

CONFERENCE REPORT:

A GREEN AND JUST TRANSITION FOR ALL Can the private sector deliver?



Credit: Eduar Monsalve/SEI

Key takeaways and discussions from the Oxfam conference at Copenhagen Business School, April 8, 2025

Introduction

The climate crisis presents one of the greatest threats of our time, demanding an urgent and far-reaching transition to renewable energy. Without rapid decarbonization, the world risks catastrophic impacts on ecosystems, economies, and human lives. However, the very solutions that are essential to mitigating climate change are driving an unprecedented demand for critical minerals and large-scale infrastructure. Stockholm Environmental Institute (SEI) estimates a six-time increase in demands for critical minerals by 2040 if we are to achieve net-zero by 2025. If not carefully managed, this surge in demand risks fueling new environmental degradation, deepening social inequalities, and perpetuating patterns of exploitation historically associated with extractive industries.

Motivated by a need to discuss solutions to this urgent dilemma, on April 8, 2025, 250 participants gathered at Copenhagen Business School for the conference “A Green and Just Transition for All – Can the Private Sector Deliver?”. Organized by Oxfam Denmark in collaboration with Copenhagen Business School, the full-day event provided a platform for the discussion of how the private sector can help ensure that this growing demand for renewable energy and the minerals

critical to the green transition, does not deepen the global inequalities already exacerbated by the climate crisis.

The conference featured keynote talks, panel debates, and case presentations bringing together a broad range of voices: Indigenous community representatives, human rights and environmental organizations, Danish and international researchers, private companies, financial institutions, and Danish government representatives. Their combined insights sparked essential conversations on the role of the private sector in the transition to green energy, with discussions evolving around human rights, geopolitical challenges and alternative economic models in the green transition.

The participants presented different views on how responsibility and justice play into the green transition across companies, governments, pension funds, but also consumers in the Global North, NGOs and indigenous communities. Central to the conference was a broad consensus, on respect for human rights and environmental protection, and the urgency in finding ways to ensure the protection of these rights. However, discussions also emphasized how complex this can be in practice, ultimately underscoring the importance of bringing all involved actors together to continue the conversations on how to ensure a just energy transition.



Context for the conference

As background for the conference, Stockholm Environment Institute (SEI) published a paper examining the role of the private sector in achieving a just energy transition, with a focus on the renewable energy and mining sectors within Latin America. A just energy transition seeks not only to decarbonize our energy use but to prioritize human rights, social equity, and environmental sustainability, ensuring that the benefits and burdens of the green transition are distributed fairly. Thus, going beyond a narrow focus on emissions reduction.

At the heart of this transition lies an escalating demand for critical minerals such as lithium, copper, and cobalt – materials essential for wind turbines, solar panels, electric vehicles, and battery storage systems. While this presents as a significant opportunity for economic growth in Latin America, due to the region's large amount of these resources, projects within the mining and renewables sector are highly capital-intensive and huge investments are still needed to reach the global net-zero target. This makes the private sector, with its capital, expertise, and capacity for innovation, pivotal in realizing a green transition.

However, the rush to realize this transition also carries major risks. The SEI-paper identifies risks of environmental degradation, water scarcity, human rights abuses, and social conflict, particularly with Indigenous and rural communities. Similarly, renewable energy projects sometimes face community opposition due to inadequate consultation processes, unequal benefit-sharing, and governance concerns.

The paper outlines how supply chains for these projects are made up of multiple tiers – from large multinational companies at the top (Tier 1), to smaller subcontractors, and informal actors further down. As we move down these tiers, transparency and accountability tend to diminish, making it difficult for companies and consumers to trace the social and environmental costs of mineral

production. This fragmentation, consequently, allows violation of rights and harmful practices to persist with little oversight, ultimately mirroring the patterns of other extractive industries.

Despite these risks and challenges, the SEI identifies significant opportunities for the region. Critical minerals and renewable energy can drive economic growth, generate public revenues, and create employment – especially if supported by strong investments in local skills development and capacity building. Collaborative models, such as Indigenous co-ownership of renewable projects and effective Corporate Social Responsibility (CSR) initiatives, can foster stronger partnerships between communities and the industry and create more equitable benefit sharing. Such initiatives enhance the sustainability of the projects and pave the way for the energy transition to be achieved in a just way.

The report concludes that the private sector's role in Latin America's energy transition is indispensable—but to achieve a just and sustainable outcome, it must be accompanied by strong regulatory frameworks, meaningful community engagement, transparent benefit-sharing mechanisms, and enhanced corporate accountability. Collaborative action between governments, companies, and communities will be essential to ensure that the transition is not only green but also fair and inclusive.



Key takeaways

Throughout the day, speakers and participants brought forward a wide range of insights, challenges, and proposals rooted in both experiences from local communities, human rights organizations and the private sector. Discussions touched on practical dilemmas from the lack of transparency in supply chains to the difficulty of ensuring inclusive consultation processes on the ground. The following section summarizes some of the main discussions and points raised during the conference. All presentation slides and speaker materials can be accessed on Oxfam's website.

A Governance and Standards Paradox

A reoccurring topic highlighted during the conference was that a just green transition needs to be ensured through robust governance.

International frameworks from ILO, OECD and the UN were repeatedly referenced as foundational tools for guiding responsible business conduct in the renewable energy and mining industries. However, numerous speakers highlighted the insufficient translation of such guidelines into binding national legislation – particularly in regions such as Latin America and Africa where large-scale mining operations and renewable energy projects take place. Consequently, companies are often operating in fragmented legal landscapes, leaving room for them to negotiate with local communities on their own terms. José Vega Araújo (Stockholm Environment Institute) stressed the increasing risk of tensions and conflict between companies and local communities, especially in regions where state presence is weak or inconsistent. Besides conflicts, too little regulation of business conduct and the absence of the state can lead to negative impacts on the local communities.



As Dulcy Maria Cotes Van-Grieken (Fuerza de Mujeres Wayuu) mentioned, the indigenous people in La Guajira have experienced displacement, increasing violence, and disputes between communities on compensation issues due to the wind projects installed and in planning on their territories.

While CSR initiatives and ESG reporting mechanisms offer companies avenues for accountability and transparency, Jesper Friis (Danish Industry), emphasized that ultimately it should be the responsibility of local governments to ensure that human and environmental standards are upheld and that this cannot be the sole responsibility of a private company operating in the country. Ole Thonke (Danish Ministry of Foreign Affairs) reflected upon accountability demands places on companies, stating that a just transition, while necessary, must not become a “showstopper” for the private sector’s involvement in a green transition. Such perspectives suggest that companies fear losing their competitive edge if regulation becomes too restrictive. As Caroline Avan (Business & Human Rights Resource Center) pointed out this fear is reflected in current European legislation, for instance, the recent EU omnibus proposal to delay the implementation of the Corporate Sustainability Due Diligence Directive.

Elin Wrzoncki (Danish Institute of Human Rights) framed this discussion on responsible business conduct mechanisms, a civil space under pressure and an increasing focus on making investment attractive with a key paradox: How can we on one hand push the private sector to make the green transition just, while on the other hand lower standards in the name of competitiveness and to encourage the private sector to engage? Speakers from both the private sector and civil society cautioned against the tendency of lowering standards, arguing that projects often face backlash, delays, and social conflict in cases where proper due diligence is not carried out. However, the debate exposed a key discussion of responsibility when it comes to ensuring that a green transition is socially and environmentally just. The discussions of the conference further underscores the importance of facilitating spaces for actors to come together and discuss solutions to these issues.

Complexity and Responsibility in Supply Chains

A prominent topic during the conference was the complexity in supply chains within the renewable energy and mining industries, and the resulting difficulties in ensuring accountability. As Kristian Heydenreich (Vestas) noted, even though the discussion on responsible supply chain management has been going on for decades, a viable solution has not been found.

While all parties agreed that a solution to this is necessary, representatives from the private sector highlighted that true oversight would require tracking materials all the way to the original mining site, which is infeasible. A core argument in this discussion is that even if a company adopts responsible policies and informs their suppliers on these, for projects within the renewable and mining industry, the supply chain is so long that ensuring compliance in all tiers is not possible. This underscores a broader and well-documented concern, according to Quynh Le Tran (Amnesty International), that many companies can only realistically control the upper layers of their supply chain, leaving lower tiers vulnerable to human rights abuses and environmental harm.

In response to these challenges, David Purkey (Stockholm Environment Institute) introduced a pilot project that aims to improve transparency within the mining industry – a project that he believed to be applicable to renewables as well. By drawing on already existing data, the tool allows for a mapping of the full supply chain of critical minerals which suggests a potential pathway to enhancing transparency and accountability in all tiers. While the pilot presented by Purkey does not offer a complete solution to the complex challenge of supply chain management in the green transition, it does point to a promising direction. Studies like this have the potential to develop practical tools that help address some of the structural limitations currently hindering responsible supply chain governance in the industry.



Community engagement

The conference showed a consensus on engaging the affected communities in mining and energy projects as a pivotal way to ensure that the transition to green is socially and environmentally just. Despite this, Quynh Le Tran (Amnesty International) mentioned that Amnesty's research shows that community consultations are often carried out in a way that is too superficial. To ensure that engagement becomes meaningful, Karin Buhmann (Copenhagen Business School) stressed the importance of capacity building within affected communities. She argued that since most mining and renewable projects are located on land belonging to Indigenous or rural communities, these groups often lack the resources or institutional support equipping them to participate effectively in negotiations. While formal requirements for community engagement are rarely present Karin Buhmann urged the private sector to invest in building this capacity as part of responsible engagement that many companies aim to take part in.

However, a key pillar of such community consultations is the respect of the community's right to a FPIC, meaning that, ultimately, the company must recognize the right of the local actors to say no. Anabella Rosemberg (Climate Action Network) problematized that often companies operate under the assumption that the consultation of the community will lead to a yes: "One of the problems we hear from the communities is that consultations happen too late. Too many millions were already invested in explorations in figuring out the viability of extraction, so when consultation comes to the community there is so much money at stake that there is no way that a no from the community is going to be taken seriously." This undermines the intent of a FPIC, and for engagement to be genuine, communities must have the right to self-determination and to say no, as Valentina Lomanto (Lund University) emphasized.

Commenting on this issue Jesper Friis stated that while of course communities have the right to say no, local governments ought to play a bigger role in enabling mining and energy projects to happen under conditions that create opportunities for the local community. Strategies for this could be through models of co-ownership and benefit sharing, fostering stronger support for projects by creating value in the project's vicinity. To this Regin Gaarsmand (The Danish Energy Agency) was asked about the global cooperation they do, and whether they advise on models of co-ownership and benefit sharing. The government- to-government cooperation is demand-driven, as he explained, and while they are willing to share the Danish experience with co-ownership in wind projects, it must be initiated by the other government. Jacobo Ramirez (Copenhagen Business School) further added that both in the case of Mexico and Colombia, co-ownership of wind projects has been presented for governments, but been turned down due to the states not wanting to run the risk of being financial backup for a project. Despite this, Danish influence, as a global adviser on wind energy development, demands both responsibility and opportunities for promoting the just transition agenda and community engagement. An interdisciplinary approach, including the expertise of Human Rights and Environmental Organizations, is pivotal for Danish recommendations on a just green transition to renewable energy.



Power dynamics

Evidently, most of the challenges addressed during the conference are deeply rooted in the unequal power dynamics that shape the mining and renewable energy sectors. The resources held by companies operating within the sector can act as leverage in negotiations with local governments or communities, potentially paving the way to manipulative tactics, like gift-giving to secure project approval. These unequal relations were problematized by Valentina Lomanto (Lund University) who noted that the massive global demand for transition minerals creates incentives for companies to continue operation, potentially at the expense of local communities.

To this Anabella Rosemberg (Climate Action Network) called for companies and financial institutions to cut ties with businesses that do not adhere to strong human rights and environmental standards, arguing that the responsibility must lie in the global north. In contrast, representatives from major Danish pension funds, Palle Ellemann (Velliv Pension) and Rasmus Bessing (PFA Pension), advocated for an active ownership model—arguing that by investing, they can maintain a seat at the table and exert influence over company practices. However, they acknowledged the limits of this approach: investors are not operational managers, and their influence over daily business conduct is indirect. Furthermore, Rasmus Bessing emphasized that pension funds ultimately have a duty to deliver returns for their clients. If companies working responsibly are less profitable, blended finance mechanisms or public support would be necessary to de-risk these investments.

Here the sheer scale of corporate power compared to local governance was highlighted by Maarten Hietland (Independent Researcher), who argued that the revenues generated by some of the companies operating in this field are larger than the GDP of the countries where they operate. In doing this he called for corporations to take responsibility for how and where they invest.



The power imbalance is also reflected in how supply chains are structured globally. Many speakers noted that countries in the Global South largely export raw materials while processing, where most of the profit lies, occur in the Global North. These dynamics highlight the urgent need for both community capacity building and stronger international regulation to hold companies accountable. Further, as Obert Bore (Zimbabwe Environmental Law Association) stressed, governments play a role in helping to shift power and ensure economic value stays in the country, for instance by requiring that raw materials be processed locally instead of exported.

Summing up and looking forward

The conference made one thing clear: the pursuit of a green transition must go hand in hand with respect for the rights of the local communities affected by these projects. As the discussions revealed, this is not a simple task. The path to a just energy transition is complex, shaped by unequal power structures, fragmented supply chains, and deep-rooted global inequalities. This demands that solutions be found through cross-sector dialogue engaging stakeholders at all levels, a process in which this conference was an important step towards creating more inclusive processes. Ultimately a shift in how responsibilities, benefits, and power are shared within the sector is needed. Because while the conference showed a broad consensus on the principle of “do no harm,” the real challenge lies in ensuring that the transition delivers tangible benefits for local communities.

To achieve this, it is evident that governments play a pivotal role – not only as regulators but as facilitators of fair frameworks that guide private sector action. This does not only apply to the governments in the countries where large-scale energy projects are implemented. As Lars Koch (Oxfam Denmark) stressed in his closing remarks during the conference, the Danish government carries a responsibility as well.

For instance, in the adaptation of the 2025 development strategy, where a strong private sector focus is expected. Such political priorities need to put sustainable growth for local communities over external interests.

This transition must be built on inclusive partnerships, something that starts with acknowledging unequal power dynamics and centering community voices. Co-ownership models, local benefit-sharing, and capacity building at a community level are critical to fostering genuine such engagements. If communities are informed, empowered, and respected, and if companies operate under just regulatory frameworks, then the private sector can indeed be a powerful driver of a fair and sustainable transition.

Oxfam Denmark will follow up on the conference in close cooperation with allies, relevant networks, Global South partners and progressive stakeholders from government and private sector to further promote responsible business conduct in the green transition based on human rights principles and to put social justice and related, core values of co-ownership, shared benefits and well-being economy on top of the agenda.



Credit: Eduar Monsalve/SEI