The Contribution of Social Dialogue to the 2030 Agenda
Promoting a Just Transition towards sustainable economies and societies for all
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ACRONYMS AND ABBREVIATIONS

BRT: Bus Rapid Transit
CATP: Central Autónoma de Trabajadores del Perú
CCOO: Comisiones Obreras
CGTP: Confederación General de Trabajadores del Perú
COP: Conference of the Parties
COSATU: Congress of South African Trade Unions
COTAMA: Comisión Técnica Asesora de la Protección del Medio Ambiente de Uruguay
CUT: Central Unitaria de Trabajadores - Chile
CUT: Central Única de Trabajadores - Perú
DENR: Department of Environment and Natural Resources (Philippines)
DILEEP: Integrated Livelihood and Emergency Employment Program
ETUC: European Trade Union Confederation
FLAEI: Federazione Lavoratori delle Aziende Elettriche Italiane
FNV: Federatie Nederlandse Vakbeweging
FRUTCAS: Federación Regional Única de Trabajadores Campesinos del Sudoeste Potosino
GFA: Global Framework Agreements
GMO: Genetically Modified Organisms
ILO: International Labour Organization
IPCC: Intergovernmental Panel on Climate Change
ITUC: International Trade Union Confederation
ITF: International Transport Federation
KSBSI: Confederation of Indonesian Prosperity Trade Unions

MGREGA: Mahatma Gandhi National Rural Employment Guarantee Act
MWU: Matatu Workers’ Union
NDC: Nationally Determined Contributions
NEDLAC: National Economic Development and Labour Council (South Africa)
OECD: Organisation for Economic Cooperation and Development
PSI: Public Services International
NGO: Non-Governmental Organisation
PIT-CNT: Plenario Intersindical de Trabajadores-Convención Nacional de Trabajadores (Uruguay)
PLADA: Development Platform for the Americas
PNDCR: Plan Nacional de Descarbonización de Costa Rica
PUTON: Public Transport Operators’ Union (Kenya)
PUVMP: Public Utility Vehicle Modernization Program
SDG: Sustainable Development Goals
SGRE: Siemens Gamesa Renewable Energy Group
SIDS: Small Islands Developing States
SPC: Social Partnership Council
SQM: Sociedad Química y Minera de Chile
TAWU: Transport Workers Union of Kenya
UNFCCC: United Nations Framework Convention on Climate Change
UGT: Unión General de Trabajadores
WLR: Workers’ Legal Representation
The world is facing a climate emergency. Workers across the global economy are simultaneously confronted by a global labour market crisis.

A living planet, secure jobs - decent work must be our ambition. Climate action and a Just Transition is possible and is necessary to act on the call of our children who have taken to the streets to demand their future is preserved.

In order to reduce greenhouse gas emissions at the rate necessary to save our planet, the global union movement knows this will require action in every workplace, every industry and sector, and in every country.

The Sustainable Development Goals (SDGs) and the Paris Agreement can only be realised with significant technological, social and economic transformations and these require all of us.

For unions, a Just Transition is the pathway to high ambition as it builds the trust of people and communities in a secure future, it builds hope.

Workplace, industry and national unions want to ensure that workers’ wages, security of employment, health, safety, and social protection are guaranteed in economic transition processes, as well as, for new jobs created in new and emerging industries.

In order that the transition is deep enough, fast enough and fair enough, we are clear that the most needed element to get us there is social dialogue that can facilitate planning processes based on the right to bargain collectively, reaching negotiated agreements and granting genuine partnership.

This research paper showcases how Just Transition paths are possible and feasible, thanks to the involvement of trade unions in social dialogue.

Let us all pledge to create a world where jobs are green and decent, human and labour rights are respected, greenhouse gas emissions are at net-zero, poverty is eradicated, and communities are thriving and resilient. Together we can do it.

Sharan Burrow
General Secretary – International Trade Union Confederation
CHAPTER 1
WHAT IS A JUST TRANSITION?

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A Just Transition secures the future and livelihoods of workers and their communities in the transition to a low-carbon economy. It is based on social dialogue between workers and their unions, employers, government and communities. A plan for Just Transition provides and guarantees better and decent jobs, social protection, more training opportunities and greater job security for all workers affected by global warming and climate change policies.

The science tells us that the levels of carbon dioxide in the atmosphere have already reached 415 ppm, the highest level recorded in human history. Current climatic conditions illustrate the increase in the impact of climate change. There is already evidence of record rises in the sea level, shrinking sea ice, glacial retreat, an increase in extreme events, and exceptionally high land and ocean temperatures. The global average surface temperature in 2018 was around 1°C above the pre-industrial benchmark level, and we are heading for a 3°C increase.

All governments as signatories to the 2015 Paris Agreement have committed to keep the global temperature increase well below 2°C above pre-industrial levels, and to work towards limiting it to 1.5°C. The global scientific consensus is that, to achieve this, and to avoid dangerous climate change, global emissions must be cut by 45% by 2030 and we must become emission neutral by 2050. The recommendations made by the Intergovernmental Panel on Climate Change (IPCC) represent a real challenge, requiring the transformation of the global production and consumption model and the decarbonisation of our economies, to revise the trajectory in the next 11 years.

The need to reduce greenhouse gas emissions, to optimise our use of resources, to alleviate the scarcity of many of the raw materials required for our production processes and technological development and to reduce the environmental and social impacts of mineral resource extraction implies the need for a radical change in the way we produce and consume. This transformation will require rapid and far-reaching changes in our energy, agricultural and industrial sectors, our buildings, transport and cities, and also represents a major challenge for the world of work. According to the International Labour Organization, at least half of the global workforce – the equivalent of 1.5 billion people – is affected by the transition to a greener economy.

The transition towards economies and societies that are free of greenhouse gas emissions must therefore be a socially just transition that takes on board the rights of affected workers and their communities.

And given that the world’s poorest countries, which are the least equipped to deal with rapid change, are set to be the hardest hit, it is also paramount that the fight against climate change be aligned with and committed to the fulfilment of a universal agenda such as the United Nations’ 2030 Agenda for Sustainable Development.

“Just Transition” is the term used to describe a wide-ranging workplace, industry, national and global strategy presented by the global trade union movement to protect those whose jobs, incomes and livelihoods are at risk because of the impact of climate change and climate policies. This concept formally appeared at the Cancún Climate Change Conference of the United Nations Framework Convention in 2010 and is recognised in the Paris Agreement (after many years of advocacy on the part of trade unions).
THE JUST TRANSITION CENTRE

The Just Transition Centre was established in 2016 by the ITUC and the ETUC. The Centre brings together workers and their unions, communities, businesses and governments in social dialogue to ensure that labour has a seat at the table when planning for a Just Transition to a low-carbon world.

The Just Transition Centre works with stakeholders to accelerate the Just Transition process through:

- Empowering workers and their allies through sharing examples of Just Transition processes and plans, facilitating capacity building, peer-to-peer skill and experience sharing on Just Transition.
- Documenting best practice in social dialogue processes through interviews, videos, reports and case studies.
- Starting and supporting social dialogue processes involving unions, communities, government and business, with participation from investors and experts.
- Strategic input to national and global policy dialogues and planning on Just Transition.

www.justtransitioncentre.org
The International Labour Organization (ILO) has been paving the way for the incorporation of Just Transition as an integral component of the Agenda for Sustainable Development. The foundations and guiding principles have been put in place thanks to several reports and resolutions on green jobs and Just Transition, culminating in 2015 with the unanimous adoption of the “Guidelines for a Just Transition to Environmentally Sustainable Economies and Societies for All”. These guidelines are addressed to governments and social partners (workers’ and employers’ representatives) and are based on the four pillars of the Decent Work Agenda: employment, labour rights, social protection and social dialogue. The guidelines propose the integration of Just Transition into macroeconomic policies by combining industrial and sectoral policies with the investment of public funds, appropriate taxation policies and the adjustment of training and education to the new imperatives.

The concept of Just Transition arose from the need to protect workers from these profound transformations and for government policies to pay attention to their potential effects in specific sectors and territories. Nowadays, there is recognition of the importance of a major social pact to support the processes of energy and ecological transition needed to achieve sustainable development quickly, effectively and without leaving anyone behind.

A Just Transition is a transition to a low-carbon, climate-resilient economy, which maximises the benefits of climate action, creating decent employment, and minimises the negative impacts for workers and their communities. The Just Transition agenda has two dimensions in terms of the results and the processes. On the one hand, it is an agenda for change in favour of the decarbonisation of the economy, committed to achieving a sustainable, resilient and inclusive society that eradicates poverty and guarantees decent work. On the other hand, it also aims to ensure, as part of the transition process, that the impacts on the most vulnerable populations and regions are anticipated and managed in a fair and concerted manner, while maximising the opportunities for socio-economic transformation. This is why social dialogue, which implies the involvement of the social partners in the decision-making processes of governments, is a crucial aspect of a Just Transition.

To this end, the Just Transition framework is supported by the following pillars:

- Early assessment of the social and economic consequences of climate change and responses to it: in the production sectors, in health and in employment.
- Promotion of substantial public investment in low-carbon sectors and technologies.
- Implementation of active policies for the restructuring and diversification of the economy: particularly in the territories most affected.
- Promotion of professional training and retraining for the development of skills for thorough economic restructuring and to increase resilience vis-à-vis a changing climate.
- Strengthening of social protection systems and public investment in health, education, etc., especially in the most impoverished countries and those that have lower institutional capacities.
- Promotion of social dialogue, collective bargaining, social participation and the search for concerted solutions in governance processes.

THE ILO GUIDELINES IDENTIFY NINE POLICY AREAS TO ENSURE AN ADEQUATE DEVELOPMENT OF A POLICY FRAMEWORK FOR A JUST TRANSITION – AT THE ENVIRONMENTAL, SOCIAL AND ECONOMIC LEVELS:

I. Macroeconomic and growth policies
II. Industrial and sectoral policies
III. Enterprise policies
IV. Skills development
V. Occupational safety and health
VI. Social protection
VII. Active labour market policies
VIII. Rights
IX. Social dialogue and tripartism

Figure 1 – Policy areas for a Just Transition towards environmentally sustainable economies and societies for all

Source: ILO
CHAPTER 2
A JUST TRANSITION IN ACHIEVING THE SUSTAINABLE DEVELOPMENT GOALS AND IN THE FIGHT AGAINST CLIMATE CHANGE
The greatest challenge facing humanity is the eradication of poverty, and without achieving this, there can be no sustainable development. This is the main premise of the 17 Sustainable Development Goals (SDGs) approved by the UN in its 2030 Agenda for Sustainable Development.

The key role of decent work in the promotion of economic development is highlighted in Goal 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all) and, more specifically, in Target 8.5 (Achieve full and productive employment and decent work for all, including women and young people). In target 8.4, the 2030 Agenda, proposes action to “improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation” in a framework of “sustainable development”, “full employment”, “decent work” and “quality employment”. In other words, in order to achieve sustainable economic development, we have to create the necessary conditions for people to have access to quality jobs by stimulating the economy without harming the environment.

The other great challenge is climate change, which is set out in SDG 13 (“Climate Action”). Poverty, social inequalities, the intensive use of resources and environmental pollution are dire manifestations and consequences of an economic model that is largely based on fossil fuels and that must be left behind. In this context, a transition towards a decarbonised economic model, which responds to the challenge of climate change and its negative consequences, is essential.

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**ENERGY TRANSITION AS A KEY ELEMENT OF THE SDGs**

SDG 7, Ensure access to affordable, reliable, sustainable and modern energy for all, considers energy to be a key element for almost all the challenges and opportunities facing the world today: employment, climate change, food security and food production, wealth distribution and reduction of inequalities, etc.

This demonstrates the crosscutting nature of energy issues and their connection with other SDGs: including SDG 1, Ending Poverty; SDG 8, Decent Work and Economic Growth; SDG 10, Reduction of Inequalities; SDG 11, Sustainable Cities and Communities; SDG 12, Sustainable Production and Consumption Patterns; and SDG 13, Climate Action.

This SDG and its synergies with other SDGs puts the onus on governments, companies and social partners to support initiatives that ensure universal access to modern energy services, improve energy efficiency, increase the use of renewable sources and decarbonise the global economy. That is to say that it calls for continued progress towards an energy transition to a new, fairer, more efficient, more sustainable and more democratic energy model.

This energy transition implicitly entails the need for a Just Transition, which guarantees decent jobs and the rights of the people in the sectors on which it has an impact, both in terms of job losses and job creation.

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2 Decent Work and the Sustainable Development Goals: A Guidebook on SDG Labour Market Indicators. ILO 2018.
According to the ILO report “Greening with jobs”, the negative effects of the pressure on ecosystems on the economy and employment, including those caused by the climate change that we are already undergoing, are enormous. The greater frequency and intensity of natural disasters have already reduced the productivity of ecosystems on which no fewer than 1,200 million jobs depend, representing 40% of global employment, thus resulting in an annual loss equivalent to 0.8% of one year’s employment. Even in a scenario of effective mitigation of climate change, the effects of the increase in temperature that is already taking place will lead to the loss of the equivalent of 72 million full-time job years by 2030. The countries whose economies and jobs are suffering the impact of the degradation of ecosystems are located mainly in Africa, Asia and the Pacific, but it is spreading rapidly to other regions and its effects of all kinds are already being felt worldwide.

It is important to emphasise that a great part of the commitments undertaken in the Paris Agreement against climate change and in SDG 13 (Climate Action) will not be possible for the vast majority of developing countries without substantial and progressive interventions by the public sector. These interventions will require the mobilisation of resources through fair taxation, a fair sharing of revenues from extraction and combating tax evasion/avoidance.

Sub-national and local public authorities should also plan for processes of transition and consider investing part of their income into diversification and future renewal in the event of partial closures, relocations or abandonment of economic activity. Municipalities/towns/cities receive significant income (via taxes, financial compensation, etc.) during the useful life of an industrial facility or economic activity located in their territory, and this income can be used to contribute to the financing of Just Transition strategies and the generation of economic alternatives.

C40 is a network of major cities committed to fighting climate change. Working across multiple sectors and issues, C40 brings together networks that provide a range of services in support of cities’ efforts to fight climate change. C40 currently has 17 networks that cover mitigation, adaptation and sustainability issues of highest priority to C40 cities and with the potential for the greatest climate impact. Through these networks, city practitioners from around the world advise and learn from one another about the successes and challenges of implementing climate action. Network interactions and C40 communications provide a platform for cities to showcase their climate action solutions.

The International Transport Federation (ITF), the Just Transition Centre and C40 have formed an innovative partnership committed to the following action priorities:

- Working with mayors and cities to ensure that the transition to green and healthy streets and net-zero buildings is a just transition that creates decent jobs, reduces inequality, and drives inclusion and improvements in the lives of working-class and low-income people. That includes the provision of clean, abundant, affordable, safe and reliable public transportation as well as affordable, available and energy-efficient housing.

- Building partnerships with mayors and city authorities to develop and integrate just transition plans that drive decent work and social action, including labour impact assessments, training, safeguards and job targets for men and women workers.

- Mobilising workers’ knowledge and skills to shape and enhance the supportive actions needed to meet the commitments in the Green and Healthy Streets Declaration.\(^4\)

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\(^3\) ITF is the International Transport Workers’ Federation.

\(^4\) https://www.c40.org/other/fossil-fuel-free-streets-declaration
Municipalities affected by nuclear power stations or mining regions have received significant financial compensation and public aid from European funds to promote their economic conversion and renewal throughout the useful life of these facilities.

This is why it is essential that the trade union movement engages and collaborates with national governments so that they accept their responsibility for carrying out these commitments, while at the same time being trained and instructed in how to participate in this process.

DEVELOPING SKILLS FOR SOCIAL DIALOGUE TOWARDS A JUST TRANSITION

The project “Climate change: building trade union capacities and quality public services for a just transition (2018-2022)” is an example of how trade unions can engage national governments on Just Transition.

This project aims to build capacity for public services trade unions to address the climate crisis. The partners hope to improve the technical and organisational skills of public services unions in order to develop effective social dialogue, identify the key aspects of the implementation of national commitments, and provide analytical tools for the critical evaluation of measures to be taken. The ultimate goal is to promote a socially just and green transition to address the climate crisis and demand government policies on the climate crisis - policies which see state intervention as central to reducing poverty (SDG 1), fostering decent work and economic growth (SDG 8), reducing inequalities (SDG 10), and promoting climate action (SDG 13).

This project is being developed by Public Services International (PSI) and supported by Union to Union through the Swedish trade unions Akademikerförbundet SSR, Vision and Kommunal in Zambia, Tunisia, Kenya, Peru, Jamaica, Dominica, and Antigua and Barbuda.8

6 PSI is the Global Federation of Public Service Workers.
7 Union to Union is the international solidarity organisation of the Swedish trade unions.
8 These two countries are part of what are referred to as Small Island Developing States (SIDS), which have been recognised as a distinct group of developing countries since the United Nations 1992 Earth Summit. SIDS are extremely vulnerable to challenges ranging from debt and unemployment to climate change and the rising sea level.
CHAPTER 3
THE IMPORTANCE OF SOCIAL DIALOGUE IN PROMOTING A JUST TRANSITION AND ITS CONTRIBUTION TO THE ACHIEVEMENT OF THE SUSTAINABLE DEVELOPMENT GOALS
In democratic countries, social dialogue (bipartite or tripartite dialogue between workers and employers’ representative organisations and governments) is a basic tool for managing social conflict. Its main objective is to promote the exchange of information and proposals to achieve a more or less explicit degree of consensus. As the ILO points out, social dialogue structures have allowed important economic and social issues to be resolved, have encouraged good governance, social progress, peace and stability, and have promoted economic development.9

For the transition to a decarbonised and sustainable economic model to be socially beneficial, it is essential to combine ecology and employment,10 as the transition will have direct consequences in terms of loss of employment and social cohesion. The impacts will be unequal in different regions, in each country and between countries, and the jobs that will be created will not always be created at the same time or in the same place as the jobs that will be lost.

For this reason, the transition must be accomplished while respecting the social rights of the affected communities and the labour rights of workers caught up in the process, and the way forward involves a commitment to a Just Transition for all, leading to an environmentally sustainable economy, which needs to be well managed and needs to contribute to the goals of decent work for all, social inclusion and the eradication of poverty.11

On this basis, a Just Transition must be the subject of prior planning and the establishment of plans, policies and investments that will lead to a sustainable future with full employment, decent work and social protection. This process will only be effective if the various social stakeholders— in particular, governments, businesses and trade unions— are involved in the definition of these strategies and policies. As indicated by the ILO (ILO, 2015): “Given the scale and urgency of these environmental challenges, it is clear that the world will have neither the resources nor the time to tackle them separately or consecutively. Tackling them jointly is not an option, but a necessity.”

This is why social dialogue is so essential to decision-making processes. As the ILO points out in its Guidelines for a Just Transition, “Social dialogue has to be an integral part of the institutional framework for policymaking and implementation at all levels,” as one of the guiding principles of the transition towards environmentally sustainable economies and societies for all.

Decision-making processes should therefore be based on social dialogue, to ensure that they respond to uncertainties, and to avoid unilateral decisions, without compensatory measures, that could affect employment or people’s social situation, especially that of the most disadvantaged.12

Social dialogue also reduces social inequalities by improving working conditions and guaranteeing fair labour relations.13 Similarly, it facilitates access to information, promotes the exchange of views, and improves understanding of the challenges and opportunities, all of which in turn help to build consensus and manage conflicts.

At the same time, it is an opportunity to raise awareness, and mobilise and energise the various stakeholders in relation to the issue to be addressed. In addition, social dialogue is crucial in order for the groups involved to take ownership and for transparency in the decision-making process.

11 “Guidelines for a just transition towards environmentally sustainable economies and societies for all” ILO, 2015.
12 “La transición energética solo será viable si es percibida como justa” (The energy transition will only be viable if it is perceived as just). Joaquín Nieto, Director of ILO Spain. http://agendapublica.elpais.com/la-transicion-energetica-solo-sera-viable-si-es-percibida-como-justa/
Social dialogue is essential for the achievement of the Sustainable Development Goals. Even though it is not mentioned explicitly in the 2030 Agenda, it is a critical element for achieving most of the Goals.

On the one hand, it ensures access to decent work (SDG 8) and is one of the main pillars of the Decent Work Agenda. In addition, the call for the recognition and respect of labour rights (target 8.8) implies full compliance with the ILO’s International Labour Standards, including all those which refer to the processes of social dialogue at their various levels. Similarly, the global indicators for the SDGs (United Nations, 2018) make explicit reference to collective bargaining: one of the forms adopted by bipartite social dialogue (indicator 8.8.2).

On the other hand, in SDG 16 on just, peaceful and inclusive societies, the 2030 Agenda refers to the effectiveness and transparency of institutions, the adoption of inclusive, participatory and representative decisions (target 16.7), and public access to information and protection of fundamental freedoms (16.10). These are all basic elements that draw sustenance from effective social dialogue.

In addition, the literature shows that social dialogue can make significant contributions to other SDGs: such as SDG 10 (reducing inequalities), since the existence of solid social dialogue enables improved levels of inclusion and protection of the most vulnerable workers or those who have less capacity to negotiate (undeclared workers, migrants, women and young people).

Moreover, social dialogue makes a significant contribution to the reduction of gender inequalities (SDG 5): for example, with the increasing inclusion of clauses that improve the conditions of women (including breastfeeding, work-family life balance, maternity and domestic violence) in collective bargaining agreements.

Finally, the ILO highlights the importance of realising the implementation of social protection systems and the administration of social security institutions through a process of social dialogue, in order for them to be as adequate and effective as possible (SDG 1 - ending poverty; and, more specifically, in target 1.3, on increasing the coverage of social protection systems).

For all this to happen, social dialogue must be effective. This requires a number of pre-requisites:¹⁵

- Full respect for freedom of association, in such a way that workers and employers may freely organise, defend their interests without external interference, and negotiate without pressure, between themselves and with the government, on matters of mutual interest.

- There must be strong, independent and representative trade union and employers’ organisations.

- Sufficient political will and a sense of responsibility among all parties to engage in social dialogue.

- An appropriate institutional structure is needed: one that has funding and well-defined legal mandates and that guarantees continuity in light of political changes.

- Access to adequate information and training so that the parties can exercise their right to participation in an effective way.

It is clear that these prerequisites depend on the labour relations that each country has practised throughout its history.

However, the reality of social dialogue in most developing countries, and in particular on issues relating to climate change, sometimes faces challenges in ensuring a Just Transition for workers. In these cases, trade unions can seek partnerships with civil society that can support the processes of a Just Transition.

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**THE DEVELOPMENT PLATFORM FOR THE AMERICAS**

The Development Platform for the Americas (PLADA)¹⁶ was established in 2014 as a fundamental instrument for the political action, mobilisation and impact of the trade union movement, in partnership with other social movements, for the promotion and advancement of an alternative development model for the Americas. The PLADA is committed to a Just Transition vis-à-vis the challenges of climate change, the defence of, preservation of and public access to “common goods”, and to the principles of environmental justice as a frame of reference for its trade union strategy in environmental matters. This implies ensuring that no worker, community, territory or social group suffers disproportionately from the consequences of any initiative, work, project or policy.

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¹⁵ Social dialogue as a driver and governance instrument for sustainable development. (ILO-ITUC issue paper, 2017).
JUST TRANSITION PROGRAMME IN NIGERIA

In Africa, and particularly in Nigeria, land grabbing, the destruction of the means of subsistence, and the introduction of genetically modified organisms (GMOs) by some multinational corporations are displacing tens of thousands of small farmers and causing serious harm to the communities affected. In addition, deforestation and the impact of the activities of multinational corporations in extracting oil and gas are contributing to the environmental degradation of the territory and violations of human rights.

In this context, trade unions, environmental organisations and affected communities in Nigeria urgently demand an energy transition towards decarbonisation.

The move away from investment in fossil fuels has serious implications for labour rights in a country dependent on oil and gas. Change will only come about when civil society organisations and trade unions agree to work together to develop common goals that define what the just energy transition should look like in terms of decent jobs, fair remuneration, adequate training and a reasonable time frame, and the joint mobilisation of the public and private sectors to work together for a Just Transition.

In order to promote this process, the Just Transition Centre, Friends of the Earth, the Nigeria Labour Congress and Environmental Rights Actions, with the support of Mondiaal FNV, have just launched an initiative in this country to promote consultative dialogue and collaboration between civil society organisations, Nigerian unions and communities in order to work on a common position for a Just Transition and to make it easier for these agents to influence the process.

SOCIAL PROTECTION, A PRIORITY IN SOCIAL DIALOGUE

The necessary change towards renewable energy in the energy mix, minimising the use of fossil-fuel-based energy in the manufacture of products and services, and the change in mobility patterns in cities will all require a restructuring process on a global scale that will have significant and differing impacts in certain territories and groups. The extent to which this process has a greater or lesser impact on the levels of poverty and inequality will depend upon the level of development of the social protection policies in each of the countries. Without social protection, a Just Transition is just impossible.

The development of social protection is fundamental for the fight against poverty and inequality, for the creation of adequate and quality employment, to achieve equality between men and women, and for the development of inclusive health and education systems. It is the condition sine qua non for economic development to be inclusive and sustainable. Social protection systems (unemployment insurance, pension systems, subsidies for the most vulnerable groups, active employment policies, and universal education and health systems) were developed to avoid increases in the levels of poverty and social inequality. However, these socially inclusive measures also had an important objective: to prevent open, overt social conflict.

17 Mondial FNV is the international solidarity organisation of the FNV union of the Netherlands.
As the data published by the OECD shows, the levels of social protection are not the same worldwide. Therefore, the changes in production that are taking place on a global scale are having different consequences, in terms both of employment and of the distribution of income (poverty and social exclusion).

**EXAMPLES OF SOCIAL PROTECTION POLICIES THAT CONTRIBUTE TO A JUST TRANSITION**

**Philippines:** After Typhoon Haiyan (Yolanda) hit the country in 2013, the government rapidly expanded the DILEEP programme. The programme provided people affected by the typhoon with paid employment and social protection for a period of up to 30 days by way of temporary income and insurance support and health and accident insurance.

**India:** Since 2005, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has aimed at improving rural infrastructure, increasing water and land resources, and strengthening the livelihoods and resource base of the poor in rural areas by offering adults at least 100 days a year of paid work for which few qualifications are required. Some 70 million households participate in this programme each year.

**Egypt:** Since 2014, the Egyptian government has drastically reduced fuel subsidies, which mainly benefited the rich, and has allocated more resources to health, education and social protection. In particular, the coverage of social protection programmes has been extended to poor families, the elderly, orphans and people with disabilities.
A Just Transition addresses these imbalances by boosting social dialogue processes in order to minimise the effects that both climate change and the policies aimed at mitigating it are going to have on our societies. For this reason, one of the essential elements that trade union organisations need to influence is the establishment, strengthening and extension of social protection systems as one of the essential guarantees that provide coverage for the processes of Just Transition.

THE IMPORTANCE OF SKILLS AND VOCATIONAL TRAINING IN THE GREEN TRANSITION

Green transition processes are already leading to an imbalance in the supply and demand for labour within a number of industries and regions, giving rise to increased structural unemployment in certain sectors. Action to deal with this type of unemployment not only involves improving the information channels between employment supply and demand but also working on developing different skill sets within the workforce, which requires greater investment in training systems. In 2019, the ILO produced the report *Skills for a Greener Future: Key Findings*, which provides specific data, examples and guidance to address these issues.

Vocational training is fundamental to tackling the imbalance between job supply and demand, adapting the surplus workforce to fill the skills gap that may arise within the labour market and, above all, meeting the demand for the new jobs arising from the production and labour market transition.

Identifying the type of training and the groups to be prioritised will require major planning efforts on the part of governments. For these measures to be as effective as possible, it is essential that such planning be conducted within the framework of tripartite social dialogue. A variety of techniques can be used to forecast skills needs on the labour market (such as international comparisons or the extrapolation of past trends), but what is unquestionable is the need for the social partners, both employers’ organisations (one of the key agents in identifying the demand for employment skills) and trade unions, to be actively involved in forecasting skills needs.

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CHAPTER 4
EXPERIENCES IN SOCIAL DIALOGUE, JUST TRANSITION AND SUSTAINABLE DEVELOPMENT
BRT (Bus Rapid Transit) is a public transport system based on the development of infrastructures giving priority to public transport through lanes reserved for buses and the provision of a fast and frequent service.

The BRT has similar characteristics to that of a light rail or metro system, it is much more reliable and faster than regular bus services and is designed to improve capacity, security, frequency and reliability of the service in congested and polluted cities. While the BRT can offer a safe, affordable and environmentally friendly means of transport, the consequences that its implementation could have on employment are of great concern.

Implementation of the BRT system is being planned in Nairobi (Kenya). There is concern about how it should be planned and developed in order to minimise its impact on the matatu workers.

The matatu are privately owned minibuses, which at least 70% of the people living in Nairobi depend on for their day-to-day transportation requirements. It is estimated that around 70,000 people work in the matatu industry in Nairobi, and half of them will be affected by the BRT in the coming years.

With the BRT, there may be opportunities for some to continue operating on routes outside of the BRT system and on “feeder routes” to take passengers to and from BRT terminals and stops. There will also be new opportunities to work in the BRT model, but many jobs are likely to be at risk in the matatu industry.

The matatu workers support drastically reducing levels of congestion and pollution and have practical proposals to address these problems. However, the public authorities are only negotiating with the matatu operators – the owners of the vehicles – and do not recognise the workers and their representatives as parties to the discussions. This is why the trade unions, with ITF support,22 are taking steps to be recognised as important stakeholders and to be able to defend the interests of the workers who will be affected.

In January 2019,23 the ITF presented the Nairobi Bus Rapid Transit Labour Impact Assessment Report24 examining the labour impact of introducing this transport system in Nairobi. Over 100 people from 42 organisations attended the event in the Kenyan capital, including representatives from the government, international and donor organisations, transport and passenger organisations and academics.

Three ITF unions – the Kenya Transport and Allied Workers Union (TAWU), the Matatu Workers’ Union (MWU) and the Public Transport Operators’ Union (PUTON) – contributed to the preparation of this report and are working together to prepare workers for the arrival of the BRT.

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22 Trade unions affiliated with the ITF across Africa are working to address the risks and opportunities associated with the implementation of the BRT, with the aim of developing union strategies in the cities where implementation of BRTs is planned or where they are already operational.
Following on from the presentation of the report, the workers from the unions involved in this initiative presented the Transport Ministry with a paper setting out their position on the introduction of BRT\textsuperscript{25} to the city. The unions urged the Kenyan government to take on board specific labour-related issues during the planning phase of the BRT system, such as: ensuring gender equality; giving the workers a voice through their trade union representatives; establishing transparent contracting; retraining and redeploying the workers that risk losing their jobs as a result of the BRT project; formalising and improving the matatu sector and integrating it into the BRT system.

\textbf{COSTA RICA’S NATIONAL DECARBONISATION PLAN INCLUDES JUST TRANSITION EMPLOYMENT STRATEGIES}

The government of Costa Rica recently presented its National Decarbonisation Plan 2018-2050 (NDPCR).\textsuperscript{26} The measures, actions and improvements adopted are part of the nationally determined contributions (NDCs) that Costa Rica will submit in 2020 to the United Nations Framework Convention on Climate Change to demonstrate its commitment to reduce greenhouse gas emissions.

The NDPCR has ten areas of focus with very specific targets, some of which will entail significant changes and restructuring processes in various sectors of production.

Inter alia, the most relevant ones are the following:

- Development of a public transport system (buses, taxis and passenger rapid trains) and safe, shared mobility, powered by clean energies (emission-free).
- Transformation of the light vehicle fleet from cars powered by fossil fuels to zero-emission vehicles and promotion of autonomous shared-car business models.
- Development of buildings for commercial, residential and institutional use built to high-efficiency and low-emission standards.
- Development of an integrated waste management system based on separation, reuse, revaluation and final disposal with maximum efficiency and low greenhouse gas emissions.

For this reason, the NDPCR has included the National Just Transition Strategies within the crosscutting strategies to act as catalysts for change, recognising that “the political viability of the focus areas and of the established goals is related to the process of adaptation to the opportunities and challenges that will arise in the labour market”. The NDPCR sets out that the best practices in Just Transition processes will be identified and relevant plans will be developed for sectors exposed to the greatest impacts.

\textit{“Costa Rica seeks to inspire all kinds of stakeholders to go beyond «the usual» and be part of this positive transformation, becoming the best version of itself and demonstrating that it is possible to fulfill the commitments acquired in the 2030 Development Agenda.”}

Source: Costa Rica National Decarbonisation Plan 2018-2050


\textsuperscript{26} https://minae.go.cr/images/pdf/Plan-de-Descarbonizacion-1.pdf
INDONESIA: SOCIAL DIALOGUE IN A VERY VULNERABLE COUNTRY TO CLIMATE CHANGE

Indonesia is amongst the countries with the greatest emission of greenhouse gases into the atmosphere, and according to the Intergovernmental Panel on Climate Change (IPCC), it will also be one of the countries most affected by climate change. The country therefore needs to take rapid mitigation measures.\(^{27}\)

The Indonesian National Action Plan for Climate Change Adaptation\(^{28}\) identifies two key issues: rise in sea levels and changes in climate and in precipitation. Floods and drought are the main problems Indonesia will face as climate change progresses.\(^{29}\) With a vast population spread over more than six thousand islands, there are many logistical problems associated with the implementation of national strategies. Adaptations that can be designed and implemented on smaller scales and in local communities will be particularly valuable. Taking preventive measures for food and water security in the face of floods and drought is essential.

The Confederation of Indonesian Prosperity Labour Union (KSBSI), one of the three largest trade unions in the country,\(^{30}\) organised a national conference on Just Transition and nationally determined contributions (NDCs) for Indonesia in Jakarta in October 2018. The KSBSI took the initiative and collaborated with the Jakarta ILO to launch this coordination event with the government in order to learn more about the country’s programme and policy on climate change and its preparation for the COP24: particularly on issues relating to Just Transition. Representatives from three trade union confederations and twelve national union federations from Indonesia, three environmental NGOs and four government departments (Labour, Environment, National Development and the Economy) took part, as did the ILO regional office for Asia and the Pacific and the ILO in Jakarta.

This conference was one more step, following the series of dialogues they had with the United Nations Framework Convention on Climate Change (UNFCCC) national focal point that began in Bangkok during the UNFCCC conference in September 2018. After the Bangkok Conference, a Steering Committee was established, involving multiple stakeholders (two confederations, two environmental NGOs, ILO Jakarta, and the Ministries of Labour and the Environment). This Steering Committee has now been recognised by the government, which is even proposing to formalise it as a long-term alliance. However, for the moment this committee is not official and representatives of business organisations do not take part.

The issue of Just Transition is relatively new in Indonesia. For the unions, it is very important that the Ministry of Labour should be involved in all the discussions and committees on climate change because up until now only the Environment Ministry has been involved.

For a Just Transition to become part of the political and trade union agenda, it is necessary to train trade unionists on these issues in order to improve their negotiating capacity. To achieve this, the KSBSI is including climate change and Just Transition in all its trade union training courses.

Social dialogue structures in Uruguay are important in terms of both labour and environmental issues.

In environmental matters, the Technical Advisory Committee for the Protection of the Environment (COTAMA) brings together all of the ministries and the social partners in a forum where government plans and projects are discussed and debated, developing synergies between the different stakeholders.

These social dialogue practices are basic elements for managing social conflict in the country and reaching negotiated solutions.

An example of this has been the transition towards renewable energies. Uruguay is now almost completely self-sufficient in the generation of electrical energy (mainly hydroelectric and wind power). This process involved closing the power stations run by the public energy company in charge of the country’s electrical energy production and generation, and entailed the privatisation of the wind power section of the company. When the change in the energy matrix began, the idea was to decommission the power plants with steam generators that burn fossil fuels (fuel oil). The basis for closing these plants was both economic and environmental, but it has led to the privatisation of part of the industry.

The energy trade union and the national union confederation, PIT-CNT, took part in these negotiations to ensure that this would not have negative consequences on the workers. The process was basically completed by way of early retirements. While the exit out of fossil fuel energy has been managed rather well, there are other problems in how the transition has been carried out through privatisation investment, which has resulted in higher electricity bills. Although the cost of production is not the highest outgoing – the distribution and marketing costs are higher – production costs did rise with the change in energy mix, given the low cost of fuel oil.

For the trade unions, however, the most significant issue is the loss of public control over electric energy production as a result of the change in the energy mix being achieved by closing down public plants and expanding wind power through private sector investment.

At present, the main subject of negotiation on environmental issues is the management of waste in Uruguay. There is a trade union approach for its conversion towards a sustainable waste management system, which can lead to employment creation under acceptable working conditions and which can reduce the existing levels of irregular employment. The management of waste and its use within a circular economy approach can be a good generator of employment and wealth.

In the Philippines, social dialogue processes relating to the environment are a reality in key sectors for sustainability, such as mining and transport, and the ILO has played a fundamental role in them in terms of coordination and policy orientation.31

The issue of a Just Transition is becoming more prominent, particularly in the mining sector. In February 2017, the Department of Environment and Natural Resources (DENR) ordered the closure of 23 mines (mostly nickel mines) and the suspension of seven others because of their environmental impacts. Trade union and employer opposition and the impetus given by the social
dialogue that grew out of this situation resulted in important progress and allowed the impact of the closure of the mines to be mitigated. In the end, a temporary suspension of nine mines was agreed, and their potential reopening is being contemplated if they can demonstrate compliance with a series of conditions.

In this context, workers’ organisations, in collaboration with the ILO, began to develop a proposal for Just Transition in the mining sector. In August 2017, the unions submitted the *Just Transition Framework* to the Office of the President. This document is used as a basis for negotiations with social partners interested in operating in the key mining region of Caraga. The initiative adopts a capacity-building approach with social dialogue and tripartism at the heart of the process. One of its noteworthy results is the establishment of the single mechanism for tripartite cooperation, which provides guidance in terms of Just Transition policies and programming.

Following these events, one of the actions developed by the mining unions that is worth mentioning is the creation of a network to enhance their capabilities and defend their interests.

Moreover, a process of economic and social transformation is under way in the Philippines public transport sector that involves replacing the fleet of vehicles which are over 15 years old with alternative and more sustainable vehicles.

The Public Utility Vehicle Modernization Program (PUVMP) was launched by the Philippines Department of Transportation in 2017, with the goal of making the country’s public transportation system efficient and environmentally friendly by 2020. The program calls for the phasing-out of jeepneys, buses and other Public Utility Vehicles (PUVs) that are at least 15 years old and replacing them with safer, more comfortable and more environmentally friendly alternatives over the next three years. Currently, there are 180,000 jeepney units operating throughout the country.

This programme could therefore affect more than 200,000 drivers and operators across the country. Hence, a process of social dialogue has been started to address this issue and to look at possible solutions for the workers affected.

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31 The Philippines is working on the development of a law for the creation of green jobs, and one of the pilot initiatives has been developed to implement the ILO’s policy guidelines on Just Transition towards environmentally sustainable economies and societies.


MANAGING AN ESSENTIAL RESOURCE FOR THE ENERGY TRANSITION: THE CASE OF LITHIUM IN CHILE AND BOLIVIA

The transition towards renewable energy sources, the implementation of electrically powered mobility and the electrification of energy demand in all sectors will entail a huge increase in the global production of lithium, as an essential resource for energy storage, and an extraordinary degree of pressure on countries with the largest reserves.

The following experiences show two very different models for managing the social and environmental conflicts generated by the production of lithium. However, in both cases, the negotiation processes that are part of the social dialogue framework have been strengthened.

The level of social consultation in Chile is practically non-existent. Trade union action is mainly centred on the company level, since there are not even sectoral-level agreements. Contacts with the government and the authorities are partial and poorly structured. When it comes to environmental matters, there is no institutional structure for participation. Given the absence of permanent forums for social dialogue, solutions to different issues normally involve an initial process of explicit conflict on the part of the trade union movement.

Chile is the second largest producer of lithium on the planet. The entity responsible for the extraction of lithium in Chile is the “Chemical and Mineral Company of Chile” (SQM).

The increase in production has entailed an intensive use of water, which has had a very significant environmental impact in the Atacama salt flats (Salar de Atacama). This, together with the inclusion of production quotas for “privileged” customers mainly comprising companies involved in the production of lithium batteries, has led to protests by various associations, political parties and the United Central of Workers of Chile (CUT). Under the banner “lithium for Chile”, the protests seek the nationalisation of this resource. The importance of lithium has provided a wake-up call for the trade union movement, to the extent that it is not only a question of the volume of employment which greater production of lithium can generate, but also of the environmental impacts and, therefore, the sustainability of long-term exploitation. The mobilisation under the “lithium for Chile” banner, in which the CUT is participating, highlights the need for a social dialogue that will allow greater distributive effects from the exploitation of this mineral.

In Bolivia, the level of trade union participation increased with the arrival of the Evo Morales government, which is more open to social dialogue. The world’s largest existing reserves of lithium are to be found in the Uyuni desert of Bolivia.

At the beginning of the 1980s, the possibilities of exploiting this mineral were established and prospecting industries were proposed, but no clear model of exploitation resulted (there were discussions about whether the nature of the companies should be public, private through tender or mixed). In 1990, pre-agreements were concluded with the company LITHCO, but this agreement did not progress due to – mainly indigenous – social mobilisation in the salt flats.

It is precisely pressure from FRUTCAS (United Regional Federation of Peasant Workers of South West Potosi) that is pressing the Morales government to bring about the industrial development of the area. This presupposes a radical change in the model for lithium exploitation, involving greater public control (51% of shares in production), as well as the maintenance of control over hiring of staff, and maintaining a continuous flow of public revenue.
This has resulted in a strengthening of social dialogue between the Bolivian trade unions, the government and the companies that operate the mines, with increases in investment and employment and an improvement in the quality of the jobs. The mining of lithium, a crucial mineral for the renewable energy transition, is therefore done in a more socially inclusive way through social dialogue.

JUST TRANSITION AND SOCIAL DIALOGUE IN SOUTH AFRICA

The National Economic Development and Labour Council (NEDLAC), established in 1995, is the institution through which social dialogue is coordinated in South Africa. Its mission is to ensure public participation in the labour market, in the drafting of legislation and socioeconomic policy and to facilitate consensus and cooperation between the government, workers, employers and the community in dealing with South Africa’s socioeconomic challenges.

Its responsibilities include examining all proposed labour legislation before it is debated in parliament, encouraging and promoting the formulation of coordinated social and economic policies and examining all significant changes in social and economic policy before they are adopted.

The Congress of South African Trade Unions (COSATU), a national trade union centre bringing together 21 trade unions, has secured countless achievements throughout its history thanks to social dialogue combined with mass action. It views social dialogue as both a channel for social and economic progress and as an objective in its own right, in that it gives people a voice and a stake in their societies and workplaces.

COSATU’s role within NEDLAC is to ensure that the policies and proposed legislation discussed include a socioeconomic assessment plan and are committed to a Just Transition. Another area of political action in which COSATU engages for a Just Transition is the Presidential Climate Change Coordinating Commission, which is in charge of coordination and oversight of the Just Transition at the national level.

COSATU has contributed to the process of revising South Africa’s draft Integrated Resource Plan (energy policy) as well as the Climate Change Bill. COSATU supports a low-carbon economy and its commitment is based on a Just Transition that tackles the job crisis as well as the environmental crisis.

For COSATU, although the evidence suggests that the transition to a low-carbon economy has the potential to create more jobs than it destroys, it is essential that a campaign be waged to protect and support workers whose jobs or livelihoods could be threatened by the transition; otherwise, they will resist it. Action is also crucial to ensure that the development of new green industries is not used as a pretext for cutting wages and benefits. New green jobs represent an opportunity to correct many of the gender imbalances in employment and skills. What COSATU understands by a “just transition” is the combination of these measures.

CHAPTER 5
JUST TRANSITION, COMPANIES AND MULTINATIONALS: GLOBAL FRAMEWORK AGREEMENTS AND GOOD PRACTICES NEGOTIATED WITH WORKER REPRESENTATIVES
THE ROLE OF MULTINATIONAL COMPANIES IN THE JUST TRANSITION FRAMEWORK

Globalisation is integrating national economies into an international and supranational economy, in which there is a deficit of democratic and political control. This has the effect of reducing social and labour rights. In the political sphere, it has brought about a dilution of the regulatory power and control of states in favour of the markets and the large multinational enterprises. Large corporations continue to increase in power, and markets are becoming increasingly concentrated. According to a study by the Global Justice Now Foundation, the combined value of the ten largest multinationals is comparable to the gross domestic product of the 180 smallest countries on the planet.

In this context, the role played by social dialogue in large global companies is crucial in getting them, in the first place, to accept their responsibility in relation to the people who work in their supply chains and the unions that organise and represent them. It is equally important in order to ensure that the processes of change, transformation and reconversion in the production sectors of the developing countries where the supply chains of these large multinationals are located incorporate the guidelines and principles of a Just Transition.

In this context, Global Framework Agreements (GFAs) are very valuable tools for social dialogue and serve to protect the interests of workers across all the operations of a multinational company. They are negotiated globally between unions and a multinational company and establish the best possible standards in terms of trade union rights, health, safety and environmental practices, and the quality of labour principles in the company’s global operations, regardless of whether these standards exist in a specific country or not.

STRENGTHENING TRADE UNION CAPACITIES AND COMPETENCIES ON ISSUES OF CLIMATE CHANGE AND JUST TRANSITION

Increased awareness raising and training on environmental issues – in particular, in relation to climate change – is needed for trade union representatives and workers in general. This will ensure a better understanding of the risks to which companies are exposed and will assist trade unions in responding at an early stage to the processes of change, transformation and Just Transition.

The growing importance of these issues for productive activities and their impact on employment makes it imperative that workers’ representatives demand rights to information, consultation and participation in environmental issues.

It is therefore essential that trade unions integrate the environmental dimension into their trade union action and collective bargaining strategies in order to provide workers’ representatives with the competencies required to deal with environmental issues.

36 https://www.globaljustice.org.uk/news/2016/sep/12/10-biggest-corporations-make-more-money-most-countries-world-combined
37 To offer guidance on the adoption of the Just Transition in the processes of decarbonisation in companies, The B Team and the Just Transition Center have developed Just Transition: A Business guide. This guide contains operational advice, case studies and analysis of the risks and opportunities of climate action for companies.
39 Spain’s chemical and cement sectors, for example, have recognised the role and competencies of workers’ representatives in the environmental field, with the appointment of trade union environmental representatives in charge of information, consultation and participation in this area.
It is also very important to strengthen the social dialogue and collective bargaining structures in multinational companies at supranational level. In order to address Just Transition issues within multinational companies and their supply chains, coordinated trade union work, in the framework of the consolidated dialogue structures of the company, is essential. In this sense, the constitution, enhancement and consolidation of trade union work in Regional Works Councils (European Works Councils) and Global Works Councils are particularly crucial.

While corporate social responsibility policies are mostly not strong enough to implement structural changes, it can represent a framework for trade union participation in influencing the processes of Just Transition. The scrutiny to which many multinational companies are subject, due to the greater social and environmental awareness of citizens, must be used by trade unions to obtain and guarantee commitments from companies in these processes. Therefore, trade union monitoring and evaluation of these policies, as well as trade union analysis of the social responsibility and sustainability reports published by companies, can have an influence on the opinions of some multinational stakeholders. This can promote dialogue on Just Transition issues.

**INCLUSION OF ENVIRONMENTAL CLAUSES IN COLLECTIVE AGREEMENTS ON MINING, AGROINDUSTRY AND HYDROCARBONS IN PERU**

The hosting of the COP20 on Climate Change in Lima in 2014 gave impetus to consideration of environmental issues in the country, generating, among other things, a Civil Society Platform on Environment and Climate in which Peruvian federations actively participate: the Autonomous Federation of Workers of Peru (CATP), the United Federation of Workers (CUT), and the General Confederation of Workers of Peru (CGTP). Among other things, this broad articulation of civil society helped to influence the drafting of the Climate Change Act.

The Autonomous Federation of Workers of Peru (CATP) is currently working for the inclusion of environmental clauses in the collective agreements on mining, agro-industry and hydrocarbons.40

40 Source: CATP information and communication secretary.
Case study 1: ENEL

ENEL, an Italian multinational in the energy sector with approximately 70,000 workers, has started the energy transition of its business model towards decarbonisation.

As part of this process, it has initiated the closure and reconversion of 23 thermoelectric plants in Italy, while developing its plan for the introduction of renewable energies with the opening of new plants. In this context, an open-ended dialogue has been established with local authorities and other economic agents in the geographical areas where these plants are located, the purpose of which is to put into practice new plans for economic development once the plants are closed.41

Simultaneously, ENEL has established a dialogue at national level with the Italian trade unions, which has resulted in an agreement on a Just Transition in the decarbonisation process. The agreement includes processes for relocation to new facilities, early retirement, the promotion of mobility, and specific training to ensure skills and employability, as well as to create new skills for the new companies. According to the figures for the period 2015/2016 to 2018, over 900 jobs have been redistributed so far in Italy.

In the opinion of Graziano Froli, National Secretary of the Federation of workers of Italian electrical companies (FLAEI) of the Italian union CISL, the closure of thermal power plants has to take place more slowly because the general closure scenario is not as well defined as ENEL indicates. However, he confirms that ENEL is guaranteeing the reassignment of all the workers, although this will involve displacement to other geographical areas.

ENEL has also started its decarbonisation plans in the rest of Europe. In the case of Spain, two thermal power plants will close in the short term (2020) and another one in six years at the latest. Regarding the closure plans, ENEL’s policy in Spain is also clear: reassignment of staff to other positions in the company, with geographical transfers if necessary, combined with an early retirement plan, which is being discussed in collective negotiations with the unions. However, in what concerns the reindustrialisation of the areas, only the possible conversion of the industrial zones into solar parks is being considered. This will not solve the employment problem in the area.

It is apparent, therefore, that the consolidated structures of collective bargaining and social dialogue and the strong union presence in this company are a guarantee for the defence of jobs in the facilities affected. However, both the jobs in the subcontracted companies and those that will evidently be lost in the areas where the thermal power plants are located are at risk, given the absence of plans for economic renewal or re-industrialisation.

41 https://corporate.enel.it/en/futur-e/project
On the other hand, in 2013 ENEL signed a Global Framework Agreement with IndustriALL\textsuperscript{42} Global Union, Public Services International (PSI) and the Italian trade unions. Renewal of this agreement, which included a set of guidelines aimed at establishing social dialogue on the global scale, is still pending. Among other instruments, the agreement provided for the creation of a Global Works Council and three Multilateral Health and Safety, Training, and Equal Opportunities committees, with the aim of contributing to an appropriate and representative social dialogue in all countries in which the group operates.

**Case study 2: EDF Group**

The French public energy company EDF, one of the largest in Europe with a presence in over 24 countries, is in the midst of a process of energy transition, supported by commitments undertaken by the French government in its fight against climate change.

In 2018, the EDF Group renewed its Global Framework Agreement with PSI and IndustriALL: an agreement which applies to all EDF group operations worldwide and covers more than 160,000 workers.

It significantly improves the conditions of the previous GFAs (2005 and 2009) and, among other commitments, includes Just Transition measures in support of workers’ capabilities and conditions, in accordance with the ILO Guidelines for a Just Transition to environmentally sustainable economies and societies for all.

The commitment undertaken by the EDF group in the context of this global agreement to apply Just Transition measures is already being put to the test in different places.

In the US, unions are asking for decent jobs in the renewable investments by EDF.\textsuperscript{43}

Another example of this is the early closure of the Cottam thermal power plant (Nottinghamshire - England), six years before the planned date (2025). This shows the importance of planning far enough in advance the energy transition process in which companies in the energy sector are involved.

According to the unions, the closure of this plant puts over 150 jobs at risk and will have an economic impact of over 60 million pounds in the region. The company’s management has already entered into negotiations with the unions and says that they are aware of the need to support a Just Transition towards a low-carbon energy system.

In previous years, the company had already begun to retrain and reassign some workers to take on other tasks in the EDF group.

\textsuperscript{42} IndustriALL is the Global Union Federation representing workers in the mining, energy and manufacturing sectors.

This case (like the one of ENEL) shows that where the union presence is strong and social dialogue is consolidated, the jobs in the plants that are closing as a result of energy transition are being protected, whether through reassignments, early retirements, etc. However, the weak point is the loss of employment in the regions as a result of the closure of these plants in the absence of Just Transition plans and re-industrialisation or economic renewal that addresses the problem.

Given the lack of legal tools to compel companies to also take responsibility for job losses in the region, it is essential to devise Just Transition policies to which all social partners have agreed and which also include this socio-economic impact in the region.

Case study 3: Siemens Gamesa renewable energy

A Just Transition must also guarantee decent work and the rights of workers in the new sectors where jobs will be created. The renewable energy sector is one of these sectors ensuing from the energy transition. It has a significant presence in developing countries and very important growth prospects in the coming years. In this context, the improvement of working conditions in this sector is essential because this will also help to consolidate these conditions in the new locations and in the wider supply chain. However, the reality is that the foundations of social dialogue and collective bargaining still have to be laid in many countries where this sector is already well established.

An example where positive steps have been made in this sense is that of the multinational Siemens Gamesa Renewable Energy Group (SGRE).

SGRE was established in April 2017 out of the merger between Gamesa Corporación Tecnológica and Siemens Wind Power. It has 23,000 workers, and its supply chain reaches 18,000 suppliers around the world.

Social dialogue is a fundamental element of relations between the management of the company, the workers and the social representatives from the location where it is constituted. The main pillar of this dialogue is the relations at local level, fostering the existence of trade union representation in all of the group’s entities.

In 2015, Gamesa, along with IndustriALL Global Union, and the Spanish unions CCOO and UGT, signed a global framework agreement in the renewable energy sector in order to guarantee labour rights.

The SGRE commitment embodied in this GFA is based on five pillars: fundamental rights and freedoms; labour rights; human capital; community; and health, safety and environment.

The strong union presence in SGRE, the extensive practices of social dialogue and collective bargaining, the participation in social responsibility instruments and policies (for example, Equality Plans and Codes of Conduct), and the existence of a global framework agreement that could allow working conditions in its supply chain to be improved can serve as an example to be followed in an industry of the future such as the renewable energy industry.
Case study 4: Inditex

In 2007, the textiles multinational INDITEX and IndustriALL Global Union signed the first Global Framework Agreement (GFA) in the clothing and footwear sector.

This instrument has become an essential tool for ensuring the practical participation of workers and the improvement of labour rights in the very broad supply chain of this multinational company, as well as for extending the example to other multinational companies in the sector. In 2017, INDITEX was working with more than 1,700 suppliers and over 6,665 factories in the 45 countries where its supply chain operates.

According to IndustriALL Global Union, since the signing of the GFA, more than two million workers are being protected and are seeing improvements in their working conditions.

One of the bases of the Global Framework Agreement is joint collaboration on the ground between INDITEX and IndustriALL and its national affiliates. In 2017, joint programmes with trade union organisations were implemented in 22 factories: in Bangladesh (5), Bulgaria (2), Morocco (4), Turkey (9), and Tunisia (2).

An example of this type of multilevel initiative has been the joint approach taken with IndustriALL and members of the Spanish textile trade union federations in Bangladesh. The purpose was to allow the representatives of the workers in Inditex to be able to monitor the working conditions in its production chain and, in turn, to verify implementation in situ.

The INDITEX GFA provides for trade union input into environmental issues, although union participation in this area is still at an early stage.

While INDITEX is developing various initiatives to contribute to the mitigation of climate change, trade union involvement in this context is starting to increase. An important step in this regard is the constitution of Environment Committees in ten factories and two logistics centres of the corporate group in Spain. These committees are consultative and collaborative in nature and maintain parity.

Based on the impetus provided by trade union participation on environmental issues within the group's matrix, the intention is to work on this area within the Global Framework Agreement, extending current union work to other activities – for instance, ensuring that suppliers and factories comply with the environmental conditions and the strategic environmental objectives established by the INDITEX group in its 2016-2020 plan.
CHAPTER 6
CHALLENGES AND RECOMMENDATIONS FOR THE SUCCESSFUL IMPLEMENTATION OF A JUST TRANSITION

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The preceding chapters and the analysis of Just Transition experiences lead to a number of recommendations that must be taken into account for a successful implementation of a Just Transition.

Before going into the concrete recommendations in more detail, it is necessary to point out that the development of policies to address Just Transition issues, associated with the process of decarbonisation of the economy, is still at a very early stage.

However, cases in which the rights and conditions of working people are affected as a result of this process of decarbonisation or adaptation to climate change are becoming more frequent.

International trade union organisations are devoting important efforts to the recognition of a Just Transition in the processes of decarbonisation of the economy – at global and national level. However, the response of many governments to meeting the requirements of a Just Transition still has to be planned.

In this sense, it is very important to point out that the hallmark of Just Transition policies is the foresight that will allow the long-term planning of a social project: the design of a new decarbonised production model.

The following recommendations are addressed at the different actors engaging in Just Transition processes and include key areas which donor governments engaging in development cooperation could support to promote such processes.

The international community needs to make further progress in making a Just Transition operational. An important step would be to include a reference to a Just Transition in the negotiations taking place on the guidelines for nationally determined contributions (NDC) and the definition of new commitments in the framework of the Paris Agreement. International labour standards and the decent work agenda should be part of climate targets, government finance for climate action, and International Climate Finance. It is also important to strengthen the active role of the International Labour Organization (ILO) in the international arena – in the UNFCCC and in its support for countries that want to implement public Just Transition policies.

In terms of national agendas, it is essential that central governments, urged by social partners:

- Ensure that the Just Transition and, in particular, issues relating to decent work creation are included in national plans for climate action, nationally determined contributions, development plans relating to the Sustainable Development Goals, and in industrial and infrastructure plans.
Launch social dialogue processes to address climate action and the accompanying social and labour measures to be adopted. The countries that signed the Solidarity and Just Transition Silesia Declaration at the last COP in Katowice in fact committed to work towards a Just Transition and to launch social dialogue processes in preparation for their next nationally determined contributions (NDCs) and all other climate policies.

Commit to ensuring early assessments of the social and employment impacts of climate change. Assess the potential impact of the environmental and energy transition on the volume and quality of employment at sectoral level and its interaction with other sectoral changes brought about by developments such as the automation or digitisation of the economy.

Strengthen active employment policies aimed at the most vulnerable groups and territories in order to promote their integration into the labour market.

Ensure retraining and the updating of workers’ skills to facilitate a fair and just transition, through measures such as revising the curricula at all levels of education and training, and promoting the dual vocational training model and training for work. Foster a high level of understanding and coordination between public and private actors and the participation of social actors in the field of education and training.

Design a good governance system for Just Transition processes, which must be supported by strong institutions that guarantee its effective implementation. Public social protection policies that fight increasing poverty levels, exclusion and social inequalities are vitally important, together with social dialogue frameworks with the recognition of the social partners that participate in them. The elements that are desirable for achieving a strong governance system for the implementation and monitoring of Just Transition processes include:

- The commitment and involvement of the ministers of labour besides the traditional role of the ministers of environment, and possibly the creation of an inter-ministerial commission to coordinate the work of monitoring, evaluation and decision-making among the various government ministries.

- A territorial commission which coordinates government administration with local public administrations and supranational authorities.

- A space for tripartite and/or expanded formalised social dialogue.

- A governmental public body that supports the restructuring and economic development of the sectors and territories most vulnerable to the environmental transition, generating the necessary knowledge to carry out early assessments, providing the technical, legal and financial assistance required, and acting as administrator of subsidies.
Promote productive investments in the new green production sectors and processes (energy renovation, e-mobility, renewable energies, circular economy, bio-economy, agriculture and sustainable forest management, etc.) in the context of national strategies for industrial development and innovation, social and territorial cohesion, and environmental sustainability that will allow for the diversification and renewal of local economies.

Develop and strengthen public industrial policies favouring the transition to a low-carbon, circular production model, with better levels of R&D&I and greater social, environmental and economic sustainability.

Ensure a transformative and empowering Just Transition that fully incorporates the gender perspective in all areas involving Just Transition processes (dialogue structures, training policies, industrial policies, etc.).

As expressed in the Paris Agreement, economic transformation not only requires the action and participation of states but every level of society, including local public administrations and communities as well as companies and civil society. Crucial, in this respect, is the need to speed up the climate action, social and labour transition commitments undertaken by regions, cities and companies, especially in those countries where major changes are already taking place in the energy and transport sectors. More specifically, it is recommended that companies planning closures or restructuring should present a detailed industrial and social action plan related to the workers and investments in the area. Social partners have been presented with new opportunities for establishing channels for democratic participation and social dialogue structures at national level, thanks to the Silesia Declaration.

In the area of collective bargaining, the social partners, trade union and employers’ organisations can also:

- Promote an increase in the number of Global Framework Agreements adopted by trade unions and multinational companies that include a framework for negotiations and protections covering the rights of the workers throughout the supply chains, and communities affected by the labour market adjustments arising from the green transition.

- Promote the creation and effective participation of global works councils as a tool for a just and ecological reorientation that is committed to the sustainable development of the environment.

- Encourage the figure of the union delegate with recognised competencies to participate and have access to environmental information, beginning with the economic sectors that pollute the most and are most affected, in the first instance, by the energy transition.

- Introduce environmental clauses into collective bargaining agreements that make reference to the processes of Just Transition in the context of the 2030 Agenda and the fight against climate change.

- Strengthen information and transparency processes within companies to facilitate the monitoring of economic, social and environmental sustainability as a safeguard for employment and working conditions.
Lastly, donor governments funding development cooperation projects should:

- Support capacity development initiatives for the social partners taking part in Just Transition processes.

- Support the creation and consolidation of institutional platforms for social dialogue.

- Contribute to strengthening social protection systems and to their financial sustainability.

- Support initiatives led by social partners in the area of vocational training and skills development.

- Ensure business responsibility in development to guarantee their commitment to environmental policies and respect for workers’ rights.


WHO. Gender, Climate Change and Health. World Health Organization. [http://www.who.int/globalchange/GenderClimateChangeHealthfinal.pdf](http://www.who.int/globalchange/GenderClimateChangeHealthfinal.pdf)

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The Trade Union Development Cooperation Network (TUDCN) is an initiative of the International Trade Union Confederation (ITUC), bringing together affiliated trade union organisations, solidarity support organisations, regional ITUC organisations, the Global Union Federations (GUFs), the European Trade Union Confederation (ETUC) and the Trade Union Advisory Committee to the OECD (TUAC). TUDCN’s objective is to bring the trade union perspective into the international development policy debates and improve the coordination and effectiveness of trade union development cooperation activities.