

Factsheet on **Green Jobs in Indonesia**

Green jobs – Good jobs: a dual challenge

Green Jobs have become an emblem of a more sustainable economy and society that preserves the environment for present and future generations and is more equitable and inclusive of all people and all countries. The rationale for green growth and clean development has mostly been presented as a win-win situation for the environment and for economic development. Relatively little and superficial attention has been paid to the social dimension of sustainable development, in particular to the implications for employment and for decent work.

Environmental degradation, including the deterioration and exhaustion of natural resources are among the most serious threats to economic and broader sustainable development. These will in the future be exacerbated by the impact of climate change, which is already felt in many developing countries. In the medium to long term, projected climate change will lead to serious disruption of economic and social activity in many sectors on all continents.

Climate change itself, adaptation to it and efforts to arrest it by reducing emissions have far-reaching implications for economic and social development, for production and consumption patterns and thus for employment, incomes and poverty reduction. These implications harbor both major risks and opportunities for working people in all countries. According to a report commissioned by the UN Environment Programme under a joint Green Jobs Initiative with the International Labour Office (ILO), growing numbers of green

jobs will be created as the move toward a low-carbon and more sustainable economy gathers momentum. Opportunities exist in each country for the creation of more green jobs that are quality jobs that can contribute to an environmentally friendly, low-carbon economy. These opportunities need to be properly assessed and exploited fully through a smart piloting of the green economy. For example, winners are likely to far outnumber losers but specific attention must also be paid to the workers and enterprises that may enter in the transition toward sustainability.

From a broad conceptual perspective, employment will be affected in at least four ways as the economy is oriented toward greater sustainability:

- **Additional jobs will be created** – as in the manufacturing of pollution-control devices added to existing production equipment.
- **Some employment will be substituted** – as in shifting from fossil fuels to renewable, or from truck manufacturing to rail car manufacturing, or from land filling and waste incineration to recycling.
- **Certain jobs may be eliminated without direct replacement** – as when packaging materials are discouraged or banned and their production is discontinued.
- **Many existing professions** (such as plumbers, electricians, metal workers, and construction workers) **will simply be transformed** and redefined as day-to-day skill sets, work methods, and profiles are greened.

What are green jobs?

Green jobs reduce the environmental impact of enterprises and economic sectors, ultimately to levels that are sustainable. Specifically, but not exclusively, this includes jobs that help to protect ecosystems and biodiversity; reduce energy, materials, and water consumption through high-efficiency strategies; de-carbonize the economy; and minimize or altogether avoid generation of all forms of waste and pollution.

Green jobs in emerging economies and developing countries include opportunities for managers, scientists and technicians, but the bulk can benefit a broad cross-section of the population which needs them most: youth, women, farmers, rural populations and slum dwellers.

However, many jobs which are green in principle are not green in practice because of the environmental damage caused by inappropriate practices. Moreover, the evidence shows that green jobs do not automatically constitute decent work. Many of these jobs related to the environment are “dirty, dangerous and difficult”. Employment in industries such as recycling and waste management, biomass energy and construction tends to be precarious and low-paid. Green Jobs policies is therefore about turning these jobs into green jobs, quality jobs that contribute to the environment.

If green jobs are to be a bridge to a truly sustainable future, this needs to change. Green jobs therefore need to comprise decent work. Decent, green jobs effectively link Millennium Development Goal 1 (poverty reduction) and Millennium Development Goal 7 (protecting the environment) and make them mutually supportive rather than conflicting.

Green jobs initiatives

The Green Jobs Initiative is a partnership established in 2007 between the International Labour Organization, the United Nations Environment Programme and the International Trade Union Confederation. The International Organization of Employers joined in 2008.

The initiative was launched in to mobilize governments, employers and workers to engage in dialogue on coherent policies and effective programmes leading to a green economy with green jobs and decent work for all.

Areas of work with potential to respond to the challenges of climate change and other environmental problems include, amongst others:

- Retrofitting of existing built stock and green construction
- Waste management and recycling
- Mass transportation
- Sustainable agriculture, food production
- Sustainable forestry (certified) and prevention of deforestation
- Manufacturing and supply chain management
- Energy supply and efficiency
- Biodiversity and eco-system preservation

Examples of Green Jobs in Asia and the Pacific Region

- Building retrofit services professional (China)
- Mangrove planter acting in the context of climate adaption programs (Vietnam)
- Solar energy system technician (China)
- Geothermal exploration specialist (Indonesia)
- Organic farmer (The Philippines)
- Waste recycler with decent working conditions in organized cooperatives (Indonesia)
- Local guide in eco-tourism (Samoa)
- Worker in public infrastructure development programs in coastal areas (Bangladesh)
- Wetlands restoration worker (Thailand)
- Energy auditors in the shrimp processing industry (Bangladesh)

Green jobs in Indonesia

- Indonesia has voluntarily committed to reduce its GHG emission to 26 per cent – 41 per cent by 2020 from its Business As Usual in 2005.
- The transition to sustainable, low-carbon development will trigger shifts in the Indonesian labour markets, and create demand for new skills, re-training programs, social protection and financial schemes, in particular for the most exposed workers and businesses.
- The Government of Indonesia has also introduced the Indonesia Climate Change Sectoral with the aim to mainstream climate change in the Indonesian national mid-term development plan.

- The Green Jobs in Asia Project begun to be implemented in Indonesia since August 2010 for two years until July 2012. The project is supported by the Australian Government under the ILO-Australia Partnership.
- In addition to the ILO main constituents (Ministry of Manpower and Transmigration, National Confederations and the Indonesian Employers' Association (Apindo), the Green Jobs in Asia Project plans to collaborate with the Ministry of Environment, Ministry of Industry, Ministry of Culture and Tourism and National Development Planning Agency (Bappenas).
- The main objective of this project in Indonesia is to develop the capacity of ILO constituents and national partners to enhance policy coherence at the national level in order to generate green jobs employment opportunities and a just transition for workers and employers towards a low-carbon, climate resilient, environmentally friendly development in Indonesia.

Global Key Figures

- The global market for environmental products and services is projected to double from US\$1,370 billion per year at present to US\$2,740 billion by 2020. Half of this market is in energy efficiency and the balance in sustainable transport, water supply, sanitation and waste management.
- Millions of green jobs already exist in industrialized countries, emerging economies and developing countries i.e.: In energy supply – renewable sources of energy, energy efficiency – particularly in buildings and construction, transportation, basic industries and recycling, agriculture, forests.
- 2.3 million people have in recent years found new jobs in the renewable energy sector alone, and the potential for job growth in the sector is huge. Employment in alternative energies may rise to 2.1 million in wind and 6.3 million in solar power by 2030.
- Clean technologies are already the third largest sector for joint venture capital after information and biotechnology in the United States, while green venture capital in China more than doubled to 19 per cent of total investment in recent years.
- Renewable energy generates more jobs than employment in fossil fuels. Projected investments of US\$630 billion by 2030 would translate into at least 20 million additional jobs in the renewable energy sector.
- In agriculture, 12 million people could be employed in biomass for energy and related industries.
- A worldwide transition to energy-efficient buildings would create millions of jobs as well as "green" existing employment for many of the estimated 111 million people already working in the construction sector.
- Investments in improved energy efficiency in buildings could generate an additional 2-3.5 million green jobs in Europe and the United States alone, with a much higher potential in developing countries.

For further information, contact:



ILO Jakarta Office

Menara Thamrin Level 22
Jl. Menara Thamrin Kav. 3
Jakarta 10250, INDONESIA
Tel.: + 6221 391 3112
Fax: + 6221 310 0766
Email: Jakarta@ilo.org
Website: www.ilo.org/jakarta