

Catholic Impact Investing Collaborative (CIIC)

March Community Forum: *A Just Transition*



Monday, March 29th, 2021 | 3:00 PM CST

We are excited to announce our **March Community Forum**, part of an ongoing series of webinars focused on a specific issue area for CIIC community members to engage in open dialogue, exchange resources and identify opportunities for mutual learning and collaboration. March's Forum will focus on **A Just Transition**, a movement that focuses on the transition to a low-carbon economy that is both fast and fair, with responsible and justice-centered management of the social impacts of this transition in the workplace and wider community.

Speakers include:

- **Jake Barnett**, Director, Sustainable Investment Services, Wespath Institutional Investments
- **Christina Cobourn Herman**, Program Director for Climate Change & Environmental Justice, Interfaith Center on Corporate Responsibility (ICCR)
- **Antonio Lopez, PhD**, Project Director, Chicago Frontlines Funding Initiative

WHO WE ARE

By sharing our experience and celebrating our Catholic faith & values, we seek to expand the use of wealth in service to people & planet.

The **Catholic Impact Investing Collaborative** (aka **CIIC** - pronounced "seek") was established in November 2014 as an informal "neutral space" for people to come together, share a meal and stories, and build relationships based on their spiritual as well as financial commitment to Impact Investing. Our goals are to share stories, build relationships, foster collaboration, and grow the Catholic Impact community, while leaving room for the Holy Spirit.



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Defining a Just Transition

Antonio: [Just Transition](#) lies at the intersection of environmental justice, communities, the labor movement and workers rights, and human rights social movements. It fundamentally acknowledges that we have been living under an extractive economy that has impacted and harmed particular communities and is putting our planet in a critical, dire situation. It acknowledges the communities home to these industries and the workers employed by them. Just Transition encourages us to be inclusive to communities as we try new approaches to build an economy that serves people and the planet. My introduction to Just Transition was through national coalitions, like [Climate Justice Alliance](#) and [Building Equity and Alignment for Impact Coalition](#), where I met leaders from around the country talking about the environmental racism in their communities. The framework of Just Transition is important to how different communities find common ground around a need for a systems change. In Chicago, I've seen how deeply local communities dealing with harsh environmental conditions care about the Just Transition movement because it gives them hope.

Approaches to Just Transition Work: Stakeholder Engagement

Christina: I manage our environmental work at [ICCR](#), a 50 year old coalition of faith-based and institutional investors that engage companies on the impacts of their operations. We work broadly across human rights, labor, health, and climate change. Three years ago at ICCR, Just Transition was [adopted as the lens that we use to look at all of our climate work](#). In the past few years, ICCR decided to engage heavy emitters (including energy utilities) in decarbonization and moving to net zero. We care about the impacts of company operations on communities and workers, and our approach to working on Just Transition has been to engage companies as well as policymakers to help enable companies and society to create a sustainable future. Investors need to engage at the global level, but also at the local level.

Jake: At [Wespath](#), we've approached our Just Transition work both from the bottom-up and the top-down. We've had conversations with ICCR, [Principles for Responsible Investment \(PRI\)](#) and [Climate Action 100+](#), including working on their [Just Transition Indicator](#), and have found it is important to contribute to these conversations when we have perspective to share. From the bottom-up, I've also found that connecting with stakeholders outside of the sustainable investment ecosystem is incredibly valuable. Using Antonio's work with the [Little Village Environmental Justice Organization \(LVEJO\)](#) as a model for real estate development and stakeholder engagement, Wespath shifted our policy with our real estate development team on how they are engaging with stakeholders and environmental justice issues. The guidance by stakeholders on the ground has helped develop our bottom-up approach.

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Developing Partnerships & Rooting in Humility

Antonio: Just Transition work is a massive undertaking, no matter the sector or community you're working in. Labor organizations and environmental justice communities have been at the center of this work for decades, and new organizations like nonprofits, faith communities, and indigenous communities are joining the movement. We need to bridge our differences and move together on a common strategy, and we have to bring a level of humility to take on the systems change that needs to happen. This is bigger than just one issue or one community. Even though there are nuances of what Just Transition means in different regions, we need to be in relationship with others that are motivated and moved by the same concerns and partner with those that share our values. [Faith communities have been crucial](#) to the resources we've been developing here in our partnership work across communities and stakeholder groups.

Jake: There has to be a willingness to talk to people you don't agree with, and approach conversations with the spirit of collaboration, respect and transparency. No one has the road map for how we do this. It will require working together and navigating paths that aren't immediately evident today. Developing these relationships will benefit you professionally, but it will also benefit you personally in aligning your work with your values.

Actionable Steps & Resources for Impact Investors

Jake: There are multiple lenses that investors can put on your impact investing without needing it to be a "Just Transition impact investment". For example, many investors do some community development finance or blended finance investing. Investors can start by asking how they can have a conversation with the community they invest in to tap into their expertise, resources and perspective. What does justice look like in that community? Engage the stakeholders and build those relationships. Another example is the unfortunate correlation between renewable energy companies and poor labor and human rights practices. It is assumed that these companies are responsible actors, when their social practices leave a lot to be desired. I encourage impact investors in their due diligence and engagement with those managers to be asking follow-on questions like: are you talking to the stakeholders on the ground? Are you paying a prevailing wage? Are you honoring the [UN Guiding Principles on Business and Human Rights](#)? Do you have a project labor agreement that offers higher wages to workers and project assurance that the project will be finished on time and within cost? [CERES](#) has [a report on human rights, labor practices and renewable energy](#) that is a great resource.

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Actionable Steps & Resources for Impact Investors

Christina: At ICCR, we focus on the energy utility sector and do place-based work in developing relationships with groups in Massachusetts and Connecticut. We hosted [a roundtable with energy utility investors, representatives from environmental justice groups, community organizations, NGOs and labor groups](#) in December 2019 to get different stakeholder voices in the room and talk about concerns with Just Transition. During this meeting, groups on the ground in Massachusetts connected about climate legislation that needed business support. Afterwards, we developed a set of [Investor Expectations on the Just Transition: Publicly Traded Energy](#) with [Harvard's Initiative for Responsible Investment \(IRI\)](#) which lays out different approaches to stakeholder engagement and questions to ask. Listening to the community is incredibly important and must be central to our work. You need to find the language that works, and find a place to start.

The Future of Just Transition

Jake: Everybody should be doing more. The divestment vs. engagement conversation misses the point. People's lives are being impacted in a negative way. Every approach in Just Transition work (impact investment, divestment, stakeholder engagement, socially responsible investing) has a different theory of change, but no matter the approach you take, we all need to be doing more. Whatever resources you have, whatever path you're called to, we need to do more. That's not a statement of criticism, that's a statement of urgency of the crisis we face at a global scale.

Antonio: We're in a powerful moment in the US where we're asking: what does real investment in communities that have been divested from over time (particularly black and brown communities) look like? There's an opportunity for impact investors to factor in environmental justice and community engagement in their investment work. Just Transition is not just about where we are going, but how we get there. It's about the process - how we include communities in the conversations and decision-making as we get to our goals? How does justice show up at every step?