

PUTTING JUST TRANSITION INTO ACTION IN EUROPE AND GLOBALLY

ETUC POSITION TOWARDS QATAR COP18



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EUROPEAN TRADE UNION CONFEDERATION (ETUC)

Following the outcome of the 17th set of international climate negotiations held in December 2011 in Durban (COP17), global climate negotiators are currently working on the elements of a future global climate agreement due to be concluded by 2015, and implemented by 2020.

The negotiations in Durban managed to save the UN climate process, paving the way for a final round of discussions on three key issues for the union movement:

- > **a.** a second commitment period for the Kyoto Protocol which expires in December 2012;
- > **b.** the 'Durban Platform', which consists of 2 elements. Firstly a work plan on enhanced ambition and, secondly, the negotiation of a new legally binding agreement applicable to all and to be finalised by 2015 and in force by 2020;
- > **c.** further work on key components of the Cancun Agreements (2010) on: global emission reductions to keep the global average temperature rise below 2°C; a Just Transition within response measures; market-based mechanisms to deliver CO₂ reductions; mobilising scaled-up funds for developing countries to take greater and effective action; and establishing institutions to realise these objectives.

For the European Trade Union Confederation (ETUC), while we welcomed the Durban platform and acknowledge that the EU showed itself to be responsible and unified, every delay in reaching international consensus is increasing the eventual cost (economically, socially and environmentally) and reducing the chance of keeping global temperatures within a safe range.

Unlike other industrialised parts of the world (including Canada which, deplorably, withdrew from the Kyoto Protocol immediately after the nego-

tiations ended), Europe assumed its responsibilities in Durban, by agreeing to continue to reduce its CO₂ emissions under a second commitment period of the Kyoto Protocol, although the protocol will only concern 14% of the world's emissions. Nonetheless, on 1 May 2012, the EU proposed to take on an 8 year commitment period – in line with the Europe 2020 strategy – to extend its Kyoto Protocol obligations to 2020 with a commitment of -20% greenhouse gas emissions (based on 1990 levels). The ETUC underscores the fact that this commitment, which essentially reflects business as usual as a result of the economic crisis, is not ambitious enough.

ETUC concern about the choice of Qatar to host COP18

Migrant workers, who make up a 94% majority of the Qatari workforce, lack basic labour and human rights, are systematically exploited, often work in health threatening conditions, and may be expelled for forming a trade union. For example, Qatar has refused to ratify ILO Convention 87: Freedom of Association and Protection of the Right to Organise Convention, 1948. Qatar is also the world's largest per capita emitter and has been a barrier in climate negotiations.

As in all their external relations, the ETUC demands that the EU and member states raise these concerns with the Qatari hosts and ensure that the importance of human rights (including workers' rights), Just Transition and Decent Work are central to their dialogue with the COP18 organising team.

A public commitment from Qatar to Just Transition and Decent Work, by signing the relevant ILO conventions and ensuring an active participation of civil society in the COP18, is needed to build trust in the union and social movements on Qatar's chairing of the summit.

International Demands: a Just Transition needs a binding and ambitious framework agreement

The ETUC remains firmly committed to the creation of a global, fair, legally binding and ambitious agreement under the United Nations Framework Convention on Climate Change (UNFCCC). In line with the Intergovernmental Panel on Climate Change (IPCC) recommendations, the ETUC supports greenhouse gas emission reductions for developed countries (including the EU) of at least -25 to -40% based on 1990 levels by 2020, and -80 to -95% by 2050 to avoid an increase in global temperature of more than 2°C by 2100. The final UN agreement must include provisions for a “Just transition of the workforce, and the creation of decent work and quality jobs” that featured in the UN decisions in Cancun (2010) and Durban (2011). This should remain the focus of negotiations within the ‘Durban Platform’.

Fundamentally, neither workers nor the environment can wait until 2015 for concrete action to reduce global greenhouse gas emissions and ensure the policies and measures needed to anticipate and manage the consequent changes in the labour market and societies. Therefore, the ETUC demands a mandate for the International Labour Organisation to start operationalising and implementing the commitment to Just Transition and Decent Work included in the Cancun agreement (2010) and reiterated in Durban.

The principle of ‘common but differentiated responsibilities’ must take into account historical emissions as well as changing global emissions. The ETUC supports the EU’s insistence on clear targets from the emerging countries to cut their emissions in-line with IPCC recommendations.

The work plan on enhanced ambition must address additional mitigation efforts both before and after 2020.



Any new market mechanisms, based on Joint Implementation or the Clean Development Mechanism, must deliver genuine benefits in terms of sustainable development, both for the environment and for the populations and workers in the host countries. The ETUC accordingly reiterates its position to the effect that flexible mechanisms cannot constitute anything more than a complementary instrument alongside local measures to deliver on the global emission reduction pledges. The ETUC therefore recommends that future market mechanisms foresee that projects should be systematically subjected to a procedure of approval by the national public authorities and that the list of evaluation criteria be set at the EU level in order to ensure a level playing field across Europe. The list of criteria should include:

- > **a.** the project promoter's pledge to respect the principles of the OECD's guidelines for multinationals and ILO conventions.
- > **b.** Social sustainability, covering employment (number of jobs created, skills development, quality of employment), equity and access to essential services such as energy services.
- > **c.** The involvement of the trade union organisations in both the host and sending countries in the projects approval procedure.

Following the formal creation of the Green Climate Fund, initiated in Copenhagen and structured in Durban, the ETUC calls on the EU to ensure that money is made available for this fund for 2013-2020 to reach \$100 billion annually as from 2020. Europe must commit funds for this period, a third of the total amount needed. This must be additional to EU member states responsibilities to provide 0.7% GDP in overseas development aid to fight poverty, and not substitute this earlier commitment.

Putting Just Transition into practice in Europe

The ETUC has consistently called for a Just Transition Roadmap to accompany the EU's climate and energy goals and strategies. On 19 April 2012, the Commission published its Communication 'Towards a Job Rich Recovery' (COM(2012)173), which includes a proposal for a set of key employment actions for the Green Economy.

The ETUC welcomes the initiative but is disappointed by the absence of clear commitments and actions to ensure the socially responsible management and anticipation of change stemming from climate and energy policy and the effects of climate change and resource use on our economies. The Communication is extremely vague in this respect, has little ambition, and fails to reflect the negative impact of the economic crisis on the carbon price and consequent investment and revenue.

The Communication is weak on the importance of adaptation, which will require investment in public services such as water management, coastal protection, healthcare, urban planning and nature conservation, and has the potential to create employment. More focus on adaptation is urgently needed as the on-going economic crisis undermines Europe's preparedness for the consequences of climate change.

Building on the ETUC response to the Green Paper on anticipation and management of change (ETUC Resolution March 2012) and the ETUC's general response to the Employment Package (ETUC Resolution June 2012), and in order to build a European Just Transition Roadmap, the ETUC believes that 5 elements must be used as foundations:

> 1. Participation

The scale of changes necessary to reach a 80-95% reduction in greenhouse gas emissions by 2050 demands strong engagement from all parts of European society. Social dialogue, negotiation and participation are the fundamental values and tools which underpin and reconcile the promotion of social cohesion, quality employment and job creation and increased innovation and competitiveness in European economies. It is only through consistent and stronger worker participation that change can be managed in a socially acceptable manner, that trust is nurtured and anticipation policies can develop. The Commission's proposed actions are very limited in this respect, the ETUC calls for:

- A legal framework in Europe on the anticipation and management of change (ETUC Resolution, March 2012)
- Follow-up to the 1st high level social dialogue meeting on employment and climate (held on 13 May 2011), bringing together all relevant sections of the Commission
- Equivalent tripartite bodies at national level in all member states
- Sectoral roadmaps in priority areas such as energy supply, energy intensive industries, road transport, construction and domestic energy efficiency, developed in conjunction with the sectoral social partners charting the route to 2050 objectives, with interim targets

- Worker participation in EU R&D activities (e.g. board membership in European Technology Platforms, R&D PPPs, etc.)
- Extension of information and consultation rights to worker representatives to ensure rights related to environmental, sustainable mobility and energy and resource use in their workplaces

> 2. Job creation and maintenance

As is clear from the current employment situation, Europe urgently needs to create significant numbers of new jobs in sustainable companies and sectors. Green and decent jobs can be created through domestic investments in (new) low-carbon technologies, in R&D and innovation, and technology transfer. Together with the impact of austerity measures, the low price for CO₂ (currently 8€/CO₂T) will delay and complicate the investment needed to support the transformation of industries, promote infrastructure modernisation, and, consequently, bring about the transition to a low-carbon economy. For the ETUC, all jobs that contribute to environmentally sustainable development are green, therefore we welcome the broad definition of Green Jobs adopted by the Commission and Employment and Social Affairs Council (EPSCO) and the Commission's Communication. This spans all sectors and industries covering all workers; not only jobs in new emerging sectors, such as renewable energy, waste management and environmental protection services, but also the transformation and creation of jobs in existing sectors as they become "greener". For the ETUC, it is the quality as well as the quantity of jobs that is crucial – jobs must be at least in line with ILO standards on decent work. A roadmap for Just Transition is therefore linked to demand-side measures such as:

- European intervention is urgently needed to ensure a strong carbon price signal (e.g. using set-aside mechanisms). Alongside the carbon market, carbon taxation should be used as a means of regulating the price signal which should not be left to the market alone, subject to conditions notably on social justice.
- The risk of carbon leakage from Europe will increase if Europe stagnates further, which is one of the reasons why the ETUC believes it is essential to proceed without delay to reform the Emissions Trading Scheme (ETS) (including border adjustment measures as a last resort), and tackle unfair trade practices.
- A strong and coherent European industrial policy agenda for all sectors, with a strong social dimension including worker involvement. Competitiveness proofing should not be at the expense of social or environmental progress.
- Adoption of the draft Energy Efficiency Directive ensuring a highly-ambitious directive, guaranteeing at least a 20% increase in energy efficiency and saving in Europe by 2020, with national and European binding targets and mandatory energy auditing. Although it is not as ambitious as desired, the ETUC calls for political support for the Commission's original proposal on an annual 3% binding renovation rate for public building stock.
- Promotion of closed loop manufacturing and a circular economy, through revision of the Eco-Design Directive to include resource efficiency criteria and better implementation and enforcement of European waste legislation
- An investment agenda is urgently needed to create jobs in the short term throughout the EU's regions and green the economy ensuring competitiveness in the longer term, through the promotion of the transformation and decarbonisation of energy and transport infrastructures, and energy independence.

> 3. Ensuring the greening of training, education and skills

Government-led, active education/training and skills strategies are fundamental in the transition to a low-carbon, resource-efficient economy, as recognised by the Commission's proposals. Equal access to continuing education and training is essential to respond to citizens' changing circumstances and aspirations on the one hand and the needs of the labour market on the other. The ETUC considers that all workers should have equal access to education and training at all levels, regardless of their age, gender, employment status, or nationality, and particularly groups with low participation, such as the low-skilled, older workers and workers on temporary or part-time contracts, so that they are able to acquire, update and develop their knowledge, skills and competences throughout their lifetime (e.g. through individual training plans and learning accounts). Therefore the ETUC calls for:

- An individual European worker's right to training
- The promotion of sectoral training programmes and training accounts, closely involving the social partners, and common training modules related to green skills, plus the better recognition of non-formal skills and measures to ensure the transfer of collective skills
- An effective policy on vocational education and training, and public education policy, demands appropriate funding. The structural funds while important but not sufficient, and the role of the European Social Fund should be guaranteed and increased.

> 4. Trade union rights

Respect for labour rights and other human rights is essential to ensure a Just Transition within Europe and globally. Therefore, the Commission must ensure that democratic decision-making and respect for human and labour

rights are guaranteed in order to ensure the fair representation of workers' and communities' interests at the national level.

> 5. Social protection

Public policy must also provide a safety net through active labour market policies, strong social protection and support measures. A European restructuring framework must include support mechanisms for workers who fall victim to economic change. The ETUC fully supports the call for a social protection floor, to be addressed at the International Labour Conference (June 2012).



The ETUC supports increased unilateral ambition in reducing greenhouse gas emissions in Europe, if supported by a credible social agenda and the necessary funding to assist those sectors and regions which would experience a negative impact on employment in the absence of other large countries moving forward. The ETUC will continue to work with the ITUC and particular affiliated unions in other large countries such as Brazil, Canada, India, Russia, the US and China, to ensure credible commitments by these and other large countries (emitters).



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