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Policy Development Section

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Employment and Social Protection Segment

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## The role of the ILO in addressing climate change and a just transition for all

### Purpose of the document

This document provides information on the role of the ILO in addressing climate change and a just transition for all. It contains an update on new knowledge and recent developments concerning global action on climate change since the Governing Body discussed the subject at its 329th Session (March 2017). The document also provides information on how the ILO *Guidelines for a just transition towards environmentally sustainable economies and societies for all* are being used by Member States and in global policy forums. It concludes by reporting on action by the Office to support the implementation of the Paris Agreement on climate change, with a focus on decent work and a just transition for all, looking ahead at the potential role of the ILO within the relevant international processes dealing with climate change, including through the new Climate Action for Jobs Initiative. The Governing Body is invited to take note of the information provided and offer guidance on further action by the Office (see the draft decision in paragraph 58).

**Note:** The consideration of this item was deferred from the 338th Session (March 2020) of the Governing Body. This document is a revised version of document [GB.338/POL/1](#), updated to reflect developments that have occurred since March 2020.

**Relevant strategic objective:** All.

**Main relevant outcome:** Outcome 3: Economic, social and environmental transitions for full, productive and freely chosen employment and decent work for all.

**Policy implications:** Yes. Work across the policy outcomes on issues relevant to decent work and climate change.

**Legal implications:** None.

**Financial implications:** Yes.

**Follow-up action required:** Yes.

**Author unit:** Enterprises Department (ENTERPRISES).

**Related documents:** None.

## ▶ I. Climate change and decent work

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1. Climate change presents significant challenges for sustainable development and has major implications for economic growth, employment, health and livelihoods. Uncontrolled climate impacts will cause damage to infrastructure, disrupt business activity, and destroy jobs and livelihoods on an unprecedented scale. On the other hand, the transition to low-carbon, environmentally sustainable economies and societies could become a strong driver of employment creation, skills upgrading, social justice and poverty eradication, allowing climate-resilient economic growth and sustainable development. There is growing evidence that such employment creation potential will offset the risks of job losses. However, positive labour market outcomes that enable decent work and a just transition for all, leaving no one behind, will require the ongoing engagement of all the actors in the world of work and the development and implementation of specific policies on employment creation; skills development and upgrading; sustainable enterprise development; social protection; rights at work; and social dialogue.
2. The Green Initiative of the Director-General has provided a strategy to step up the engagement of the ILO in the responses to climate change from a decent work and just transition perspective, through new research, enhanced policy advice, capacity-building of ILO constituents and strategic partnerships. Action to combat climate change is central to the 2030 Agenda for Sustainable Development under Goal 13 of the Sustainable Development Goals (SDGs) and is relevant to most other SDGs, including Goal 8 on decent work and economic growth. The ILO Centenary Declaration for the Future of Work recognizes climate and environmental change among the drivers of transformative change in the world of work. It highlights a just transition towards a future of work that contributes to sustainable development in its economic, social and environmental dimensions as a core focus of the ILO's work.
3. The COVID-19 pandemic has exposed the multiple links between public health and the environment and has reminded us that healthy societies and productive economies depend on a healthy environment. The measures implemented to combat the pandemic led to a dramatic, but temporary, reduction in air pollution and greenhouse gas emissions across the world. As economies restart, there is an opportunity to build back greener by developing public and private policies to address the current climate change crisis gradually and foster the transition to a green economy. The reconstruction of the economic fabric should lay the foundations for environmentally sustainable and socially inclusive production and consumption.
4. Economic policies and incentives to support business continuity and to encourage the use by enterprises of renewable energies and their adoption of low-carbon production processes and clean technologies are required. In particular, micro, small and medium-sized enterprises, which create the bulk of employment, require support to foster an environmentally-friendly productivity recovery and business resilience and to improve management practices, including the efficient use of resources, as COVID-19-related restrictions are lifted and economies recover. Restoring a conducive business environment and reinvigorating productivity growth in the recovery phase will be essential in order to enable enterprises to build financial buffers to embark on the energy transition, accelerate the transition towards the green production of goods and services and reskill or upskill employees as required. In addition, policies and investment

towards a greener and circular economy are required, which could include fast-tracking low-carbon mobility and removing distortions such as fossil fuel subsidies while providing incentives to use renewable energies.

5. Enterprises, supported by employers' organizations, can build on innovative business continuity measures to scale up green innovation and entrepreneurship, enhance resilience against future shocks by integrating environmental risks and technology into enterprise risk management practices and into climate-related financial disclosure, and invest in sustainable supply chains. In the specific context of developing countries, low levels of productivity, the limited availability of information and communication technologies, credit rationing to micro, small and medium-sized enterprises, and the still prevailing digital divide have proven to be barriers to the implementation of certain low-carbon solutions. An integral approach combining productivity enhancement, accessible technologies (such as the mobile phone, television and radio) and human-centred solutions should be encouraged. Employers' organizations have a key role to play in this regard.
6. Through social dialogue, governments and workers' and employers' organizations have a key opportunity to forge a strong consensus and broad-based support for a sustainable recovery that promotes decent work, resilient and sustainable enterprises and workplaces, and environmental sustainability.
7. Workers' and employers' organizations can establish environmental committees at the enterprise or sectoral levels, and engage in a dialogue on the environmental dimensions of the recovery, but also on economic and social aspects linked to the environmental dimensions, such as occupational safety and health, wages, working time, productivity, business resilience and skills. In addition, they can advise on a sustainable mobility strategy for the workplace and promote cycling and walking measures, and develop training activities on energy efficiency, better water management, recycling and material reduction actions that could be applied in the workplace to reduce the environmental impact, improve productivity, and reduce health risks for workers.
8. There is a growing convergence of views among governments and employers' and workers' organizations that a sustainable approach is needed to rebuild economies and societies to become more resilient to future shocks and more environmentally friendly. The recovery from the COVID-19 crisis must be a recovery based on a just transition towards environmentally sustainable economies and societies for all.
9. The United Nations (UN) Secretary-General has put forward six areas of action for a climate-positive recovery: (i) delivering new jobs and businesses through a green and just transition while accelerating the decarbonization of all aspects of the economy; (ii) using taxpayers' money to create green jobs and inclusive growth when rescuing businesses; (iii) shifting economies from grey to green, while using public financing that makes societies more resilient; (iv) investing public funds in the future, to projects that help the environment and climate; (v) considering risks and opportunities for national economies, as the global financial system works to shape policy and infrastructure; and (vi) working together as an international community to combat COVID-19 and climate change.
10. As the only tripartite organization within the UN system, the ILO can play a crucial role in fostering social dialogue around a new narrative addressing economic resilience, human health and environmental sustainability. The engagement of governments and of employers' and workers' organizations will be indispensable in order to collectively shape a sustainable future of work post-COVID-19.

11. At an operational level, the ILO offers a range of programmes, initiatives and tools to advance decent work, social justice and environmental sustainability simultaneously and contribute to building back better. In particular, the ILO-led Climate Action for Jobs Initiative provides a framework for the ILO's accelerated efforts going forward.<sup>1</sup>

## Climate impacts: Risks for decent work

12. The main risks arising from climate change range from economic and employment losses to negative impacts on human health and well-being, reduced labour productivity and forced labour migration. The interrelation of these and other risks translates into significant challenges for decent work and social justice. In many instances, jobs in sectors characterized by informality and decent work deficits may be further undermined by climate impacts.
13. Over the last two years, the Office has studied the risks that climate and environmental change pose for the world of work. The *Global Risks Report 2020*<sup>2</sup> finds that the top five risks in terms of likelihood of occurrence in the next ten years are climate change and related environment issues. The research and analysis produced by the Office in 2018 and 2019<sup>3</sup> have made the ILO a globally recognized centre of knowledge in understanding the link between labour market risks and the environment.
14. Today, 1.2 billion jobs – or 40 per cent of the global labour force – are at risk because of environmental degradation.<sup>4</sup> The effects are particularly acute for the most vulnerable workers. Workers from lower-income countries and small-island developing States, rural workers, people living in poverty, indigenous and tribal peoples and other disadvantaged groups are the most affected by the impact of climate change, biodiversity loss and environmental degradation.
15. Humanity's dependence on nature is most evident in the physical impact of climate change and environment-related disasters. Recent ILO research shows that between 2000 and 2015, an estimated 23 million working-life years were lost annually as a result of different environment-related disasters caused or exacerbated by human activity.<sup>5</sup>
16. The rise in global temperatures caused by climate change will also make heat stress – heat experienced in excess of that which the body can tolerate without suffering physiological impairment – more common. Such excess heat increases workers' occupational risks and vulnerability and can lead to heatstroke and, ultimately, even to death.
17. Conservative estimates based on projections of a 1.5°C global temperature rise, combined with current labour force trends, suggest that if current patterns of warming persist, 2.2 per cent of total working hours worldwide will be lost in 2030 to heat stress – a productivity loss equivalent to 80 million full-time jobs. The economic losses due to heat stress at work were estimated at US\$280 billion in 1995 and are projected to

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<sup>1</sup> More information is available on the Climate Action for Jobs Initiative website: <https://www.climateaction4jobs.org>.

<sup>2</sup> World Economic Forum, *The Global Risks Report 2020*, 2019.

<sup>3</sup> ILO, *World Employment and Social Outlook 2018: Greening with Jobs*, 2018; ILO, *Working on a Warmer Planet: The Impact of Heat Stress on Labour Productivity and Decent Work*, 2019; ILO, *Skills for a Greener Future: A Global View Based on 32 Country Studies*, 2019.

<sup>4</sup> ILO, *World Employment and Social Outlook 2018*.

<sup>5</sup> ILO, *World Employment and Social Outlook 2018*, 23–24.

increase to US\$2,400 billion in 2030, with the most pronounced increases in lower-middle-income and low-income countries.<sup>6</sup>

18. Southern Asia and western Africa are expected to be the worst affected from rising temperatures, with projected losses in 2030 of 5.3 per cent and 4.8 per cent of working hours, corresponding to about 43 million and 9 million full-time jobs, respectively. The European subregions are expected to experience a smaller impact, with projected losses of less than 0.1 per cent. However, in Europe and North America, the health, social and economic losses could be substantial during unusually intense heatwaves.<sup>7</sup>
19. In addition to heat stress, exposure to air pollution, notably to fine particulate matter such as that caused by the burning of fossil fuels, is projected to increase premature deaths five times, representing as much as one third of all global deaths by 2060, while a further 6 million workers per day are projected to miss work as a result of illness by 2060.<sup>8</sup> The Working Environment (Air Pollution, Noise and Vibration) Recommendation, 1977 (No. 156), recognizes the risks and makes an explicit link between the working environment and the natural environment. Other environmental hazards that impact workers' safety and health and present risks for enterprises and business assets include rising sea levels; desertification and loss of productive land; polar ice melt; wildfires; ultraviolet radiation; extreme weather events; vector-borne/zoonotic diseases (which may result in epidemics or a global pandemic); and chronic diseases and health conditions.
20. Natural hazards remain a major cause of the forced displacement of people, the majority of whom are located in the global South. Over the coming decades, climate change is expected to increase the incidence of acute disasters, loss of livelihoods and social disorders, thereby increasing rates of displacement and migration.<sup>9</sup> Migration has become an important means of adaptation for communities coping with extreme weather events. While migration, in particular labour migration, can help communities adapt to and mitigate the effects of climate change events, unregulated mobility exposes migrant workers to costly recruitment fees, forced labour and other forms of exploitation, potentially displacing native workers and exerting excess pressure on labour markets.<sup>10</sup>

## Changes in labour markets arising from climate action: Opportunities and challenges for decent work

21. Previous research and analysis conducted by the Office suggest that a global transition towards a low-carbon and sustainable economy implies four main types of changes: (a) new jobs will be created; (b) some jobs will be replaced by others; (c) some jobs will be eliminated; and (d) many jobs will be transformed. However, the specific nature and scale of changes likely to occur in labour markets have not been fully measured in quantitative terms, showing the regional distribution of likely impacts.

<sup>6</sup> ILO, *Working on a Warmer Planet*.

<sup>7</sup> ILO, *Working on a Warmer Planet*.

<sup>8</sup> Organisation for Economic Co-operation and Development, *The Economic Consequences of Outdoor Air Pollution*, 2016.

<sup>9</sup> UN Office for Disaster Risk Reduction, *Global Assessment Report on Disaster Risk Reduction*, 2019.

<sup>10</sup> ILO, *Green Initiative Policy Brief: The Role of Fair and Effective Labour Migration Governance in Regional Climate Adaptation*, 2017.

22. This has led the Office to devote the ILO *World Employment and Social Outlook 2018* to the theme “Greening with jobs”, building on the goal of the 2015 Paris Agreement on climate change to keep the increase in global average temperature to less than 2°C above pre-industrial levels. The report shows that, on the one hand, about 6 million jobs may be lost in coal mining, resource extraction and resource-intensive industries as those industries are scaled down. On the other hand, such job losses should be more than offset by the creation of new jobs. The development of sustainable transportation, renewable energy systems and energy-efficient buildings, as well as efficiency-enhancement measures across industries, are estimated to lead to the creation of 24 million new jobs. The net combined effect of employment creation and employment loss is estimated at about 18 million new jobs worldwide.
23. A global review conducted by the Office indicates that skills gaps across countries are hindering the transition to a low-carbon economy.<sup>11</sup> There is a critical need to reskill or upskill the workforce within existing occupations, and to build new skills to capture emerging employment opportunities and ensure a smooth transition in labour markets. Skills and environmental policies should be better coordinated so that jobs that might otherwise be lost can be transitioned to emerging industries and the transition to environmental sustainability can be accelerated.
24. The “circular economy” model – based on the sustainable “reuse, recycling, remanufacture and repair of goods” paradigm rather than the traditional “extract, make, use and dispose of goods” paradigm – is receiving increased attention and could result in significant transformations of production systems and related employment. The 2018 report *Greening with Jobs* has estimated that a net total of 7 to 8 million new jobs could be created by 2030 in a circular economy.
25. Policies to address climate change or the pursuit of a circular economy would generate job creation and reallocation that is concentrated among mid-skill occupations. Estimates suggest that the growth in mid-skill jobs as part of the green transition may partly offset the global trend that has seen skill-biased technological change replacing mid-skill occupations. Male workers in mid-skill occupations will have the greatest need of reskilling and upskilling to enable them to tap into new job opportunities. There is an essential gender dimension in the anticipated changes in labour markets, with critical policy implications. It appears that even in the green economy, current occupational gender stereotypes are likely to persist: women will get only a fraction of the jobs created unless specific gender-sensitive measures are introduced to enhance female participation in emerging green occupations.<sup>12</sup>
26. Further research<sup>13</sup> has identified key characteristics specific to indigenous peoples, who are among the poorest of the poor and the most vulnerable to climate change. High levels of exposure and vulnerability to climate change force indigenous peoples towards internal displacements and migration. Gender inequality, a key factor in the deprivation suffered by indigenous women, is magnified by climate change. Lastly, many indigenous communities continue to face exclusion from decision-making processes, often lacking recognition and institutional support. Such exclusion limits their access to remedies, increases their vulnerability to climate change, undermines their ability to mitigate and

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<sup>11</sup> ILO, *Skills for a Greener Future*.

<sup>12</sup> ILO, *Skills for a Greener Future*.

<sup>13</sup> ILO, *Implementing the ILO Indigenous and Tribal Peoples Convention No. 169: Towards an Inclusive, Sustainable and Just Future*, 2020.

adapt to climate change, and consequently poses a threat to the advances made in securing their rights.

## The need for a just transition framework

27. Policy responses to climate change are framed under the nationally determined contributions that most parties to the UN Framework Convention on Climate Change (UNFCCC) have put forward. Under the Paris Agreement,<sup>14</sup> nationally determined contributions are submitted every five years to the UN climate change secretariat and the next round of (new or updated) contributions are due for submission by 2020.
28. The Paris Agreement notes “the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities.”<sup>15</sup> Policy responses to climate change should therefore maximize opportunities for decent work, quality employment creation and ensure social protection for all. Climate change negotiators are considering this challenge as part of a discussion known as the “improved forum on response measures”, which examines the effects that climate change policies could have on issues like employment.
29. In the ILO context, the *Guidelines for a just transition towards environmentally sustainable economies and societies for all* represent the framework for action. The Guidelines offer a comprehensive set of policies that countries can draw on to implement their climate change commitments, while putting in place macroeconomic and growth policies, labour market policies, industrial and sectoral policies, enterprise policies and policies on skills development, rights, social protection and occupational health and safety. The Guidelines underline the importance of policy coherence and effective social dialogue and tripartism.

## ▶ II. Action by the Office

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30. Action by the Office is guided by, and meant to give effect to, the ILO Guidelines for a just transition at both the global and the national levels. In line with the Green Initiative of the Director-General, the work of the Office focuses on four areas of critical importance: (i) advancing research and understanding of the challenges and opportunities for the world of work arising from a green transition; (ii) forging policy responses from the world of work in all sectors to ensure decent work and social justice for all; (iii) engaging in relevant global processes and building strategic partnerships; and (iv) supporting capacity development of ILO constituents and staff.

## Advancing knowledge and understanding of the impacts of climate change on employment

31. The ILO has released several research reports that shed light on new and emerging issues related to the impact of climate change on employment globally, the skills needed for a greener future, and the implications of heat stress for the workplace.<sup>16</sup> The main findings of such research and analysis and the implications for the action needed by the

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<sup>14</sup> UN, *Paris Agreement*, 2015.

<sup>15</sup> UN, *Paris Agreement*, preambular para. 10.

<sup>16</sup> ILO, *World Employment and Social Outlook 2018; Skills for a Greener Future*; and *Working on a Warmer Planet*, 2019.

ILO in addressing climate change and a just transition have been presented in the first part of this report. In addition, a pioneering report shows how, in implementing a just transition, disability inclusion may be ensured through the appropriate legal standards, social protection mechanisms, skills development initiatives and attitudinal changes at the societal level.<sup>17</sup>

32. Under the Argentine G20 Presidency in 2018, the ILO prepared a special report on *The employment impact of climate change adaptation: Input document for the G20 Climate Sustainability Working Group*. In particular, the report considers measures for climate change adaptation that can create employment through green works, and protect workers and income. In addition, it suggests accompanying and enabling policies, including enterprise-related measures, to maximize the positive employment effect of the transition to a climate-resilient economy.
33. Transitions in the energy sector have been the focus of most research and analysis on a just transition. However, it is also important to better understand transformations in other sectors, such as in agriculture and food systems, biodiversity, tourism and transport sectors. Further research and analysis by the Office would be required to understand fully the nature and scale of transformations in specific economic sectors, in order to better guide action by the ILO.

## Implementation of the ILO Guidelines for a just transition towards environmentally sustainable economies and societies for all

34. Policy advice to support national implementation of the above-mentioned ILO Guidelines is continuing, with the Office working with all Member States, despite a focus on the countries that are most vulnerable to environmental change and that face decent work deficits. For example, in Ghana, the ILO is working with the National Climate Change Working Group (a multistakeholder group including social partners) to integrate labour policies in the upgrading of the Nationally Determined Contribution on climate change.<sup>18</sup> In addition, the ILO, in cooperation with the Ministry of Employment and Labour Relations and social partners, is supporting the formulation of a green jobs strategy in line with Ghana National Employment Policy.
35. In Zimbabwe, the *Green enterPRIZE programme*, started in 2018, promotes a culture of sustainable enterprise development through a three-pronged approach:
  - (a) the development of new markets for green products and services by expanding access to skills for green jobs;
  - (b) the development of green and growth-oriented small and medium-sized enterprises owned by young women and men by creating an annual business innovation challenge and enterprise development programme; and
  - (c) the enhancement of productivity and competitiveness by greening enterprises and enhancing cooperation in the workplace.
36. Each year, through a Green enterPRIZE Innovation Challenge, the programme identifies 75 growth-oriented small and medium-sized enterprises that receive financial and green business development support.

<sup>17</sup> ILO, *Persons with Disabilities in a Just Transition to a Low-Carbon Economy*, Policy brief, 2019.

<sup>18</sup> "ILO and EPA Empower Ghanaian Modelling Experts", *Ghana News Agency*, 15 March 2019.

37. In the Pacific Islands, through the Bureau for Employers' Activities and the Bureau for Workers' Activities, the Office is providing support to ILO constituents for an effective engagement in the area of climate change and just transition, as part of the ILO project on increased capacities of employers' and workers' organizations to participate effectively in the development of social and labour policy.<sup>19</sup>
38. In July 2018, the Government of Spain and the ILO adopted a strategic agreement to give effect to the ILO Guidelines for a just transition through Spain's Strategic Energy and Climate Framework. Since, the ILO has been collaborating closely with Spain to advance the country's just transition strategy, and derive learning and lessons that could be beneficial to other countries.
39. The Office was highly involved in the Climate Action Summit convened by the UN Secretary-General in September 2019. Working with Spain and Peru as co-leading countries for Social and Political Drivers, the ILO played a central role in shaping the Summit's outcomes on a just transition. As a result, 46 countries made commitments to formulate national plans on just transition in line with the ILO Guidelines for a just transition. To turn this human-centred agenda into concrete action, the UN Secretary-General, the Director-General of the ILO, ministers, the General Secretary of the International Trade Union Confederation (ITUC) and the Secretary-General of the International Organisation of Employers (IOE) launched the Climate Action for Jobs Initiative at the UN climate change conference (COP25) in Madrid in December 2019.<sup>20</sup> The Initiative that the ILO has been requested to spearhead will scale up action and support by the Office towards Member States, while ensuring that decent work and just transition are central elements in the ecological transition.
40. The Climate Action for Jobs Initiative aims to: (i) enable ambitious climate action that delivers decent jobs and advances social justice; (ii) support countries on bold solutions for a transition towards a sustainable future that is just and enjoys broad-based support; and (iii) facilitate an inclusive and sustainable recovery from the COVID-19 crisis. Furthermore, as a large multistakeholder partnership rallying governments, employers' and workers' organizations, business networks and civil society organizations, the Initiative will contribute to the decade of action to deliver the SDGs that has been called for by the UN Secretary-General, during which climate action will be accelerated by promoting a just transition for all. The International Advisory Board for the Initiative held its first meeting on 4 September 2020.<sup>21</sup>
41. The Climate Action for Jobs Initiative complements existing ILO partnerships and joint programmes in the areas of green jobs, green economy, and circular economy, in particular the Partnership for Action on Green Economy (PAGE). PAGE brings together five UN agencies – the ILO, the UN Environment Programme (UNEP), the UN Development Programme (UNDP), the UN Industrial Development Organization and the UN Institute for Training and Research – with funding partners and like-minded institutions to help countries to reframe economic policies and practices around sustainability and strengthen the ecological foundations of their economies. Currently active in 20 countries, PAGE has contributed to the creation of enabling policies, national

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<sup>19</sup> Increased capacities of employers' and workers' organizations to participate effectively in the development of social and labour policy.

<sup>20</sup> ILO, "Climate Action for Jobs Initiative launched by UN Secretary-General and ILO Director-General".

<sup>21</sup> New Climate Action for Jobs Board calls for a sustainable recovery from the COVID-19 crisis.

plans, employment strategies, fiscal reforms and investment mechanisms for achieving the SDGs and the climate target of 1.5°C.

42. The Office has stepped up efforts to mobilize climate-related financing for development cooperation projects. In addition to pursuing efforts for the ILO to be accredited as an implementing entity of projects under the Green Climate Fund, the Office works with entities already accredited to the Fund, such as regional development banks, UN agencies and national entities to develop projects on climate change and decent work.

## Supporting initiatives by ILO constituents

43. Across the world, ILO constituents are engaging in policy debates and the shaping of policies and strategies to advance social justice and promote decent work in the context of climate change. The Office provided substantive contributions, technical advice, and organizational support to constituents.
44. In October 2019, ILO constituents convened a tripartite regional forum in Santiago on the theme “A just transition, green jobs and climate action: Exchange of experiences for Latin America and the Caribbean”, organized by the Government of Chile, the ILO and the UN Economic Commission for Latin America and the Caribbean. Representatives of governments, employers’ organizations, workers’ organizations and international and academic organizations from 15 countries participated, with the objective of identifying the necessary measures to promote a just transition and the creation of green jobs in the region. The conclusions of the forum point to the urgency to address climate change with a decent work agenda. Participants encouraged viewing the nationally determined contributions on climate change as a useful framework for promoting a just transition, noting the need to strengthen implementation mechanisms at the national level.
45. In Africa, the Abidjan Declaration adopted by the 14th African Regional Meeting, held in Abidjan on 3–6 December 2019, identifies the promotion of growth towards a green economy and a just transition as a key vehicle to advance inclusive and sustainable economic development and growth, as well as full and productive, freely chosen employment and decent work for all.<sup>22</sup> In addition, in southern Africa, representatives of ministries of labour and environment, municipalities, organized business and labour, as well as civil society and grassroots and community organizations from Botswana, Eswatini, Lesotho and South Africa, convened a one-week meeting in Johannesburg on 7–11 October on the theme “Promoting a just transition to low-carbon and climate-resilient economies in Southern Africa”. Participants considered pathways for transitions to a sustainable, climate-resilient and just future.
46. On 13 November 2018, the ten Member States of the Association of Southeast Asian Nations (ASEAN) adopted the *ASEAN Declaration on Promoting Green Jobs for Equity and Inclusive Growth of the ASEAN Community*,<sup>23</sup> in a process that the ILO has been supporting. The ASEAN Declaration shows that countries at all stages of development are taking action and requesting substantive ILO assistance to advance their ambitions to combat climate change. In June 2019, in the context of the ILO Centenary Session of the Conference, ASEAN ministers of labour issued a joint statement to underline the

<sup>22</sup> ILO, *Abidjan Declaration: Advancing Social Justice – Shaping the Future of Work in Africa*, 2019.

<sup>23</sup> *ASEAN Declaration on Promoting Green Jobs for Equity and Inclusive Growth of the ASEAN Community*, 2018.

importance of ensuring decent, sustainable and inclusive work, as well as safe and healthy work environments, in the transition towards green economies.<sup>24</sup>

47. In December 2019, the European Commission unveiled the European Green Deal,<sup>25</sup> which aims to make Europe the world's first climate-neutral continent by 2050. It has been presented as a new growth strategy that aims to transform the EU into a fair and prosperous society by 2050, with a modern, resource-efficient and competitive economy in which there are no net emissions of greenhouse gases and economic growth is decoupled from resource use. Importantly, it sets a path for a transition that is just and socially fair, leaving no individual or region behind. The ILO has engaged in several policy dialogues with the European Parliament and the European Commission to exchange views on ways to advance decent work and just transition in the ecological transition.<sup>26</sup>

## Capacity-building of ILO officials and constituents

48. Many countries face challenges in assessing the employment impacts of climate change policies in their national contexts. To address this gap, the ILO, in collaboration with the University of Pretoria, the UN climate change secretariat, the World Bank, the European Bank for Reconstruction and Development, the African Development Bank, the UNDP, and the German Development Agency, established a training hub on the measurement and modelling of the impacts of climate change on employment.<sup>27</sup> The first session of the training hub took place in September 2019 and included representatives of governments, social partners and researchers from six African countries (Ghana, Mauritius, Rwanda, Senegal, South Africa and Zimbabwe). Hosted by the University of Pretoria, the training hub aims to provide institutional capacity development on the use of models and other quantitative assessment tools to measure the social and employment-related impacts of climate change and sustainable development policies, using methodologies developed by the ILO.<sup>28</sup>
49. In the eastern Caribbean, among the major lessons learned from the 2017 natural disasters, is that the ILO constituents did not have the necessary tools to execute or actively participate in post disaster needs assessments with an approach to mainstream decent work in the national recovery process. Consequently, the opportunity to implement an employment and livelihood-centred recovery response in the aftermath of the widespread devastation caused by hurricanes Harvey, Irma and Maria was largely missed. The ILO interventions after the crisis also confirmed that there is an urgent need to support capacity strengthening and institutional reform if resilience and employment goals are to be fully realized. Therefore, in December 2019 a tripartite workshop was held around the topic of building resilience through public employment programmes with delegations from Dominica, Guyana, St. Lucia and Trinidad and Tobago.<sup>29</sup>

<sup>24</sup> ASEAN Labour Ministers' Joint Statement on Green Initiative to the 108th International Labour Conference, 2019.

<sup>25</sup> European Commission, *The European Green Deal*, COM(2019) 640 final.

<sup>26</sup> A just transition to a sustainable future: Next steps for Europe, Roundtable discussion with the European Parliament, February 2018; *A Just Transition to a Sustainable Future: Next Steps for Europe*, ILO Policy brief, November 2017.

<sup>27</sup> ILO, "The Green Jobs Assessments Institutions Network (GAIN) Establishes its First Training Hub in Africa", September 2019.

<sup>28</sup> ILO, *GAIN Training Guidebook: How to Measure and Model Social and Employment Outcomes of Climate and Sustainable Development Policies*, 2017.

<sup>29</sup> ILO training – Building resilience through public employment programmes (PEP), 16–20 December 2019.

## Engagement in global climate change processes and strategic partnerships

- 50.** As a UN observer organization under the UNFCCC, the ILO actively participates in relevant UN climate processes. ILO officials have contributed substantively to negotiations, including through formal submissions promoting the integration of decent work and just transition, the gender dimensions of climate responses and the rights of indigenous and tribal peoples. In addition, ILO officials participated in negotiations concerning national adaptation plans; the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts – in particular supporting the development of the Task Force on Displacement – and recommendations referencing the importance of ILO standards, adopted by the UN climate change conference (COP24) in December 2018 and being implemented as part of the Task Force’s five-year plan. The Office is deepening its collaboration with the Secretariat of the UN Convention to Combat Desertification through a memorandum of understanding signed in 2019.
- 51.** During COP24, held in Katowice, Poland, the Office worked with the COP24 presidency to promote the integration of decent work and just transition considerations as climate negotiators considered the Rules Book for the implementation of the Paris Agreement on climate change. In this context, Poland, as the COP24 presidency, put forward the *Solidarity and Just Transition Silesia Declaration*, which takes note of the importance of the ILO Guidelines for a just transition.<sup>30</sup>
- 52.** Most recently, the ILO played an active role at the COP25 in Madrid, in December 2019, under the presidency of Chile. ILO officials contributed to the negotiations, with a focus on decent work and just transition dimensions, and also hosted a series of high-level and side events, with the participation of speakers from governments, the IOE and the ITUC, including the launch event for the Climate Action for Jobs Initiative.<sup>31</sup>
- 53.** Within the UN system, the ILO has pursued its partnership with the UN climate change secretariat to promote awareness-raising among climate change negotiators of ways and means to integrate labour and social dimensions in climate responses. Under a mandate given by the UN System Chief Executives Board for Coordination, the ILO played an active role in the formulation of a joint appeal of UN agencies addressed to Member States, which prominently featured decent work, a just transition for all and social protection systems as essential dimensions of climate responses.<sup>32</sup> In addition, the ILO contributed to the [Voluntary guidelines for the design and effective implementation of ecosystem-based approaches to climate change adaptation and disaster risk reduction](#), which was adopted at the Conference of the Parties to the UN Convention on Biological Diversity in November 2018.

## Working towards carbon neutrality

- 54.** In 2007, the UN Chief Executives Board for Coordination established the UN Climate-Neutral Strategy and committed the UN system to reaching climate neutrality by 2020 through a combination of emission reduction initiatives and purchase of offsets of any unavoidable emissions by using UN-recognized carbon credits. In 2018, the

<sup>30</sup> COP24, *Solidarity and Just Transition Silesia Declaration*, 2018.

<sup>31</sup> ILO, “The ILO and the United Nations Climate Change Conference (COP25)”.

<sup>32</sup> United Nations Secretary-General, “Note to Correspondents: Joint Appeal from the UN System to the Secretary-General’s Climate Action Summit”, 9 May 2019.

UN Secretary-General expressed his commitment for the UN system to achieve climate neutrality by 2020.

55. Since 2008, the ILO has annually reported the greenhouse gas emissions of its headquarters and field offices, in collaboration with the UNEP, which compiles and publishes UN system emissions in its annual *Greening the Blue Report*. In 2018, the ILO's global emissions, covering emissions from official travel and facilities, totalled 14,178.29 tonnes of CO<sub>2</sub> equivalent, a 12 per cent reduction over 2015 emissions. In terms of emissions by source, air travel alone accounts for 60 per cent of ILO global emissions, facilities 29 per cent and other travel 11 per cent.
56. The Office has implemented a number of measures to reduce its carbon footprint, including energy-efficiency improvements in the ILO headquarters building in the context of its renovation; the incorporation of environmental sustainability criteria into the renovation building plans of ILO-owned premises; and the implementation of energy-efficiency measures in external offices. In 2016, the Office reached a significant milestone by introducing the ILO Environmental Sustainability Policy and establishing the Environmental Sustainability Committee. In the current biennium, the Office will implement additional measures to reduce the ILO's carbon footprint and has set the targets of reducing emissions of ILO-wide air travel by 5 per cent and that of headquarters facilities by 5 per cent.
57. Despite past, current and future efforts to reduce the carbon footprint, unavoidable emissions from ILO facilities and operations will continue. In order for the ILO to reach the goal of climate neutrality by 2020 in line with the UN Climate-Neutral Strategy, the Office is recommending the purchase of carbon credits to offset its emissions. In 2019, an estimated 95 per cent of the UN system's reported carbon footprint was offset<sup>33</sup> by entities such as the UN Secretariat, UNDP, UNEP and the World Bank Group. A common channel that several UN entities have adopted to offset their remaining emissions is by purchasing Adaptation Fund Certified Emission Reduction credits through the UNFCCC. Because the Adaptation Fund finances adaptation projects in developing countries that are particularly vulnerable to the adverse effects of climate change, it has a solid social dimension that is aligned with the ILO's values and UN commitments. At current carbon credit prices, the cost of offsetting the ILO's carbon footprint in 2020 would be less than US\$20,000. It is proposed that the Governing Body consider providing a mandate to the Office to offset future carbon emissions as a way to achieve carbon neutrality.

## ▶ Draft decision

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58. **The Governing Body took note of the information and update provided by the Office in document GB.340/POL/1 and requested the Director-General to:**
  - (a) **promote further discussion, knowledge and understanding of the implications of climate change for the world of work;**
  - (b) **advance the application of the ILO Guidelines for a just transition towards environmentally sustainable economies and societies for all, with a focus on assisting governments, workers' organizations and employers' organizations in the development of policies through social dialogue to implement their**

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<sup>33</sup> UNEP, *Greening the Blue Report 2019*.

**climate change commitments, including through the Climate Action for Jobs Initiative;**

- (c) promote collaboration between the ILO and relevant international institutions addressing climate change and related key environmental issues, such as desertification and biodiversity loss, with a view to advancing decent work and a just transition for all; and**
- (d) initiate the necessary measures with a view to achieving carbon neutrality at the ILO, in line with the United Nations target to reach carbon neutrality by 2020.**