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**Policy Development Section**  
*Employment and Social Protection Segment*

**POL**

FIRST ITEM ON THE AGENDA

## Green jobs, decent work and sustainable development

### Overview

#### Summary

The paper highlights the origins of the Green Jobs Programme of the ILO, provides an update on developments at international and national levels, and shows how the ILO has responded to these developments in line with the strategic directions established by the Governing Body in 2007 and 2008. It seeks debate and guidance for the future development of the Programme at national and international levels, in particular on the role the Office and constituents could play in the forthcoming United Nations Conference on Sustainable Development and in the ongoing negotiations for a new international climate agreement.

#### Policy implications

Yes.

#### Legal implications

No known.

#### Financial implications

None.

#### Decision required

The paper is submitted for debate and guidance. See points for discussion in paragraph 53.

#### Follow-up action required

None.

#### Author unit

Job Creation and Enterprise Development Department (EMP/ENTERPRISE).

#### References to other Governing Body documents and ILO instruments

GB.300/WP/SDG/1, GB.303/ESP/4, GB.312/POL/3.



## Introduction

1. The ILO contribution to sustainable development has been widely recognized by the international community. Agenda 21, as one of the major outcomes of the United Nations Conference on Environment and Development, held in Rio de Janeiro in 1992, includes specific chapters on “Strengthening the role of workers and their trade unions” (Chapter 29) and on “Strengthening the role of business and industry” (Chapter 30). The Johannesburg Plan of Implementation includes references to decent employment, to the promotion of micro-, small and medium-sized enterprises and to the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up. The World Summit in 2005 and the Ministerial Declaration adopted by ECOSOC in 2006 emphasize that the ILO’s Decent Work Agenda is fundamental to the achievement of sustainable development.
2. Over the last decade there has been mounting concern that implementation of the commitments on sustainable development is lagging behind and that little progress has been made in terms of policy coherence and practical results with transitioning to more sustainable production and consumption patterns. In particular, climate-related disasters and new scientific evidence concerning the threat of major, and possibly irreversible, changes in the world’s climate have put sustainable development back at the top of the international policy agenda.<sup>1</sup>

## Origin and rationale of the Programme

3. The ILO has a long-standing involvement with sustainable development and with environmental issues related to the world of work. This has included active participation by the Office and the constituents in the United Nations Conference on Environment and Development, held in Rio de Janeiro in 1992, and in the World Summit on Sustainable Development, held in Johannesburg in 2002.
4. Against this background, the Director-General decided to focus his report to the International Labour Conference (ILC) in 2007 on the theme of “Decent work for sustainable development”. The report argued for the need to anchor the vision of sustainable development as the overriding policy paradigm within which the Decent Work Agenda can make its key contribution to development, because it is in workplaces that the social, economic and environmental dimensions come together inseparably. The report identified the promotion of a socially just transition to green jobs as one of the major tasks for the ILO.
5. Two further discussions on the challenge of climate change and on the employment and labour market implications of climate change took place in the Governing Body in November 2007 and November 2008.<sup>2</sup> Both papers contained suggestions for a programme of work on sustainable development and climate change to be taken up by the ILO under the Green Jobs Initiative. These ranged from research, awareness raising and capacity building for constituents, to support for the creation of green employment, the greening of workplaces and facilitating a socially just transition to a low-carbon sustainable economy. The ILO would: play a role in the UN system-wide approach to climate change; promote policy coherence at international and national levels, with the

<sup>1</sup> See GB.300/WP/SDG/1 for a fuller discussion, including the Fourth Assessment Report released by the Intergovernmental Panel on Climate Change (IPCC) in 2007.

<sup>2</sup> GB.300/WP/SDG/1 and GB.303/ESP/4.

latter linked to Decent Work Country Programmes (DWCPs); mobilize resources and build partnerships with the UN Environment Programme (UNEP); and explore collaboration with others, such as the UN Framework Convention on Climate Change (UNFCCC).

6. There was widespread support for the launch of the Green Jobs Initiative and all constituents endorsed these proposals as a valid and important area of work. Efforts should be made to extend the knowledge base to the greening of all jobs, and to building the capacity of constituents, as well as of the Office. Constituents emphasized the need for an integrated approach linking the four dimensions of decent work.

## Strategic orientations for the Programme

7. Based on the guidance of the Conference and of the Governing Body, in May 2009 the Director-General initiated the formulation of an Office-wide strategy with the participation of all regions, many departments at headquarters, the International Training Centre of the ILO (ITC) and the International Institute for Labour Studies (Institute). The resulting global Green Jobs Programme focuses on the intersections between the world of work and environmental issues, in particular climate change. It draws on the numerous relevant ILO experiences, tools and approaches, which, however, often need to be integrated and customized to be effective in the context of environmental and wider sustainable development policy.
8. Experience with the Millennium Development Goals and Poverty Reduction Strategy Papers has shown how difficult it is to retrofit decent work elements into a policy context and implementation mechanisms that do not take the relevant links into account from the beginning, even once the central role of productive employment for poverty reduction was universally recognized. In order to avoid a similar mismatch and disconnect between international policy frameworks and national priorities, the Programme engaged with relevant international forums to promote policy coherence between environmental, economic and labour market, and social policies. This was supported by a number of major studies to fill knowledge gaps.
9. A second strategic orientation was to support ILO constituents and build their capacity to engage in relevant policy dialogues. Examples of the key role well-prepared ILO constituents can play are: the large-scale programme of renovation for energy efficiency in Germany in place since 2000, which originated from a joint initiative by the social partners (the Pact for Environment and Employment); the *Grenelle de l'Environnement* in France; the consultations held under the auspices of the Ministry of Human Resources and Social Security in China; the Climate Change Commission in the Philippines; the results of the Green Economy Summit in South Africa; the achievements of the Council for Economic and Social Development in Brazil, described in section 3 of this paper; and the Green Growth Advisory Group in New Zealand, chaired by the Chief Executive of Business NZ.<sup>3</sup> This also meant early investment in capacity building. A green jobs course, specifically designed for constituents, was piloted in February 2009, with technical contributions from UNEP, the UN Development Programme (UNDP), the International Organisation of Employers (IOE) and the International Trade Union Confederation (ITUC), as well as through research, policy briefs and publications.
10. Economic and labour market restructuring, in response to resource scarcity, to adverse impacts of climate change or to environmental and climate policies, engages all of the core competencies and activities of the ILO. Faced with a wide range of important links

<sup>3</sup> Green Growth Advisory Group: *Green Growth – Issues for New Zealand* (2011).

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between decent work and the environment, the strategy prioritized three clusters to support constituents at country level:

- (1) Diagnostic and decision-making tools to assess employment and income impacts for national policy and programme design.
- (2) Promoting green jobs in the greening of enterprises and the development of new businesses in energy efficiency and renewable energy as well as in waste management and recycling.
- (3) Just transitions towards a sustainable low-carbon economy for enterprises and workers affected by restructuring, aimed at reducing environmental impact and adaptation to climate change.

**11.** These priorities are based on the needs expressed by constituents in member countries, on the potential for green job creation and on the comparative advantage of the ILO. They were confirmed in the recurrent item discussion on employment in 2010.

**12.** From its inception in 2009, the Programme was designed to become a model for the application of the ILO Declaration on Social Justice for a Fair Globalization and of the Strategic Policy Framework 2010–15. It adheres to the following principles:

- (1) Implementation through a networked programme for joint delivery and learning. It is based on a unity of purpose with objectives, deliverables and an implementation strategy shared across ILO offices in the field, units at headquarters, the ITC and the Institute, rather than on the creation of a new unit with a separate outcome.
- (2) Products and deliverables integrate the four dimensions of decent work derived from the concept of sustainable development and its interrelationships with decent work.
- (3) Human and financial resources are pooled in teams composed of staff from relevant technical units in all sectors and supported by funding from all sources (regular budget, Regular Budget Supplementary Account, global and national extra-budgetary resources from new and existing projects) mobilized jointly by the field and headquarters and also engaging external partners.

**13.** In the 2010–11 biennium, green jobs were formally included in the programme and budget as one of three areas targeted for “knowledge and product development work in emerging areas”.<sup>4</sup> Deliverables and the implementation strategy are included in the outcome-based workplans under the global product “green jobs”. All regions have included work items related to the Programme.

<sup>4</sup> ILO: *Programme and Budget for the biennium 2010–11* (Geneva, 2009), para. 22.

## Highlight of programme implementation, products and results<sup>5</sup>

### International policy coherence

14. Prior to 2007, the social dimension featured only marginally in the climate debate. Employment and income generation were mentioned in passing and in general terms as a “co-benefit” of mitigation measures rather than as a fundamental development priority for virtually all countries. This view overlooks the fact that the benefits for employment and development are crucial for making measures to mitigate climate change technically feasible, economically viable, socially acceptable and politically sustainable. This link also underscores the vital role the ILO and its constituents can play in designing and implementing coherent policies.
15. A major step for the implementation of the Programme was the establishment of the Green Jobs Initiative in 2007 as a partnership between UNEP, the ILO, the IOE and ITUC. The Initiative was launched in order to promote opportunity, equity and just transitions, and to mobilize governments, employers and workers to engage in dialogue on coherent policies and effective programmes leading to a sustainable economy with green jobs and decent work for all.
16. A major achievement of the Initiative was the publication of the first global report on green jobs in September 2008.<sup>6</sup> The report documented the large number of jobs that had been created in the shift towards a low-carbon and more environmentally sustainable economy. It also identified significant potential for green job creation and for social inclusion in countries at all stages of development. The report highlighted the importance of greening all enterprises across the economy, of paying attention to the quality of jobs, not just their number, and of a just transition for workers and enterprises negatively affected by climate change or policies to reduce environmental impacts. Green investments in key sectors ought to be accompanied by measures to address the decent work deficits that exist in some of them. The report stressed the fundamental role of social dialogue in managing transitions.
17. A key conclusion was that given the right policies, there can – on balance – be more and better jobs in green economies. The report also showed that green jobs are not the passive outcome of redirected investment. Without the active engagement of hundreds of thousands of managers and millions of workers, and without addressing skills bottlenecks, the transition to a low-carbon economy is technically impossible, as well as socially and politically unsustainable.
18. The report had a major impact. It was downloaded over 750,000 times from ILO and UNEP websites in the six months following its launch and received extensive media coverage. Governments, the social partners, parliamentarians, the private sector, as well as civil society in many countries, requested briefings on the findings of the report.

<sup>5</sup> The nature and scope of this GB paper only permit the highlighting of some programme results. A full implementation report is available as a room document.

<sup>6</sup> UNEP, ILO, IOE, ITUC: *Green Jobs: Towards decent work in a sustainable, low-carbon world* (Geneva, 2008), published in electronic format only and available at: [http://www.ilo.org/wcmsp5/groups/public/@ed\\_emp/@emp\\_ent/documents/publication/wcms\\_158727.pdf](http://www.ilo.org/wcmsp5/groups/public/@ed_emp/@emp_ent/documents/publication/wcms_158727.pdf) (full report) and [http://www.ilo.org/wcmsp5/groups/public/@ed\\_emp/@emp\\_ent/documents/publication/wcms\\_158733.pdf](http://www.ilo.org/wcmsp5/groups/public/@ed_emp/@emp_ent/documents/publication/wcms_158733.pdf) (policy summary).

19. The first area for policy coherence was the response to the economic crisis. The Office transmitted the policy messages of the report to G8 and G20 meetings. They also informed the ILC discussion on a response to the economic crisis and are reflected in the Global Jobs Pact adopted in 2009. The Pact calls for investments in green jobs as part of stimulus packages in the short term, and a transition to green jobs as part of the shift to more sustainable economies in the medium to long term. The ILO also contributed to UNEP's initiative for a "Green New Deal", which was influential in the large green components included in the economic stimulus packages by many countries. The stimulus packages and their green components have been effective in many countries and critical to revitalizing economies and reducing environmental footprints while maintaining and creating employment.<sup>7</sup>
20. Together with the social partners, the Office has also made progress with promoting policy coherence between climate and employment and labour policies in the negotiations under the UNFCCC. With the support of developing and industrialized countries, the Cancun Agreement of 2010 recognizes the social and labour market dimension of climate change. In particular, article 10 of Decision 1/CP.16, the Cancun Agreements, states:

*Realizes* that addressing climate change requires a paradigm shift towards building a low-carbon society that offers substantial opportunities and ensures continued high growth and sustainable development, based on innovative technologies and more sustainable production and consumption and lifestyles, while ensuring a just transition of the workforce that creates decent work and quality jobs.

This recognition should contribute to making climate policies and attendant investments and climate finance conducive to the creation of decent work.

## Support to constituents at national level

21. The publication of the report *Green Jobs: Towards decent work in a sustainable, low-carbon world* has also triggered numerous initiatives at subregional and national levels. A series of policy dialogues with the European Commission, the EU Employment Committee and the European Parliament contributed to the inclusion of green jobs in EU strategies.<sup>8</sup> The Employment Directorate of the Commission also engaged in a joint research project with the ILO, as well as in joint policy dialogue with the United States and Human Resources and Skills Development Canada.<sup>9</sup>
22. At the request of constituents, green jobs country programmes were initiated, starting in 2008 with Brazil and China, which included the theme in their DWCPs. Bangladesh, India and the Philippines initiated policy dialogues and pilot projects. In India, this led to the establishment of an inter-ministerial task force to enhance coherence between social, economic and environmental policies convened by the Ministry of Labour. In China, research on green jobs by national partners and the ILO, showing a net gain in employment, featured prominently in the Human Development Report of 2010 and informed policy. The Ministry of Human Resources and Social Security is testing

<sup>7</sup> ILO (2010): *Weak employment recovery with persistent high unemployment and decent work deficits. An update on employment and labour market trends in G20 countries*, an ILO report published on the occasion of the G20 Summit in Seoul, 11–12 November 2010.

<sup>8</sup> European Commission: "Europe 2020" ([http://ec.europa.eu/europe2020/priorities/sustainable-growth/index\\_en.htm](http://ec.europa.eu/europe2020/priorities/sustainable-growth/index_en.htm)).

<sup>9</sup> US–Canada–European Commission Trilateral Roundtable (2011): *The employment dimension of the transition to a green economy* (<http://www.dol.gov/ilab/highlights/20110203b.pdf>).

approaches to promote green jobs at the provincial level and is developing a complementary employment and skills policy.

23. Indonesia has launched various initiatives on green jobs with ILO support. The President has announced that the country plans to develop a national strategy for green skills, to launch a youth apprenticeship programme for green jobs and to promote self-employment and entrepreneurship in green sectors. In Brazil, the ILO was invited to address the Council for Economic and Social Development in 2009. The ensuing dialogue and collaboration were instrumental in the inclusion of a green social housing programme in the Brazilian economic stimulus package. They also led to the incorporation of ILO guidelines on labour inspection in forestry into national regulations to promote sustainable forest management in the Amazon region, and were taken into account in the formulation of the national climate strategy. Green jobs outcomes have been included in the DWCP for Brazil and the Decent Work Agendas of the States of Bahia and Mato Grosso. The new poverty reduction programme includes several green jobs items, most notably a target of formalizing 250,000 informal recycling workers.
24. Over the last two years, a growing number of countries have engaged in the formulation of new strategies for economic growth and development, or of more limited environmental and climate policies, and have requested assistance from the ILO to promote employment, sustainable enterprises and social inclusion. In South Africa, for example, the Government invited the ILO and UNEP to a Green Economy Summit in December 2010, under the auspices of the President, and to dialogue with the Government and the social partners under the Jobs Pact for South Africa. The New Growth Path for South Africa, the economic development strategy adopted by the Government in 2011, includes green jobs along with SME development, the promotion of the social economy and other measures. The Office is providing implementation support, including through green buildings and public works programmes.<sup>10</sup>
25. The Programme has expanded in response to rapidly rising demand. It is currently active in 20 countries (ten in Asia, three in Africa, one in the Arab states and six in the Americas). Another nine countries are preparing or exploring work on green jobs.

## Capacity building and knowledge products

26. Support to member States has been based on awareness raising and capacity building for constituents. Assistance has been provided with mapping and quantifying green jobs opportunities and challenges, and with designing and implementing policies in priority sectors. This has been underpinned by knowledge generation and testing of approaches.
27. Key knowledge products include a practitioners' guide<sup>11</sup> for the ex ante assessment of employment and income impacts of environmental policies and climate change. The methodology is based on modelling with static or dynamic social accounting matrices. It has been tested in Bangladesh and is currently being applied in six countries. The methodology is also used for wider assessments of employment, investment and social protection policies, enhancing an integrated perspective in ILO policy advice.

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<sup>10</sup> R. Keivani et al.: *Green jobs creation through sustainable refurbishment in the developing countries*, WP275 (Geneva, ILO, 2010) (<http://www.ilo.org/public/english/dialogue/sector/papers/construction/wp275.pdf>).

<sup>11</sup> ILO: *Assessing green jobs potential in developing countries: A practitioner's guide* (Geneva, 2011) ([http://www.ilo.org/global/publications/books/WCMS\\_153458/lang--en/index.htm](http://www.ilo.org/global/publications/books/WCMS_153458/lang--en/index.htm)).

28. A second major product is a global report entitled “Skills for green jobs”.<sup>12</sup> Analysis of 21 country studies, carried out with the European Centre for the Development of Vocational Training, shows that skills shortages already constrain the transition to a greener economy in terms of preparing for some new occupations and for new competencies in many existing ones. Countries that have integrated skills development into their energy and environment policies are better positioned to reap the job growth potential of the green jobs transition. The research led to a further ILO–EC partnership on knowledge sharing in early identification of skills needs for the low-carbon economy, which drew on tripartite focus groups and experts meetings to produce publications on methodologies for anticipating skills needs and on the green building and renewable energy sectors.
29. Under a joint project with the European Union, the Institute has prepared a comprehensive study<sup>13</sup> on experience with green economic stimulus packages, the longer term labour-market implications of a transition to a low-carbon economy and relevant policy instruments, in particular eco-taxes. Many lessons are relevant to other regions and to emerging economies and developing countries.
30. The gender dimension of climate change is often overlooked. This was highlighted in a policy brief published by the Bureau for Gender Equality in 2009.<sup>14</sup> As a follow-up, a more elaborate guide on addressing gender issues related to green jobs and green entrepreneurship is under development together with the Bureau.
31. As reported in a separate document, significant progress has been made with tools for the greening of enterprises and the promotion of entrepreneurship, seizing green business opportunities as part of the work on sustainable enterprises.<sup>15</sup>
32. Tested and validated approaches to support member States in the implementation of green jobs policies are forthcoming on waste management and recycling, on sustainable buildings and construction, and on renewable energy. All present major opportunities for job creation, but also for the upgrading of existing jobs and social inclusion for tens of millions of people, as fast growing economies in particular tackle their problems in waste management and in access to decent housing and modern energy.
33. A crucial dimension from an ILO perspective, and an important contribution to the debate in other forums, is the role of social dialogue. The ILO has documented the significant contribution social dialogue makes to shaping and implementing well-informed and

<sup>12</sup> O. Strietska-Ilina et al.: *Skills for green jobs: A global view*, synthesis report based on 21 country studies (Geneva, ILO and Cedefop, 2011) ([http://www.ilo.org/skills/projects/WCMS\\_115959/lang--en/index.htm](http://www.ilo.org/skills/projects/WCMS_115959/lang--en/index.htm)); Cedefop and ILO: *Skills for Green Jobs: European synthesis report* (Luxembourg, Publications Office of the European Union, 2010) ([http://www.cedefop.europa.eu/EN/Files/3057\\_en.pdf](http://www.cedefop.europa.eu/EN/Files/3057_en.pdf)). Other products from the EC–ILO joint management agreement *Knowledge sharing in early identification of skill needs* are available at ([http://www.ilo.org/skills/projects/WCMS\\_140837/lang--en/index.htm](http://www.ilo.org/skills/projects/WCMS_140837/lang--en/index.htm)).

<sup>13</sup> ILO–IILS: *Towards a greener economy – The social dimensions: Joint EC–ILO synthesis report* (Geneva, 2011).

<sup>14</sup> ILO: *Green jobs: Improving the climate for gender equality too!* (Geneva, 2009) ([http://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms\\_101505.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms_101505.pdf)).

<sup>15</sup> See GB.312/POL/3.

broadly supported policies from the enterprise to the international level.<sup>16</sup> The Bureau for Workers' Activities (ACTRAV) has explored this in relation to a just transition<sup>17</sup> and to international labour standards.

34. Social dialogue is also the fundamental mechanism driving country programmes and is key to the outcomes referred to above. Capacity building has been essential to help ILO constituents to actively engage in the current policy debates being held in virtually all countries on climate change and a green economy, and also to help ILO staff to better assist them. Together with the ITC, training courses and a knowledge platform have been created.<sup>18</sup> Since 2009, some 370 participants have attended these courses in Turin and in Africa, Asia and Latin America (214 men and 157 women), including 28 representatives of employers' organizations and 34 of trade unions. A "Green jobs learning forum: Local strategies and actions" was introduced in 2011 to account for the fact that many environmental challenges and opportunities are local. ACTRAV and the ITC have also developed a very successful distance-learning course for Spanish-speaking countries. Furthermore, a module on green jobs has been introduced in other areas of training, such as the Summer Academy on Sustainable Enterprise Development.
35. Partnerships and collaboration with national and international organizations have been important for ILO work on policy coherence, for research and capacity building. In addition to collaboration already cited, important international collaboration has included the UN response to the economic crisis coordinated by the High-Level Committee on Programmes and ILO participation in the UN system *Delivering as One* on climate change. This has helped to raise the profile of the world of work in the debate as reflected, for example, in the consistent references by the Secretary-General to employment and green jobs in his statements on climate change and in joint agency papers such as the one on adaptation to climate change.<sup>19</sup>
36. Together with the WHO and the UN Department of Economic and Social Affairs, the ILO introduced the social dimension of climate change as a cross-cutting theme into the UN system programme of work. A total of 19 agencies have joined this effort and will submit an issues paper as well as a comparison of the methods for social impact assessments.
37. The ILO has also participated in consultations on the Green Growth Strategy of the Organisation for Economic Co-operation and Development (OECD), published in May 2011. This has contributed to a better coverage of the labour market dimension and a certain degree of convergence with the ILO points of view. These include the expectation of net employment gains, eco-taxes as a useful instrument, the need to implement policies to ensure a smooth and just transition for workers, as well as for poor households, with respect to energy, carbon pricing and the phasing out of energy subsidies.<sup>20</sup>

<sup>16</sup> ILO: *Social dialogue on environmental policy around the globe: A selection of national and regional participatory experiences* (Geneva, ILO, forthcoming).

<sup>17</sup> ILO (2011): *Climate change and labour: The need for a "just transition"*, International Journal of Labour Research, Vol. 2, Issue 2 (Geneva, 2010) ([http://www.ilo.org/wcmsp5/groups/public/---ed\\_dialogue/---actrav/documents/publication/wcms\\_153352.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---actrav/documents/publication/wcms_153352.pdf)).

<sup>18</sup> <http://greenjobs.itcilo.org/>.

<sup>19</sup> CEB: *Acting on climate change: The UN system Delivering as One* (New York, 2008) (<http://www.un.org/climatechange/pdfs/Acting%20on%20Climate%20Change.pdf>).

<sup>20</sup> OECD: *Towards green growth: A summary for policy makers* (Paris, 2011) (<http://www.oecd.org/dataoecd/32/49/48012345.pdf>).

38. Capacity building on green jobs benefited from the technical and financial support of partner organizations, including UNEP, OECD, the UN Economic and Social Commission for Western Asia (UN-ESCWA), the UN Human Settlements Programme (UN-HABITAT), the UN Industrial Development Organization (UNIDO), UNDP, the ITUC and the IOE. The ILO is supporting the UN Institute for Training and Research (UNITAR) with the development of a comprehensive tool to assess needs for capacity building related to climate change at national level in respect of skills and vocational training.<sup>21</sup>
39. While environmental sustainability is not directly linked to the global Green Jobs Programme, the ILO is also leading by example in this area. In 2007, the Director-General issued an internal instruction aimed at reducing the environmental impact of the operations of the ILO and established a task force, which has formulated a strategy. The ILO has joined the UN system-wide commitment to become climate neutral. The goal of climate neutrality by 2015 has been included in the Strategic Policy Framework. The Office has carried out annual inventories of its greenhouse gas emissions since 2009 and taken measures to reduce emissions, in particular from facilities and travel. Further detail will be provided in the report on ILO programme implementation for 2010–11.

## Lessons learnt and challenges

40. An increasing number of countries are reorienting their development strategies, aiming for sustainable growth with social inclusion. Green jobs are becoming central to policy in the process. Once awareness is raised and dialogue is established, they see green jobs as a way to achieve national goals and development priorities. In the analysis of employment and income impacts of a greener growth strategy all countries identify opportunities. In addition to the creation of new green businesses and jobs and to the greening of enterprises, there is significant potential for the upgrading of existing jobs in the transition to a greener economy.
41. The examples of Brazil, China, Indonesia, the Philippines, South Africa, and others, show that important strides can be made towards making sustainable development and decent work a central plank in national development strategies. With ILO support, constituents have been able to engage meaningfully in national consultative processes, and propose specific strategies to address employment issues and the concern for social protection and, in so doing, exemplify the value and importance of social dialogue to this process.
42. Policy coherence is essential. A growing number of examples, such as social housing in Brazil, the National Rural Employment Guarantee Scheme in India, green business options for SMEs and youth employment in China and Kenya, and investments in skills for green jobs in the United States, demonstrate that this is possible and how. Seeking high-level political support is pivotal for stronger policy coherence.
43. Demand for ILO support is growing rapidly. The network approach of the Green Jobs Programme, linking technical capacities and resources from virtually all strategic outcomes and regions, has proven successful for scaling up quickly and for providing integrated services in which relevant elements of decent work are mutually supportive. This could be further enhanced by fully integrating support for country programmes on green jobs with ILO work on national employment policies.

<sup>21</sup> See <http://www.unclearn.org>.

44. The rapid increase in demand for contributions at the national and international levels is straining the Office's capacity to respond in all regions. Outcomes are often subject to complex processes and narrow windows of opportunity as international agreements are forged and national development strategies redefined. In the wake of the economic crisis there is an even greater need, and also opportunity, for national and international economic policies to be conducive to sustainable development and decent work, for example through ILO cooperation with the international financial institutions. The renewal of political commitment to sustainable development at the UN Conference on Sustainable Development in 2012 should create a conducive environment for the promotion of decent work. An extended knowledge base, a larger number of ILO constituents and staff conversant with the subject, and mainstreaming into the existing ILO outcome structure will go some way towards seizing the opportunities.
45. Into the future the Green Jobs Programme needs to achieve and be able to report outcomes under the ILO framework. In the current biennium, the subject of green jobs has been an area for knowledge and capacity development and was not meant to generate country outcomes. In practice it has. The results in Brazil with social housing and in forestry, for example, meet the criteria for outcomes 3 (sustainable enterprises) and 13 (a sector-specific approach to decent work), respectively.
46. The mainstreaming of green jobs in the ILO outcomes and projects is advancing. Work under the Green Jobs Programme at country level can produce impacts matching many of the existing ILO outcomes across sectors including employment, skills, social protection, social dialogue, labour administration, forced and child labour, and policy integration. For the next biennium a matrix is available to assist field offices with setting reportable targets from work within the Green Jobs Programme under the existing 19 outcomes. This will also contribute to better resourcing the Programme.
47. The Programme has mobilized roughly US\$8 million in extra-budgetary resources for country and regional support since 2009. While the overall trend is positive, there are mismatches between demand and opportunities, on the one hand, and resource availability for countries and thematic priorities, on the other. The Regular Budget Supplementary Account has helped to mitigate this problem, but has not eliminated it. There are particular difficulties with obtaining sustainable funding for the coordination and specialized technical support functions that are indispensable to a networked programme, but that do not constitute a separate outcome. The Office is exploring a modest increase in regular budget resources, coupled with efforts to obtain support from interested donors.

## Outlook

48. The search for a fairer, greener and more sustainable development model is clearly gaining momentum in most countries at national, subnational and local levels. It is spurred on by growing concerns about food security and water scarcity, about escalating energy and commodity prices signalling shortages, as well as about the high cost of the loss of biodiversity.<sup>22</sup> These add to the damage caused by local pollution and global climate change. The economic crisis has also brought the social challenges into sharp focus: unemployment, particularly for youth; an increase in the number of working poor; rising income inequalities; and persistent social exclusion.

<sup>22</sup> TEEB: *The economics of ecosystems and biodiversity for national and international policy makers – Summary: Responding to the value of nature* (2009) (<http://www.teebweb.org/LinkClick.aspx?fileticket=I4Y2nqqLiCg%3D>) puts the cost of the loss of ecosystems and biodiversity at US\$2–4.5 trillion per year.

49. The shift towards a greener economy has the potential to create new green jobs and enterprises, particularly SMEs. More and more countries want to take full advantage of this but face constraints in implementation, including skills shortages in industries and at the local level.
50. These challenges, renewed political commitment to sustainable development and an assessment of implementation gaps will be the subject of discussion at the UN Conference on Sustainable Development to be held in Rio de Janeiro in June 2012, also known as Rio+20.<sup>23</sup> The Conference will focus on two themes: (1) the green economy in the context of poverty eradication and sustainable development; and (2) the institutional framework for sustainable development. In the preparatory process, numerous countries have raised questions about the capacity of a green economy to create productive employment and to reduce poverty. The Director-General has been approached by the officers of the Conference, by the secretariat and by the High-level Panel on Global Sustainability set up by the Secretary-General, with requests for substantive contributions on employment and on the social pillar of sustainable development.<sup>24</sup> The Office is participating actively in the preparatory process through various channels.
51. This participation has included collaboration with UNEP on a green economy report to be released later in 2011. With major inputs by the Sectoral Activities Department (SECTOR), the Office helped UNEP to integrate aspects related to decent work into the report, promoting a sustainable development perspective and policy coherence. A preview, a policy brief and a synthesis<sup>25</sup> include numerous references to the volume and quality of employment and to decent work, and highlight the need for transitions in sectors such as fisheries.
52. With respect to Rio+20, the Office has made a substantive submission to the preparatory process based, inter alia, on a new report on green jobs for a green economy being prepared with its partners in the Green Jobs Initiative. The report will draw on the large body of research carried out by the ILO and others since 2007, as well as on the country experiences in the Green Jobs Programme. With regard to the green economy, the Office has been emphasizing the critical contribution of decent work to inclusive growth and sustainable development, the opportunities for sustainable enterprises, the creation of green jobs and employment across a greener economy. The Office has also pointed out the need for just transitions in order to arrive at more sustainable production and consumption patterns, including social protection, economic diversification and active labour market policies. Under the agenda item on the institutional framework for sustainable development, the Office has been highlighting the crucial role and contribution of social dialogue to effective and equitable solutions for sustainable development. The goal is to see these elements reflected in the outcome documents.

<sup>23</sup> UN General Assembly Resolution No. 64/236 of 31 March 2010 (<http://www.uncsd2012.org/files/OD/ARES64236E.pdf>).

<sup>24</sup> The High-level Panel is chaired by President Halonen of Finland and President Zuma of South Africa.

<sup>25</sup> UNEP: *Towards a green economy: pathways to sustainable development and poverty eradication: A synthesis for policy makers* (2011) ([http://www.unep.org/greeneconomy/Portals/88/documents/ger/GER\\_synthesis\\_en.pdf](http://www.unep.org/greeneconomy/Portals/88/documents/ger/GER_synthesis_en.pdf)).

## Points for discussion

53. This document is submitted for debate and guidance. The Governing Body may wish to discuss the following questions:
- To what extent does the Green Jobs Programme respond to the guidance provided by the Governing Body in terms of its approach, the intended results and its thematic focus?
  - What should be the main focus and priorities of the Programme in the next biennium?
  - How can the Office best support ILO constituents to ensure that decent work is reflected meaningfully in the outcomes of Rio+20?
  - What role could constituents play to ensure that ILO inputs to Rio+20 are included in the outcome document, for example in relation to the negotiating mandates given to the Permanent Missions to the UN?
  - How can the Office contribute to coherence between labour market and social policies, on the one hand, and climate change policies and the UNFCCC, on the other?
  - Would it be useful for the Governing Body to consider the outcome of Rio+20 and of related international processes, and their implications for the ILO, at its session in November 2012?

Geneva, 6 September 2011