International Labour Organization

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Record of Proceedings

Technical meeting on the future of work in the oil and gas industry
(Geneva, 28 November–2 December 2022)

Sectoral Policies Department
Geneva, 2023

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▶ I. Introduction

1. The Technical meeting on the future of work in the oil and gas industry was held in hybrid format from 28 November to 2 December 2022. The Governing Body of the International Labour Office decided at its 341st Session (March 2021) to convene the meeting, and at its 343rd Session (November 2021) that the purpose of the meeting would be to discuss challenges and opportunities relating to the future of work in the oil and gas sector, with the aim of adopting conclusions, including recommendations for future action.

2. The Chairperson of the meeting was Ms Vicki Erenstein Ya Toivo (Namibia). The Government Vice-Chairperson was Mr Luiz Carlos Lumbreras Rocha (Brazil), the Employer Vice-Chairperson was Mr Irinel Eduard Floria and the Worker Vice-Chairperson was Mr Michael Smith.

3. The hybrid meeting was attended by 90 participants, including 50 Government representatives and advisers (from 28 Member States), together with 13 Government observers (from 10 Member States), as well as 9 Employer and 14 Worker representatives, observers and secretariat and 4 observers from intergovernmental organizations and invited international non-governmental organizations.

4. On the afternoon of Monday, 28 November 2022, an information session was held on *Decent work and just transition* (see appendix).

5. The Chairperson, opening the meeting and welcoming all participants, said that the meeting would afford an opportunity to consider the future of work in oil and gas in a world where more countries were transitioning to net zero greenhouse gas emissions, and to view that transition from the perspective of decent work challenges and opportunities. The International Energy Agency (IEA) estimated that the energy sector was the source of around three quarters of global greenhouse gas emissions, with extraction, processing and transportation of oil and gas accounting for nearly 15 per cent. Given the severe effects on the climate, an increasing number of ILO Member States were embracing the energy transition from a fossil-based to a zero-carbon energy sector. To that end, the increasing focus on renewable sources of energy was having a palpable impact on employment in the oil and gas industry: a steep decline in demand for oil and gas sector workers would displace an estimated 1.6 million jobs in petroleum refining and 1.4 million jobs in crude petroleum extraction and related services by 2030. The transition would require concerted efforts to leave no one behind.

6. Policies and measures would be needed to ensure that displaced oil and gas workers could transition to employment opportunities in renewable energy and other more labour-intensive green growth sectors of the economy. The ILO *Guidelines for a just transition towards environmentally sustainable economies and societies for all* underscored three interrelated defining challenges of the twenty-first century: work, poverty eradication and environmental sustainability. Those challenges provided a context that must be considered when discussing the future of work in the oil and gas industry. In that regard, developing countries that contributed very little to greenhouse gas emissions and intended to develop their natural resources for industrial development, poverty eradication and employment creation would have different perspectives to those of developed nations that had already benefited from the exploitation of fossil fuels. The meeting would allow the matter to be viewed from an ILO perspective and key areas for cooperation to be found through social dialogue and sharing of knowledge, insights and experiences.

7. The Secretary-General of the meeting welcomed all participants to the technical meeting, which would adopt conclusions and recommendations to guide ILO constituents, the ILO, and the oil and gas industry in the years to come. Oil and gas played an influential role in the global economy, accounting for almost three per cent of global domestic product. An estimated 11.9 million people were employed in the industry, with significant multiplier effects on local and national economies. The industry had, however, come under intense scrutiny owing to concerns about climate change, and steps were being taken to align business strategies with national strategies to uphold the commitments of the Paris Agreement. An estimated 43 per cent of workers would need to be reskilled, requiring pre-emptive action to facilitate transitions for workers and ensure that no one would be left behind. While wages, working conditions and social benefits in the oil and gas industry were generally better than in other industries, for the sector to continue to contribute to sustainable growth, issues linked to decent working conditions, skills development, gender equality and diversity needed to be addressed. The meeting would afford an opportunity to look at the oil and gas industry through the lens of the ILO's Decent Work Agenda, underpinned by international labour standards, ILO declarations and tools, in a discussion rooted in social dialogue.

8. The Executive Secretary of the meeting provided an overview of the contents of the report *The future of work in the oil and gas industry: Opportunities and challenges for a just transition to a future of work that contributes to sustainable development*, which had been prepared by the Office to inform the deliberations of the meeting. The report began with a snapshot of the oil and gas industry, as the producer of a key part of the global energy mix and base ingredient in thousands of manufactured products. Although capital-intensive and not one of the largest direct employers, the industry was thought to employ around 12 million people worldwide, excluding outsourced jobs and the broader value chain. The report went on to describe how technological advances, globalization and demographics had transformed the industry over time, and discuss the impacts on the sector of growing concerns about climate change and the significant impact of the industry's carbon emissions. The report considered the role of the industry in technological development for emissions reduction, and the impacts of such technology on employment, alongside an increasing global population and resultant increasing demand for energy. Resource nationalism and geopolitics also had a bearing on the industry, and the COVID-19 pandemic had disrupted production and distribution. Lastly, the report examined the decent work challenges and opportunities faced by the industry, in particular how to manage the energy transition and potentially significant job losses while upholding the Decent Work Agenda and without leaving anyone behind.

▶ II. General discussion

9. The Employer Vice-Chairperson said that the meeting was of the utmost importance, given the aftermath of the COVID-19 pandemic and the potential impact on employment of high inflation and increases in commodity and energy prices, tightening monetary policy, limited fiscal space, slow economic growth, and poorly designed climate change policy measures. His group thanked the Office for the comprehensive report prepared to inform the discussion. The oil and gas industry, which had been a driver of global growth for the past century, was at a turning point driven by decarbonization and a change in perception of the sector. The Employers' group appreciated the acknowledgement, in the report prepared by the Office, of the relevance of the sector with regard to employment creation and noted the prevailing good conditions of work, and the statement that wages, working conditions and social benefits were generally better than those in other industries.

10. While the industry was dominated by multinational enterprises that were among the world's largest companies, small and medium-sized enterprises (SMEs) were also strategically important in the industry and the broader energy sector and must be enabled to contribute to economic development and the just transition. National and regional realities varied; challenges and responses therefore differed between countries. For production countries, transition was complex. The approach to just transitions must therefore be cautious, realistic and gradual. Consideration must be given to the importance of leveraging innovation, clean technology and skills development strategies to take advantage of the multiplier effects of the industry on local and national economies through the creation of opportunities for SMEs. An enabling environment must be fostered for sustainable enterprises in the sector to thrive during the transition. Governments should support SMEs to enable sustained economic growth and mitigate adverse impacts of the transition, and must ensure fair competition between State- and privately owned businesses.

11. As well as the long-term just transition, consideration must be given to the short- and medium-term needs and realities of the sector. Coherent and coordinated policies were required to consider each country's capacities and priorities, enabling businesses and workers to remain relevant for economic development. Responses thus far should be assessed for effectiveness, lessons learned and priorities identified. The meeting must arrive at a set of specific, evidence-based conclusions to leverage progress achieved thus far.

12. The Worker Vice-Chairperson said that the COVID-19 pandemic, the unstable global geopolitical situation and the need to reduce greenhouse gas emissions and tackle climate change were having a significant impact on the oil and gas sector. The meeting was particularly timely; energy transition in the context of global crisis was crucial. The world over, workers in the industry were feeling the consequences of climate change, and many were already witnessing an unjust energy transition. While the effects of climate change would be even greater if action was delayed, the transition must leave no one behind.

13. Many workers in the oil and gas sector had lost their jobs during the COVID-19 pandemic. Skyrocketing energy prices were overwhelming poor and working-class households and threatening jobs in energy-intensive industries. While some countries were experiencing a short-term return to fossil fuels, in the long term, low-carbon energies would be required. Workers' concerns focused on the financing of the just transition, social protection and decent jobs. To be sustainable for all, the transition must be conducted with social dialogue, social protection, collective bargaining and inclusivity. Workers and their communities should not lose the gains of decades of collective bargaining. They would not be the passive recipients of policies; workers were the vehicle by which the transition would be implemented. The meeting must therefore address their fears and create a pathway for good jobs.

14. Yet the transition had already begun and workers were facing plant closures, job losses and increasing outsourcing and casualization of work. While those trends were common the world over, they were experienced differently between countries in the global North and those in the global South; differences must be considered with sensitivity and understanding. While in some parts of the world, workers feared a wave of de-industrialization, in others, work was only secure provided the cost remained low. Despite a short-term change of context for oil-producing countries in the current energy crisis, fossil fuels must ultimately be phased out, which would affect many jobs. Investment was required to ensure that good jobs would be available for energy sector workers in the transition. Digitalization was also threatening jobs. Workers' skills must therefore be improved and adapted. Diversity in the workforce must also be taken into account, and due consideration should be given to gender equality. Responses to the severe challenges posed by the transformation of the energy industry must include increasing female workers' share in secure, decent and fulfilling work, and strengthening common gender-related policies. The meeting's discussions should be guided by relevant international labour standards, the ILO Declaration on Fundamental Principles and Rights at Work (1998), as amended in 2022, the ILO Centenary Declaration for the Future of Work (2019), the ILO *Guidelines for a just transition towards environmentally sustainable economies and societies for all* (2015) and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (2017), among others.

15. The Government Vice-Chairperson said that for many countries the oil and gas industry was a major driver of economic growth and constituted an important source of export earnings. Through their nationally determined contributions, governments had acknowledged the importance of reducing the use of fossil fuels to comply with the Paris Agreement and limit global warming. Managing the transition to renewable sources of energy and ensuring that it was human-centred and just was crucial. Other major emerging trends and developments must also be borne in mind, such as rapid technological advances and changing demographics. Consideration must be given to how to invest in skills development and lifelong learning to promote sustainable and inclusive work in the energy industry. An enabling environment must be fostered for enterprises of all sizes in the oil and gas industry to enhance productivity and sustainability, while generating decent jobs. The meeting would afford an excellent opportunity to learn from ILO constituents from around the world how they were seeking to address the employment and labour challenges facing the sector, and tapping the industry's potential to advance sustainable development, inclusive growth and decent work.

16. The Government representative of Lebanon said that despite difficult circumstances, Lebanon had succeeded in securing drilling rights in oil and gas. As a newcomer to the industry, it did not have expertise and experience to share, but would listen to and apply others' experiences and lessons learned, to move forward as effectively as possible. Investment required socio-economic stability and the launch of work in the sector required specific expertise. The Lebanese workforce had shown resilience through a long history of crisis and conflict. Cooperation and investment would be needed, through training and capacity-building and the provision of equipment, for Lebanon to succeed. The Government was eager to foster cooperation in that regard.

17. The Government representative of the Democratic Republic of the Congo expressed concern, as felt by many African countries, with regard to financial difficulties and unemployment issues. Those countries had fossil fuel resources, which were a major aspect of their economies. They did not, however, have the means to transition to renewable energy production. Consideration must be given to how to compensate African economies for moving away from fossil fuel production. There were currently no means of transitioning without workers dying in poverty and hunger. Cooperation and support were required to seek a solution.

18. The Government representative of Namibia said that fossil fuels and energy transition were a topic of worldwide discussion, driving the global agenda and geopolitics. Developing the Namibian oil and gas exploration industry had been a long undertaking, starting in 1974 with the first exploration well. The Government of Namibia was proud of the results of investment in the industry, and of the most recent off-shore discoveries that had been made earlier in the year. The journey towards realizing the benefits of those new discoveries would be long; the average life cycle from prospecting to extraction and completion could take 20 years. In addition to its fossil fuel discoveries, however, Namibia had a mixed-energy policy with investment in green hydrogen. The Government believed that the two industries could coexist.

19. The Government representative of Niger explained that oil production in Niger had begun in 2011 for local consumption, and had grown significantly with the building of a pipeline to Benin and the development of a significant export industry. Niger's oil journey was therefore recent. In the context of a continent in which 600 million people still did not have access to energy, and 900 million people still did not have gas to cook with, the move away from fossil fuels would severely impact African economies and people's well-being. Niger would pay the price for the pollution caused by other countries. Agricultural development was being hampered by severe drought owing to climate change. The Government was not ready to cease oil production activities that were enabling the country's economic development.

20. The representative of the United Nations Environment Programme (UNEP) said that the Office report and the organization of the technical meeting were timely and important. The transition required to meet the objectives of the Paris Agreement was not taking place fast enough. The recently published UNEP *Emissions Gap Report 2022* had noted that the gap between the pledges made and the progress towards meeting the objectives of the Paris Agreement was large and was not closing. There was no doubt that the oil and gas industry had an important role to play, both in the short- and long term. Many oil and gas companies were changing their approach and becoming energy companies; constructive engagement with those actors was essential to ensure that needs were met in the process of the transition. The oil and gas industry had before it a unique opportunity to contribute to the climate change solution. To meet the objectives of reducing global emissions by 45 per cent by 2030, the emissions of the oil and gas sector would need to be reduced by 75 per cent. The engagement of all oil and gas workers would be needed. Some of the best engineers in the world were engaged in the oil and gas industry; they must be part of the solution for climate change and for meeting other environmental responsibilities, such as the safe and responsible phase-down of oil and gas exploitation to ensure that local communities were not negatively affected.

▶ III. Consideration of the proposed points for discussion

1. What are the decent work challenges and opportunities that the oil and gas industry faces now and in the future as a result of climate change, technological advances, globalization, demographic shifts, and other drivers of change?

21. The Worker Vice-Chairperson said that workers aimed to manage the profound change in the energy industry through dialogue, in a sustainable and socially responsible manner, guaranteeing fundamental rights at work, in particular freedom of association and the right to collective bargaining. Despite ILO Member States' obligations in that regard, gaps in decent work persisted. The global trade union movement had therefore promoted the concept of just transition as a tool for smoothing the shift towards a more sustainable society and providing hope for the green economy to sustain decent jobs and livelihoods for all. With that in mind, the current meeting should focus on: workers' rights and social dialogue for anticipating and managing change; outsourcing and working conditions; energy transition; jobs and skills; and supply chains.

22. According to the IEA, the energy sector employed some 65 million people worldwide, yet the volatility of the industry, which frequently underwent cycles of boom or bust, and outsourcing of routine and one-off tasks ranging from general to highly technical services, meant that detailed and consistent globally modelled employment data for oil and gas extraction and production were lacking. Lack of reliable gender-disaggregated data was also worrying. Opportunities offered by technological change, digitalization and investment in new energies should be leveraged to bring more women into the sector.

23. Maintaining good jobs in the energy sector while decarbonizing was essential to a just transition. A significant reduction in demand for workers in the oil and gas sector was anticipated by 2030. While new jobs would be created in the broader sustainable energy sector in some regions, in others, significant net job losses were anticipated. Concerted efforts were therefore required by governments, workers' organizations and employers' organizations to ensure that no one was left behind. Workers' voices must be heard irrespective of their position in the supply chain. An inclusive mechanism for their protection was therefore needed. Employers and governments had responsibilities to bear in that regard; tripartite dialogue was particularly important. The workforce must be trained and prepared in a timely manner to take on the new jobs that would become available in the transition. Governments must create ambitious energy plans that included skilling, upskilling and reskilling of the workforce.

24. The Employer Vice-Chairperson said that the challenge of the energy transition was to transform energy systems gradually and sustainably, taking account not only of environmental aspects, but also of economic and social aspects. The uptake of new technologies, electrification and digitalization would also have an impact. The transition must be formulated in line with the realities of each country, in such a way as to avoid jeopardizing the economic viability and competitiveness of enterprises, and to minimize labour market disruptions.

25. Geopolitical conflicts had highlighted the critical need to promote energy security as an indispensable factor of economic development. In the coming years, the oil and gas industry must focus on the energy transition, while also maintaining competitive returns and growing with sustainability, knowledge, technology and innovation. The industry was moving forward with plans and projects for carbon-neutral, socially and environmentally responsible business. While increased regulation and societal pressure drove increased investment in non-carbon energy sources and reduced net demand for products derived from fossil fuels, it also incentivized innovation and technological development. Low-carbon and renewable energy sources were thus becoming economically feasible and therefore more attractive.

26. While employment in fossil fuel industries was expected to decrease, the transition would be long and should be accompanied by continued sustainability, competitiveness and productivity of the oil and gas sector. Efforts were therefore being made to upskill the workforce and prepare the industry for the future, overcoming challenges currently posed by an ageing workforce, new technologies transforming the industry, and lack of enthusiasm among graduates to join the industry. The rate of adoption of new technologies in the industry was increasing and the industry was exploring ways to efficiently and competitively digitize, automate and solve complex subsurface engineering challenges, and use technology to increase field and well productivity. Advanced robotics and data management practices, along with infrastructure upgrades, had changed data-management capabilities and reduced cybersecurity risks.

27. Health and safety challenges persisted. Risks should be managed through industry best practices to prevent industrial accident or illness, and a culture of self-care and care for others should be promoted. The industry could contribute to well-being through socio-environmental investment to translate risks into opportunities for development. The efficient use of natural resources and protection of biodiversity must be promoted. A gender-equity strategy was needed to promote an inclusive culture; equity and diversity would add value to business, making it more sustainable, innovative and productive. Private sector investment should be fostered and a positive business environment promoted. Relationships with contractors, subcontractors and local and regional suppliers could be built and strengthened by promoting sourcing strategies to contract goods and services in areas of direct influence where the industry operated, thereby enabling local companies to respond ethically, competitively, equitably and sustainably. To avoid an industrial relations crisis, challenges must be balanced with opportunities.

28. The Government Vice-Chairperson said, with regard to challenges, that the skills gap must be bridged not only by skilling the workforce at the university level, but also by upskilling and reskilling while in employment. Reskilling workers downstream in the petrochemical industry was particularly important for a just transition to allow them to adjust to new realities in a green economy. The introduction of new technologies required cooperation within and between countries. Due consideration should be given to investing in the most appropriate technologies to manage the transition, especially for countries that were newly developing their fossil fuel industry. Those countries should be given the opportunity to develop their resources. Economic reliance on one natural resource, however, could pose a challenge. Geopolitical volatility and energy dependency had macroeconomic impacts that affected the labour market. Investment in renewables was therefore crucial for economic diversification. Foreign direct investment should be put into the development of transferrable skills that could also be used in the renewable energy industry.

29. Challenges also persisted with regard to the application of labour standards and labour inspection and protection for offshore production and expatriate workers, particularly in countries where institutions were weak. With regard to labour standards and rights at work, women remained severely underrepresented at all levels of the industry. Ratification and application of the Violence and Harassment Convention, 2019 (No. 190), was essential. The management of the informal economy along the value chain required greater attention. Labour standards must be upheld throughout the value chain and throughout the life cycle of the industry, from rig construction to demobilization. Particular attention should be paid to working conditions when dismantling rigs.

30. With regard to opportunities, examples of good practices concerning labour inspection and occupational safety and health should be shared, in particular with countries where production was in its early stages. Programmes could be developed for reskilling workers in the oil and gas and downstream industries, and cooperation between those industries should be strengthened. Education and inclusion of women in the industry should be promoted. The sector should remain a safe and responsible employer, including with regard to sexual harassment. The transfer to a more diversified energy mix would bring stability to the labour market.

31. The Government representative of Angola said that her Government was committed to implementing the 2030 Agenda for Sustainable Development, and despite previous constraints, the new Government was committed to developing human resources and boosting the skills of Angolans in the oil and gas sector. The new Minister of Mineral Resources, Petroleum and Gas was particularly dedicated to increasing cooperation and investing in human capital. Agreements had been concluded with a university in France and one in Germany, where Angolan students were sent to upgrade their skills. A strategic plan for human resources was being developed.

32. The Government representative of Cameroon, while noting that significant emphasis was being placed on the transition to green energy, pointed out that, in the interim, workers in the oil and gas industry must be protected. The case of migrant workers was particularly concerning. Workers from countries where the oil and gas industry was not well developed were working abroad. If they were employed in countries that were transitioning to green energy, their rights must be protected. The application of the relevant international labour standards and international human rights law was crucial.

33. A Worker representative from Nigeria cautioned against leaving blue-collar workers unprotected; they were doing outsourced work and were thus often considered informal workers and were not covered by national labour laws. The principles of the ILO Decent Work Agenda must be upheld at all times and the rights and livelihoods of all workers should be protected.

34. The Worker Vice-Chairperson asked how Angola's cooperation agreement with universities in France and Germany was funded.

35. The Government representative of Angola said that legislation had been enacted, under which companies contributed financially towards the education and training of Angolan technicians. Using those contributions, Angolans were being trained and integrated into the oil and gas industry in the international labour market. The Ministry of Mineral Resources, Petroleum and Gas identified skills gaps in the local labour market, and subsidized training abroad to build the capacities of Angolan technicians to fill those gaps. The Government also worked in cooperation with the Government of Norway, which was providing consultancy services and guidance.

36. The Employer Vice-Chairperson noted with satisfaction that all participants had identified the same challenges with regard to decent work in the sector, primarily the skills mismatch, and his group therefore hoped that solutions would be found during the discussions ahead.

2. What policies and measures have worked, what has not worked well, and what needs to be done to ensure a just transition to a future of work that contributes to sustainable development in its economic, social and environmental dimensions?

37. The Employer Vice-Chairperson said that to mobilize society towards a just transition, public understanding was required; education and awareness-raising were crucial. While climate change was a global concern, mitigation policies must not have a more negative impact on society than climate change itself. Given the direct correlation between a country's development and its carbon dioxide emissions, every country had its own unique path to energy transition. Developing countries' transition to green energy must not affect their development. Climate change mitigation measures in the oil and gas sector required innovation. In the private sector, exemplary practices in upstream operations included changing power sources, reducing fugitive emissions, electrifying equipment and reducing non-routine flaring, while downstream operators had good practices in respect of energy efficiency through clean technology, green hydrogen, high-temperature electric cracking and greener feedstocks.

38. State-owned enterprises should prioritize resource efficiency supported by energy diversification. Some countries had established sustainable business councils, which were looking into the specific needs of the sector and its capacity to contribute to a just transition. Other voluntary initiatives included transition funds, to which businesses could contribute, while enjoying tax deductions that incentivized the provision of resources for environmental, social and corporate governance (ESG) priorities. Energy transition was a long-term, gradual process, which must take account of national circumstances and of human, environmental and economic aspects. Energy diversification was essential to achieve energy security and reduce dependency on fossil fuels; it required a skilled workforce and the development and adoption of new technologies.

39. Transition programmes must be designed in line with market needs. Vocational training would reduce skills mismatches and lower rates of structural and technological unemployment. Significant challenges remained with regard to reducing carbon emissions, and care should be taken not to rush ahead without planning the transition process rigorously; to guarantee system reliability, renewables must be complemented with other energy sources. There were good examples of companies implementing reskilling and upskilling programmes, including training workers in artificial intelligence (AI). Digital workforce skilling platforms could become the training method of choice. As a voluntary initiative, a share of profits could be allocated to financing corporate social responsibility projects with tangible benefits for society. It was important, however, that SMEs were not placed under financial pressure.

40. Cross-border cooperation on renewable energy was also essential for more efficient and cheaper electricity generation, increased certainty in the market, better access to new resources and opportunities, and facilitation of other international projects. Yet challenges persisted. While energy transitions were a shared responsibility, each country had its own particular circumstances with regard to types of industry, challenges, risks, emissions, and their economies as a whole. There could therefore be no "one-size-fits-all" approach to a just transition. Cooperation with the private sector was crucial to achieve a smooth transition. Sustainable business councils had a particularly important role to play in that regard.

41. The Worker Vice-Chairperson welcomed the general agreement among participants on challenges and opportunities. To ensure a just energy transition, attention should be paid to the future of the oil and gas supply chain. Tripartite platforms at all levels were essential, and must involve state-run companies, multinationals and SMEs alike. Employers should make their investment strategies progressively greener, with the goal of ensuring that all workers kept their jobs and maintained good conditions of employment. In so doing, companies would maintain their practices and structures, and prevent informalization.

42. There were many good examples to draw experience from: in Norway, oil and gas trade unions supported the Paris Agreement and were shifting workers to jobs in onshore and offshore wind energy, carbon capture and storage. Spain's decarbonization effort included a just transition strategy for the energy sector, developed with close involvement of trade unions, which covered the needs of workers both in prime and contractor companies. Spain's national oil and gas company was leading a major project to repurpose its five refineries into hubs for hydrogen supply and distribution. Germany had involved trade unions in the plan to phase out coal, although implementation was currently in doubt, since most of Germany's essential oil and gas supply from the Russian Federation was under threat. A quick transition to hydrogen was therefore planned to replace natural gas.

43. Denmark had legislation on achieving carbon neutrality by 2050, including phasing out oil and gas extraction. In the transition to offshore wind energy, an offshore academy had been established, where trade unions and companies ensured that workers' skills matched those required in the new industry. Denmark had a complete domestic supply chain; Danish companies accounted for 40 per cent of the European offshore wind market, creating a significant number of jobs in Denmark and abroad. Denmark had a highly unionized workforce, which played a crucial role in ensuring that new jobs were good jobs. A new agreement between United States construction sector trade unions and a Danish offshore wind company would create 80,000 highly skilled and well-paid offshore wind jobs. In the United States of America, new legislation aimed to create clean energy jobs, drive public and private investment in renewable energy and revitalize construction and manufacturing with the creation of an estimated 1.5 million jobs. There were, however, no provisions for the workers whose jobs would be lost from the oil and gas and internal combustion industries. New governments in Brazil and Colombia had revived tripartite social dialogue and multi-stakeholder discussions with social movements.

44. Examples of poor practice, however, were concerning. In Australia, the corporate owner of the Hazelwood power plant had given only five months' notice of closure, and had been routinely vague about closure and rehabilitation plans: two years post-closure there were still no plans for the future of the site. Some 750 workers had been made redundant. Union plans to move them to other power stations had only resulted in the transfer of 90 jobs. The company that owned Hazelwood had offered replacement jobs at another of its plants to only 17 workers. Such an approach was not conducive to a just transition. Just transition energy partnerships had proven problematic in Indonesia and South Africa, where unions had not been involved in key discussions and there was a lack of clarity on the use of funds made available for the transition. New partnerships were being created in India, Senegal and Viet Nam. Workers were ready to participate and discuss the conditions and implementation of those agreements. Given the number of countries dependent on fossil fuels and not yet ready for the transition, national dialogue mechanisms should be created to seek common solutions to implement the Paris Agreement through a just transition, while achieving social justice and reducing inequalities within and between countries.

45. The Government Vice-Chairperson said that, with regard to skills, rules and procedures were needed to develop human resources at the local level and ensure that local workers had equal recruitment and training opportunities to their foreign counterparts. Human capital should be developed through partnerships between employers and universities, facilitating a direct link between jobs and human resources. Senior staff losing work as a result of the transition should receive training and reskilling to ensure that they could continue in employment. New skills should be built based on those already acquired through employment in the oil and gas industry. Governments should put in place specific tax regimes for the industry, to support its development; tax incentives should be given to employers to encourage workers to take up jobs in remote locations.

46. With regard to local economic development, policies should be put in place to ensure that local professionals and businesses were prioritized in recruitment and the supply chain. SMEs should be created, oriented towards the oil sector, in partnership with foreign companies, to promote an influx of new technologies and skills. Policies should be implemented by which individuals could take a year's sabbatical to create a business that could support the industry. At the international level, cooperation was required between countries with advanced production and those beginning their oil and gas journey, to allow sharing of expertise. South–South cooperation should be promoted. Social dialogue and transparency were key to the development of the oil and gas industry, with respect for workers' experience and knowledge being key to finding solutions to industry-related problems, such as occupational safety and health. A just transition could only be implemented properly with social dialogue and worker engagement from the outset.

47. Labour market policies must ensure wages for oil and gas workers who lost their jobs owing to technological advances. Enterprises in crisis or needing to reskill workers should suspend, rather than terminate, workers' contracts to ensure that they remained covered by social protection measures. Funds should be allocated for the skilling of workers to prepare them for new occupations in the renewable energy industry. Education, research and employment policies should be implemented to support the oil and gas industry, and specific occupational safety and health regulations should be in place to ensure more effective labour inspection. Financing should be made available to boost the involvement of SMEs. Industry transformation would, however, be necessary; oil and gas companies would need to become energy companies to keep pace with the changing world outlook. National investment in the energy industry and sending workers abroad for training would facilitate the transition. The production and gathering of real-time data and statistics were essential, funds to finance research and training were needed, and collective agreements were crucial. Green fiscal stimulus packages could be very effective, along with innovative financial solutions with environmental objectives.

48. The Government representative of Germany underscored the importance of strong social dialogue and close partnership in bilateral and trilateral discussions to find solutions for a just transition for the oil and gas industry and beyond.

49. The Employer Vice-Chairperson welcomed the convergence on several aspects, in particular skills and public–private sector cooperation, which should be at the centre of the conclusions to be adopted by the meeting.

50. A Worker representative from Norway said that the oil sector in Norway had undertaken to reduce its carbon emissions by 50 per cent by 2030, with the support of workers and their unions, who were committed to the Paris Agreement. Steps were being taken to electrify offshore oil installations. The oil sector was transitioning into an energy sector, not only in principle but in practice: work on the installation of offshore wind infrastructure was ongoing. The oil sector was highly regulated and had been subject to very high taxes (over 70 per cent) for some 50 years. That tax revenue contributed to the Norwegian Oil Fund, which was a significant social security fund for future generations, from which the Government could draw a maximum of 3 per cent per annum. Irrespective of the ruling party in Government, the Oil Fund and its regulation were accepted without question.

51. The Worker Vice-Chairperson said that while there were many examples of good practice in the just transition, there were daily examples of job losses, plant closures and loss of income.

52. The Government representative of Algeria supported the statement made by the Government group and agreed with the Employer Vice-Chairperson that cooperation was key. Each country had its own particular circumstances, which must be taken into account in the transition to the green economy. In that regard, developing countries often did not have the requisite resources to make the transition; cooperation and partnerships between developed and developing countries were therefore crucial.

53. The Employer Vice-Chairperson said that the common issues must be consolidated, and social dialogue was essential. Cooperation, skills and social dialogue must be the three axes of the conclusions.

54. The Government representative of Colombia said that a just energy transition should lead to the development of new energy sources. Social dialogue must be at the centre of the transition, but must take account of the nuanced micro-relationships between employers and workers at the community level. The perspectives of those communities must be considered on a case-by-case basis when considering the transition. The development of agriculture and other industries was essential to ensure availability of jobs and economic opportunities after the transition.

3. Taking into consideration the ILO *Guidelines for a just transition towards environmentally sustainable economies and societies for all* (2015), what recommendations should be made for future action by the International Labour Organization and its Members (governments, employers' and workers' organizations) regarding the future of work in the oil and gas industry?

55. The Worker Vice-Chairperson underscored the importance of three main aspects raised by the Government group during the discussions: social dialogue, skills and cooperation. A just transition, based on social dialogue, was already bearing fruit in the energy sector. All parties should be familiar with the ILO *Guidelines for a just transition towards environmentally sustainable economies and societies for all*, ready to implement them, and willing to negotiate and reach joint decisions. Acknowledging the high level of outsourcing in the oil and gas sector, and the associated difficulties, could inform lawmaking at the national level. Contracting, privatization and the division of companies could impede a just transition by disrupting social dialogue and collective bargaining. Jobs in the supply chain must be good, decent and unionized, with clear delineations of responsibility. Governments should facilitate social dialogue and create energy plans, while companies bore responsibility for due diligence in their supply chains.

56. A global tripartite process on just transition with a focus on the oil and gas sector would contribute to securing decent jobs and just transition agreements between oil and gas companies, governments and trade unions. Existing collective bargaining, climate target-setting and responsible business initiatives were not yielding sufficient or timely results. Enforceable measures must be put in place to achieve the commitments of the Paris Agreement. Through a global tripartite forum, international oil companies would commit to negotiating global just transition agreements with unions, comprising a combination of broad commitments and short-, medium- and long-term milestones for progress on specific indicators for a just transition, with a focus on labour practices in the company and its supply chain. Biannual presentations to the forum by companies and unions would enable progress to be monitored and parties held accountable for implementation.

57. Regarding skills and competences, education and training were a right for all, and were especially important for those who were resistant to change. In respect of outsourcing, dedicated measures were required to reinforce respect for fundamental labour rights and decent work, not only to avoid the worst human rights violations but to ensure adequate income levels and social protection for all. The transition afforded an important opportunity to redress gender imbalances in the industry, including women's representation and the gender pay gap. The 111th Session of the International Labour Conference would include a discussion on *A just transition, including consideration of industrial policies and technology, towards environmentally sustainable economies and societies for all*. The discussion would recognize the conclusions adopted and decisions taken during the current technical meeting.

58. With regard to future actions, the Workers' group recommended that the ILO should: organize regional tripartite meetings on the future of work in the oil and gas sector; support the efforts for a global initiative on just transition and efforts to promote global just transition agreements in the oil and gas sector; provide technical support to Member States to promote decent work to eliminate disguised employment relationships, address outsourcing and reverse precarization; develop a code of practice on just transition in the oil and gas sector; and promote ratification and effective implementation of international labour standards in the oil and gas sector to improve working conditions, occupational safety and health and social protection, bridge the gender gap, and allow full participation of and equal opportunities for women workers. Tripartite cooperation programmes and projects should be developed to advance decent work and develop just transition plans with investment in human resources and dedicated just transition finance.

59. The Employer Vice-Chairperson welcomed the strong agreement among participants in the meeting on many aspects. Underscoring the relevance of progressiveness and coherence, he said that the energy transition should be gradual, planned in consultation with workers' and employers' organizations, aligned with national circumstances and economically, socially and environmentally viable. The transition should not jeopardize the development trajectory of developing countries. National strategies for energy diversification were needed, with sustainable enterprise development and incentives for private investment in renewables. Continued productivity and sustainability of oil and gas companies should remain a priority. Public–private partnerships for skills development were essential, with programmes designed in line with market needs and the involvement of policy-makers and key stakeholders, including employers. Promoting university engagement with employers could help tailor skills to labour market needs.

60. The transition from the informal to the formal economy must be integrated into the energy transition. Informality remained a major challenge in developing and emerging market economies, where micro- and small economic units struggled to reach economic viability while being an important source of employment. Micro- and small enterprise development strategies should be devised to increase productivity and facilitate a formal, digital and green transition. A just transition for the oil and gas sector was a significant opportunity to advance and address informality as a root cause of decent work deficits. An enabling environment for business was essential; inefficient business environments hindered returns on investment, productivity and the economic viability of companies. Full and productive employment could only be achieved where businesses flourished and entrepreneurship, innovation, productivity and inclusion were promoted. In that regard, a gender equity strategy was essential, to harness opportunities to increase the participation of women in the oil and gas industry and leverage their capacity to contribute to smooth transitions. Ageing workforces were an important source of experience and knowledge, which could be transferred; older workers should not be left behind in the transition.

61. Sustainable business councils were part of the machinery of social dialogue and played a key role in developing coherent transition in line with economic development, productivity and the stability of employment markets. Governments should include social partners in designing policies and identifying priorities. Economic incentives, in particular tax-related, were an important tool for fostering private investment in decarbonization and for encouraging SME participation. Governments could play a key role in levelling the playing field between state-owned and private sector enterprises. They should improve corporate governance and increase efficiency in state-owned enterprises, remove regulatory barriers to private investment in renewables, ensure an environment conducive to sustainable enterprise development, and advance ESG. Governments must develop and implement coherent and coordinated policies for smooth transitions, not only on employment and environmental measures, but also on education, tax and investment. Governments could be large-scale investors in energy efficiency and clean energy infrastructure, while simultaneously being purchasers of renewable energy.

62. The energy transition would require cities to be redesigned. Governments, in partnership with the private sector, could take the lead in housing retrofits and environmentally friendly infrastructure, urban planning and policies including congestion charges, and implementing policies on the use of renewables, such as solar street lighting and electrification of public transport, and on renewables-friendly land use and zoning. Overregulation that hindered private investment and the creation of new enterprises should be avoided, while ensuring full respect for fundamental principles and rights at work in the transition process.

63. To support its constituents in their efforts to realize just transitions, the ILO should collect data to identify opportunities, and collect and disseminate best practices from countries and regions with diverse realities. It should promote application of the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), in the context of a just transition, and should help to identify opportunities for advancing gender equality and promoting a culture of inclusivity. The Office should support Member States with leading state-owned oil and gas enterprises in formalizing informal workers and improving enterprise efficiency. It should promote implementation of the *ILO Guidelines for a just transition towards environmentally sustainable economies and societies for all* and support constituents in creating a conducive environment for sustainable enterprises, innovation, decent job creation and a gradual energy transition, as well as providing advice on skills development based on current and future market needs.

64. The Government Vice-Chairperson said that governments, with support from the ILO, should establish regional networks of labour inspectors to exchange good practices and foster cooperation, and should create funds, financed through taxes, to support the development of skills and technology, in particular in countries struggling to transition immediately to green energy. The ILO should: provide technical assistance for the transition; develop specific guidelines on specific aspects where gaps persisted in the oil and gas industry, such as skills development; support and promote social dialogue in the sector and ensure that social partners were well-prepared and strong; call for just transition funding schemes and allocate them to countries promoting renewables; provide technical support for technological development and implementation; issue guidance and technical support for governments to address general labour issues in the sector, such as accidents and spillage, to guide national legislation; provide guidance on how to strengthen local economic development and employment using alternatives to oil and gas; issue regulations on decent work in alternative sectors through social dialogue; and conduct economic analysis to build knowledge of local conditions and needs to support the development of alternative sectors on a needs basis.

65. The Government representative of Namibia said that his Government recommended a policy mix for a just transition from the oil and gas industry to renewables and for the energy sector as a whole. Governments should promote re-employment in sustainable industries during the transition. The ILO should assist Member States and social partners in conducting employment impact assessments and fostering job creation in the green economy, to be sure that workers leaving the oil and gas industry would be employed in the green economy. It should also help Member States to conduct skills anticipation exercises to ensure that the necessary human resources for jobs in renewable energy were available in a timely manner.

66. The Government representative of Spain called on the ILO and the European Commission to take measures to advance cooperation between workers' and employers' organizations to foster necessary skills development.

67. The Government representative of Germany expressed support for the recommendation to ensure decent work throughout the supply chain. Measures in that regard should be taken by the ILO and all constituents. Consideration should be given to employment markets and fostering investment in green energy production to create future jobs for oil and gas sector workers who lost their jobs in the transition.

68. The Government representative of Algeria agreed with the suggestion to include a recommendation on decent work throughout the supply chain. The ILO had already adopted recommendations on the global supply chains, on which consensus had been hard won, which should be used to inform any further guidance in that regard. With regard to production, consumers had a responsibility and should be mentioned.

69. The Employer Vice-Chairperson said that there were many points of convergence, which would provide a good basis for the preparation of conclusions.

70. The Government Vice-Chairperson advised concentrating on the three pillars of skills, cooperation and social dialogue. The gender issue was also an important aspect to be considered in the transition from fossil fuels to the green economy, which must also be taken into account when looking at skills.

▶ IV. Consideration and adoption of the draft conclusions

71. The meeting nominated representatives and advisers from each group to form a working party, which met on 1 December 2022, to examine the draft conclusions drawn up by the Office on the basis of the discussions held over the previous days.

72. The members of the working party were: Government representatives – Mr Luiz Carlos Lumbreras Rocha (Vice-Chairperson, Brazil), Mr Djouabri Azzedine and Ms Amina Mesdoua as adviser (Algeria), Mr Mwiya Albius and Ms Aune Amutenya as adviser (Namibia) and Ms Jorunn Elise Tharaldsen and Mr Roar Høydal as adviser (Norway); Employer representatives – Mr Irinel Eduard Floria (Vice-Chairperson), Ms Marcela Caicedo Rios, Mr El Sayed Torky and Mr Nikitha Senaratne, with Mr Luis Rodrigo Morales as secretariat; and Worker representatives – Mr Michael Smith (Vice-Chairperson), Mr Olawale Afolabi, Mr Gerson Castellano and Ms Stacey Schinnerl, with Ms Diana Junquera Curiel, Mr Kan Matsuzaki and Ms María Teresa Llanos as secretariat.

73. The draft conclusions on the future of work in the oil and gas industry, as revised by the working party, were submitted to the meeting for adoption on the afternoon of 2 December 2022.

The future of work in the oil and gas industry

Decent work challenges and opportunities in the oil and gas industry now and in the future

Proposed paragraphs 1 to 5

74. Paragraphs 1 to 5 were approved.

Proposed new paragraph after paragraph 5

75. Following discussions in the working party, the Office had proposed a new, compromise draft for paragraph 5 *bis*, which had been circulated to the working party, to read: "The oil and gas industry is capital-intensive and highly cyclical. Large fluctuations in production, prices and employment are challenging for many countries to manage, particularly those without inclusive, robust and sustainable social protection systems in place. These fluctuations are small, however, compared to the jobs that will be created, transformed and lost as the world shifts from fossil fuels to renewable sources of energy. Social dialogue is key to addressing sectoral, temporal, geographical and structural misalignments, and to harnessing the potential of the energy transition to foster sustainable enterprises and decent jobs."

76. The Employers' group and the Government group agreed to the proposed text.

77. The Worker Vice-Chairperson said that his group wished to delete "Large" before "fluctuations" in the second sentence. Also in the second sentence, it wished to replace "and employment" by "and the introduction of technology impact employment and". It wished to delete the third sentence:

"These fluctuations are small, however, compared to the jobs that will be created, transformed and lost as the world shifts from fossil fuels to renewable sources of energy." Lastly, after "misalignments" in the fourth sentence, it wished to add "between job losses and potential job creation".

78. The Employer Vice-Chairperson said that his group could agree to those amendments with some minor subamendments: it wished to replace "impact employment" by "may have an impact on employment". It also wished to insert "potential" before "structural misalignments" and delete "potential" before "job creation". Finally, it proposed replacing "harnessing the potential" by "leveraging the benefits".

79. The Worker Vice-Chairperson and the Government Vice-Chairperson said they could agree to the subamendments proposed by the Employers' group.

80. Paragraph 5 *bis* was approved, as amended.

Proposed paragraph 6

81. Following discussions in the working party, the Office had proposed a compromise text for proposed paragraph 6, which had been circulated to the working party, to read: "Wages, other working conditions and social benefits in the oil and gas industry are generally better than those in other industries. However, there is a need to continually improve working conditions, including gender equality, occupational safety and health and other fundamental principles and rights at work. Stable political, legal and institutional frameworks as well as strong and independent workers' and employers' organizations are key to protecting all workers in the oil and gas industry in law and practice and to advance a just energy transition."

82. The Employers' group and the Government group agreed to the proposed text.

83. The Worker Vice-Chairperson said that his group wished to replace "generally" by "in some places". It also wished to replace "including gender equality, occupational safety and health and other" by "and promote, realize and respect all". It wished to insert "collective bargaining between" before "strong and independent workers' and employers' organizations".

84. The Employer Vice-Chairperson could not accept the proposed amendments: "in some places" changed the sense of the paragraph. The matter was one of wages, working conditions and social benefits in the industry as a whole being generally better than in other industries, not a question of comparisons of conditions within the industry depending on geographical location. The wording of the first sentence of the proposed paragraph had been taken directly from the Office report, which was evidence-based and should not be called into question.

85. The Worker Vice-Chairperson said that the paragraph took the statement on wages, working conditions and social benefits out of context. The Office report also discussed the poor working conditions in some places, in particular in Latin America. The statement that conditions were "generally better" was not consistent with the experience of some members of his group. The Workers' group had been prepared to accept "generally better where workers are covered by collective agreements", but the working party had not agreed to that wording. He proposed a subamendment, to replace "in some places" by "in many places", in the hope that it would be an acceptable compromise for the Employers' group.

86. The Employer Vice-Chairperson reiterated that the matter was not one of "places" but rather of industries.

87. The Government representative of Spain agreed with the Employers' group and added that discussing differences between salaries and social security in different countries would open a Pandora's box. He would prefer to approve the compromise text proposed by the Office.

88. The Worker Vice-Chairperson proposed replacing "many places" by "many cases".

89. The Employer Vice-Chairperson could not agree to that proposal. The sentence was an evidence-informed general statement on the health of the industry, not an invitation to a case-by-case analysis. The Office's evidence-based report should not be called into question.

90. The Worker Vice-Chairperson asked whether outsourced, informal and supply chain workers had been included in the Office's evidence?

91. The Head of Unit said that it had been very difficult to come by verifiable, valid data and statistics on working conditions, in particular with regard to the informal aspects of the industry. The Office report and the draft conclusions had been based on the evidence available. The draft conclusions therefore also called for improvements in data gathering and statistics.

92. The Worker Vice-Chairperson said that if data were not available, voices were not being heard.

93. The Employer Vice-Chairperson said that in the absence of any agreement, the paragraph should be deleted. His group would only accept the compromise paragraph as proposed by the Office.

94. The Worker Vice-Chairperson said he could accept the Office text with the addition at the beginning of the first sentence of "Based on available data from the formal industry," to reflect the fact that data were scarce.

95. The Chairperson suggested "Based on available data,".

96. It was so agreed.

97. Paragraph 6 was approved, as amended.

Proposed paragraphs 7 to 8

98. Paragraphs 7 to 8 were approved.

Shaping a future that works for all

Proposed paragraphs 9 to 11

99. Paragraphs 9 to 11 were approved.

Proposed paragraph 12

100. The Worker Vice-Chairperson said that his group had proposed inserting "active" between "supportive" and "labour market policies" in the second sentence, since "active labour market policies" was a standard ILO term. At the end of that sentence, the Workers' group wished to retain the wording that the Employers' group had proposed deleting, namely "as well as measures to expand social protection and to help workers navigate life and work transitions".

101. The Employer Vice-Chairperson clarified that his group wished to propose a further subamendment: rather than deleting the last part of the sentence, the Employers' group would like to replace it with "to foster employability according to labour market needs and to help social partners navigate work transitions".

102. The Worker Vice-Chairperson said his group could not agree. It would prefer a return to the original text as proposed by the Office.

103. The Government Vice-Chairperson said that his group could approve “supportive active labour market policies” and proposed deleting the rest of the sentence since the important point about social protection was captured elsewhere in the text.

104. The Employer Vice-Chairperson and the Worker Vice-Chairperson agreed.

105. Paragraph 12 was approved, as amended.

Proposed paragraphs 13 to 17

106. Paragraphs 13 to 17 were approved.

Recommendations for future action by the International Labour Organization and its Members

Proposed paragraph 18

107. Paragraph 18 was approved.

Proposed new paragraph after paragraph 18

108. A new paragraph after paragraph 18 concerning social protection had been proposed by the Employers’ group, in conjunction with the amendments to paragraph 19(e) agreed in the working party.

109. The Worker Vice-Chairperson and the Government Vice-Chairperson said that they agreed to the addition of the proposed new paragraph, on the understanding that proposed paragraph 19(e) would be approved as amended in the working party.

110. It was so agreed.

111. Paragraph 18 *bis* was approved.

Proposed paragraph 19

Proposed clauses (a) to (e)

112. Clauses (a) to (e) were approved.

Proposed clause (f)

113. The Head of Unit proposed a compromise draft for clause (f), prepared by the Office on the basis of the working party’s discussions, to read, “facilitate technology transfer, the sharing of good practices and promote just transition financing and other means to support sustainable development projects. This should be done through innovative partnerships and enhanced collaboration at the national and regional level as well as international cooperation, including triangular and South–South cooperation, both among countries that are developing their industry and among those that are transitioning to renewable energy sources.”

114. The Employer Vice-Chairperson agreed with the proposed revision.

115. The Worker Vice-Chairperson agreed to the proposed revision and wished to add, at the end of the clause, “with a view to reducing inequality and achieving social justice”.

116. The Employer Vice-Chairperson said that his group could not accept the proposed addition. The scope of the clause was on enhancing collaboration. The proposal by the Workers’ group took the sense of the clause in a different direction.

117. The Government Vice-Chairperson said that while his group understood the Workers' concerns, it would prefer to keep the compromise text, as proposed by the Office.

118. The Worker Vice-Chairperson withdrew his group's proposed amendment.

119. Clause (f) was approved, as amended.

Proposed paragraph 20

Proposed clause (a)

120. The Government Vice-Chairperson said that in the light of the explanation given to the working party by the Legal Adviser, his group wished to withdraw its proposal to insert "up-to-date" before "international labour standards".

121. The Worker Vice-Chairperson agreed.

122. The Employer Vice-Chairperson said that, on the contrary, in view of the explanations provided by the Legal Adviser, it wished to maintain its identical proposal to insert "up-to-date" before "international labour standards". "Up-to-date" was used in the Centenary Declaration on the Future of Work.

123. The Secretary-General of the Meeting pointed out the nuance of the context of the use of "up-to-date" in the Centenary Declaration, which referred to promoting "a clear and robust, up-to-date body of standards". This context was distinctly different from the Office's mandate to promote the implementation of all international labour standards in force, until such time as the competent body (Governing Body or International Labour Conference) abrogated a particular instrument. At that point, the Office would cease to actively promote the standard, but was still required to support Member States that were bound by it and continuing to implement it. The qualification "up-to-date" could give rise to confusion among readers of the conclusions who were not well versed in the ILO's standard-setting procedures. Not including "up-to-date" did not undermine the Centenary Declaration in any way or have any bearing on how the Office dealt with the promotion, ratification and effective implementation of labour standards.

124. The Employer Vice-Chairperson said that while he would still prefer to include "up-to-date", in a spirit of consensus-seeking he would agree to withdraw the proposed amendment.

125. Clause (a) was approved.

Proposed clause (b)

126. Owing to a lack of support, the Worker Vice-Chairperson withdrew a proposed amendment to add "in the next biennium" at the end of the clause.

127. Clause (b) was approved.

Proposed clauses (c) to (f)

128. Clauses (c) to (f) were approved.

Proposed clause (g)

129. The Government Vice-Chairperson proposed amending the clause in line with the wording on South–South cooperation previously approved in paragraph 19(f). The clause would thus read, "promote innovative partnerships and enhanced collaboration at the national and regional level as well as international cooperation, including triangular and South–South cooperation".

130. The Worker and Employer Vice-Chairpersons agreed.

131. Clause (g) was approved, as amended.

Proposed clause (h)

132. The Employer Vice-Chairperson expressed concern that the scope of the clause was too vague; it was encouraging the ILO to collaborate with any organization. He could agree to "foster cooperation", rather than "reinforce cooperation" and wished to insert "multilateral" between "international" and "organizations".

133. The Secretary-General of the Meeting suggested aligning the text with wording agreed in previous meetings, to read, "promote international cooperation and policy coherence to advance decent work and a just transition in the oil and gas industry, including by involving constituents in leading and cooperating with relevant multilateral and other organizations."

134. It was so agreed.

135. Clause (h) was approved, as amended.

Proposed new clause (i)

136. The Worker Vice-Chairperson proposed the addition of a new clause after (h) to read, "develop a Code of Practice on just transition in the oil and gas sector. Implementation should be based on existing guidelines, with a targeted focus on labour issues."

137. The Chairperson asked the Office to provide background and examples of precedents for such a request.

138. The Secretary-General of the Meeting explained that while it was not common practice, two sectoral meetings had, in recent years, included in their conclusions a specific request to the Office to develop a code of practice or guidelines. There were specific procedures in place to decide whether new codes or guidelines should be developed. The Sectoral Advisory Body advised the Governing Body on the order of priority for future technical meetings and meetings of experts. The Sectoral Advisory Body could therefore recommend a meeting of experts to develop a code of practice or guidelines in its suggested order of priority for future work.

139. The Employer Vice-Chairperson said that his group could not approve the proposal. The ILO *Guidelines for a just transition towards environmentally sustainable economies and societies for all* were already in place. There had not been any discussion on the need for a code of practice. It would be inappropriate for the meeting to make such a suggestion to the Governing Body.

140. The Government Vice-Chairperson said that while he could support the proposal in principle, the second sentence on implementation should be deleted.

141. The Worker Vice-Chairperson said his group could agree to that proposal.

142. The Employer Vice-Chairperson reiterated that the meeting was not the appropriate forum for a discussion on the need for a future code of practice. The forthcoming 111th Session of the International Labour Conference would include a dedicated discussion on a just transition, including consideration of industrial policies and technologies towards environmentally sustainable economies and societies for all, which would provide the necessary guidance.

143. Following further discussion in which the Worker Vice-Chairperson, the Employer Vice-Chairperson, the Government Vice-Chairperson and the Government representatives of Angola and Spain participated, the Chairperson announced that in the absence of consensus, the proposed new clause would be rejected.

144. Proposed clause (i) was rejected.

145. The Worker Vice-Chairperson expressed disappointment that the need for guidance on the protection of all workers in the oil and gas sector, in particular those in the informal economy and precarious jobs, would not be included in the conclusions of the meeting.

146. The Employer Vice-Chairperson reiterated that the meeting was not an appropriate forum for requesting a code of practice and that ILO guidance already existed in the form of the ILO *Guidelines for a just transition towards environmentally sustainable economies and societies for all*, which would be enhanced by the discussion due to take place at the next session of the International Labour Conference.

147. The Secretary-General of the Meeting added that by their very nature the conclusions of the meeting would inform the Governing Body of the need for future dialogue on a just transition in the oil and gas industry. She drew attention to a new ILO publication, *Sectoral Policies for a Just Transition towards Environmentally Sustainable Economies and Societies for All*, which acknowledged the need for guidance by industry, and contained a section on extractive industries (energy and mining).

Annex

Title

148. The title was approved.

International labour standards

Fundamental instruments

149. The list of fundamental instruments was approved.

Governance (priority) Conventions

150. The list of governance Conventions was approved.

Technical Conventions

151. The Employer Vice-Chairperson proposed the addition of the Private Employment Agencies Convention, 1997 (No. 181).

152. It was so agreed.

153. The Employer Vice-Chairperson said that his group wished to delete the reference to the Paid Educational Leave Convention, 1974 (No. 140), which had not received the support of the Employers’ group at the time of adoption, and which had only received 35 ratifications. In some countries, resources needed to go to fighting illiteracy, rather than towards upskilling already skilled workers, who had a good level of education.

154. The Worker Vice-Chairperson and the Government Vice-Chairperson said that they disagreed and would prefer to maintain the reference to Convention No. 140.

155. It was so agreed.

156. The list of technical Conventions was approved, as amended.

Technical Recommendations

157. The Worker Vice-Chairperson proposed the addition of the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205).

158. The Secretary-General of the Meeting said that the working party had also agreed to include the Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169).

159. All parties agreed to those proposals.

160. The list of technical Recommendations was approved, as amended.

Declarations

161. The list of declarations was approved.

Other ILO guidance

162. The list of other ILO guidance was approved.

International instruments and guidance

163. The list of international instruments and guidance was approved.

164. The annex, as a whole, was approved, as amended.

165. The conclusions, as a whole, were unanimously adopted, as amended.

▶ V. Closure of the meeting

166. The Secretary-General of the meeting congratulated all participants and said that, once again, social dialogue had prevailed. While the topic was a complex one, a spirit of compromise and consensus had pervaded the discussions and an impressive set of conclusions had been adopted. She thanked the Chairperson, the Vice-Chairpersons and all those who had taken part, as well as those who had worked behind the scenes.

167. The Employer Vice-Chairperson welcomed the adoption of the conclusions and thanked all those who had participated in the technical meeting for their cooperative spirit. He also thanked the Office for its invaluable support before and during the meeting, which had greatly contributed to its success and was much appreciated.

168. The Worker Vice-Chairperson thanked his fellow officers for their work and expressed satisfaction with the agreement reached. The conclusions were a step in the long road towards a just transition for the oil and gas industry. He thanked all those who had participated in the meeting and contributed to its positive outcome. The Workers' group remained concerned, however, that outsourced workers had not been mentioned in the conclusions. All workers throughout the supply chain should be protected.

169. The Government Vice-Chairperson welcomed the conclusions adopted and thanked the Chair for taking the helm of the delicate negotiations. He expressed appreciation to his fellow Vice-Chairpersons, and commended their harmonious approach to the discussions. He thanked all members of the Government group for their participation and support, and expressed gratitude to the Office for its unwavering support. It had been an honour for Brazil to chair the Government group.

170. The Chairperson thanked the Vice-Chairpersons for their good humour and constructive spirit throughout the meeting, and expressed appreciation to the Office for its support on her first occasion chairing an ILO meeting. The experience had been a tremendous learning curve, and had enabled her to witness tripartite negotiations from a new vantage point. She would invest even more in social dialogue and tripartite consultation when she returned to her country. The adoption of the conclusions was a significant achievement.

171. Having thanked all those who had contributed to the smooth running of the meeting, the Chairperson declared the Technical meeting on the future of work in the oil and gas industry closed.

Appendix: Decent work and just transition

Introduction

1. An information session was held on decent work and just transition on the afternoon of Monday, 28 November 2022, chaired by Ms Vicki Erenstein Ya Toivo, Namibia. The session focused on how the energy transition was changing employment in the sector, and what could be expected in future.

2. Opening the information session, the Chairperson welcomed all participants and introduced two invited expert panellists, who would address the meeting: Mr Daniel Wetzel, Head of the newly created Tracking Sustainable Transitions Unit for the World Energy Outlook of the International Energy Agency (IEA), who had been a lead author of the Agency's recently published report *World Energy Employment*; and Mr Michael Renner, Head of Socioeconomics and Policy, International Renewable Energy Agency (IRENA), whose work focused on renewable energy employment and a just transition and was co-author of the Agency's *Renewable Energy and Jobs Annual Review*, which had been prepared in close cooperation with the International Labour Organization (ILO). The panellists would discuss their findings on the implications of the energy transition for jobs in the oil and gas industry.

Presentations

3. Mr Wetzel (IEA) presented the findings of the IEA's *World Energy Employment* report. While oil and gas companies had traditionally been some of the largest energy employers, the clean energy sector was rapidly catching up. Other important trends were also shaping the energy sector: the COVID-19 pandemic and the declining investment over the previous five years (particularly affecting field services contractors). While employment in the energy sector as a whole was projected to increase substantially in the coming years, employment in oil and gas would fall as the world tried to move away from Russian imports and seek alternative suppliers. Around US$1.1 trillion had been mobilized by the world's governments to support the clean energy transition. Against that backdrop, fossil fuel demand was on track to peak before 2030, with the most notable change in outlook being the stagnation in demand for natural gas, brought on by the Russian aggression in Ukraine. There would also be a pronounced shift in the geographic trends in fossil fuel demand growth, meaning that while global demand rates looked stable, and the overall structure of employment would remain unchanged, employment would likely decline for oil sector workers in advanced economies, while increasing in countries with an emerging oil industry.

4. Oil and gas workers tended to be more highly skilled than the energy sector average and the general economy average. Skills transfers would become increasingly important. In natural gas, there would be a shift across the types of workers required and a regional shift in demand and production, particularly since natural gas exports from the Russian Federation were predicted to decline by 66 per cent by 2050. Challenges relating to changing needs and transporting fuel would need to be met by producers, despite the projected long-term decline in the market. The emissions profile of suppliers would need to be borne in mind when considering which countries would pick up the slack in production from the Russian Federation. As climate-related policies were tightened with a view to meeting net-zero greenhouse gas emissions targets, the transition would gain pace. Diversification was key: by 2030, oil and gas workers, as the most highly skilled

engineers in the energy sector, would still be highly sought after in the oil and gas industry, but the longer-term need to transfer them to emerging sectors must be given due consideration.

5. Mr Renner (IRENA) presented the results of IRENA's research into job creation in the energy sector. Jobs were critical to the energy sector transition since they determined the well-being of the population during the transition process. Given projected disruption to economic structures, with associated job losses and job gains, it was important to use trends and predictions to prepare. The availability of good jobs would have a bearing on general acceptance of the transition. The number of people employed in green energy had increased steadily over the past decade, and currently totalled around 12.7 million. The energy sector had a male-dominated workforce; while the transition to renewables was attracting more women into the energy sector, they still only accounted for 20 per cent of oil and gas sector workers. Women in the renewable energy landscape still predominantly occupied administrative posts, rather than management, legal or technical positions. Barriers to women's inclusion in the sector must be overcome.

6. The landscape for employment in renewables was dominated by relatively few countries: China alone currently accounted for 42 per cent of employment in renewable energies. Several factors influenced job creation, including technological advancements, market size, supply chain geography and labour intensity, all of which were shaped by a combination of public policies and corporate strategies. The lingering impact of the COVID-19 crisis had highlighted the vulnerability of supply chains. Trade disputes and geopolitical rivalries were driving a growing interest in supply trade localization. Employment must be considered along the whole supply chain. Upstream, in extraction and mining, there were serious concerns with regard to environmental impact and occupational safety and health. Downstream, there was a need to prioritize recycling and repair of equipment and materials. The quality of jobs in those stages of the supply chain must be considered carefully.

7. Ambitious policies could significantly increase the jobs available in renewable energies over time. IRENA had studied two scenarios for employment projection: one based on current but still inadequate policies, and the other, an ambitious scenario in line with the Paris Agreement goals. Under the latter, the number of people employed in the energy sector overall could rise to as many as 139 million by 2030; job losses in fossil fuels would be more than offset by gains in renewables, although there could be misalignments along the way. A comprehensive policy approach was required to make the transition effective, including industrial policy, education and training strategies, active labour markets and policies to promote the circular economy in the energy sector.

Discussion

8. The Government representative of the Democratic Republic of the Congo asked which countries would offset the loss of the Russian Federation's exports, and whether those energy gaps would be bridged by fossil fuels or renewables. The Democratic Republic of the Congo had commenced auctioning oil blocks worth US$650 billion, and should be considered a credible contender in the solution.

9. The Government representative of Namibia welcomed the research presented and asked how the transition of workers from oil and gas to renewables would be guaranteed. Even in a process of eliminating jobs from one industry and creating jobs in another, there was no guarantee that the workers leaving one side would be employed on the other.

10. A Worker representative from Nigeria said that the data showing a very low number of low-skilled workers in the oil and gas sector could be severely skewed by lack of information on informal and outsourced workers who were not unionized, not represented, not heard and not captured in data

collection. When the oil and gas industry had first begun in Nigeria, all workers, irrespective of skill level or position within a company, had been considered as contributing to the profitability of the industry. With increased globalization, however, more and more jobs were being outsourced and were no longer valued.

11. Mr Wetzel (IEA) responded that the producer of choice to backfill the gap left by the absence of Russian fossil fuel supplies would most likely be North America or the Middle East, since they had the additional capacity to increase production in the short-term at relatively little cost. Considering gas only, however, there was a significant role for Africa. While there was an immediate rush to gas to fill short-term needs, export revenue potential from the gas industry would decline significantly from 2030. If projects could not be implemented quickly, the decline in revenue potential from 2030 would reduce market opportunities and thus made viability questionable. The IEA's *Africa Energy Outlook 2022* looked at Africa's role in the oil and gas industry. The production of some 5,000 billion cubic metres of natural gas discoveries across the continent would be significant for Africa's development and industry (production of fertilizers, desalination, cement and steel). The combined emissions from those resources would, however, significantly increase Africa's share of historic emissions. Green hydrogen projects could be financed on an export basis, and would contribute to the transition alongside decline in natural gas production.

12. The IEA, in its research and data analysis, had tried to estimate informal labour where possible. Oil and gas tended to have lower levels of informality than other industries in the energy sector, although informality remained relatively high in Africa, owing to the large size of state-owned enterprises in the industry and the reliance on outsourced labour. Low-skilled labour that was typically informal would be the most greatly affected by the transition, and must be at the forefront of policy-makers' minds. International cooperation on oil and gas for the future should therefore seek to invest in joint ventures that built workers' skills and capacities on the ground, to facilitate transition. Under current policies, employment in oil and gas remained stable, while a trajectory to meet climate targets would incur more of a marked transition. There would be a steep decline in oil and gas employment in advanced economies, although the high-skilled workers from those economies would be more likely to transfer to jobs in renewables, whereas low-skilled workers in developing economies risked being left behind.

13. Mr Renner (IRENA) added that, from the perspective of transitioning not only to renewables but also to more energy-efficient technologies, planning ahead was crucial. More work was needed to fully understand what skills would be needed over the coming decades, how to best coordinate existing skills with that demand, and how to manage the reorientation of skills required. Those aspects would require cooperation not only between governments, employers and unions, but also with education institutions. It was especially important to understand that the success of the renewable energy sector depended on the profile of renewable energy in a given country. A proactive policy was required to build viable supply chains, which would create jobs.