

Report on the Green Jobs National Conference in Indonesia
16-17 December 2010
Hotel Borobudur, Jakarta

1. Background

The Government of Indonesia like many other countries in Asia and the Pacific have voluntarily committed to reducing green house gas (GHG) emissions by 2020. Indonesia has committed itself to reduce GHG emission by 26% and by up to 41% with International support. In order to achieve this, the government realizes that climate change planning cannot be separated from the national economic development planning.

The effects of climate change and the resulting policies on the world of work are not always fully understood and in some cases considered a drain on the economy and competitiveness. Whereas in fact, most recent studies show that climate-smart policies can bring environmental, economic and social benefits together. The labour authorities' and the social partners' (ILO constituents) involvement in the development of inclusive and coherent climate policies are required. However, commitment at the highest political level will be essential to ensure that environmental policy debates can address the gender and social dimension more prominently and that job recovery policies can take a more environmentally sustainable path.

The Green Jobs in Asia (GJA) Project under the framework of the ILO – Australia partnership has been implementing in five Asian countries, including Bangladesh, Indonesia, Nepal, Philippines and Sri Lanka. The objective of GJA project is to deepen the ILO constituents' understanding and commitment for the promotion of green jobs opportunities and just transition for workers and employers towards a low carbon, climate resilient, environmental friendly development in Indonesia.

One of the activities identified within this project was to convene a national Green Jobs conference to disseminate information on Green Jobs to all relevant stakeholders in Indonesia. A wide range of participants was invited to participate in this national conference.

2. Preparations

Prior to the National Conference, the GJA project consulted the constituents on the participants to be invited to the conference. The GJA project also worked together with ILO ROAP in preparing the agenda of the conference that consisted of the following sessions:

- Green Jobs for a sustainable future
- Indonesia's policy outlook – synergies to realise green jobs potential
- Green Jobs policies and activities in Asia
- Realisation of Green Jobs in Indonesia
- Indonesia's transition towards greener economies and policies
- Green jobs perspectives in key sectors
- Promoting green jobs in Indonesia

The GJA project invited high level officials from the government to become resource persons for each of the sessions. Besides the government, the speakers also came from the Indonesian trade union and employers' organization as well as from academia, NGOs and the private sector.

3. Implementation

DAY 1 – 16 December

Opening Session

During the opening session, the ILO Regional Director for Asia and the Pacific, Ms. Sachiko Yamamoto, gave the opening speech. She explained that the Green Jobs initiative had achieved three important results, including social and economic outcomes and a moving transition to an environmentally friendly economy, demonstration through pilot projects in which the need to adjust to a friendly environmental development became visible. She stressed that in achieving a green economy, it had to be socially fair and would include some of the following aspects: working conditions and creation of decent work, promotion of entrepreneurship, access to skills and knowledge. She also highlighted the efforts of the Governments of Indonesia in climate change agenda by voluntarily committing itself to reduce GHG up to 41% by 2020 and having developed a sectoral roadmap to achieve this.

Ms. Yamamoto thanked the Government of Indonesia, in particular, the Ministry of Manpower and Transmigration for the collaboration with ILO in implementing GJA project in Indonesia and she also thanked the social partners and other relevant stakeholders of the GJA project.

The second speaker during the opening speech was Ms. Laksmi Dhewanti, Assistant Deputy Minister of the Environment, who expressed her appreciation to the Ministry of Manpower and Transmigration and the ILO for organizing the Green Jobs national conference in Indonesia. She stated that this concept was considered a forum to build the relevant stakeholders' capacity on green jobs issues. As Indonesia was committed to address the environmental issues, in this case the climate change, and at the same time to reduce the poverty in the country, therefore it needed to find a win-win solution, she said. The Government is currently developing a Green Economy concept and it is planned for implementation in various policies and programs. The Ministry of Environment was of the opinion that the Green Jobs concept was to be valued as a whole concept which could be integrated within the Green Economy.

Launching and Signing of the Green Jobs in Asia Project in Indonesia

Representatives from The Ministry of Manpower and Transmigration, Employers' Organization, Workers' Organization, BAPPENAS and ILO signed a plaque and had a photo session to officially launch the program.

Session 1 - 10.00-11.15: Green Jobs for a Sustainable Future

Mr. Vincent Jugault from the ILO regional office in Bangkok, opened the session by explaining the definition and concept of Green Jobs as cornerstoned by "decent work" and "environmental sustainability". He highlighted that Green Jobs could be found across all economic sectors and it was a multidimensional dynamic concept. Green Jobs would sustain the development of a Green Economy. Mr. Jugault mentioned two challenges to be coped with, aversion to and mitigation of climate change and protection of life and the environment, as well as job creation based on decent work. He stated that the Green Jobs initiative

aimed at bringing together the 3 Es (Economy, Environment and Employment). Mr. Jugault also showed potential areas for the creation of Green Jobs in sectors such as waste management, agriculture, green buildings, tourism, forestry, manufacturing, fisheries, energy and transport.

The session was followed by Mr. Sunaryo from the Ministry of Forestry (MoF) with his explanation about the program that was being undertaken by the MoF including its initiatives in combating climate change. These initiatives are among others, CDM forestry, forestation and forest conservation. He also explained that the government had 5 REDD activities: (a) reducing emissions from deforestation: (b) reducing emissions from forest degradation, (c) conservation of forest carbon stocks, (d) sustainable management of forest, and (e) enhancement of forest carbon stocks. He also discussed how green jobs and REDD could develop synergies, especially in the fields of alternative livelihood development and in the complete value chain of sustainable forestry management. In most developing countries, forest is one of the contributor's to the economic development and now Indonesia has committed itself in reducing GHG. How can Indonesia reduce its emission from the forestry sector while at the same time use its forest as an engines of its economical growth? This is where REDD plays an important role and is considered as a business alternative. Green Jobs could be utilized and integrated in implementing REDD.

The third speaker during this session Mr. Lukita Tuwo Dinarsyah, Vice Minister of BAPPENAS stated that according to the national development plan, Indonesia wanted to reduce carbon emissions and other impact as much as 26% or more, but at the same time to reach the economic development targets and reduce the unemployment rate. He emphasised on the fact that Green Jobs was getting attention from the government, academic and business communities. There are various studies related to Green Jobs. Changes in the employment sectors are the result of economic changes. In some cases, Green Jobs will result in the creation of new employment and there will be some jobs that will disappear. There would be a need for a transformation in the training system for workers he remarked. Towards the end of the presentation, BAPPENAS requested the assistance of ILO in developing a green skills development policy and formulating a methodology for collecting statistics on green employment.

Session 2 - 11.15-13.00: Synergies to Realize the Green Jobs Potentials

Starting off the session, Ms. Laksmi Dhewanty, Assistant Deputy Minister of the Ministry of Environment expressed the opinion that the Green Jobs project would pave the way in realizing a Green Economy with Green Jobs to support the process. In her presentation Ms. Dhewanty focused on the green economy, its potential and challenges in Indonesia and the relation to the creation of green jobs. The legal and policy framework was depicted and incentives schemes explained. Recommendations of how to promote green economy and green jobs include leveraging the support from local governments, synergizing and harmonizing laws and regulations, enhancing fiscal support and support from monetary authorities and financial institutions, raising awareness on communities at large, building networks and collaborations among stakeholders, internalizing the initiatives to the national/regional development planning process, creating a "common perception" of what does it mean for a green economy, mainstreaming of the green economy to all economic sectors involved, finding ways and means to implement green economic programs at individual, private, community and government levels, building an apt structure of a financial system and its relation with environmental management, and enhancing capacity buildings for greening the economy. The degree of complexity of implementing economic instrument for green economy when local by laws are present.

The second speaker of this session was Ms. Yunani Roaidah, Director of Productivity at the Ministry of Manpower and Transmigration. In her presentation, she described the problem with employment in

Indonesia and mentioned the need for specific capacity building and skills development and the strengthening of decent work in all sectors. Furthermore, she highlighted that all parties related to Green Jobs should commit and be consistent in implementing decent work with green jobs, especially in the level of framework policy and strategy. This encompasses decent work strategies and the directions that are going to be taken in order to achieve a high level of support of green jobs.

Ms. Luciwati from the Ministry of Industry (Mol), as the third speaker of this session, explained that the Mol was strongly supporting the efforts in mitigating the effects of climate change. Some of the activities being conducted are trainings of clean production, environmental pollution control management (EPCM). Main objective of the initiatives of the Ministry is to develop a Green industry. Ms. Luciwati also stressed that human resource development policies are required to support the climate change mitigation effort. One example would be a training of trainers (ToT) for workers in skills training across the country.

Session 3 - 14.00 -15.35: Green Jobs policies and activities in Asia

Dr. Zhang Libin, Director at the Ministry of Human Resources, highlighted the first and second levels of definition of green jobs in China. He explained the structure in China of how the society and all relevant stakeholders could create and provide green jobs. It was emphasised that there was a favourable political and economic environment in China for the creation of green jobs especially in the sectors of environmental protection industries, energy, and forestry. This is created by supporting the law, industry policy, fiscal, tax and financial policies. Dr. Libin concluded with 7 policy recommendations namely: (1) ensuring green employment development by legal means, (2) creating policies and measures for green employment promotion, (3) drawing up a green skill development plan to promote green employment development, (4) strengthening the protection for green workers' rights and interests, (5) aligning social partners for green employment improvement, (6) improving the environment for promoting a company's greening development, (7) establishing an employment compensation mechanism in the international climate negotiations.

The second resource person of this session, Ms. Veena from Self Employed Women Association (SEWA), Indian Trade union outlined that SEWA, as international NGO, besides India also works in Bangladesh, Afghanistan, Nepal and Sri Lanka. SEWA's approach is to work for the needs of the poor with its four pillars; capital formation, capacity building, social security, organization. In terms of climate change mitigation and adaptation SEWA is engaged in building green rural livelihoods by supporting the fields of agriculture, green energy, bio-diversity, water, rural infrastructure, craft, food, and agricultural processing, green livelihood financing.

This was followed by Mr. Vincent Jugault, Green Jobs and Decent Work Specialist, ILO ROAP, who started his presentation with the Green Jobs policies in the in Asia and the Pacific. Mentioning experiences from and achievements by the individual Green Jobs Projects so far, he underlined the Korean green new deal employment targetting, NREGA in India, as well as examples from the initiatives in countries such as China and Bangladesh and other regions, remarking that Green Jobs would vary depending on the country's national context. Mr. Jugault also stated that programs that had been implemented in Asia and the Pacific were very interesting for Indonesia, especially in the ministries. When talking about green business for entrepreneurship, the individual programs present must be considered and integrated in a comprehensive way.

Session 4 - 15.15 - 16.30: Realization of Green in Indonesia

Lanching this session, Mr. Didik Sumbodo from APINDO talked about Indonesia's economic role in the international trade and the requirement of a competitive advantage which will also lead to job creation. The main element of competitive advantage he said was productivity, i.e. the allocation of capital resources and human resources in an efficient way, improving the quality of products and services and sustainable innovation. However, as mere efficiency is not enough Mr. Sumbodo highlighted that Green Jobs were closely linked to green company and green productivity. The interrelation between those three factors can create development and enhance the economy with a competitive advantage that can improve also society's welfare. Furthermore Mr. Sumbodo mentioned that Apindo (Indonesia's emoloyers association) did not have any green project yet, but was very well interested in cooperating with the ILO on this.

Following, Mr. Maruli Hasoloan, Ministry of Manpower and Transmigration presented the priorities for national development 2010-2014 and pointed out in which areas green jobs could be supportive, higlighted with the poverty reduction, business climate improvement and development of backward, leading, outermost and post conflict regions. Mr. Hasoloan stressed that employment development was focusing on a productive work program, the right technology, transmigration and the usage of green economic development, which is environmentally friendly. The fostering and support of green jobs in Indonesia can help to improve the quality of human resources, create employment opportunities, as well as to enhance local and regional economic development.

Mr. Khoirul Anam, the President of KAHUTINDO, continued the presentations and highlighted that the forestry sector provided for 41% of employment in Indonesia. At the same time deforestation is the primary cause of GHG emissions in Indonesia. On the other hand the forestry industry offers a lot of potential green activities and jobs within its value chain if directed in a sustainable way including reforestation, paper and wood recycling, biofuel etc. Mr. Anam indicated that this potential was valid in the short run but also in the long run. However, he also pointed out the current constraints and challenges in the forestry sector especially regarding employment and decent work including high risk, low wages, gender discrimination short term, seasonal work informalised work and child labour. As recommendations, the speaker mentioned the upgrading of the forestry and plantation sectors by combating illegal logging, revitalizing forestry industries, restoring Indonesian's forests, investments in HPH-HTI-biofuels, law enforcement and delineation, 'large' scale vs 'small' scale – minimizing informalisation of industry and work, promoting sustainable forest management and premium pricing for wood and bio-fuels. Furthermore the political will of the government/regulator is needed to support sustainable development. From the labour side, a better enforcement of labour laws and workers rights is crucial, including freedom of association, right to collective bargaining, anti-discrimination, improvement of working conditions, minimisation of risks and hazards at work, improvement of welfare and productivity, social security, health and pension insurances, improvement of workers skills through vocational trainings, long-term employment.

DAY 2 – 17 December 2010

Session 5 - 9.00 - 11.30: Indonesia's transition towards greener economies and policies

The first resource person opening the second day was Mr. Zulkarnain Duki, Chief Secretary, Advisory Council on Climate Change to the President of the Republic of Indonesia. The speaker introduced his presentation with a description of green jobs and their potential impact on employment in Indonesia. This would include the creation of additional jobs, employment substitution with changes in jobs,

elimination of jobs without direct replacement, modification and “greening” of many traditional jobs. In his further explanations of economic transition Mr. Duki analysed Indonesia compared to different countries for its labour productivity and employment rate, showing that Indonesia is to be found in the lower midfield with a lot of catching up to do. He also pointed there was a big chance for occurrence of crisis like a continuing financial crisis, food, energy and environmental crisis leading to social unrest. In order to buffer and mitigate such crisis to some extent there has to be a change made towards an economy with low carbon intensity applying green technology, such as “smart grids”, renewable energies, environmental friendly transportation in urban areas, etc. The focus lies on 3 areas: stop climate change, stop biodiversity erosion, work on achieving MDGs. Green Jobs in this regard are an important factor. However, green jobs and green productivity policies will change the structure of labour and if not done right there is a risk of a negative social impact.

Mr. Mubaraq Ahmad from the World Bank explained the transition strategy towards a low carbon economy for Indonesia. He pointed out that climate change policies should also be economic policies as climate change entails economic problems including immense potential losses. Such impacts would hit poorest first and the hardest with a decrease and shift in the agricultural and fishing productivity, leading to migration of people living in climate sensitive livelihoods endangered by food and settlement insecurity. Besides climate change also biodiversity conservation is a main issue in Indonesia. The move forward to a LCE growth path is by changing the growth path from baseline towards growth with less of a carbon footprint, decarbonizing the economy, and taking advantage of innovative operations and new technologies for the planned growth. The strategy involves the mainstreaming of the adaptation and mitigation policies to medium term and annual sustainable environment agenda, getting more pro-active internationally and ahead of competition in finance and possibly, future product competitiveness through LCE, taking advantage of global mitigation efforts and supports, mainstreaming economics into national Environmental Laws, using the 26% voluntary emission targets as baseline by 2020 to jump start the transition process, changing the incentive structure faced by the players, providing incentives for regional governments for better forests and land use management, adopting a low cost/grant Forest Investment Program for forest revitalization, developing the energy sector (accelerate the increase in the share of renewable energy in power sector, providing tax incentives for investments in geothermal and other renewable energy, providing budgetary support for renewable exploration, providing pricing and off-take policies for geothermal energy, adopting low cost climate financing facility), removing fuel subsidy gradually, enhancing energy efficiency and conservation, reforming the transportation sector, developing a Green Procurement Policy. In conclusion Mr. Ahmad underlined that Indonesia was highly vulnerable to climate change impacts and currently emits green house gases at significant levels. It is important to note that investment in control of GHG emissions and ecosystem based adaptation is a win-win opportunity. The Government of Indonesia policies comprise a set of strategies that are quite coherent, but the implementation challenge of making also the operational policies coherent still remains.

Session 6 – 13.45 – 15.00: Green jobs perspectives in key sectors

Mr. Ary Suhandi, Executive Director, PT Indecon held a presentation on Sustainable Tourism and its opportunities to create green jobs. It was pointed out that tourism has a multitude impacts, both positive and negative on people’s lives and on the environment. Sustainable principles refer to the economic, environmental and socio-cultural aspects of tourism development, and a suitable balance must be established between these three dimensions to guarantee its long-term sustainability. Tourism also should be one of the tools in biodiversity maintenance. Indonesia has a colorful biodiversity and also cultural diversity. Tourism should play a role in preserving this. This diversity can also be the basis for a competitive

advantage, leading to the creation of jobs. At the same time there is a big market pressure on the tourism industry for commitment to environment and biodiversity conservation. Principles for sustainable tourism are to be community friendly, tourist and environmentally friendly. In order to improve competitiveness and to meet the market demand in Indonesia, there are several measures initiated including the development of 15 priority destinations for a more responsible tourism, development of new tourism products and packages for international and domestic tourists, creating competency standards on tourism, support the establishment of institutions of Professional Certification in Tourism and Eco-tourism, and encouraging product certification.

Ms. Ita Sadono (Communications Manager, PT Holcim Indonesia) – Green Industry continued the session. Holcim Indonesia, a cement and clinker manufacturers shared the experience of the company related to green industry and green jobs. The company follows a comprehensive environmental policy leading to the improvement of “eco-efficiency” as conservation of natural resources that are non renewable and enhancing the recycle process. In Jakarta, the company also runs a waste management program in cooperation with the local government and has partnerships on corporate social responsibility for the communities who live near the company’s locations targetting infrastructure development (public facilities: providing cemented street, building water tunnels, etc.), economic empowerment (savings and loans through BMT, entrepreneurship education), education (scholarship, EVE program), social programs (maternal and children center, support during religious days) and a communication forum. Green jobs at Holcim encompass training, human resources, productivity improvement, alternative fuels and raw materials.

Session 7 – 15.00 – 15.45: Wrap up and agreements

The final session wrapped-up the conference and assessed whether its joint and individual objectives had been achieved. All participants felt that the conference, although short but very productive and useful, and that the conference’s objectives had been well achieved. Some participants felt that it had been inspiring to learn from other projects. Some commented that this was a good way to start integrating different technical components and systemizing collaboration between the projects, however, collaboration needs coordination and a communication platform. Some were of the opinion that just being able to meet and sit in the same room for two days was very important to simply get to know each other, which would ease the future communication. The informal atmosphere and spontaneous discussions were very important.

In his final remarks Mr. Sofyan Wanandi, General Chairman of APINDO, stated that the employers were already aware that environment issue was important. However, the problem remains more with the developed countries. He finds countries like USA and China not willing to agree on the Kyoto protocol, therefore also Indonesia must focus on their own needs first. The duty of the government he underlined is to provide jobs and reduce poverty. Mr. Wanandi also pointed out that employers followed an environmentally friendly code of conduct. They care for the environment and will implement environmentally friendly policies directed by the government, he stated. It takes comprehensive policies, strong law enforcement and clear regulations so that investments by the employers can also be fruitful. Mr. Wanandi highlighted that socialization is needed as well as to improve Apindo’s capacity.

Mr. Thamrin Mosi (President of KSPI) emphasised the fact that implementation of environmental protecting measures was hardly reached by the lower levels and that in his hope ILO constituent as tripartite in Indonesia (government, employer, labour) would be able to enhance real implementation.

KSPSI is ready to implement environmental policies and supports green jobs and again points out the need for political will.

Ms. Sri Kusmiyati (Head of Division for ILO and Multilateral Cooperation, Ministry of Manpower and Transmigration) proclaimed that Green Jobs was new and admitted that there was still some confusion by all partners. At the same time she expressed her hope for MoMT to implement green jobs policies with the guidance of ILO and cooperation with environmental institutions. MoMT's focus for the future will lie on trainings, a green job study, green jobs demonstrations to identify relevant sectors and the ways to mainstream green jobs in the national policy for the expansion of job opportunities and labour protection.

Final comments and closing

The purpose of organizing the Green Jobs National Conference is to share information on Green Jobs to relevant stakeholders in Indonesia. The national conference received an overall positive response from the participants. There was also an interest and request from BAPPENAS to collaborate together with ILO on skills for green jobs development.

Mr. Peter van Rooij (ILO Country Director for Indonesia) thanked all participants and the ILO colleagues for attending, discussing and sharing in this conference. He emphasised the challenges ahead of reducing GHG emissions and at the same time meeting economic targets and that green jobs had the potential to bring together emission reduction, gaining more employment and reducing poverty. At the end of his final speech Mr. Van Rooij assured the participants of the support of the ILO as facilitator. He concluded with the remark that green jobs was perfectly in line with the Government's strategy of pro growth, pro jobs, pro poor, pro business and pro environment and it could only be achieved by strong cooperation and good coordination among all stakeholders.

4. Participants

There were a total of 120 participants that attended the 2-day event from various government institutions, worker's organization, employer's organization, NGO, academia, private sector and donor agencies.