

# Werkers Change

INTERNATIONAL
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CONFEDERATION
(ITUC) CONTRIBUTION
TO THE 18TH
CONFERENCE
OF THE PARTIES
TO THE UNFCCC

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With a global crisis, economic slowdown and unemployment spreading, our leaders might think that this is not time for strong action on climate change. They cannot count on unions to endorse this approach. Lives, jobs and livelihoods are already being lost as a consequence of climate change, and the science has never been clearer on the future environmental, economic and social impacts of current emission trends.

#### Introduction

A global assembly of trade unions<sup>1</sup>—the biggest ever organised around environmental issues- made clear in June this year that the trade union movement is ready to take the challenge of transforming our production and consumption patterns, and the fight against climate change is a paramount objective in this struggle. We have legitimate concerns about the potential impacts of climate policies for workers and their families in some energy intensive sectors, but this does not negate the fact that inaction is not an option. Unions strongly believe that ambitious climate change action can lead to positive changes for workers and communities around the world, putting our societies on a path towards sustainability. This is a matter of political will.

A Just Transition, defined by ambitious objectives and containing a long term sustainable industrial strategy based on decent work, social protection, skills development, economic diversification policies, consultation and collective bargaining and respect of the rights of trade unions & communities can facilitate the change we need.

Leaders must bring back climate to the highest level of decision-making, keeping in mind that cli-

mate policies are not about economic sacrifices: a climate-sound investment policy holds the promise of a job-rich recovery.

The ITUC urges governments meeting in Doha to step out of their comfort zones and take decisions based on a shared responsibility towards the world's citizens and the next generations.

This said, the union movement cannot remain silent when we witness the situation faced by workers in Qatar -which can only be described as 21<sup>st</sup> century slavery, or to the discrimination and violence against women. The fight against climate change cannot be separated from the need for a society where human and workers' rights are respected. Climate Justice and Social justice are two sides of the same coin when it comes to trade union action on the environment.

#### Climate governance: needed more than ever, but still far

We are concerned that Doha might be part of a declining trend in ambition at the international level, which is moving us further away from limiting average temperature increases to 2°C, even more to a 1.5°C trajectory.

We urgently need to build a strong architecture for a legally-binding climate regime, based on the common but differentiated responsibilities and respective capacities of each country. Only commitments

<sup>1. 2</sup>nd Trade Union Assembly on Labour and Environment. 11-13 June Rio de Janeiro, Brazil 2012. http://assemblyrio20.sustainlabour.org/

of that strong legal nature enable civil society to defend and hold governments accountable to stronger climate action at the national level.

The crisis the developed world is facing, and which is now visibly affecting the rest of the world, with no signs of recovery, might make some believe there is a need to suspend commitments on emission reductions or climate financing. These are the same voices that are asking for less regulation, less public services, less solidarity. Unions express their firm opposition to this approach which ultimately places the burden of paying for all the crises on the poor.

Around the world, precarious jobs and inequality are the result of an unsustainable economic model. The ITUC is convinced that a different economic and development model can lead to positive changes in social and environmental outcomes, and can therefore contribute to the fight against climate change and increase the chances for developing countries to ensure prosperity and decent work for their people.

Further delay by all actors in this process will exacerbate unfairness, in particular for those who will need to cope with the impacts of climate change and are already living on the edge of exclusion. The international labour movement will continue to work towards a stronger engagement by workers and communities in the struggle against climate change, and expects governments to act with a sense of their historic responsibility towards current and next generations.

### Social justice can only be achieved with a solid climate regime

The fight against climate change raises important questions about social justice, equity and rights across countries and generations. Over the years, trade unions have developed a position aimed at ensuring that the social dimension of climate policies is well integrated and workers are involved in climate change decision-making. Following the 2010 decisions in Cancun, where governments committed to ensure a 'Just Transition', we seek to ensure that the process builds on this acknowledgement, and Just Transition is an essential part of any outcome of the LCA and ADP processes.

Nonetheless, a major link between social justice and climate change tends to be ignored, and it is related to the social injustices generated by climate inaction. It is this realisation that makes trade unions around the world believe that climate action is essential –while not sufficient- to achieve social justice. There can only be decent work, prosperity and equity if the climate system is protected. In the short run, social justice builds the fundament for environmental and climate action: without the satisfaction of basic needs and social justice the implementation of life-saving climate action will not work.

Every day, workers and their families, face the consequences of inaction on climate change. The number of examples continues to grow. When millions were affected by Bangkok's outskirts flooding, almost all industrial sites were evacuated, hundreds of thousands of workers lost their livelihoods, and many companies have not reopened since. And climate impacts are also having their effects on workers' health and safety: a recent report2 indicates that as the planet warms, thresholds regulated in international and national occupational standards regarding heat in workplaces are increasingly surpassed. This is not only a threat for workers' health, but also to national prosperity. The world loses 300 billion dollars a year of its wealth (0.5% of GDP) due to the loss of workers' productivity, and this is estimated to reach over 1% in 2030, with parts of West and Central Africa losing 6% of GDP in the same period.

These are just two examples which show that climate change is not only posing risks to sectors which depend on natural resources, like agriculture. All jobs are at risk if urgent measures are not taken to reduce emissions and if adaptation policies do not take into account the realities of the world of work.

#### Mitigation: ambition, responsibility and Just Transition

The International Trade Union Confederation reaffirms the commitment of the global trade union movement to achieving an agreement that will limit the global temperature increase to 2°C or less. Consistent with this fundamental objective, trade unions urge Governments at the UNFCCC to commit to reducing emissions in accordance with the IPCC scenario for reducing global greenhouse gas (GHG) emissions: 85% by the year 2050. There is a need for

<sup>2.</sup> Climate Vulnerability Monitor 2nd Edition. A Guide to the Cold Calculus of a Hot Planet, DARA and the Climate Vulnerable Forum. Spain, 2012.

interim targets to achieve the long term goal, including a corresponding reduction of at least 25%-40% by developed countries by 2020 below 1990 levels. We also call on major emitters in developing countries and countries that have surpassed a certain development threshold to participate through a range of policies including targets on renewable energy, energy efficiency, avoided deforestation, among others. These need to be accompanied by clear objectives and mechanisms in developed countries to provide finance and enhance technology development and transfer. Such contributions are particularly needed in light of the principle of "historic responsibilities" for the current climate crisis.

While making the transition to low-carbon development in a way consistent with their capabilities, all countries must be able to provide at the same time decent livelihoods and quality jobs for their citizens. Sound policies can make this possible.

Trade unions note with concern the gap in ambition when governments' 'pledges' are compared with the need for a 25-40% GHG emission reduction in the developed world or with scientific assessments of GHG concentrations [the 'gigatonne gap'] and urge them to address it. The process of Review of the implementation of the Convention in the light of the fifth IPCC assessment report, which will come out in 2014, should guide more ambitious action on this matter. Civil society should also be able to provide formal inputs to the Review process.

The international labour movement considers it essential to avoid a gap in emission reduction commitments and to preserve the legally-binding and top-down aspects that a 2nd commitment period of the Kyoto Protocol will bring. Therefore we want to see in Doha the highest possible number of developed country governments joining the 2<sup>nd</sup> commitment period with the highest emission target already 'pledged' or more, and with a review procedure which will allow countries to increase their commitments during the period.

The risk of a fragmented regime on emission reductions must be reduced to a minimum, urging governments that are not part of the 2<sup>nd</sup> Commitment Period of the Kyoto Protocol to move from the "bottom-up/pledges" approach to the Kyoto ProtocolinspiredQuantified Emission Limitations or Reduction Objectives (QELROS), as the former puts at risk our capacity to build solid governance of the climate system

Decisions in Durban opened the way for discussions around equity. Since the beginning of our involve-

ment in climate negotiations, we have argued that justice should not only apply to the relationships between governments but also within countries, thus protecting the most vulnerable in society. There must be provisions for the fair distribution of the costs associated to emission reductions, so that the poorest will not carry the heaviest burden. Distribu-

# Delays on climate action place the burden on the poor"

tional impacts of climate measures –including for example on low-skilled workers, poor consumers, just to mention a few, need to be taken into account in order to direct emission reduction efforts towards those with the capacity to carry out such measures.

#### Climate & Jobs: stop the confrontation!

The ITUC sees with concern several attempts to convince workers that climate legislation is a job killer. In some cases, job losses can be the result of ill-arbitrated regulations, but in the vast majority, this statement is the result of a manipulation of figures aimed at scaring working families. With 225 million workers actively seeking a job and more than 1.52 billion (a fifth of humanity!) in vulnerable employment conditions, workers do not need those futile fights between short term and long term. They need coherent and ambitious strategies to help them gain a decent job in a safe planet.

Trade unions consider it crucial to link the climate change agenda with a pro-active decent job creation strategy. Research shows the positive record of several sectors in creating jobs under difficult economic conditions and their potential to deliver even more if the right policy framework is put in place (i.e. renewable energy, clean and energy efficient technology, building retrofits, public transport). Studies focusing in just twelve developed and developing countries show that up to 48 million jobs could be created every year if 2% of GDP was invested in these sectors<sup>3</sup>. And those can certainly revitalise the manufacturing and services sector. There is a need to scale up investments for realising this potential, accompanying them

with decent work policies, and also developing new industrial and sectoral strategies which will lead in the long run to a different economic model, socially fair and less intensive in natural resources. Public policies are key in achieving these objectives, and so is the role of public services in implementing them. The 'greening' of jobs in traditional sectors is also crucial if we want to achieve emission reductions in the short run. Growing "green and decent jobs" and "greening" all jobs will help build public support for climate action.

The need for accompanying emission reductions and other climate policies with a Just Transition strategy is now acknowledged by the climate community as evident. However, we underscore that neither ambitious climate policies nor industrial strategies have been put in place to ensure workers and their families are fully part of a low carbon and sustainable economy. Sustainable investments and decent work promotion, social protection, assessment and anticipation of employment impacts,

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local economic diversification, skills' development support and tripartite negotiations on these issues are crucial aspects of the Just Transition strategy we urge governments to put in place along with climate policies.

At the UNFCCC level, this goes in line with the 'operationalisation' of the Just Transition framework adopted in Cancun, and requires the addition of employment and distributional aspects of low carbon plans in developed countries, as well as the consideration of putting National Appropriate Mitigation Actions (NAMAs) that could score high in employment and decent work generation onto a fast-track in their implementation. There must also be a debate on the extent to which social aspects of climate action must be dedicated a better space under the new negotiating framework.

Equally, trade unions are working hard in ensuring that the International Labour Organisation deals with Just Transition policies in the upcoming 102<sup>nd</sup> International Labour Conference (5-21 June 2013)

and agrees on developing an instrument on this issue next year. It is fundamental that governments committed to the climate change agenda at the UN-FCCC show support for this negotiation at the ILO level.

#### Finance: no more empty shells!

In a context of financial instability and contractionary fiscal policies in almost all the developed world, with most economies facing grave risks of recession and rising poverty, the international community should not walk away from its commitments on climate finance. There is a moral imperative for developed countries and for those who can bear the costs to help those who have the least responsibility for causing the problem and the lowest capacity to respond. Furthermore, financing mitigation costs in developing countries is not an option but a condition to guarantee the planet's safety.

Now that the Green Climate Fund has finally been launched, much still needs to be done to ensure that it fulfils its mandate in a democratic, transparent and responsible manner. The ITUC has repeatedly shared, in cooperation with other civil society groups, its concerns on the lack of space for thorough civil society inputs in the GCF Board meetings. The efficiency and effectiveness of climate finance depends on the strong support and involvement of civil society, including trade unions, in decision-making and implementation. The GCF Board must ensure best practice in this regard is adopted, so that we can contribute on substance to crucial discussions on the Fund's workplan, social and environmental safeguards, the relationship with the private sector, just to mention a few

Trade unions support the adoption of a detailed list of social and environmental safeguards, including the compliance with ILO Core Labour Standards and other relevant instruments, and the active involvement of affected groups in the design and implementation of the Fund's supported projects.

When it comes to funding itself, it is fundamental that this Fund be guided by two principles: the need to look for sources that provide adequate funds in terms of volume, sustainability and predictability; and the need to ensure that the sources comply with the objectives of the process, including justice, thus collecting funds from those who pollute the most and who have a higher capacity to pay. It is also key to start channelling funds as soon as possible, in order to ensure it will become a

major mechanism for funding adaptation and mitigation actions.

While there are obvious linkages between adaptation/mitigation and development, climate financing must be additional and must not compete with development assistance. The trade union movement will oppose a transfer of funds from fundamental issues such as poverty eradication, employment creation, education or improving labour conditions.

In addition, it is important to keep in mind that while the USD 100 billion target guides discussions, financial flows must be adjusted to need - the costs of adaptation and mitigation measures being uncertain and probably greater than the amounts committed to date. Financial needs should be reviewed periodically.

This makes the discussion on **sources of funding** a crucial one.

Mandatory contributions from developed countries' national budgets will play a fundamental role. The international labour movement can not accept that budget cuts and fiscal consolidation initiatives are used as an excuse to avoid climate finance or any other international commitment. Public-based sources are of particular importance in the context of negotiations over funding between 2013 and 2020, when innovative sources could start playing a bigger role. There is an urgent need for an agreement which will detail the sources of funding of long-term fi-

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When it comes to "innovative" sources, the international trade union movement urges governments to implement a Financial Transactions Tax (FTT) and consider it as a source of revenue for climate action. The FTT has multiple benefits: it is scalable, predictable and has the co-benefit of curbing dangerous financial speculation. A tax on financial transactions (of between 0.02% and 0.05%) could raise USD\$650 billion a year globally. The International Trade Union Confederation and trade unions around the globe are mobilizing to see this instrument implemented, ensuring that part of the revenue goes to development and climate finance. Regarding other options, a carbon tax in "OECD+" countries4 for example could also be foreseen as it would discourage GHG emissions and generate important revenues, some of which could be used for

resourcing the Green Climate Fund. It is important to ensure that the application of such a system respects the principle of common but differentiated responsibilities and ensures emissions reductions as well as fiscal and social justice, addressing distributional impacts through compensation policies. Another 'innovative finance' option relates to the maritime and aviation sectors, which, based on their global nature, as well as their increased contribution to global GHG emissions should also contribute through a levy to the effort to combat climate change, provided that these measures are implemented on a universal basis and that a compensation mechanism is put in place to address equity concerns, in particular in developing countries. Trade unions are sceptical on the extent to which the private sector will contribute to (rather than benefit from) climate finance. Enterprises will invest in areas where profit can be made -mainly on mitigation-, and governments must ensure a sound regulatory framework to leverage such private sector activity. However, financial flows discussed under the UNFCCC are aimed at helping people adapt to climate change and achieve emission reductions. These objectives must be fulfilled whether they generate private benefits or not. This makes very clear the need to consider only those resources coming from public contributions, through national or international instruments, or perhaps from private donations, as constituting climate finance.

The International Trade Union Confederation views the excessive attention given by some governments and the UNFCCC to the involvement of the private sector with concern, as these could be seen as an attempt to delegate public responsibilities and commitments to the private sector.

## Adaptation needs to start now, and social protection systems will play a key role

Progress on adaptation in the past COPs limited itself to institutional decisions. At a time where extreme weather events are having a direct impact on peoples' livelihoods, jobs and incomes, in particular in the poorest communities, we need to ensure that the international community delivers adaptation programmes that fit the realities of people on the ground.

This requires strong civil society participation mechanisms in the Committee, as well as on the process for designing National Adaptation Plans.

<sup>4.</sup> As suggested in the UN Secretary-General's High-level Advisory Group on Climate Change Financing Report.

More substantially, adaptation work at the UNFCCC must ensure there is a link between adaptation policies and the strengthening of social protection systems and public services at the country and local level. The securing of income, unemployment benefits, child care and maternity protection, health care and pensions, including for people with disabilities, holds real potential for sustaining the livelihoods of communities that might be at risk as a consequence of climate change, and today face these risks with little or no protection. The ILO states that 'Social security, including basic social protection, is a well established mechanism for risk sharing with regards to loss of income and its strengthening should be an integral part of adaptation measures.'5

While there is a clear consensus among UN agencies and adaptation actors on the potential social protection systems have when tackling vulnerability to climate change, this still needs to be reflected at the policy level.

5. ILO Submission to the UNFCCC http://unfccc.int/resource/docs/2011/smsn/igo/107.pdf

The Cancun Adaptation framework highlights several policies which would be facilitated by the creation or strengthening of social protection systems, including designing adaptation plans and strategies, reinforcing institutional capacities for adaptation and building resilience of socio-economic systems.

Ensuring these linkages are made requires social protection systems to appear as relevant tools for vulnerability reduction in adaptation discussions. To integrate work on social protection systems into the work of the UNFCCC most effectively, we strongly recommend that:

- Social protection systems are included as a substantive issue to be addressed under the mandate of the Adaptation Committee;
- The process to enable Least Developed Country (LDC) governments to formulate and implement national adaptation plans recognises the importance of social protection systems in reducing vulnerability.
- The ADP workplan on adaptation includes the need for rights-based, long term approaches to adaptation, including the strengthening of social protection systems.

# Qatar: do the right thing

#### No World Cup without workers' rights

- More people will die building Qatar's World Cup stadiums than will play in the World Cup
- 1.2 million workers in Qatar are prohibited from joining a trade union, in violation of international rights to freedom of association and collective bargaining.
- 94% of working people in Qatar are migrant workers, with no rights at work.
- Qatar controversially won the bid to host the 2022 FIFA World Cup, and plans to spend over \$100 billion on stadiums and other World Cup projects.
- Thousands of extra workers will be needed for these huge building projects over the next ten years.
- We want people to know about the problems facing workers in Qatar, where more people will die building the World Cup infrastructure than will play in the World Cup.
- Nearly 200 Nepali workers die each year in Qatar. Qatar refuses to publicly count the number of workers who die or are injured on the job.
- Hundreds of other migrant workers from India, Sri Lanka, Pakistan and Bangladesh are also killed or injured in Qatar each year.
- Local laws in Qatar stop migrant workers from forming a trade union, collectively bargaining for better wages, and healthy and safe work.

#### You can send a message to Qatar that there will be no World Cup in 2022 without workers' rights. Go to www.act.equaltimes.org/en

The ITUC is highlighting the rights of migrant workers in Qatar during COP 18, follower @ituc on Twitter to find out more or contact Philippe.Gousenbourger@ituc-csi.orgb

Key demands for Doha COP18

Building a sound emission reductions regime: Trade unions call for a global regime which follows the IPCC scenario for reducing global greenhouse gas (GHG) emissions by 85% by the year 2050 and emphasise the need for interim targets for this to be achieved, whereby developed countries assume an emission reduction target of at least 25-40% by 2020 based on 1990 levels and major emitters in developing countries and countries that have surpassed a certain development threshold take actions to deviate from projected emission trajectories through investments, for example in renewable and clean energy efficient technolo-

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gies, public transport or sustainable agricultural

practices.

It is also key that the outcome of the Long-term Cooperative Action (LCA) stream contributes to building a top-down regime outside the KP, aligning "pledges" from the developed world to the 25-40% emission reduction target, changing language from pledges to "quantified emission reduction commitments" and agreeing on common accounting rules, including on compliance. In this context, and taking into account the different responsibilities and capacities of developed and developing countries, we also expect an increase in the ambition of major emitters in developing countries, including NAMA pledges for those who have not done so and clarity on the support needed to make them possible.

A sound emission reductions' regime must be designed in parallel with a responsible strat-

egy for transforming and developing clean industries, empowering workers to access jobs created in them and supporting them and their families in the transition (see under *Operationalising Just Transition*)

Climate Finance: The international trade union movement is also convinced that unless climate finance is made available in the long term, promises and plans for achieving a low-carbon and climate-resilient world will remain empty words. The Green Climate Fund can play a major role in financing adaptation and scaling up low carbon investments, provided it develops a sound governance, where civil society stakeholders, including trade unions, can voice their proposals and concerns at all stages of the decision making process (from the Board to ground projects), where solid social and environmental safeguards (including ILO labour standards) are developed, and, most important, sufficient funds are provided to undertake its tasks.

The launch of the GCF requires new pledges on short term funding, and a rapid workplan developed on Long Term Finance where public sources are detailed, including innovative sources such as the Financial Transactions Tax.

Operationalising Just Transition: Parties have already agreed (in COP17) on the importance of ensuring a "Just Transition which will create decent work and good quality jobs in the transition towards a low emission and climate-resilient society". It is time to give better guidance on how to mainstream that mandate in UNFCCC decisions. This means incorporating different dimensions of the world of work in some of current discussions, such as the role of social protection in the work of the Adaptation Committee and the ADP, skills development in the work of the Technology Centers, and joining efforts with the International Labour Organisation (ILO) in 2013 for developing a standard defining roles and responsibilities of governments, employers and trade unions in organizing the transition towards a low emission, climate resilient society.