

International Labour Office (ILO)

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International Labour Office¹ submission to the UNFCCC on the Cancun Adaptation Framework on Enhanced Action and Adaptation² with specific reference to Article 17 to be taken into consideration by the Subsidiary Body of Implementation when elaborating modalities and guidelines for the provisions of paragraphs 15 and 16.

A. The World of Work and Climate Change Adaptation

Climate change is becoming an increasingly important driver for change of the world of work, in particular in those countries more vulnerable to climate change. Globalization, social crisis such as food insecurity or lack of social protection, the recent economic and financial crisis as well as changes in technology and changes in global demographics currently are important drivers for change in the world of work. The focus of much of the ILO's recent work has related to enabling a fair and just adaptation of the world of work to these changes. The effects of climate change, on most occasions exacerbate the negative effects of all these factors. The ILO has approached these changes in the world of work from the framework of its Decent Work Agenda and increasingly recognizes that a lot of the expertise and experience gained in preparing for and engaging with changes in the world of work are also relevant to changes driven by climate change.

The loss and damage caused by climate change relating to employment and livelihoods are becoming increasingly evident. In developing countries in particular they tend to amplify the negative impacts of the other drivers for change on employment and livelihoods. At the same time it is well understood that the deterioration of employment and livelihoods has severe social consequences. The ILO proposes therefore that the Adaptation Committee's work programme carefully considers the **income security** and the **employment** dimensions and consequences of the adverse impacts of climate change and climate variability, as well as of climate adaptation policies. In particular striving for **Decent Work** and a "**just transition**" to a sustainable world of work transformed by climate change and other concurrent drivers for change should be a priority in the view of the ILO.

Decent Work and "Just Transition" in the context of adaptation should aim at creating the conditions that will ensure that those whose livelihoods, income and employment are affected by the adverse impacts of climate change and climate variability are supported in a transition to other livelihoods, income and employment. This support needs to take place in a framework that includes a fair

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¹ The International Labour Office is the permanent secretariat of the International Labour Organization which is responsible for drawing up and overseeing international labour standards. It is the only 'tripartite' United Nations agency that brings together representatives of governments, employers and workers to jointly shape policies and programmes.

² CoP 16 Decision: Outcome of the work of the Ad Hoc Working Group on long-term Cooperative Action under the Convention, Cop 16.

distribution of costs, representation and employee involvement; long-term planning; security against direct losses. In addition, there is a need to maximize the socio-economic impacts of the climate adaptation policies and measures taken globally at the national and local level.



The need for a just transition and decent work are captured in Article 10³ of the CoP 16 Decision and it is on this basis that the ILO recommends that the following is incorporated into the work programme of the Adaptation Committee:

- Assessments of the impacts of climate change need to place specific emphasis on the risks
 of; disrupted livelihoods and labour markets, higher unemployment and more precarious
 and informal work, identification of those who will be most affected by these changes, and
 how these effects translate into negative social outcomes
- The definition of universal indicators to measure the socio-economic impacts of climate change adaptation policies and measures
- Social Dialogue⁴ and participation of relevant stakeholders- in particular workers, employers, and other members of civil society- in the design of climate adaptation policies, and the planning and implementation of adaptation actions, is important as it leads to better, and more widely supported policies and measures;
- "Soft Adaptation" options that build the capacities of individuals, businesses, communities
 and societies to adapt to climate change, such as investing in social protection and income
 security, support with diversification of local economies to create climate resilient jobs and
 sustainable and resilient enterprises, skills development and creating more responsive and
 adequately designed labour market institutions should be a clear pillar of any national
 adaptation plan;
- Social and employment gains of climate adaptation policies and measures should be an
 objective and should be maximized. This can be done by giving due consideration to,
 contributing to local economic development through providing SME with measures for
 diversification and offering more labour-intensive works through local resources based
 approaches balanced with the choice of appropriate technology;
- Adaptation approaches should build local capacities and institutions to enable harnessing local knowledge, in particular with regards to the local environment and the priorities of those most affected, and to enable rapid local responses that do not depend on centralized decision-making and approval.

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³ Article 10 of the COP 16 Decision states:. *Realizes* that addressing climate change requires a paradigm shift towards building a low-carbon society that offers substantial opportunities and ensures continued high growth and sustainable development, based on innovative technologies and more sustainable production and consumption and lifestyles, while ensuring a *just transition* of the workforce that creates *decent work* and quality jobs;

⁴ Social dialogue is defined by the ILO to include all types of negotiation, consultation or simply exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. (See: http://www.ilo.org/public/english/dialogue/themes/sd.htm)

• For adaptation approaches and measures to be sustainable in the long term, they need to advance climate resilience - not only in environmental terms - but also in social and economic terms, and should therefore promote development based on and generating green jobs⁵.



Together these approaches can support a process of adaptation to climate change that does not exacerbate or amplify current trends of growing inequality, higher unemployment and declining job quality, but rather contributes to improving the quantity and quality of jobs and thus more climate resilient societies and labour markets. These approaches are also consistent with the overall approach of the UN system as captured in the document "Advancing work on adaptation to climate change, A UN system perspective⁶".

B. Views and recommendations on modalities and provisions of the Cancun Adaptation Framework⁷

The ILO's views on the work programme of the Cancun Adaptation Framework the specific areas of expertise where it can contribute, and the mechanisms how it can contribute to the work programme are presented below. This is done with specific reference to the relevant articles in the Cancun Adaptation Framework.

Article 15: Establish a process to enable least developed country Parties to formulate and implement national adaptation plans, building upon their experience in preparing and implementing national adaptation programmes of action, as a means of identifying medium and long-term adaptation needs and developing and implementing strategies and programmes to address those needs.

National plans developed through the process of **Social Dialogue** have been shown to be more inclusive and widely supported, and the formulation of national adaptation plans should build on these experiences. Using Social Dialogue would mean that adaptation plans are formulated with the participation of workers, employers and other civil society actors, that the national planning process is also informed by local and regional priorities and that such participation takes place at all levels of the planning process. The experience to date with the NAPA's has been that ILO constituents (workers, employers and labour authorities) have not been involved into their development. Given the magnitude of the challenges ahead and the need for inclusive and participatory planning, it would be beneficial that they were able to participate in the process of formulating the national adaptation plans. Such broader participation will improve the likelihood that the urgently needed employment and social dimensions of adaptation plans are properly considered.

Proper consideration of these dimensions will also require technical support and inputs however to better enable assessments of the socio-economic impacts of climate change and adaptation

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⁵ The ILO has defined Green Jobs as positions in agriculture, manufacturing, construction, installation, and maintenance, as well as scientific and technical, administrative, and service-related activities that contribute substantially to preserving or restoring environmental quality while at the same time meeting the standards of Decent Work. See also: www.ilo.org/greenjobs

⁶ UN CEB as an input to the COP 15, See: http://unfccc.int/resource/docs/2008/awglca4/eng/inf02.pdf

⁷ As included in Article 14 of the Cancun Agreement

measures. It also requires that national adaptation plans are aligned with other national strategies and development plans such as National Employment Strategies and National Skills Policies.



Article 14.a: Planning, prioritizing and implementing adaptation actions, including projects and programmes, and actions identified in national and subnational adaptation plans and strategies, national adaptation programmes of action of the least developed countries, national communications, technology needs assessments and other relevant national planning documents

As with the formulation of national adaptation plans, the principle of broad participation at the regional and local levels in planning and implementation needs to be promoted and supported. This requires not only effective mechanisms and structures for participation but often capacity building of local organizations and actors to be able to meaningfully participate in the planning processes.

Adaptation actions should also seek to maximise the generation of green employment. This can be done through the use of labour-intensive construction methods for adaptation infrastructure where feasible, and maximizing the use of local resources as well as other active labour market measures such as subsidies or other financial incentives. Many adaptation measures are likely to create new types of employment opportunities. Because of this it may also be necessary to anticipate new skill needs and respond to these by providing new training programmes accompanied by the provision of social security to enable people to make the transition to new decent green work.

The ILO has already carried out research on skills for green jobs in 21 countries to understand how skills requirements are changing because of climate change among other drivers of change in skills needs. A key concern identified is that skills development strategies are rarely included in National Adaptation Plans of Action (NAPAs). Therefore skills needs and skills policy assessments should be developed as part of any adaptation programme, strategy or policy.

Article 14.b: Impact vulnerability and adaptation assessments as well socio-economic impacts of adaptation options

Research on better understanding the socio-economic impacts of climate change and the possible adaptation options needs to be a key part of the work programme of the AC. Of particular concern for the ILO are the impacts on employment and livelihoods, hence MDG1, and how these will form a transmission channel for worsening social outcomes. It is also important to understand how particular groups may be affected more severely than others. Recent crises have demonstrated the inter-connections between economic decline and job losses, wage stagnation, child labour, rising informality and increased poverty as well as the varying degrees to which responses effectively address these labour market and social concerns. These impacts need to be much better understood and factored into the assessment of adaptation options.

The ILO has done extensive work on the impact of shocks and structural changes on the labour market and livelihoods in general, but also with respect to specific aspects such as child labour, youth employment, working conditions, shifts in the wage share of the economy and (in)formalization. The experience and methodologies developed in this regard will be a valuable contribution in further work to better understand and quantify the impacts of climate change. In



order to assess the impacts of climate change on the labour market, different economic models are available. For example input-output, partial and general equilibrium models, and static and dynamic social accounting matrices can assist with estimating the employment impacts of different adaptation alternatives and can thus contribute to a better understanding and more informed choices between adaptation options. They provide details on employment reflecting the full socio-economic structure of countries, including a time dimension, going beyond a static approach. It helps evaluate the effectiveness of public policies, simulate the socio-economic impact of exogenous shocks (including natural disasters) and can be used to specifically explore the relationship between intensive employment strategies, job creation, and poverty reduction.

Article 14.c: Strengthen institutional capacity and enabling environments for adaptation including for climate resilient development and vulnerability reduction

Strengthening institutional capacity to respond to climate change should include also institutions that are responsible for economic development, social protection, social dialogue, employment and skills development and infrastructure planning. Particular attention needs to be placed on creating the link between national and local institutions to enable the planning and execution of local adaptation measures. Furthermore strengthening the skills sector to offer vocational training relevant to adaptation measures is a critical part of enabling effective adaptation.

Article 14.d: Building resilience of socio-economic and ecological systems including through economic diversification and sustainable management of natural resources.

Large scale public employment programmes whose projects include the rehabilitation and conservation of ecological systems using local labour have also been mentioned already and should be considered as an adaptation strategy for building the resilience of ecological and socio-economic systems simultaneously.

At the same time "Softer adaptation measures" such as enhanced social security, supporting small enterprises with diversification and skills development also help to build socio-economic resilience. Putting emphasis on portable skills in education and training, such as core skills, helps workers adapt to changes in labour markets and more easily move into new jobs in other sectors. Training should not only focus on those in the formal sector however and training in rural areas will be equally important⁹.

Article 14.e: Enhancing climate related disaster risk reduction strategies taking into consideration the Hyogo Framework for Action2 where appropriate; early warning systems; risk assessment

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⁸ ILO has been working on strengthening institutional capacity in a number of relevant areas such as social protection and social security, industrial relations, prevention of child labour, labour market and training institutions and local government infrastructure implementation capacity.

⁹ For supporting diversification of livelihoods in rural areas the ILO has also developed the Training for Rural Economic Empowerment (TREE) package a proven platform that assists those working in largely informal economies to build the skills and abilities needed to generate additional income. The package uses a systems approach to identify emerging and potential employment, income generation and small business opportunities and delivers training in practical skills and business management.

and management; and sharing and transfer mechanisms such as insurance, at local, national, subregional and regional levels, as appropriate.



With regards to disaster risk reduction strategies the AC's work programme should include organization measures to ensure preparedness of central and local authorities and stakeholders for quick livelihood recovery in the event of future disasters through pre-disaster livelihood recovery planning. Through its "Pre-disaster Planning for Livelihood Recovery" the ILO helps governments and other constituents to be prepared to consider, ahead of time, how best to identify vulnerabilities and risks of productive livelihoods of the people living in areas at-risk, to promote livelihood risk reduction measures and to increase capacity of adaptation before disasters strike.

In the aftermath of a disaster such as floods, earthquakes and tsunamis, the ILO and FAO have jointly developed a Livelihood Assessment Tool Kit (LAT) which develops a baseline and livelihood information of those that have been affected which in turn enables a more effective response.

Article 14.f: Measures to enhance understanding, coordination and cooperation with regards to displacement and migration and planned relocation where appropriateat international level)

It is important that the AC's work programme recognises that migration due to climate change and environmental degradation may take place internally, regionally or internationally, which again will pose various challenges. Empirical research suggests that internal as well as regional migration is likely to occur on a larger scale than international migration across long distances. International cooperation on these issues is vital, and should also be encouraged through Regional Economic Communities and other sub-regional bodies. Hence, it is important that the work programme engages the additional challenges that emerge when migration and displacement takes place at the regional and international level. Regional and International migration will require additional coordination and cooperation efforts with regards to the rights of the migrants, and measures to enable employment or that enable them to engage in livelihoods.

Article 14.g: Research, development, diffusion, demonstration, deployment and transfer of technologies, practices, processes and capacity building with a view to promoting access to technologies, in particular in developing country Parties.

Training programmes are important components in the diffusion of new technologies related to adaptation. Besides capacity-building for decision-makers to support research and development and technology diffusion, a key challenge in this regard is ensuring that skills to design, adopt, adapt, implement and maintain technologies are incorporated quickly enough within relevant training programmes. This requires anticipation and planning with regards to these new technologies and can generally only be achieved if there is close cooperation between the training sectors, employers and employees. Multi-stakeholder cooperation and coordination between universities, research centres, training providers, the private sector and NGOs has proven to be an important success factor for effective technology and skills development and diffusion.

For further information: http://www.ilo.org/greenjobs

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