



THE 2024 G20 RECOMMENDATIONS FOR CREDIBLE, ROBUST AND JUST TRANSITION PLANS



RECOMMENDATION 1

**High-Level Principles
for credible, robust,
and just transition plans**

These sector-neutral
principles represent
good practice for
financial institutions and
corporations.

Transition plans should:

1 | GOALS AND OBJECTIVES

Clearly state a firm's
climate goals and
objectives, and include
steps for decarbonization
across scope 1, 2, and,
when material and as it
becomes possible, scope
3 emissions. Plans should
include targets, metrics, and
accountability mechanisms.

2 | IMPLEMENTATION STRATEGY

Integrate climate goals
into core business
processes, identifying key
decarbonization actions,
potentially involving
creating new products,
service, policies, or
leveraging existing ones.

3 | GOVERNANCE AND RISK MANAGEMENT

Be regularly reviewed by
senior management and
the board and embedded in
firms' governance and risk
management systems. Plans
should be updated to reflect
new developments, address
implementation challenges
and identify and mitigate
related risks.

4 | ENGAGEMENT WITH VALUE CHAINS

Include firms' strategies to
engage with value chains and
relevant stakeholders, such as civil society,
encouraging and supporting
their alignment with
decarbonization pathways,
as well as their pursuit of
transition their plan goals.

5 | TARGETS, METRICS, AND MONITORING

Include credible and
science-based short-,
medium-, and long-term
targets, with verifiable
metrics, with a consideration
of both backward and
forward-looking metrics.
Progress should be
monitored and adjustments
made as necessary.

6 | TRANSPARENCY AND DISCLOSURE

Bring credibility to the
transition finance landscape
by providing an appropriate
level of transparency
and disclosure including
qualitative and quantitative
information with respect to
progress and changes to
plans. External assurance
may be obtained where
relevant.

7 | JUST TRANSITION CONSIDERATIONS

Demonstrate firms'
understanding of the
social impact on different
stakeholders, focusing on
just transitions as defined
by national governments
as applicable. Safeguards
may be put in place to
mitigate negative effects
and maximize positive social
outcomes.



RECOMMENDATION 2

**Identify metrics
for transition plans**

Relevant IOs and initiatives
should identify comparable
metrics to support financial
institutions and corporates
communicate their transition
plan progress credibly and
consistently. These metrics
should balance the benefit of
information provided with the
cost or difficulty of producing
the metric.



RECOMMENDATION 3

**Support firms' transition
plan development**

Relevant IOs, DFIs, initiatives
and networks should coordinate
their efforts to support firms
in developing transition
plans. This includes providing
capacity-building services,
improving transparency, and
offering tools, technologies and
methodologies, and platforms
for knowledge and data sharing.



RECOMMENDATION 4

**Support transition
plans' uptake**

Jurisdictions should foster
financial institutions and
other corporates to uptake
transition plans by creating
enabling environments (e.g.,
using capacity building tools,
policy levers, mandatory
approaches, etc.) Standards
for transition plans should
aim for comparability
and interoperability while
maintaining flexibility for
country-specific circumstances.