



SECOND ITEM ON THE AGENDA

**Promoting sustainable development
for sustainable livelihoods****I. Introduction and scope**

1. Economic growth, employment creation and poverty reduction can no longer be addressed without taking into account environmental concerns. The evidence is increasingly clear that environmental degradation is linked both to poverty and to unsustainable production and consumption patterns. These, in turn, are linked to the sustainability and quality of existing and future employment. The central goal of the Global Employment Agenda (GEA) to promote the quantity and quality of productive employment can be achieved sustainably only by integrating the needs of both current and future generations.
2. Sustainable development¹ is based on a mutually reinforcing relationship between economic growth, environmental protection and employment creation. From the perspective of the world of work, sustainable development involves the scale of employment and the quality of the working environment and encompasses aspects such as employment policy formulation, safe working conditions, social protection, sound labour relations and human resource development strategies. The concept of sustainable livelihoods is used by some as a surrogate term for sustainable employment and work in the formal and informal economies with reference to a person's capacity to maintain and enhance their capability and assets both now and in the future, while not undermining the natural resource base.²
3. The GEA was developed within an international policy environment marked by a number of major international conferences and events. For one, the United Nations General Assembly, during its five-year review of the Social Summit, called on the ILO to develop a "coherent and coordinated international strategy on employment".³ Immediately

¹ The commonly used definition of sustainable development was put forward by the Brundtland Commission in 1987 and refers to "meeting the needs of the present without compromising the ability of future generations to meet their own needs".

² Livelihoods Programme, Department for International Development, London.

³ United Nations, Report of the Ad Hoc Committee of the entire twenty-fourth special session of the General Assembly, General Assembly, *Official Records*, Twenty-fourth special session,

thereafter, the largest meeting of Heads of State and Government in human history adopted the Millennium Declaration, which included a series of correlated commitments, amongst others, on poverty eradication, decent and productive work for youth and environmental sustainability. Six months after the Millennium Summit, the World Summit on Sustainable Development recognized the interrelated economic and social foundations of sustainable development.

4. A comprehensive understanding of sustainable development has been gaining ground. The proceedings and implementation plan of the 2002 World Summit on Sustainable Development (WSSD) reflect the international recognition of the economic and social pillars on which policies should be based. At the Summit, the Director-General acknowledged the challenge of changing unsustainable patterns of production and consumption and identified this as “a massive opportunity for technological breakthroughs, investment, skills development, gender equality and decent work. In short, sustainable growth”.⁴ The report of the World Commission on the Social Dimension of Globalization *A fair globalization: Creating opportunities for all* argues for the pursuit of environmental goals as part of the social dimension of globalization (WCSDG, 2004).
5. This international policy environment, plus the specific concerns and vision of the ILO’s constituents around sustainability of decent work, have led to the formulation of sustainable development as one of the ten core elements of the GEA. One of the central messages of this paper is that employment and environmental issues are linked and that decision-making in either field benefits from a holistic view. The ILO’s social dialogue approach, a cross-cutting theme in the GEA, can make an important contribution to informing such a discussion by bringing together key stakeholders and providing a more comprehensive perspective of the opportunities and trade-offs involved. This paper seeks to highlight areas where the relationship between employment and sustainable development are particularly evident and provides examples of a number of concrete ILO initiatives in this field. The paper then proposes some possible ways to sharpen our focus and strengthen the synergies between existing lines of work, as well as considering some new ways of advancing our expertise in this area in the future.⁵

II. The employment dimensions of sustainable development

6. This discussion leads us to consider under what conditions employment creation and sustainable development are mutually reinforcing and under what conditions they represent trade-offs in order to identify how the Office can play a role in supporting the convergence between sustainable development and decent work.
7. Countries may perceive the relationship between employment growth and sustainable development in different ways. Established market economies can often gain broad public

Supplement No. 3 (A/S-24/8/Rev.1), Chapter 3, section III, para. 36, which recognizes “the need to elaborate a coherent and coordinated international strategy on employment to increase opportunities for people to achieve sustainable livelihoods and gain access to employment, and in this connection support the convening of a world employment forum by the International Labour Organization in 2001”.

⁴ Statement by Mr. Juan Somavia, Director-General of the ILO, to the World Summit on Sustainable Development (Johannesburg, 29 August 2002).

⁵ In this way, the paper takes into account the endorsement of the Tripartite Advisory Meeting on priority themes for future ILO action as regards sustainable development (see document GB.283/ESP/4, March 2002).

consensus regarding protection of scarce natural resources and count upon compliance with sophisticated regulatory mechanisms. Perspectives may be different for emerging economies experiencing fast rates of economic and resource-intensive growth or for a final set of countries plagued by widespread poverty and low growth rates but nevertheless with significant environmental and employment challenges to tackle.

8. The next generation of industries and jobs will need to be sustainable in environmental terms. This presents the world with investment and innovation opportunities that can generate new employment and fulfil the aim of decoupling pressure on natural resources from gainful economic activity. For example, some economic sectors are growing on the basis of new and renewable sources of energy, energy-saving equipment and materials as in the construction industry, or in the collection and recycling of the ever-increasing amount of domestic and industrial waste.
9. Rural areas are especially reliant on the environment, as incomes depend directly on natural resources (farmers, pastoralists, fishermen, forest workers, etc.). Africa in particular relies largely on its rich natural resources and ecosystems, where floods and droughts, partly due to erratic weather patterns induced by climate change, have a dramatic effect on the already low economic growth rates and high unemployment levels. In Mozambique, for example, the devastating floods in 2000 brought annual economic growth down from 8 per cent to 2 per cent in one year.⁶
10. Viewed through the prism of the world of work, sustainable development has two main dimensions: the scale and the quality of employment.

Job-creating potential of sustainable development

11. At the national level, macroeconomic policies, as well as sector-specific development policies, can encourage the emergence of new economic initiatives compatible with sustainable development through incentives promoting more sustainable consumption and production patterns. The encouragement of new non-polluting sectors, especially services and the production of environmentally friendly products, can contribute to converting economic activities towards job creation in environmentally sustainable sectors. A 1998 European Commission study on green job creation in the United Kingdom,⁷ for example, projected new employment opportunities in areas like renewable energy, recycling and organic farming.
12. Such initiatives are more promising in areas where the social partners are active and supportive of sustainable behaviour, especially where they are willing to invest time and finances towards new technologies and environmentally sound skills.
13. For developing countries, new profitable ventures in environmentally sustainable economic sectors may be less common. Nevertheless, research and development in ecological technologies, ecotourism, natural resource management, organic agriculture and infrastructure creation and maintenance, do provide real opportunities for decent work. Community-managed facilities favouring sustainable tourism are flourishing in many countries. For 55 communities in Ecuador, surveyed in 2003, this meant a substantial

⁶ *Our common interest*, report of the Commission for Africa, 2005.

⁷ *Green job creation in the UK*, national report submitted as part of the "Awareness Campaign for Green Job Creation in the European Union". Supported by European Commission DGX1, Unit A2, Project No. 306/68/24.4.96.

increase in the number of jobs and income over four years.⁸ Countries such as Costa Rica have successfully built up a tourism industry with a reputation for sustainable development. For countries at all levels of development, labour-intensive infrastructure development can provide a cost-effective means of job creation that protects and restores the environment. Brazil, as early as the seventies, succeeded in launching a major programme of sugar cane ethanol substitution for oil.⁹ Recently, it started a bio-diesel programme that has a good chance of rapid expansion. At present ethanol, extracted from sugar cane grown on 1.8 million hectares, provides over 35 per cent of the country's automobile fuels. This potential to shift away from non-renewable energy sources to renewable fuels based on labour-intensive agricultural production could have significant positive consequences for employment, especially in rural areas, while ensuring a sustainable development path.¹⁰

14. Genuine trade-offs do exist, however, where industrial development may be favourable to employment creation, but detrimental to the environment. Economic and financial policies aimed at industrialization may, in the short term, have adverse effects on resources available for sustained growth and long-term employment unless environmental concerns are considered. Special efforts may be required for sectors under competitive pressure and without resources to undertake investments that would be more sustainable or where resistance exists against policy and regulatory frameworks. Similarly, where sources of income and survival, especially in the informal economy, rely upon maintaining environmentally unsustainable practices, it may be especially difficult to encourage change and may require active technical support and capacity building.
15. The repercussions on employment of emerging trade patterns and changing international environmental standards should be better understood. For example, to what extent do different environmental standards impact upon investment decisions and employment-creation patterns? Another question involves whether access to markets of industrialized countries is hampered by environmental specifications that may be unattainable for certain developing countries. Such issues raise significant implications for the labour markets in both exporting and importing countries.
16. For many countries, poverty remains a driving force behind environmental degradation. Individuals living on the margins often have few choices but to exploit existing resources. In such situations, grass-roots organization and sustainable management of scarce resources are key areas where the ILO could provide support. Even in countries with reasonable economic growth and decline in poverty rates, environmental sustainability will not happen by itself. The challenge is to develop employment policies for poverty reduction that can both absorb large numbers of workers, especially in resource-stricken areas, and are environmentally sustainable.

⁸ IFP/SEED working paper (forthcoming, 2005), Carlos Maldonado.

⁹ According to *The Economist* of 14 May 2005, the ethanol production costs in Brazil were 20 euro-cents per litre as compared to 30 cents in the United States and 50 cents in the European Union.

¹⁰ I. Sachs: "Biofuels are coming of age", keynote address at the international seminar "Assessing the Biofuels Option", International Energy Agency headquarters, Paris, 20 June 2005. See also *Transition strategies towards the 21st century*, with a foreword by Maurice F. Strong (Delhi, Interest Publications for Research and Information System for the Non-Aligned and Other Developing Countries, 1993).

Quality of work and sustainable development

17. The quality of employment is of equal concern and the ILO's mandate is clearly reflected in the WSSD's plan of implementation which highlights the ILO's contribution to sustainable development as being the promotion of fundamental rights at work, workplace health and safety, and tackling HIV/AIDS in the workplace. Similarly, the Johannesburg Declaration includes a statement "to increase income-generating employment opportunities that take into account the ILO Declaration on Fundamental Principles and Rights at Work".¹¹ Social dialogue is an essential means of developing and implementing strategies which balance the economic, social and environmental pillars of sustainable development at local, enterprise, national and global levels.
18. Organizing and giving voice, especially to those in the informal economy, is another way to strengthen and improve coordination in this area. The ILO has a comparative advantage in addressing these questions through social dialogue. It could also play a greater role in advising its constituents on methodologies for carrying out assessment of the employment impact of investment projects and plans that could provide an important new dimension to standard environmental impact assessments, which are now a matter of standard practice for investment project procurement.
19. Vulnerable groups and those that suffer discrimination also merit special attention in this regard. Gender inequality exacerbates the vulnerability of the livelihoods of women to environmental threats and ecological degradation, particularly in poorer countries. Women have less access to resources and less control over assets and decision-making. Nevertheless, they are mostly responsible for food and nutrition, fuel, safe water and domestic waste management – resources that are all highly sensitive to environmental degradation. The growing prevalence of female-headed rural and urban households (in the absence of men in search of employment elsewhere, thereby increasing divorce and abandonment) means women have to take on further responsibilities to ensure the livelihoods of their children and other dependants.
20. The ILO has a role in disseminating best practice examples of how employment creation linked with improved quality of employment is not only compatible with, but supportive to, environmental sustainability. It can play an important role in proposing employment policies that take into account regulatory frameworks for sustainable development. Other activities could include a strong role in awareness raising among constituents at national and local levels, and delivering capacity building where needed.
21. These concerns regarding the scale and quality of employment speak to the inherent linkages that exist between sustainable development and other components of the GEA, such as social protection, occupational safety and health, entrepreneurship and productive employment for poverty reduction, where there is scope for more explicitly incorporating the principles of sustainable development into employment policies and programmes.

III. ILO work related to sustainable development

22. A number of ILO Conventions and Recommendations and guidelines have been developed that address, in particular, the quality of the workplace environment (see appendix). These include:

¹¹ *Johannesburg Declaration on Sustainable Development*, para. 28, World Summit on Sustainable Development, September 2002.

- the Working Environment (Air Pollution, Noise and Vibration) Convention, 1977 (No. 148), and its accompanying Recommendation No. 156 (1977);
- the Occupational Safety and Health Convention, 1981 (No. 155);
- the Asbestos Convention, 1986 (No. 162), and its accompanying Recommendation No. 172 (1986);
- the Chemicals Convention, 1990 (No. 170), and its accompanying Recommendation No. 177 (1990);
- the Prevention of Major Industrial Accidents Convention, 1993 (No. 174);
- the Safety and Health in Agriculture Convention, 2001 (No. 184); and
- the ILO ship-breaking guidelines and those concerning, for example, recycling of asbestos (2004).

23. In 1990, the International Labour Conference discussed the Director-General's Report *Environment and the world of work*. Since then, and through the further impetus of the United Nations Conference on Environment and Development, or "Earth Summit", in Rio de Janeiro in 1992, a range of activities addressing sustainable development have been undertaken, such as an Interdepartmental Programme on Environment aimed at making sustainable development a more cross-cutting issue in the ILO.

24. The ILO has also supported the work of the Millennium Project, established in July 2002 by the United Nations Secretary-General,¹² specifically participating in several of the project's task forces. Furthermore, the ILO has provided substantive input to the work of the Commission on Sustainable Development (CSD) – a functional commission of the United Nations Economic and Social Council (ECOSOC) – that ensures follow-up to the respective global summits on sustainable development (UNCED, 1992; Earth Summit+5, 1997; WSSD, 2002). In 2004-05, CSD-13 addressed the cluster of water, sanitation and human settlements and its deliberations were informed by the ILO's work in youth employment and slum upgrading schemes.¹³ A recommendation included how urban poverty could be reduced through the employment impact of basic labour-based infrastructure development and services and by involving community groups and local small enterprises in delivery systems.

25. Linking up with the above policy and advocacy work, sustainable development has also become a growing priority in programmes within the ILO. Examples include:

- *Promoting the trade unions' capacity* on sustainable development through, among other efforts, awareness raising of workers on sustainable development issues, the inclusion of environmental issues in their educational programmes and the promotion of occupational safety and health aspects at the workplace. Several interregional programmes, conducted by the Bureau for Workers' Activities (ACTRAV), have yielded an impressive stock of case studies, guidelines and training programmes that

¹² The UN Millennium Project was headed by Professor Jeffrey Sachs, Special Adviser to the Secretary-General on the MDGs, and issued its report entitled *Investing in development* in January 2005.

¹³ See http://www.un.org/esa/sustdev/documents/docs_sdissues_human_settlements.htm.

are promoted through ACTRAV's web site.¹⁴ One of the most powerful tools is a series of discussion booklets entitled "Trade unions and environmentally sustainable development",¹⁵ as well as an illustrative series of case studies on trade unions' actions to promote environmentally sustainable development. From 1994 to 2001, 64 workshops were held throughout Africa and Asia, training over 2,600 members on how to develop trade union policies and action plans in their community and workplace and to include sustainable development issues as part of the trade union agenda for negotiation and collective bargaining with management. Participation in international forums has also increased with trade unions well represented at the 2002 World Summit on Sustainable Development (WSSD), in some cases with sponsorship from UNEP to attend.¹⁶ Such collaborations continue; for example, the ILO has been invited by UNEP to participate in the organization and convening of the Trade Unions Assembly on Labour and the Environment in 2006.

Box 1

Youth employment and sustainable development

The Millennium commitment on "decent and productive work for young people" is of direct relevance to sustainable development. Those young people currently entering the labour market have every reason to be concerned about the quality, stability and sustainability of the jobs they are taking on. Policies for vocational education and training are key to preparing young people for a changing labour market and, at the same time, key to sustainable employment opportunities. Sustainable development and their future employment prospects are two intertwined preoccupations facing young people. The 2001 recommendations of the United Nations Secretary-General's High-Level Panel on Youth Employment called for national governments to make the next generation of young people the first "decent work generation". These recommendations furthermore view economic, social and environmental sustainability as interlinked and central concerns.

Source: Report of the Secretary-General, *A global analysis and evaluation of national action plans on youth employment*, A/60/133, 19 July 2005.

- *Improving productivity* management for sustainable development: waste of energy and materials can be greatly reduced by increasing the managers' and workers' capacity to manage the production process. Savings in energy and materials can be substantial and critical to enterprise viability as they often constitute up to 80 per cent of manufacturing enterprises' total operating costs versus labour costs ranging from 5 per cent to 15 per cent.¹⁷ Employment creation, productivity enhancement and environmental sustainability can be compatible. The ILO has undertaken research and created several capacity-building programmes aimed at productivity improvements, together with other agencies such as UNEP and UNIDO¹⁸ and also applied a comprehensive approach to better working conditions and improved productivity through the ILO's Improve Your Business and Working Environment (I-WEB) training programme.

¹⁴ See <http://www.ilo.org/public/english/dialogue/actrav/genact/envirog.htm>.

¹⁵ See <http://www.ilo.org/public/english/dialogue/actrav/enviro/trainmat/trainmat.htm>. In addition to English, the booklets have been translated into Arabic, French, Russian and Spanish. Parts of them have also been translated into other local languages, such as Tigrina and Hindi.

¹⁶ See <http://www.ilo.org/public/english/dialogue/actrav/new/wssd/index.htm>.

¹⁷ Arturo Tolentino: *Productivity management for sustainable development* (ILO, 1995).

¹⁸ Klaus North: *Environmental business management: An introduction* (ILO, 1992).

Box 2

Promoting the ILO Indigenous and Tribal Peoples Convention, 1989 (No. 169)

Many grass-roots initiatives in small and community-based enterprises in tourism are rooted in rural and indigenous communities that face permanent pressures on their natural and cultural resources. They experience great difficulty in taking advantage of new opportunities offered by international markets. The REDTURS programme (see <http://www.redturs.org>, available in English and Spanish) relies on a network of communities, institutions, skills and resources devoted to encouraging the development of sustainable tourism, seeking compatibility between the objectives of economic efficiency, social equity and cultural identity. An approach supported in 140 communities in six countries of Latin America by facilitating access to business information, markets, training, and encourages more effective dialogue between involved parties.

The "Inter-Regional Programme to Support Self-Reliance of Indigenous and Tribal Communities through Cooperatives and other Self-Help Organizations" (COOP/INDISCO), has been helping in the promotion of their indigenous knowledge systems and practices (IKSP) within the framework of ILO Convention No. 169. IKSP, developed over time in a continuing effort to ensure the sustainability of ancestral territories, are increasingly recognized as potent tools for sustainable development.

Source: *Growing out of poverty*, IFPI/SEED, Working Paper No. 74, 2005.

- The promotion of labour principles within the *United Nations Global Compact* embraces the Declaration on Fundamental Principles and Rights at Work. The Compact aims to create a more sustainable and inclusive global economy by engaging companies, United Nations agencies and civil society around principles on labour, the environment, human rights and anti-corruption. The Declaration's promotional approach, based on principles and rights including those concerning discrimination and child labour, facilitates a focus on, for example, gender equality as a means to sustainable development, as well as on the elimination of child labour as another essential element of what can be both economically and socially sustainable. The ILO has participated, inter alia, in the United Nations Global Compact Policy Dialogue in 2002 on "Business and sustainable development" launched at the WSSD in Johannesburg, addressing the role of the private sector in promoting sustainable development. The ensuing growing sustainable business (GSB) aims to facilitate and increase investments and business activities that have a positive impact on sustainable development and on the MDGs. This GSB initiative is very much in line with the provisions of the ILO's own Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.
- *Employment and enterprise development strategies* that address sustainable patterns of production and consumption. This includes, inter alia, value chain analyses and the promotion of cluster-based enterprises from a sustainable employment perspective on interactions between producers, suppliers, global buyers and local consumers.

Box 3

Indonesian wood furniture clusters: Local collective responses to the challenges of globalization

Wood furniture is a traditional and vital industry in Central Java, Indonesia, accounting for almost 30 per cent of export revenues. The 2,000 firms and its 80,000 workers clustered around the towns of Jepara and Semarang are now part of a global value chain connecting the forests of Indonesia with the showrooms of California, Holland and Japan. Now it faces two main challenges: a decline in the supply of quality teak wood, because of illegal logging, and new intense competition from low-cost producers.

The ILO has been working with local and international stakeholders to agree upon a coherent strategy to restructure, in a collective manner, that reconciles upgrading competitiveness with the urgent requirements to boost the employment-generating capacity of this industry.

Source: *Upgrading the Central Java wood furniture industry: A value chain approach*, Subregional Office for South-East Asia and the Pacific, Manila, 2005.

- *Employment-intensive investment in infrastructure* to protect and improve living conditions by establishing and maintaining infrastructure for higher natural resource productivity and sustainability, including through forestation, irrigation and soil conservation. Through the use of labour-based methods for infrastructure, local skills and small-scale contractors can be developed, import requirements reduced, and maintenance facilitated. Employment-intensive technologies for infrastructure development, whether applied to slum upgrading and drainage schemes in urban areas or to irrigation, feeder roads or reforestation in rural settings, are environmentally friendly and provide an opportunity for creating jobs and protecting the environment in a mutually reinforcing manner.¹⁹

Box 4

Sustainable forest management by farmers' associations, Mali

An ILO-supported project in Kita, Mali, developed a model for the sustainable management of forest resources by farm communities and their associations. It addressed the threat of the depletion of surrounding forests by introducing a more participatory, community-driven management model with an employment focus. It strengthened the capacities of farmers and women's associations to plan and organize their activities, and negotiate their interests with public and private entities (Government Forestry Service and rural district councils).

As a result, 100,000 hectares of forest are being managed and improved through contractual agreements between village organizations and the forestry department. This innovative and sustainable use of forest resources is providing 70 per cent of the energy requirements of Kita township. Overall, 800 permanent jobs have been created in the improvement of forests and creation of wood lots and 95 rural markets established to trade firewood and related women's associations have been formed. The model has subsequently been accepted at national level, serving as a basis for a redefinition of the national forest code legislation in a decentralized environment.

- *Local level, participatory planning* methods for sustainable development: inclusive planning approaches embracing ideas and resources of all local stakeholders for the economic and social development of communities and regions are being applied by a host of ILO employment promotion programmes. The central theme is the promotion of social dialogue at the local level, aimed at empowering stakeholders to manage their own development in a sustainable manner. The integrated rural accessibility planning (IRAP) methodology helps people prioritize and guides improvements in local infrastructure and services, often using community groups and local contractors in the building and maintenance of sustainable infrastructure. The Training for Rural Employment and Empowerment (TREE) programme and the Local Economic Development (LED) programme use similar approaches, focusing on skill upgrading and entrepreneurship for sustainable community-based development.

¹⁹ *Cities at work: Promoting employment and social inclusion in urban settlements in developing countries*. Background paper for the United Nations General Assembly Special Session on "Istanbul+5", 6-8 June 2001.

Box 5

Integrated rural accessibility planning (IRAP)

IRAP is based on the notion that, if rural access and transport programmes are to be responsive to the everyday needs of rural communities, then rural isolation needs a more comprehensive response than just provision of infrastructure. IRAP links transport and access interventions to poverty reduction. It applies quantitative and qualitative approaches to document rural transport patterns, focusing on the transport burden falling on women and female children. The approach has become a major influence in transport policy and practice in developing countries in Africa and Asia and its principles are being applied in several international programmes with agencies such as the World Bank as well as in national programmes.

- *Sector-specific employment strategies* and support for more sustainable protection and management of resources by promoting:
 - *agricultural* practices that provide adequate employment, food security and healthy working conditions, while eliminating forced, bonded and child labour. To discuss ways to promote sustainable agriculture an ILO tripartite meeting was held in 2000²⁰ recommending key elements for government policies, the social partners and the ILO in the context of globalization;
 - national codes and action programmes in *forestry* practices designed to improve working conditions, safety and health and environmental protection;
 - rights, working conditions and training in small-scale *mining*;
 - interregional action programmes to promote sustainable development of the local *construction* sector and improve their conditions of work;
 - improved working conditions and safe working hours on ships, to protect the marine environment. A joint ILO/IMO/FAO revision of the Document for Guidance on Training and Certification of Fishermen included a code of conduct for sustainable *fisheries*.

Box 6

Scaling-up service delivery through procuring from local small enterprises

The good results with franchised waste collection in Dar es Salaam, United Republic of Tanzania, is inspiring many municipalities in other parts of Tanzania as well as in Uganda, Kenya and Ethiopia to adopt a similar approach. A three-year ILO programme funded by the UK Department for International Development is assisting local authorities to set up procurement systems that include local, community-based service providers in waste, sanitation, drinking water, etc. This has the proven potential to improve access to basic services of people living in slums and to create new job opportunities for the poor.

Source: *Growing out of poverty*, IFP/SEED Working Paper No. 74, 2005.

- *Cooperative development* for sustainable livelihoods: an ILO area of work for many years. The very philosophy and practice of cooperatives, as expressed in ILO Recommendation No. 193, encompasses the notion of sustainable development. The ILO works closely with FAO, with whom a Memorandum of Understanding was signed in September 2004.

²⁰ *Moving to sustainable agricultural development through the modernization of agriculture and employment in a globalized economy*, Geneva, 18-22 September 2000.

Box 7

Cooperative management of natural resources and environmental protection

The ACOPAM programme, implemented in six sub-Saharan countries, has benefited more than 85,000 women and men, members for organizational and cooperative support to grass-roots initiatives of about 2,000 grass-roots organizations. ACOPAM has supported the establishment of self-managed cotton markets, village green banks and village irrigation schemes. It has strengthened natural resource management committees, in particular where land degradation was threatening the livelihoods of rural people. In other countries, cooperatives are instrumental in extending and managing services, such as electricity, to remote parts of the country, as in rural Bangladesh, or providing drinking water to households in growing urban settlements, like Santa Cruz, Bolivia.

Source: *Rural communities making strides in the Sahel*, ILO Cooperative Branch (undated); *Making a difference: Cooperative solutions to global poverty*, the Cooperative College, United Kingdom, 2005.

26. These diverse programmes illustrate some of the main issues involved in mainstreaming sustainable development in employment promotion and enterprise development strategies, and lays out some pragmatic approaches towards achieving real impact. Employment creation and environmental sustainability, often viewed as competing or mutually exclusive objectives, can often be compatible and, indeed, supportive of environmental sustainability. Employment creation without an environmental dimension may not only cause environmental degradation, but may also undermine the very sustainability of employment creation, leading to loss of productivity, livelihoods and generating hazardous and low-quality working conditions.
27. Involvement of the social partners has led to good results. The strength that the ILO could bring to this issue by tapping into the social partners' experience and know-how constitute a core contribution that can be made. Involvement of the social partners in future activities could include negotiating complex problems and moving towards greater sustainability through social dialogue.
28. The importance of inclusive development through ownership and participation of beneficiaries in the prioritization, development and realization of employment promotion strategies, focusing on environmental protection and upgrading, should be underlined. Participation and ownership, in turn, are conditioned by an institutional and regulatory framework that represents and protects the interests and rights of those affected. This is even more relevant for women, who often do not have equal access to institutions, or face cultural and legal barriers to owning and managing resources. Such situations provide an opportunity for ILO tools and approaches that build capacity and strengthen organizations, to help those in vulnerable situations find alternative paths to more sustainable livelihoods.

IV. Possible implications for the ILO

29. As the Office undertakes its medium-term strategic planning, it should exploit opportunities to pull together and optimize the impact of the various initiatives described in this paper. Sustainable development is one area where it should be prepared to respond to the growing demand for capacity in operational activities, as well as advocacy and policy development at all levels. This will need to be done in the face of limited resources, greater cross-sectoral collaboration and integration of existing activities.
30. Given that social dialogue builds ownership and that ownership is essential for sustainable development, there are opportunities, as demonstrated by the project in Mali, to make better use of this area of ILO comparative advantage.
31. It is also important that the Office is equipped to advocate and advise constituents on areas where environmental sustainability issues interface with employment issues. Selective engagement with other agencies could help to ensure an employment-centred dimension to

their work on sustainable development. The existing collaboration with UNEP, the World Bank, UN-HABITAT and UNIDO provide good precedents of such linkages. Areas where the ILO may wish to contribute include the ongoing work programme initiated by the OECD on environment and employment²¹ and the work of the United Nations Commission on Sustainable Development in its current programming cycle on industrialization²² and climate change.

32. Rather than treating this component of the GEA as a separate or stand-alone component, sustainable development could be a cross-cutting concern, focusing on the sustainability, quality and future of employment.
33. Considering the growing importance of sustainable development for decent and productive work, the implications this raises for operationalizing the GEA and how this can best be incorporated into the framework of the decent work country programmes, the Office could identify a limited number of strategic areas of work linking policy development with operational activities on the sustainability of employment.
34. *In light of the above, the Committee on Employment and Social Policy may wish to recommend that the Governing Body request the Office to identify areas where employment strategies and sustainable development strategies can be made mutually reinforcing, with reference to specific projects and sectors. Such efforts could include:*
- (a) the development of methodologies and approaches, such as impact assessments for integrated environmental and employment outcomes of investment plans and programmes. Such tools could include ways to strengthen social dialogue to achieve integrated employment and environmental impacts; and*
 - (b) the formulation of operational programmes necessary to support sustainable development strategies that promote job creation either at the national or sectoral levels, involving constituents and the social partners.*

Geneva, 4 October 2005.

Point for decision: Paragraph 34.

²¹ In an effort to capture synergies between environmental policy and policies aiming at reducing unemployment, the OECD work programme on environment and employment will undertake analysis with a particular emphasis on the economy-wide employment impacts of environmental policies in general, and of climate change policies in particular. The main objectives are to:

- update information on employment in environmentally related sectors in OECD member countries;
- examine the contribution of environment-related local initiatives to sustainable development through their impact on employment;
- discuss economy-wide employment impacts of environmental policies in more depth; and
- assess in particular the potential impact of climate change policies on employment.

²² This would revisit the ILO's contribution to a report of the United Nations Secretary-General on industry and sustainable development with a focus on industry's role in social development and employment (see Commission on Sustainable Development, E/CN.17/1998/4, Ch. III: Industry and social development).

Appendix

Relevant ILO instruments

- Employment Policy Convention, 1964 (No. 122), and Employment Policy (Supplementary Provisions) and its accompanying Recommendation, 1984 (No. 169)
- Human Resources Development Convention, 1975 (No. 142), and its accompanying Recommendation, 2004 (No. 194)
- Working Environment (Air Pollution, Noise and Vibration) Convention, 1977 (No. 148), and its accompanying Recommendation, 1977 (No. 156)
- Occupational Safety and Health Convention, 1981 (No. 155)
- Asbestos Convention, 1986 (No. 162), and its accompanying Recommendation, 1986 (No. 172)
- Indigenous and Tribal Peoples Convention, 1989 (No. 169)
- Chemicals Convention, 1990 (No. 170), and its accompanying Recommendation, 1990 (No. 177)
- Prevention of Major Industrial Accidents Convention, 1993 (No. 174)
- Safety and Health in Mines Convention, 1995 (No. 176)
- Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189)
- Safety and Health in Agriculture Convention, 2001 (No. 184)
- ILO ship-breaking guidelines concerning, for example, recycling of asbestos, 2004
- ILO code of practice on safety and health in forestry work
- ILO Declaration on Fundamental Principles and Rights at Work