



Measure the impact of response measures!

But how?

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ILO and Cambridge Econometrics

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What is it you want to know?



Response
measure!

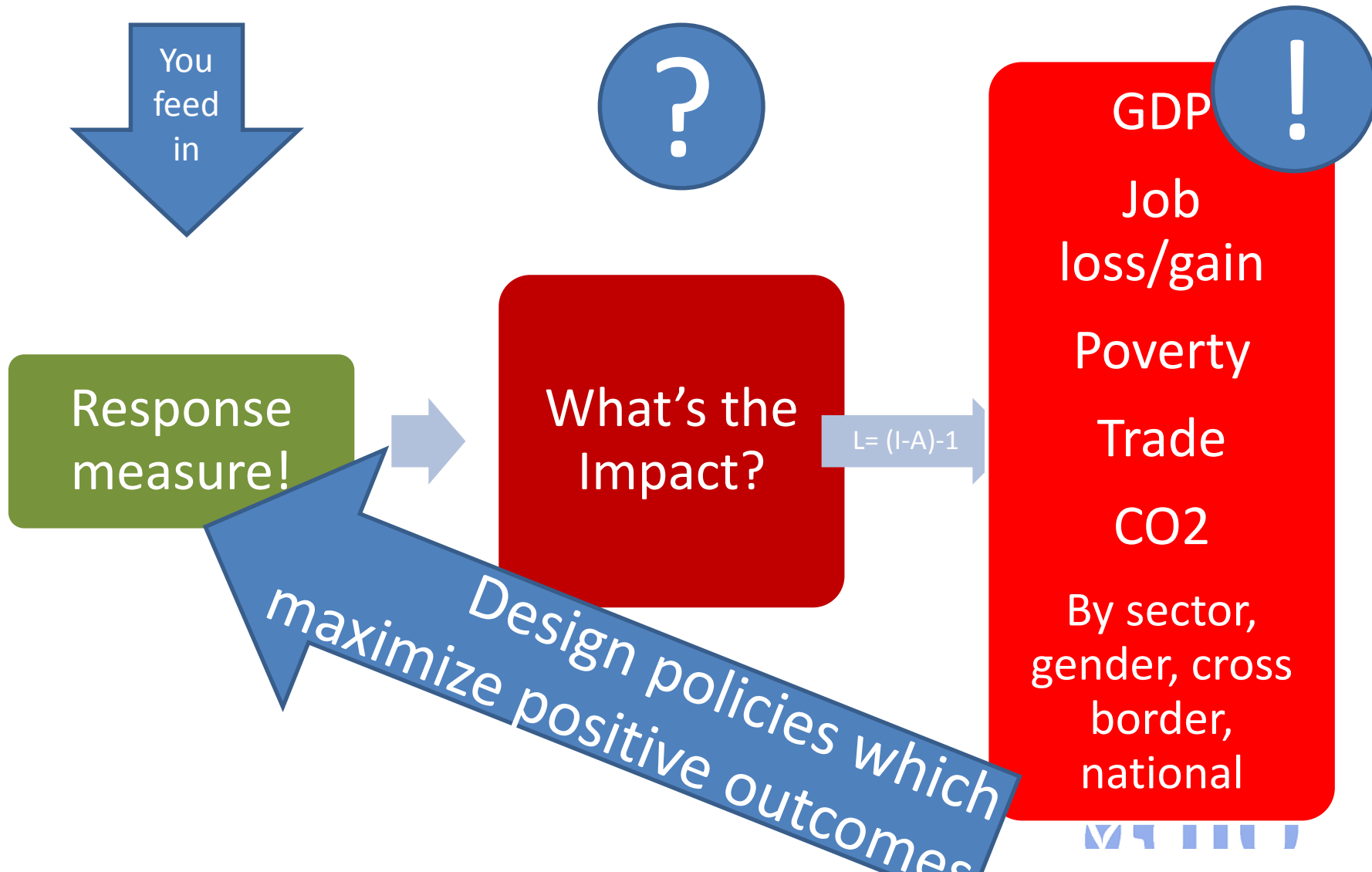
What's the
impact?
But on
what?

GDP
Job
loss/gain
Poverty
Trade
CO2

By sector,
gender, cross
border,
national

Which flanking measures to take?

You want to have a tool that:



All models start with statistics

But: Should be based on
international standards



System of Environment and Economic Accounting (SEEA) and Green Jobs

- ✓ SEEA framework adopted by UN
- ✓ A statistical system with economic and environmental information into a **common framework** to measure -> *the contribution of the environment to the economy, and -->the impact of the economy on the environment*
- ✓ Better informed decision-making.

System of Environmental-Economic Accounting 2012

Central Framework



United Nations



European Commission



Food and Agriculture Organization of the United Nations



International Monetary Fund



Organisation for Economic Co-operation and Development



The World Bank

Environment statistics

1. **production, employment and expenditure relating to environmental activities** (e.g. contribution of environmental activities to GDP, share of government expenditure on environmental protection)
2. **resource intensity** per unit GDP of the economy (e.g. water and energy productivity, waste and emission intensity)
3. **environmental taxes, environmental subsidies** and similar transfers (e.g. total environmental taxes to GDP)
4. **environmental assets** and their role in the economy (e.g., changes in stocks of natural resources, depletion adjusted value added for extractive industries).



Employment & Decent Work Statistics

- 1 – Employment-to-population ratio
- 2 – Unemployment rate
- 3 – Youth not in education and not in employment
- 4 – Informal employment
- 5 – Working poverty rate
- 6 – Low pay rate (below 2/3 of average hourly earnings)
- 7 – Excessive hours (more than 48 hours per week)
- 8 – Incidence of children in child labour
- 9 – Precarious employment rate
- 10 – Occupational segregation by sex
- 11 – Female share of employment in ISCO-08 sub-major groups 11,12 and 13
- 12 – Occupational injury rate, fatal
- 13 – Share of population above a specified age benefiting from a pension
- 14 – Public social security expenditure (% of GDP)
- 15 – Union density rate
- 16 – Enterprises belonging to employer organization [rate]
- 17 – Collective bargaining coverage rate
- 18 – Indicator for Fundamental Principles and Rights at Work (to be developed)

Based on international labour standards:

GUIDELINES FOR PRODUCERS AND USERS OF STATISTICAL AND LEGAL FRAMEWORK INDICATORS, ILO MANUAL , Sept.2013

available at

http://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/publication/wcms_223121.pdf

With multiple soc-eco-envi
policy questions sources
need to be combined

System of Environmental-Economic Accounting 2012

Central Framework

System of
National



Labour
Force
Surveys

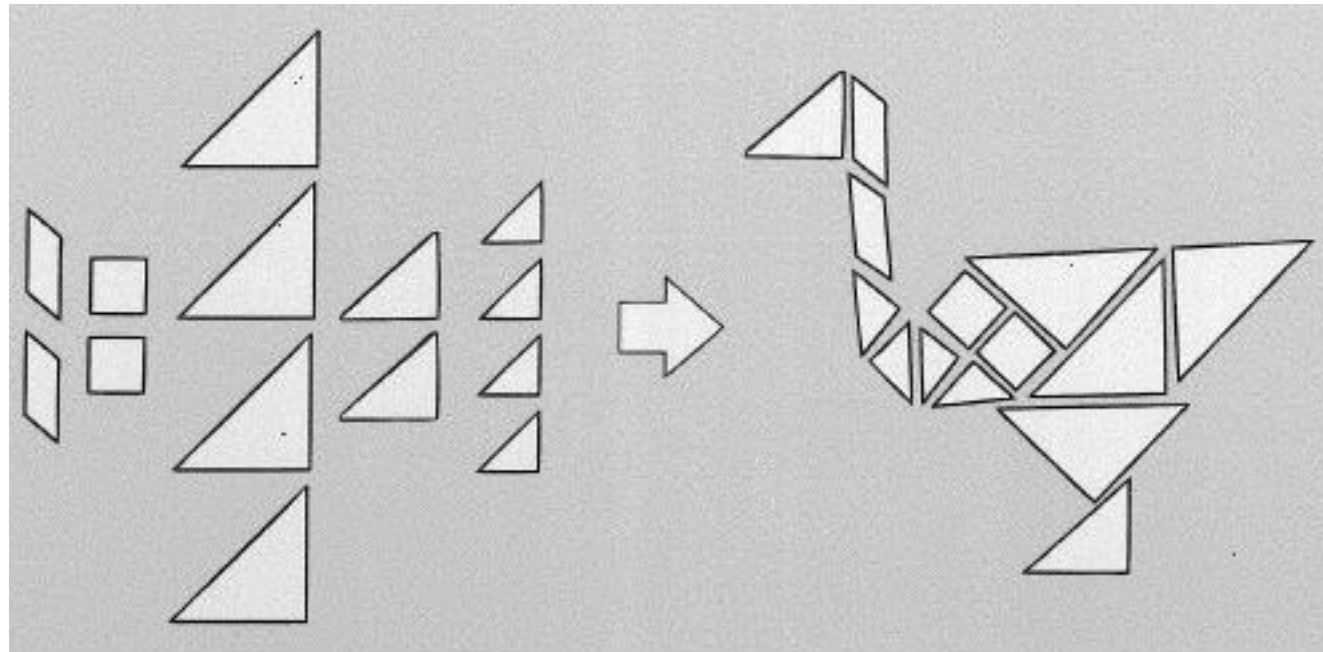
Household
Budget
Survey

Environmental
Assessment



And, statistics have to be
integrated:

Input Output framework & model



Statistics

Integrated information

The IO Table

The amount of industrial products used up by service activities.

Products \ Industries	Industries			Final uses			Total
	Agriculture	Industry	Service activities	Final consumption	Gross capital formation	Exports	
Agricultural products	34	59	143	81	21	32	370
Industrial products	106	119	77	123	103	62	590
Services	70	112	75	291	61	31	640
Value added	90	210	405				705
Total	300	500	700	495	185	125	



IO Table as an integrated data framework

Ex. Germany

INPUT-OUTPUT TABLE (Billions of Euro)

No.	PRODUCTS	PRODUCTS						FINAL USE					Total output at basic prices
		Agriculture	Manufacturing	Construction	Trade, trans. and comm.	Finance and business service	Other services	Final consumption		Gross fixed capital formation	Changes in inventories	Exports	
								Households	Government				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)		
(1)	Agriculture	3	20				1	9			3	5	42
(2)	Manufacturing	7	394	48	56	11	30	250	7	95	- 58	611	1 451
(3)	Construction	1	11	18	8	28	10	5		153		1	234
(4)	Trade, transport and comm.	4	139	17	181	38	40	317	15	39	6	111	907
(5)	Finance and business services	6	131	30	124	261	51	313	3	25		66	1 010
(6)	Other services		18	3	12	17	47	147	472	2		2	721
(7)	Total at basic prices	21	713	116	382	355	179	1 041	497	314	- 49	795	4 365
(8)	Agriculture	1	11				1	8			1	2	23
(9)	Manufacturing	4	246	15	21	3	12	111	7	57	27	160	664
(10)	Construction							1			3	20	25
(11)	Trade, transport and comm.		9	1	31	4	2						47
(12)	Finance and business services		16	1	6	24	5	8	2	4		8	73
(13)	Other services						1						1
(14)	Imports	5	283	17	58	31	21	128	9	61	31	189	833
(15)	Taxes less subsidies on products	2	10	2	12	17	24	151	6	34			257
(16)	Total at purchasers' prices	27	1 007	135	452	402	224	1 319	513	409	- 18	984	5 455
(17)	Compensation of employees	6	308	69	294	191	364						1 232
(18)	Other taxes less subsidies on production	- 6	- 2		- 1	5	- 7						- 12
(19)	Consumption of fixed capital	8	79	5	60	160	63						375
(20)	Net operating surplus/Net mixed income	7	60	25	101	252	77						523
(21)	GVA	15	445	99	454	608	497						2 117
(22)	Total input at basic prices	42	1 451	234	907	1 010	721	1 319	513	409	- 18	984	



EMPLOYMENT (1,000 persons)

(29) Wage and salary earners	295	6 787	1 948	9 821	5 693	11 356				35 900
(30) Self-employed	359	275	463	1 297	1 017	1 059				4 470
(31) Total	654	7 062	2 411	11 118	6 710	12 415				40 370

ENERGY (Petajoule)

(32) Coal and coal products		1 714	1	1		6	17		- 41	40	1 738
(33) Brown coals and lignite products		1 617				1	21		- 9	24	1 654
(34) Crude oil		4 294							- 7	5	4 291
(35) Gasolines	3	91	4	25	20	15	868		4	248	1 278
(36) Diesel fuels	106	123	79	476	93	74	387			355	1 693
(37) Jet fuels				434		4			10	176	624
(38) Heating oil, light	25	188	14	87	26	85	514		13	100	1 052
(39) Fuel oil, heavy		336		17					- 13	217	557
(40) Other petroleum products	2	1 190	101	35	2	3	48		- 1	161	1 540
(41) Natural gas and other gases	12	1 797	12	125	49	184	936		228	465	3 808
(42) Renewable Energy	6	1 178	5	45	7	6	299		1	18	1 564
(43) Electric power and other energy	23	2 641	14	289	76	197	678		127	198	4 242
(44) Total	178	15 167	230	1 535	273	574	3 767		311	2 006	24 043

EMISSIONS (1,000 tons)

(45) Carbon dioxide (CO ₂)	9 260	550 893	9 162	80 990	12 077	24 173	222 268				908 823
(46) Methane (CH ₄)	1 247	925	1	49	3	10	79				2 313
(47) Nitrous oxide (N ₂ O)	137	62		2			4				206
(48) Nitrogen oxides (NO _x)	153	538	46	398	33	45	314				1 526
(49) Sulfur dioxide (SO ₂)	3	373	1	41	2	8	42				469
(50) Organic compounds (NMVOC)	13	574	6	40	3	7	310				952
(51) Ammonia (NH ₃)	541	16		2			20				579
(52) Particulate matter (PM ₁₀)	47	42	7	43	2	3	48				192
(53) Hydrofluorocarbons (HFC)		12									12
(54) Perfluorocarbons PFC											
(55) Sulfur hexafluoride (SF ₆)											
(54) Total	11 402	553 435	9 222	81 565	12 120	24 246	223 084				915 073

GLOBAL WARMING AND ACID DEPOSITION (1,000 tons)

(55) Greenhouse gases 1)	77 990	589 463	9 232	82 710	12 195	24 482	225 115				1 021 188
(56) Acid deposition 2)	110	749	33	320	25	39	261				1 537
(57) Tropospheric ozone formation 3)	1 413	2 036	52	487	38	61	703				4 792

WASTE, SEWAGE AND WATER

(58) Waste (1.000 tons)	804	122 849	194 098	4 945	5 510	3 931	36 033				368 171
(59) Sewage (Mio. cbm)	21	26 970	38	173	193	137	3 118				30 650
(60) Water from waterworks (Mio. cbm)	136	- 3 725	14	194	216	154	3 011				
(61) Water from nature (Mio. cbm)	303	37 608	25	9	10	7	25				37 986

From statistics to simple model?

Direct and indirect emission & employment multiplier



(14)

- Additional 11 indirect jobs in mining, manufacturing, retail etc **(1)**
- And 1 ton indirect CO2

(22)

- Requires 21 direct jobs in construction
- Generates 11 tons CO2

(2)

Value of (USD) 10,000



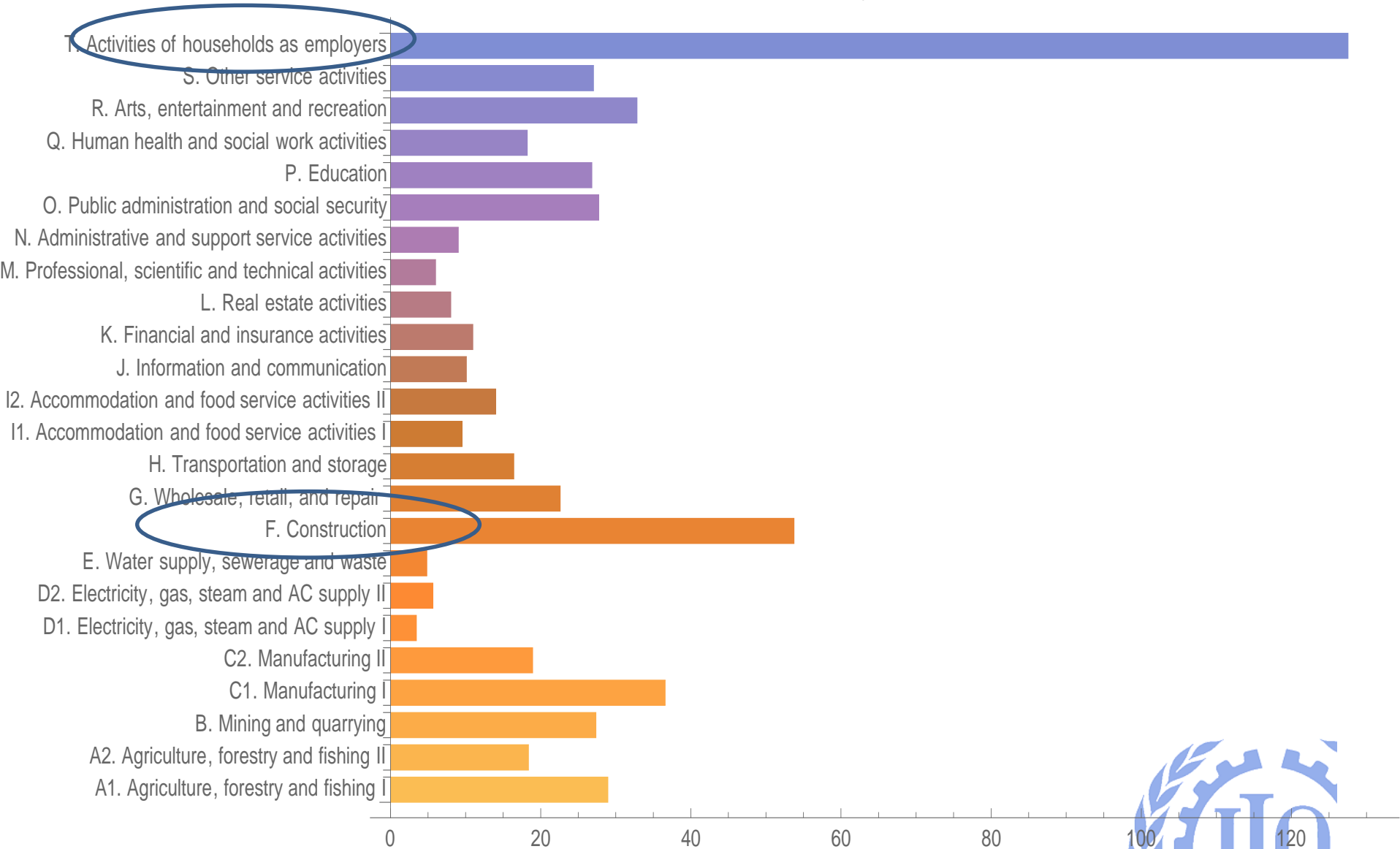
Ex. NDC: reduce CO2 per unit GDP (in construction)

- 1 ton CO2 is associated with 9280 value in final demand (GDP) construction (and 29.8 jobs)
- In green construction 0.3 ton CO2 (33.2 jobs)
- A **growth of 10,900** in green vs conventional construction would **save one ton CO2** (1.34 vs 0.43) (**net gain of 4 jobs**)
- Total Emission Multipliers: 1000 unit value increase in final demand in construction increases MtCO2e emissions by 1.2 (and by 0.3 in green construction)



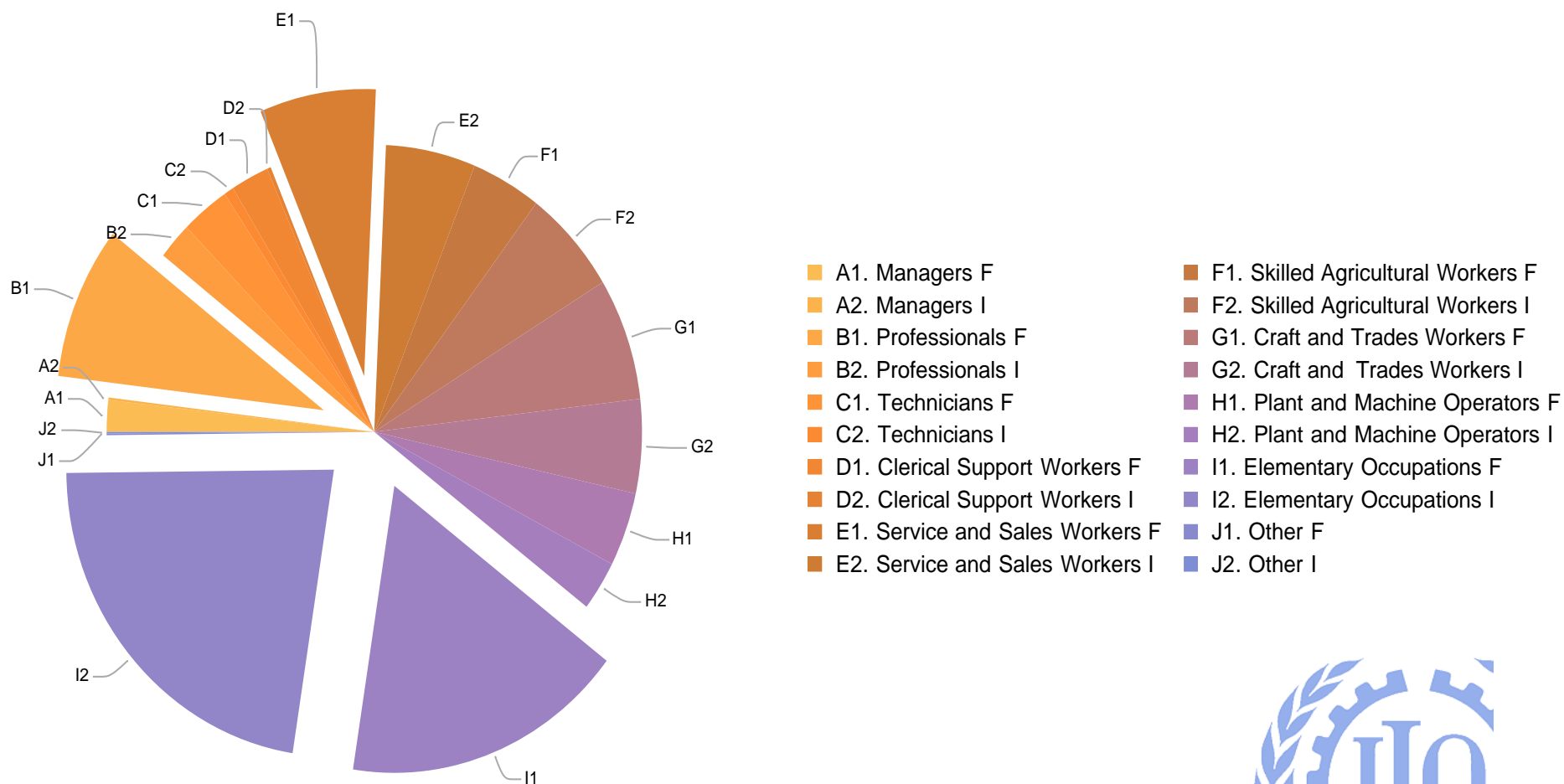
Employment Multipliers Zambia

Total Employment Multipliers



Share of occupations/skills

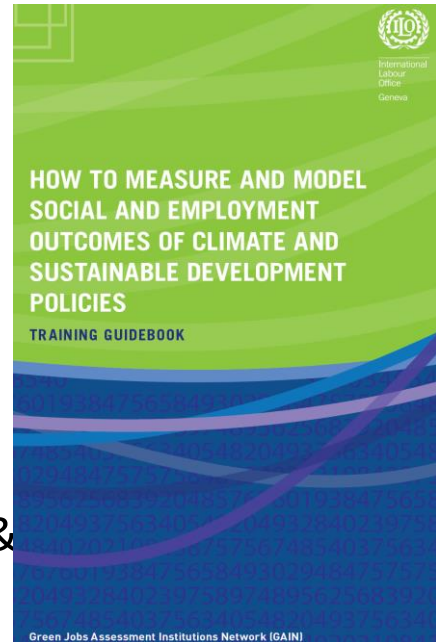
By Occupation Share Employment Generation by Green Manufacturing Sector



Green Jobs Assessment Model (GJAM)

1. Based on integrated national data framework

SupplyUse-, InputOutput Tables and Social Accounting Matrix to monitor economy, environment & social outcomes



2. Based on and adapted to national needs

Policy to guide the features of model

3. Based on capacity building: nationally build and owned

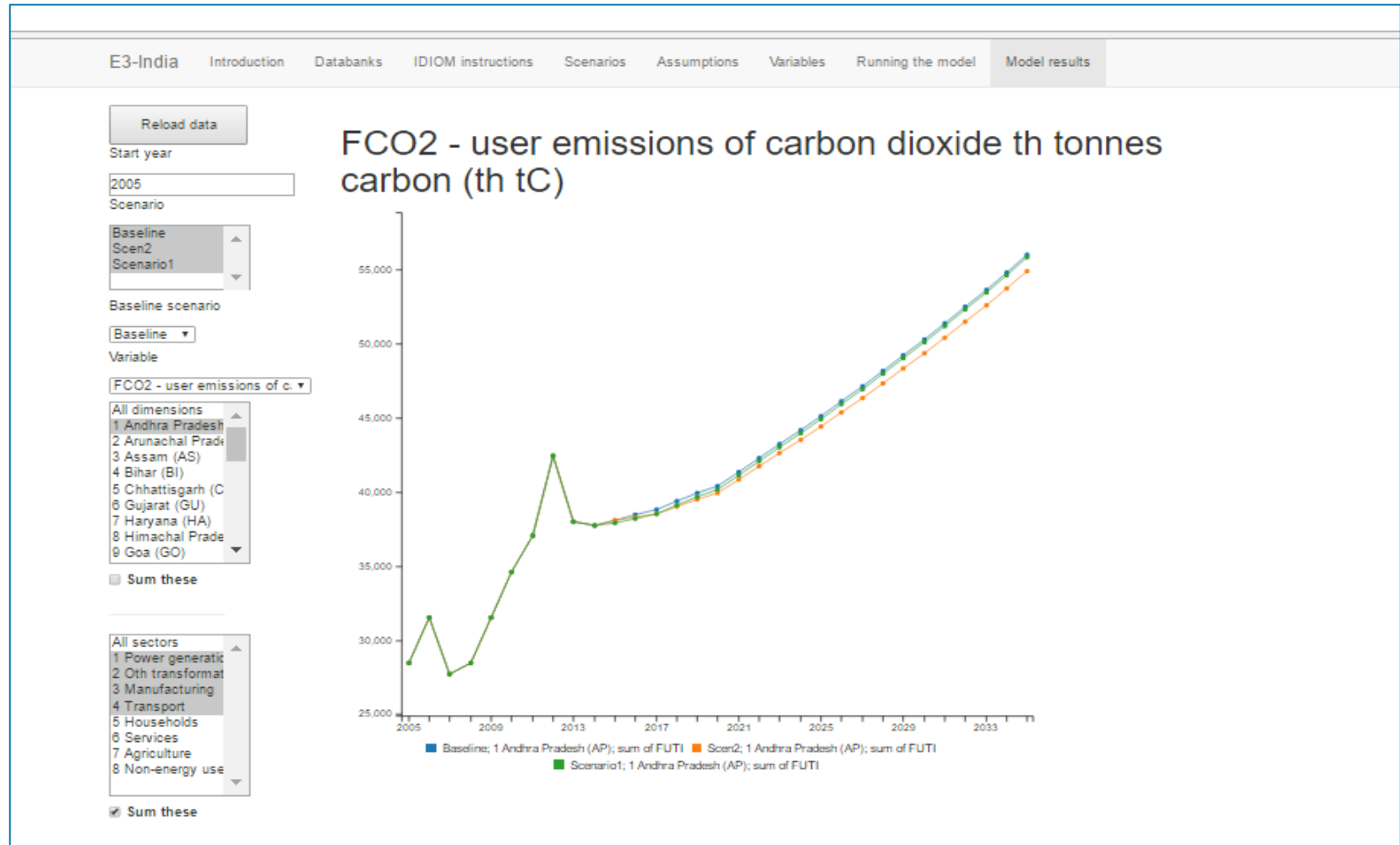
Stepwise approach to capacity building for statisticians, researchers and policy makers ensures sustainability



Introduction to the E3ME model

- Computer-based model of the global economy, energy system and environment
- Organised into 59 regions (incl. South Africa, Nigeria and Rest of Africa)
- Based on an input-output accounting framework coupled with a series of behavioural equations
- Designed for policy analysis
- Optimisation not assumed
- Under the right conditions it is therefore possible for regulation to increase output and employment

E3ME interface



E3ME key features

Detailed Coverage

- 59 regions (33 European, 26 World)
- 44 economic sectors and 28 consumption categories
- 23 fuel users of 12 fuels

Comprehensive

- whole energy, environment and economy system
- two ways feedbacks between each module
- many policy instruments

Highly Empirical

- 1970-2014 database
- 28 stochastic equations
- relationships validated from data
- econometrics allows for short-medium and long term analysis

Consistent

- based on system of national accounting
- input-output tables
- bilateral trade

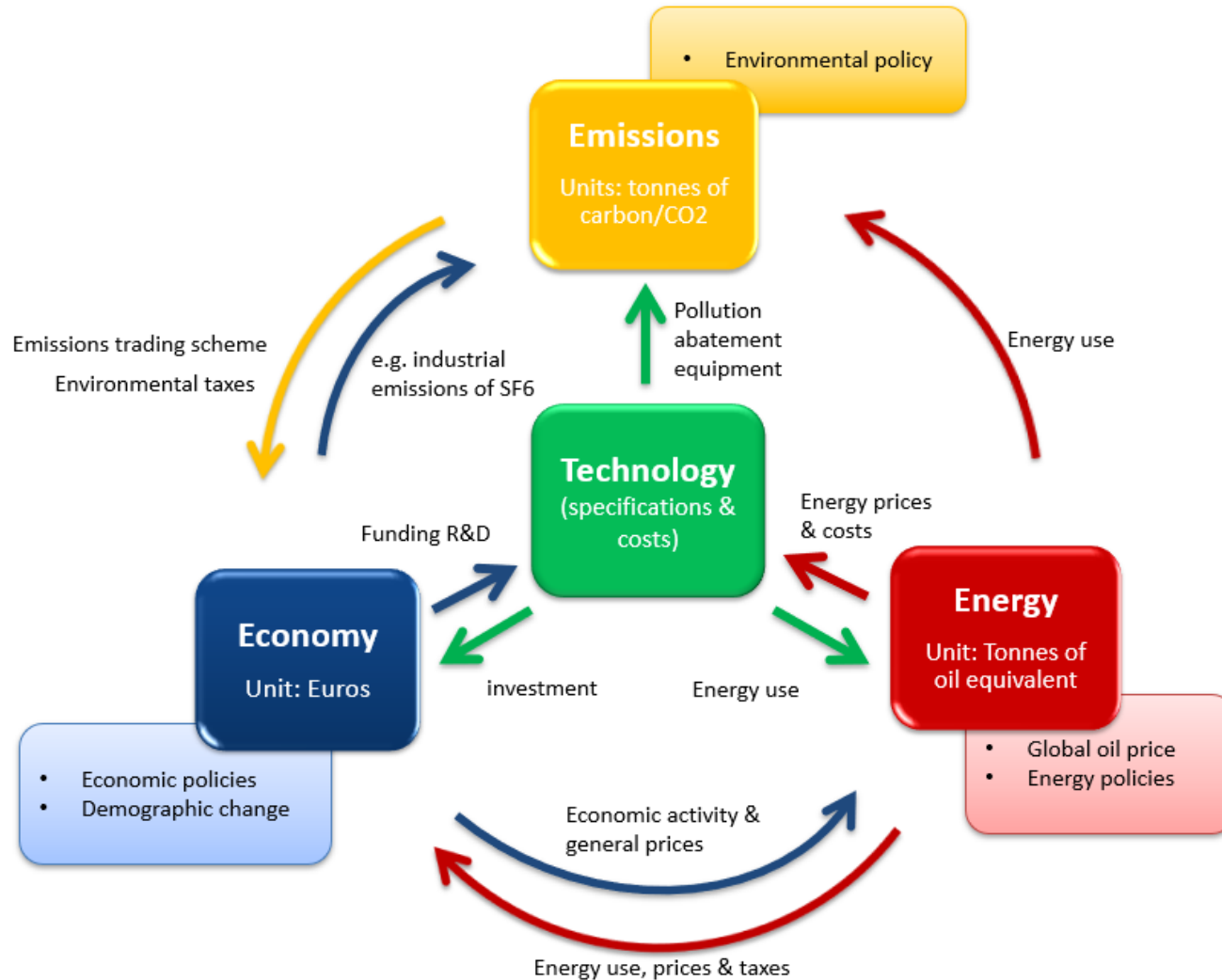
Forward Looking

- annual projections to 2050
- behavioural equations
- ex-ante scenario analysis (ex-post is also feasible)

Modular

- E3: Energy, Environment, Economy and material modules
- power generation sub-module

E3ME modules



E3ME applications

Energy & Climate

- ETS/ carbon market
- carbon/energy targets
- carbon/ energy tax
- ETR
- renewable energy
- power generation mix
- green jobs
- removal of harmful subsidies
- international energy prices

Economic/ Labour

- fiscal policies
- monetary policies
- trade agreements
- labour supply and demand forecasts
- labour market policies
e.g. improving female participation rate

Others

- sector specific studies
e.g. aviation, water transport, engineering
- impacts of R&D and innovations
- resource efficiency
(currently only for Europe)

E3ME- Typical Model Output

Economy:

- ✓ **GDP** and the **aggregate components** of GDP (household expenditure, investment, government expenditure and international trade)
- ✓ **sectoral** output and GVA, prices, trade and competitiveness effects
- ✓ **sectoral** bilateral trade
- ✓ **consumer prices** and **expenditures**, and implied household **distributional** effects

Labour market:

- ✓ **sectoral employment** by gender
- ✓ **labour force** and **participation rate** by gender and age groups
- ✓ **unemployment** rate and level
- ✓ **sectoral wage** rate
- ✓ **real income** of different **socio-economic** groups
- ✓ **GINI** coefficients

Energy & Environment:

- ✓ **energy demand**, by users and by fuel
- ✓ **energy prices**
- ✓ **power** sector detailed results
- ✓ **CO₂ emissions** by sector and by fuel
- ✓ **other** air-borne **emissions**
- ✓ **material demands**, by users and by materials

*all with **regional** dimension and **annual** results to **2050**



Thank you!

Please ask questions
www.ilo.org/greenjobs

