



International Labour Office (ILO)

21 February 2011

International Labour Office¹ submission to the UNFCCC on the Cancun Adaptation Framework on Enhanced Action and Adaptation² with specific reference to article 28:

“Invites parties and relevant organizations to submit to the Secretariat by 21 Feb 2011 views and information of what should be included in the work programme³”

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.

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.

³ Work programme referred in Article 26: “Decides to hereby establish a work programme in order to consider, including through workshops and expert meetings, as appropriate, approaches to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change”.



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 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 10⁴ 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 Dialogue⁵ 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;

⁴ 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;

⁵ 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>)



- 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.
- 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 jobs⁶.

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 perspective*”⁷.

Article 28.b: Options for Risk Management and Reduction; risk sharing and risk transfer mechanisms such as insurance including options for micro-insurance, and resilience building including through economic diversification

The AC should include further developing **microinsurance**, in particular crop and livestock insurance for small farmers in order to improve mechanisms for understanding risks and enabling wider coverage. The ILO’s “Microinsurance Innovation Facility⁸” is currently testing different approaches in various countries vulnerable to climate change and is making major contribution to this emerging field of work. In addition the ILO is also testing other financial innovations that will enable vulnerable households to improve their risk management strategies.

Social security, including basic social protection is a well established mechanism for risk sharing with regards to loss of income and its strengthening should be an integral part of adaptation measures. This aligns with the need of most developing countries to strengthen their social protection schemes as is reflected in the UN Social Protection Floor Initiative that promotes universal access to essential social transfers and services. Social protection can be enhanced through mechanisms such as public works programmes and employment guarantees and cash transfer, as these can be effective in rural and low-income areas that are most vulnerable to climate change.

A strong focus on **local economic development (LED)**⁹ is an important mechanism for supporting the process of economic diversification as it shifts the focus to the local needs and opportunities rather than concentrating on sectoral ones. Diversification is a key strategy for all economic sectors

⁶ 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

⁷ UN CEB as an input to the COP 15, See: <http://unfccc.int/resource/docs/2008/awglca4/eng/inf02.pdf>

⁸ See: <http://www.ilo.org/public/english/employment/mifacility/>

⁹ See http://www.ilo.org/empent/Areasofwork/lang--en/WCMS_093862



including small farmers, and micro, small and informal enterprises and in particular measures to support these enterprises with diversification warrants attention in the work programme of the AC.

Focusing on the businesses, communities and workers at the local level is critical for building the resilience of local economies as it tends to lead to a more diversified local economy and more opportunities for job creation. Because of its focus on the local area, it is also more in tune with locally available resources and the state of the local environment. LED as an approach promotes the diversification of household income options for vulnerable populations and ensures that their income and assets are not undermined by behaviours that increase their vulnerability to climate change impacts. Other elements of LED include supporting enterprises to consolidate their position in the formal or informal market, working with governments, employers' and workers' organizations on policies and programmes to facilitate finance for SMEs, as well as advice on tools and approaches for responsible restructuring of sectors, value chains and enterprises.

Adaptation approaches and measures need to be sustainable in the long term. In order to achieve long term social and economic development – the best strategy to cope with climate change - emphasis needs to be placed on climate resilient poverty reduction (MDG 1). A major contribution to this achievement is enabling and generating green employment. An **employment intensive investment and local resource-based approach** applies a needs-based, inclusive and participatory approach using appropriate technology, often minimizing capital-intensive equipment and applying environmental friendly construction methods. Applied in local communities it helps them adapt to the effects of climate change, generate income, and create much needed jobs. These approaches can contribute to environmental and private / public infrastructure preservation and improvement, soil conservation, or offer social services – both in rural and low-income informal urban settlements – in and out of times of crisis. They can also provide support to local SME contractors, offer community contracting tools and build effective local organizations for the management of these programmes. Maximizing the use of local resources will also have significant multiplier effects on the economy, supporting local economic development.

“**Green Jobs**” are a key part of the diversification strategy. Such “Green Jobs” include changes in existing practices or new opportunities identified as part of LED or other adaptation measures.

The extensive experience of the cooperative movement is also making it increasingly clear that these enterprises have traits that can make them more resilient in the face of structural changes such as those brought on by climate change and from that perspective merit increased attention as an enterprise model to be promoted in areas vulnerable to climate change.

Article 28.c: Approaches for addressing rehabilitation measures associated with slow-onset events (including sea level rise, increasing temperatures, ocean acidification, salinization, glacial retreat and related impacts, land and forest degradation, loss of biodiversity and desertification).

Experiences all over the world have demonstrated that large-scale public works programmes can combine provision of adaptation infrastructure, rehabilitation of natural resources¹⁰, enhanced local

¹⁰ Relevant activities of these programmes include irrigation works, water and soil conservation, flood protection, roads and forestry



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employment and social protection, and high degrees of local participation. These programmes are an important option for prevention and rehabilitation measures related to slow-onset events. In times of crisis, they can also complement and fill the gap where the private sector is not able to and provide the much needed safety net to ensure just transition.

Large national programmes like the National Rural Employment Guarantee Scheme in India, the Productive Safety Net Programme in Ethiopia and the rehabilitation of the Loess plateau in China are current examples that demonstrate the ability of these approaches to operate at scale and rehabilitate degraded regions and thus restoring or protecting livelihoods while at the same time provide incomes, social protection and employment to those who most need them. These programmes all incorporate the use of labour-intensive methods of construction to maximize the employment and income effects targeting poorer and more vulnerable segments of the population.

The ILO has more than 30 years of experience working together with workers, employers and governments around the world in designing and planning of such programmes¹¹ and a wealth of technical guidelines and courses has been developed to enable the efficient construction of these types of infrastructure using labour-intensive methods.

Article 28.d: Engagement of stakeholders with specialized expertise

Workers and employers' organization as well as labour institutions, as the relevant actors of the world of work, should engage in adaptation to climate change-related decisions. In this regard, the ILO as the UN specialized agency dealing with employment and labour issues should also be involved.

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

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¹¹ Through its International Training Centre in Turin the ILO offers the “Innovations in Public Employment Programmes” that assist with building capacity on this