



ITUC CSI IGB

Workers & Climate Change

**INTERNATIONAL
TRADE UNION
CONFEDERATION
(ITUC) CONTRIBUTION
TO THE 17TH
CONFERENCE
OF THE PARTIES
TO THE UNFCCC**

28TH NOVEMBER
9TH DECEMBER 2011
DURBAN, SOUTH AFRICA

Workers around the world are deeply concerned at the loss of momentum on climate change. The ITUC urges governments meeting at Durban to step out of their comfort zones and take decisions based on responsibility towards the world's citizens and the next generations.

Mitigation & the legal outcome: Trade unions call for a global regime 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 technologies, public transport or sustainable agricultural practices. 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 could bring. Therefore we would support those developed country governments willing to join such an initiative, with the highest emission target already 'pledged' or more. It is also important that governments reach an agreement on the legally-binding nature of the outcome of the Long-term Cooperative Action track, taking into account the different responsibilities and capacities of developed and developing countries under that track.

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. We expect Durban to establish a Green Climate Fund that will meet sufficient requirements in terms of social and environmental safeguards (including ILO labour standards), civil society involvement and, most important, sufficient funds to undertake its tasks. Durban should deliver a roadmap ensuring the 100 billion USD agreed in Cancun will be directed through the Fund, detailing the public sources, and incorporating innovative sources of finance such as the Financial Transactions Tax.

Operationalising Just Transition: In Cancun last year, the final statement adopted by governments agreed 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 the workstreams under the LCA, such as the role of social protection in the work of the Adaptation Committee, skills development in the work of the Technology Centers or by **giving a mandate to the International Labour Organisation (ILO) to work on the implementation of this decision** (See full description of this proposal in Annex I).

**Key
demands
for
Durban**

Introduction

The climate regime is at a crossroads and workers around the world see this situation with rising concern. 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 the worst option, that many more jobs and livelihoods will be at risk if urgent measures are not taken to save the climate, and most importantly, that ambition on climate change 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.

The International Trade Union Confederation (ITUC) and its members can not, and will not, cease our efforts until the last union member is convinced about the need for a change towards a climate-sound society; and we need to see same level of commitment from governments towards social and climate justice.

Durban must not limit itself to the 'implementation of the Cancun agreements', if the process is to give the climate a chance to avoid a $>2^{\circ}$ degrees trajectory. This requires among other things building a strong architecture for a legally-binding climate regime, based on the common but differentiated responsibilities and respective capacities of each government. Only commitments of that strong legal nature enable civil society to defend climate action at the national level.

The crisis the developed world is facing might make some think that we can 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 lets the poor pay for all the crises.

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 lead to 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.

The ITUC is also convinced that there is a need for a fuller debate on how we deepen and broaden our efforts to achieve sustainability, which of course include fighting climate change. We therefore see the upcoming discussions for the UN Conference on Sustainable Development (Rio+20) as a major opportunity. We are convinced that concrete decisions can be taken at Rio+20 to help us in achieving a Just Transition towards a more sustainable society, including through environmentally-friendly investments that would lead to decent job creation.

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 are confident that the process will build on this acknowledgement, and Just Transition will be an essential part of any outcome of the LCA process.

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. Hundreds of examples exist. Just to mention one, in October this year when millions were affected by floods in Thailand, almost all major industrial sites near Bangkok were evacuated and hundreds of thousands of workers lost their livelihoods. This shows 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.

What must this Durban conference and the UNFCCC do?

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 follow 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, 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 particu-

larly 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.

“ There can only be decent work, prosperity and equity of the climate system is protected.

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. From a trade union perspective, it is clear 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 cost associated to emission reductions, so that the poorest will not carry the heaviest burden. Distributional impacts of climate measures need to be taken into account in order to direct emission reduction efforts towards those with the capacity to carry out such measures.

Taking into account the employment dimension of mitigation actions is key. The world is currently facing rising unemployment, and for those who have work, increased risk of precarious working conditions and poverty. Almost half a billion young people are set to join the workforce within the next decade. Trade unions consider it crucial to link the climate change agenda with a pro-active decent job creation strategy. Several sectors have already shown their potential in terms of green job creation (i.e. renewable energy, clean and energy efficient technology, building retrofits, public transport). And we have also seen successful linkages being made with manufacturing and the services sector. There is a need to scale up investments for realising the potential

of these sectors, 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. The potential for job creation and transformation arising from an annual 2% GDP “green” investment in each country is huge, and could help building public support for climate action.

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.

Finance: no more empty shells!

In a context of financial instability and contractionary fiscal policies in almost of 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 those who pollute and for those who can bear the costs to help those who have the least responsibility for causing the problem. Furthermore, financing mitigation costs in developing countries is not an option but a condition to guarantee the planet’s safety.

Governments in Durban should launch the Green Climate Fund and adopt a roadmap which will ensure its sustained funding. 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 through it 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 finance.

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+” countries¹ 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

¹ As suggested in the UN Secretary-General’s High-level Advisory Group on Climate Change Financing Report.

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. A climate finance roadmap in Durban should also be transparent regarding the role the private sector will play in this process. Enterprises will invest in areas where profit can be made, 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.

Finally, 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. We are afraid that giving to all representative groups of civil society the same weight as to the private sector in the Green Climate Fund (i.e. two seats for civil society, two for the private sector) does not reflect the need to give a strong voice to those who will need to be protected through climate fund projects. Trade unions support the introduction into the Fund’s mandate 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.

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

Progress on adaptation in Durban must not be limited to institutional decisions on the Adaptation Committee. 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. 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.

“ Governments in Durban should launch the Green Climate Fund and adopt a roadmap which will ensure its sustained funding

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.*’²

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.

The Cancun Adaptation framework highlights several policies which would be facilitated by the creation or strengthening of social protection systems,

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

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 discussions on the Cancun Adaptation Framework, as well as to rCP/10 under the SBI. 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 recently-created 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.

Technology: support for skills development and training must be at the heart of discussions

It has been acknowledged by all actors of this process that sustainable technologies will play a key role in achieving the transformation towards a climate-resilient and low emission society. The means by which it will be ensured that all countries, in particular developing countries will have access to these technologies, and most importantly, will be helped in building the endogenous capacities to develop their own, is less clear.

It is important to ensure that this process will match the needs of recipient countries, including their capacity to develop their own technologies and processes.

Current technology discussions at the UNFCCC still seem to be far from deciding the ways by which this process will match needs with capacities. Of utmost importance for trade unions is that it still ignores the importance of accompanying the transfer of technology with the transfer of skills for the workers that will manipulate them; and this, even when it is clear that new schemes aiming at developing, deploying and transferring new climate-related technologies, as well as the need to ensure an appropriate ownership of technology development and use, will require a skilled and trained workforce. Skills shortages have also been identified as a serious bottleneck for realising the potential of both mitigation and adaptation

actions, as well as causing lost livelihood for workers in sectors at risk³.

Taking into account the above, and the fact that an essential part of the 'Just Transition' framework relates to skills development and training, governments at Durban should decide that one of the key roles of the Technology Centers and Networks is to assess skills needs and to develop and expand workers' training programmes in the framework of climate policies. The TCN should therefore raise the profile of vocational training, organise an early identification of skills needs and develop, along with each of its technological actions, a corresponding training initiative aimed at ensuring workers in recipient countries can realise the potential of these actions. This requires, among other things, adding skills and training in the terms of reference for the TCN host.

Another key role of the Technology Centres and Networks is to ensure that technology transfer projects respect social and environmental standards as well as the participation of workers and trade unions and other representatives of civil society, in their design, implementation and evaluation.

3. ILO, UNEP, ITUC, IOE - Green jobs: Towards Decent Work in a sustainable, low-carbon world – p.25 http://www.unep.org/labour_environment/PDFs/Greenjobs/UNEP-Green-Jobs-Report.pdf

**In Durban,
meet the international trade union
movement at the World of Work (WoW)
Pavilion! For more information:
www.ituc-csi.org/wow**

**For more information on the ITUC position
on climate change in Durban, please contact
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ITUC position on the need for a UNFCCC mandate to the International Labour Organisation (ILO)

Our demand

Trade unions call for a UNFCCC decision inviting the Director General of the International Labour Organisation, as the specialised UN agency on labour issues, to consult the ILO in order to periodically report on countries' progress in ensuring a Just Transition and provide recommendations to the UNFCCC on how to better reflect Just Transition components in its decisions.

As a first step, and in the context of COP17 in Durban, trade unions call on Parties to take a decision under the Shared Vision, "asking the SBI to discuss the most appropriate means by which Parties can operationalise the reference to Just Transition and Decent Work, including through an invitation to the ILO Director General of the ILO to give a mandate to the ILO".

The need for a mandate

The challenges of the transition – in particular when it comes to employment, livelihoods and incomes – need to be better understood and addressed. The UNFCCC took an important first step with the adoption of text on Just Transition and Decent Work as part of the Cancun Agreements. There is now a need to follow up on this and operationalise that commitment.

The trade union movement is exploring two complementary tracks in this regard:

First, to include 'Just Transition' components in different building blocks of the discussions under the AWG-LCA (social protection in adaptation, skills in technology transfer, employment and social dialogue in mitigation and adaptation, social safeguards in finance).

Second, we think there is a need to ensure the debate on the challenges of implementing climate action for the world of work is deepened, and includes experts on labour issues. This is also a means for ensuring coherence and guaranteeing progress on the social and environmental front. With its expertise on labour-related issues as well as the legitimacy arising from its tripartite structure (government, employers, trade unions), the International Labour Organisation is the only UN agency able to provide a thorough follow-up to this decision. The ILO is also best placed to provide advice to UNFCCC constituents on the best means of ensuring the transition to a low-emission and climate resilient society is organised in a manner that protects and promotes the needs of workers and their families.

What should the ILO and the UNFCCC do?

The mandate for the ILO would be two-fold:

The UNFCCC would be required to engage the ILO in providing feedback on ways in which decisions can better integrate Just Transition aspects. Even where not requested to do so by the UNFCCC, the ILO should have a mandate to provide comments and recommendations if it identifies opportunities to strengthen the application of Just Transition principles.

The ILO would follow up through its governing organs, the

Governing Body and the International Labour Conference, regarding the need for ensuring Decent Work in the Just Transition framework and would decide in collaboration with its constituents on the policies that need to be promoted in order to enshrine the concept in the work of the ILO. The ILO would report periodically to the UNFCCC on progress made at the international and national level on implementing a Just Transition.

What would be the benefits?

The climate system needs urgent action and a rapid transition to sustainability. The Just Transition framework is aimed at securing broad social support for the transition, as it implies designing a set of social measures which will bring prosperity to people while securing intergenerational equity.

For workers and trade unions, the provision of a mandate to the ILO would be the insurance of being consulted in the process, and achieving a good policy design at the UNFCCC level. It would also facilitate the mainstreaming of issues that are poorly understood but should be better incorporated in climate decision making, such as the role of social protection, employment assessments, training and skills development, social dialogue and tripartism, among others.

For the UNFCCC, it would imply a renewed and permanent commitment to social justice, organised through a simple and cost-effective mechanism that avoids overloading the process with discussions requiring a different expertise to that currently available at the UNFCCC.

At the ILO level, this cooperation with the UNFCCC would strengthen its work on environmental issues and consolidate work on the green/decent jobs agenda. It would assist in the better incorporation of climate imperatives in the Decent Work agenda, therefore enhancing its long-term vision. A clear mandate would empower its constituents in their work at the national level.

What should be done at the UNFCCC?

Trade unions remain open to discuss how such a mandate could be designed. Nonetheless, as a first step and after exploration of different options, we believe **it is necessary that the LCA, under the shared vision, mandates the SBI to discuss the means to implement the reference to a Just Transition.**

The SBI should be directed to explore, at its subsequent session, the concrete modalities of extending such a mandate to the ILO.

A workshop on the different dimensions of a Just Transition under the LCA-Shared Vision, or an expert meeting under the SBI should be considered as a useful next step.

Durban

29 NOVEMBER
6 DECEMBER
2011

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Howard College campus
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Read more about trade unions and climate change in English, French and Spanish !

www.ituc-csi.org/climate-change-and-green-economy.html

Find us in Durban:

- Trade Union (TUNGO) coordination meeting, every morning, 9am, UNFCCC Conference Center (check room in Daily Programme)
- ITUC Booth, International Convention Centre (ICC)

And the rest of the time:
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The WoW pavilion has been organised with the support of the Friedrich Ebert Stiftung (FES) and Sustainlabour.