



## United Nations Climate Change Conference - COP23

### ILO SUBMISSION TO UNFCCC PARTIES

#### *SBI 47 – SBSTA 47*

The International Labour Office (ILO) presents its compliments to UNFCCC Parties and has the honour of making this submission concerning the following aspects:

Views on aspects related to economic diversification and transformation and just transition of the workforce and the creation of decent work and quality jobs, in the context of sustainable development, with a view to informing the in-forum discussion on possible needs for modelling tools, including capacity-building opportunities, to take place at SBI 47 and SBSTA 47 and the in-forum training workshop on the use of economic modelling tools at SBI 48 and SBSTA 48 (April–May 2018).

#### **1. Modelling tools for enhancing the understanding of the impact of response measures on employment and labour markets**

- The ILO has been analysing the links between climate change policies and social and labour market outcomes since 2007. As a result, fears about job losses have been allayed and focus has shifted to the opportunities for more and better jobs and skills requirements. The need to anticipate employment, skills needs and social impacts and to attenuate potential negative consequences is more widely recognized. This applies to enterprises, workers and communities affected by structural change, to countries suffering major impacts from response measures and to poor segments of society. A careful assessment of how these measures may impact low-income households and mechanisms to ensure they are not worse-off should be put in place. Similarly important is to ensure adequate technical and vocational training systems are in place to build the necessary human capital to enable a structural change towards low- carbon and climate-resilient economies.
- The ILO works with research partners in developed and developing economies to build analytical tools for measuring the impacts of climate change policies on employment, skills needs and social impacts using statistical approaches, Input-Output-based models and Social Accounting frameworks at the national level. The [Green Jobs Assessment Institutions \(GAIN\) network](#) initiated by the ILO in 2013 involves over 20 policy research institutions from around the world. GAIN members have acquired knowledge and experience on modelling and economic assessments to support interested Parties on climate change-employment assessments. As an indication, research partners under the ILO GAIN network includes:
  - Kenya Institute for Public Policy Research and Analysis (KIPPRA)
  - Institute of Statistical, Social and Economic Research, University of Ghana



- University of Pretoria, South Africa
  - University of Mauritius
  - Institute of Economic Structures Research (GWS), Germany
  - Cambridge Economics, United Kingdom
  - Norwegian University of Science and Technology
  - University of São Paulo – USP, Brazil
  - Political Economy Research Institute, United States
  - National Council of Applied Economic Research (NCAER), India
  - Institute for Global Environmental Strategies (IGES), Japan
  - Economic Policy & Competitiveness Research Center, Mongolia
  - Philippines Institute for Development Studies (PIDS)
  - Centre for Environment and Development for the Arab Region & Europe (CEDARE)
- [Green job assessments](#) have been conducted in a number of countries in Africa, Asia-Pacific and Latin America and the Caribbean. A unique feature of ILO’s approach is that through GAIN the capacity of governments and national institutions is enhanced so as to develop nationally-owned green jobs models. Those are adapted to the national context and priorities, designed, modelled and used by countries in their own national development planning to maximise employment opportunities while ensuring a just transition for enterprises, workers and communities. The identification of employment, skills and social impacts through labour market and green jobs assessments could further support the review of NDCs, taking fully into account employment and social implementations.
  - The flagship ILO *World Employment and Social Outlook (WESO)* for next year in 2018 is devoted to the theme of “Greening with jobs”. The 2018 WESO report is expected to provide new global estimates on employment gains and losses at regional and sector level in a global 2 degree scenario (including on vulnerable employment and decent work deficits), skills, gender, wages and income and highlight policies needed to ensure a just transition for all.
  - These employment assessments facilitate decision-making to prioritize economic activities with greater quantitative and better qualitative labour impacts and thereby enable better climate results. By generating information on employment and labour market implications of climate response measures, assessments offer an important means to enable climate action, reach national consensus on priorities and response measures and help shape policy-making and ensure a just transition for all.



## **2. Capacity-building opportunities**

The ILO has increased support to member States on just transition issues, including in countries such as Ghana, the Philippines and Uruguay as pilot countries. Capacity-building activities for constituents and staff have expanded to respond to the growing demand for information and practical tools and approaches pertaining to climate change and decent work (including Green Jobs Assessment Models).

[The International Training Centre of the ILO](#) in Turin offers a range of training and capacity building courses in the areas of green jobs, climate change, decent work and just transition. A new training course was introduced in 2016 on [Promoting a just transition to low-carbon and climate-resilient development](#). The course provides a review of concepts, global practices and country experiences with the objective of understanding the main policy areas of the just-transition framework and giving them practical effect at country, sector and local level. The 2018 edition of the training course is scheduled for 26 - 30 March 2018. UNFCCC Parties are encouraged to take advantage of this training programme, which the ILO implements in collaboration with the UN Climate Change secretariat.

The ILO is gradually expanding the delivery of training in countries. As a contribution to the work of Parties with respect to just transition and decent work, the ILO would consider delivering national and/or regional training and capacity building programmes tailored to the needs and priorities of countries.

## **3. ILO guiding framework for economic diversification and transformation and just transition of the workforce and the creation of decent work and quality jobs, in the context of sustainable development**

The recognition in the Paris Agreement of the imperatives of a just transition and the creation of decent work has essential dimensions of global action to address climate is an important milestone to address climate change in an integrated manner with the crucial economic and social transformations that it entails.

Sustainable development is only possible with the active engagement of the world of work. The World of Work has demonstrated that it offers solutions for resource and energy efficiency, deployment of clean energy, restoration and sustainable use of natural resources for present and future generations. It also helps to safeguard livelihoods and to deal in an equitable manner with possible adverse impacts of the transformation to low carbon economies on employment and incomes.



The [Green Initiative](#) was the subject of the ILO Director-General's Report to the 106th Session of the Conference (2017) titled [Work in a changing climate: The Green Initiative](#). It stresses that “accelerating developments over the last two decades or more have led ILO constituents worldwide to the strong conviction that the Organization can only pursue its mandate for social justice effectively if it integrates environmental sustainability into the Decent Work Agenda”.

Coherent policies across the economic, environmental, social, education, training, skills and labour portfolios need to provide an enabling environment for enterprises, workers, investors and consumers to embrace and drive the transition towards environmentally sustainable and inclusive economies and societies.

Tripartite social dialogue is instrumental for effective decision-making in the area of climate change. Climate change policy responses, when discussed and implemented with the participation and agreement of social partners, the government, and civil society actors - are better informed, easier to implement, and more beneficial for workers, businesses of all sizes, and a larger proportion of the society.

The Just Transition framework adopted by Governments, employers and workers organisations of 187 ILO member States and the following [Guidelines for a just transition towards environmentally sustainable economies and societies for all](#), offer a right set of policies that can ensure appropriate responses to climate change that also maximize opportunities for decent work creation, social protection and a just transition for all. The Guidelines and initial experience in countries such as Ghana, the Philippines and Uruguay can help UNFCCC Parties inform the work programme under the Improved Forum.

Decent work and just transition issues need to play a prominent role in the design of the 2018 facilitative dialogue process to take stock of the collective climate efforts. As countries review and update their nationally determined contributions (NDCs), there is unique opportunity to align goals of a climate-safe world with sustainable growth, full and productive employment and decent work for all, in line with 2030 Agenda for Sustainable Development and the Sustainable Development Goals.