company in the case, LKAB, frames its work to decarbonize steel production within the global effort to combat climate change. At the same time, there is awareness among corporate actors about the negative environmental impact of their activities. In the case study on oil and gas production, however, the industry generally sees the social and economic benefits as offsetting any environmental harm.

When it comes to governments and local political representatives, these actors typically bring to the fore the economic benefits from economic activities in terms of fiscal revenue or the creation of new jobs, but also the positive environmental impact. This holds for the case studies on datacenters in Greenland, Iceland, and Norway, on mobility and public transportation in Iceland, on wind power plants in Sápmi, as well as for the case study that touches on the greening of steel production in Sweden. When it comes to civil society organizations and indigenous groups, the most important values concern a broader set of community benefits beyond corporate profits, including environmental protection.

In sum, we are facing a complex landscape of values and perceptions, with key stakeholders more often than not having conflicting interests. The latter case is especially true for the development of wind power plants in Sápmi. Here, the views of indigenous rightsholders and reindeer herders (who typically associate wind power plans with the disappearance and splitting up of grazing land), on the one hand, and industry and government actors, on the other hand, cannot be further apart.

Q One prominent concept in this report is that of energy services. Why is this concept important to your work?

A The concept of energy services underpins what is probably the most important, but sometimes overlooked question in energy planning – What is energy for? Looking at energy development through this lens allows us to see more clearly how energy can benefit (or not) society and particular groups as well as purposes. In the case study on transportation and mobility in Iceland, for example, drawing on this concept helped us understand the crucial role that energy plays for achieving several SDGs beyond enabling clean and affordable energy, such as combating poverty and reducing inequality. In short, energy services is an important conceptual tool for making clear what a genuinely sustainable development would require in specific contexts..

Q A critically important part of your work has been to further a more rigorous understanding of the role of justice in the case studies. What do you envision that this avenue of research will help you grasp more clearly?

A By examining the perspectives and values among the main stakeholder groups through a justice lens, we get a better understanding of the various interests and stakes involved in the economic activities studied. It also enables us to understand more about the likelihood of the desired outcomes. Justice offers a more comprehensive view of value-related conflicts and synergies, of what drives and motivates the key actors.

What we set out to do is analyze the material in terms of what factors inhibit or enable positive as well negative change. In the case of building new datacenters in Greenland and Norway, for instance, the failure to put a social cost on the losses that residents and host communities incur can be conceived as a negatively prohibitive ethical factor. Conversely, an important positively prohibitive factor lies in the opportunity for diversifying the local economy and building greater economic resilience.

In addition, what is especially important to call attention to is the transformative ethical dimension—that is, the potential for systemic change. Take the case of the new datacenters again. Here, the negatively transformative ethical factor is the lack of sufficient consideration of the potential impact on the total supply of energy in the community or region. The positive transformative aspect concerns the potential to contribute to 2050 Net-Zero targets by seeking to decarbonize the datacenters.

Identifying this transformative potential has been a crucial avenue in our research to help us better understand the key stakes and prospects of economic development in the Arctic.

Q With a host of different, often conflicting values and concerns in play, what is your view of the main barriers to and opportunities for sustainable development in the case studies?

A The potential for value reconciliation varies across the case studies. But it's clear that pathways to reconciliation need to focus more on a timely, inclusive, and meaningful dialogue. This is many times a tangible lack, and we need to develop better mechanisms for bringing stakeholders to the table to identify areas and actions that can be agreed upon. In the case study on transport and mobility in Iceland, for instance, the main reconciliation pathway appears to be that the government and commercial decision-makers must come to see that the public transport system is currently not serving certain socio-economic groups very well.

In concrete terms, improving public transport is the road to (pun intended...) value reconciliation. In the case of wind power resistance in Sápmi and the Norwegian Arctic, we encounter a very contentious reality. It is in fact not clear that a reconciliation pathway could meaningfully satisfy both the proponents and opponents of development. If there is to be a path forward, it will need to start by creating the conditions for more meaningful participation by the stakeholders, not least by recognizing Sámi rights.



When it comes to possible legal and regulatory solutions, what concrete ways forward do you see?



To begin with, we believe that there's considerable potential in the idea of strategic energy planning, and we encourage decision-makers to adopt it to a greater extent. Strategic energy planning is devised to enable decision-makers to take a broader outlook on energy development. It allows us to see that a new economic activity, such as building a fossil-fuel free public transportation system, is not just about decarbonizing a nation's transportation sector and thus about combatting climate change. It can also help advance the seemingly unrelated goal of poverty alleviation.

We also believe that the concept of justice must become an integral part of the permitting and licensing process for energy infrastructure. For example, placing conditions on an operating permit or license of a datacenter so that these are subject to energy efficiency requirements – just as private homes are – would be a way to promote justice when it

comes to society's energy consumption. Coupled with this, society should adopt a fairer outlook on different uses in rate- and tariff-setting. The electricity to heat an emergency worker's residence should not cost more than the electricity spent to mine cryptocurrencies, but this is sometimes the case today. New forms of rate and tariff-making are thus an important regulatory tool for promoting a just and sustainable development.

Yet another possible regulatory solution concerns environmental and social impact assessments. There's clearly a need to better factor in questions about who and what are significantly impacted by a certain activity as well as why this is the case. We suggest that the concept of undue interference with individual and collective capabilities be used as a supplement. This concept allows us to focus on how the flourishing of individuals and communities, such as a reindeer herders cooperative, are affected by economic activities.

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