

Report VI

Achieving a just transition towards environmentally sustainable economies and societies for all

- Chapter 1: Employment, economic and social impacts of a just transition towards inclusive and environmentally sustainable economies and societies
- Chapter 2: Policies and action to advance a just transition
- Chapter 3: Action by the ILO





International
Labour
Organization

Background

ILC 102nd Session (June 2013)

General discussion on Sustainable Development, Decent Work and Green Jobs

Tripartite Meeting of Experts (Oct 2015)

ILO Guidelines for a just transition towards environmentally sustainable economies and societies for all

ILO Centenary Declaration for the Future of Work (June 2019)

Ensuring a just transition to a future of work that contributes to sustainable development in its economic, social and environmental dimensions

GB 344th Session (March 2022)

Placed in the 111th ILC Agenda: General discussion on just transition

▶ A triple planetary crisis that demands urgent global policy response



Some 1.2 billion jobs depend on healthy ecosystems.

Loss of the equivalent of 80 millions jobs due to heat stress by 2030.

Workers face increased injury, disease and death.

130 million people could move into poverty within the next decade, undermining the achievement of SDGs.

Up to 216 million people could have to migrate internally by 2050.

▶ The indispensable role of the ILO: Expected outcomes of the general discussion

- ▶ Confirm the need for urgent and ambitious action for a gender responsive and inclusive just transition.
- ▶ Reaffirm the guiding principles and key policy areas of the ILO Guidelines for a just transition.
- ▶ Adopt an action framework for more concerted, coherent and better coordinated pathways to environmentally sustainable and circular economies:
 - 1) promoting inclusive, sustainable, and job-rich economies;
 - 2) ensuring social equity;
 - 3) managing the process; and
 - 4) financing a just transition.



► The imperatives of a just transition for economic growth and employment creation

- A positive and realistic narrative globally, but:
- Geographical and temporal disconnections.
- Distributional impacts by income, age and gender groups.



Energy transition

24 million jobs by 2030



Circular economy

78 million jobs by 2023



Nature-based
Solutions

75 million jobs currently

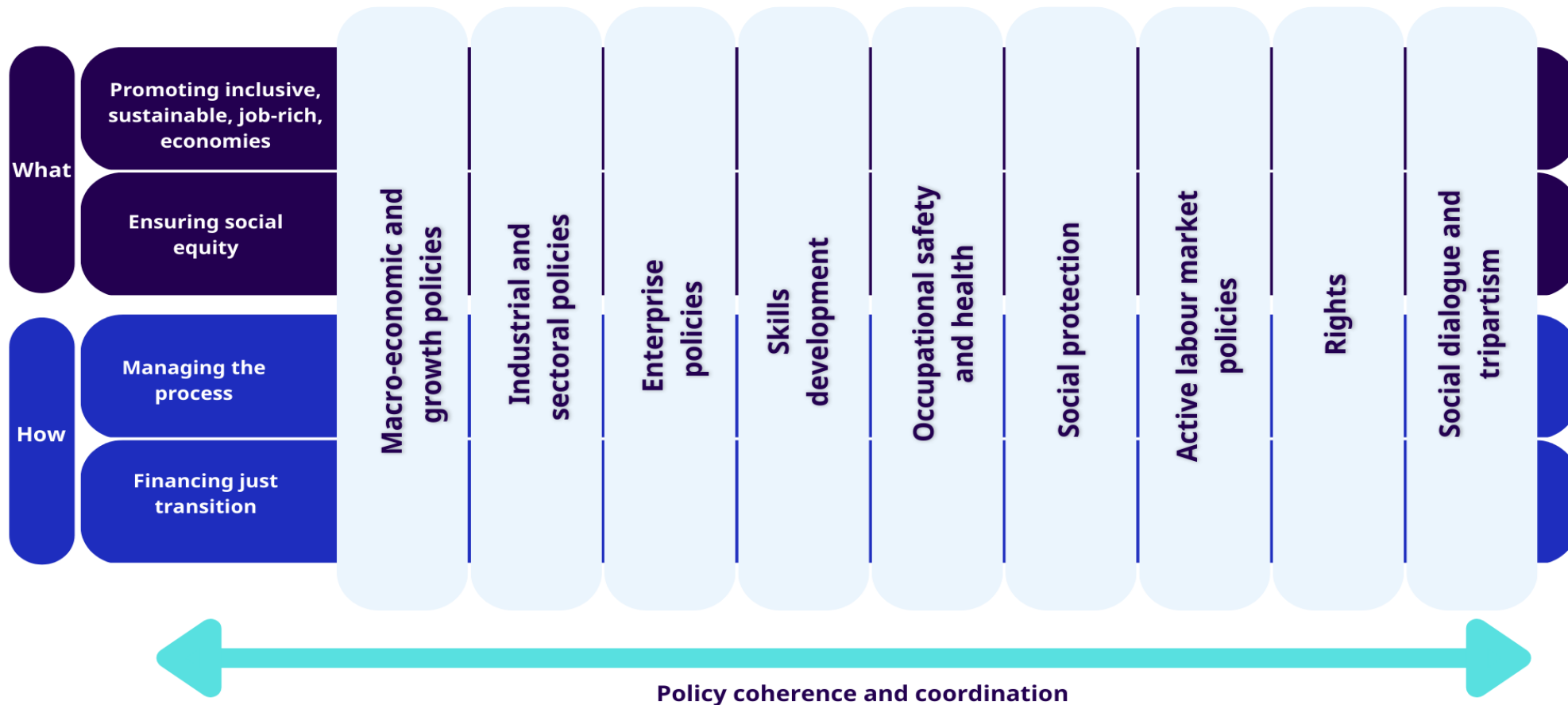
► Unpacking “just transition”

Promoting environmentally sustainable economies in a way that is **fair and inclusive to everyone** concerned – workers, enterprises and communities – by creating decent work opportunities and leaving no one behind.

Maximizing the social and economic opportunities of climate and environmental action, while **minimizing and carefully managing any challenges**, including through effective social dialogue and stakeholder engagement and respect for the fundamental principles and rights at work.

- The Paris Agreement on climate change affirms “*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*”.
- Ensuring a gender responsive and inclusive just transition is important for **all countries at all levels of development**.
- It is important for **all economic sectors** – not just the energy supply sector – and in urban and rural areas alike.
- There is **no “one size fits all”** to a just transition.

► An action framework for a just transition



Current trends in key policy and implementation areas for a just transition



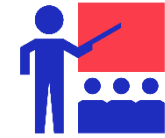
Macroeconomic and growth policies Ensuring fiscal space for social spending, and using financial steering instruments can expedite green transitions



Increased focus on **industrial policies and technology** with potential impacts of global trade and investment.



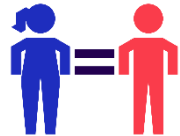
Smart use of incentives, creation of an **enabling business environment**, and regulatory practices for due diligence can unleash the potential of the private sector for enterprise development.



Anticipating skills needs and strengthening systems to provide equitable access to **skills and lifelong learning** for all individuals, including those in the informal economy, is still constrained in many countries



Social protection is a facilitator of, not just a buffer for, a just transition. Social protection policies together with **active labour market policies** can ease and accelerate transition leaving no one behind.



International labour standards, including the right to freedom of association and the right to a safe and healthy working environment and gender equality, are not often part of the just transition policies – scope for normative dialogue.



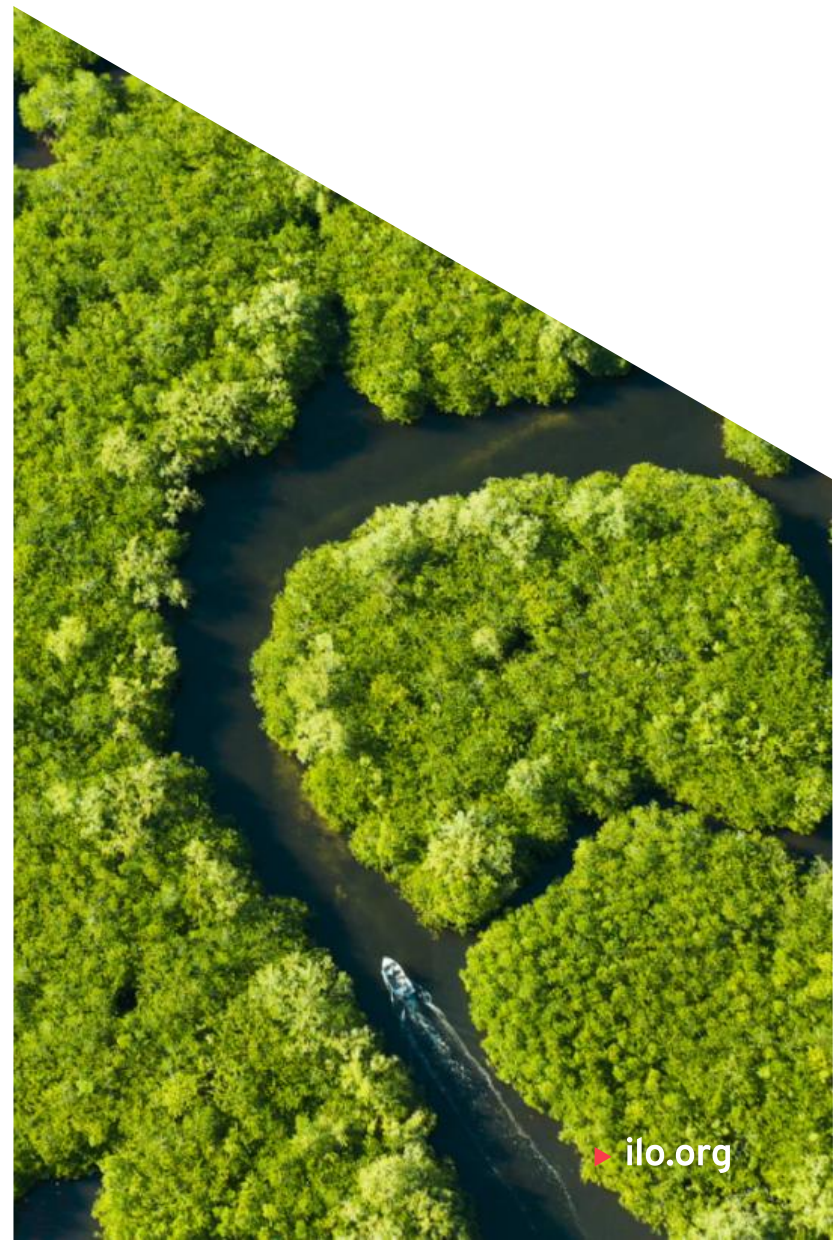
Social dialogue and collective bargaining has been used to build consensus for some, but not all, policy processes.



Mobilizing **public and private finance** from domestic and international sources. Leveraging the expertise and resources of IFIs and MDBs and aligning financial flows. ilo.org

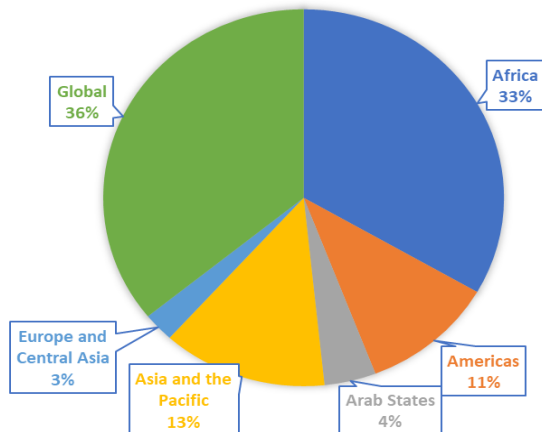
▶ Insightful, but limited country experiences

- ▶ **49 countries** have committed to placing employment at the heart of ambitious climate action and to promoting a just transition.
- ▶ **65 of the 170 countries** that submitted updated **NDCs** included references to a **just transition**, as of October 2022.
- ▶ **Social dialogue** remains limited in the process of developing NDCs
- ▶ **Only 23 per cent** of the **collective bargaining agreements** analyzed by the ILO addressed environmental aspects.
- ▶ There is **limited experience** in the application of **industrial policies** for a just transition.



Action by the Office

Development cooperation



Just transition interventions
across regions

Partnerships and global engagement

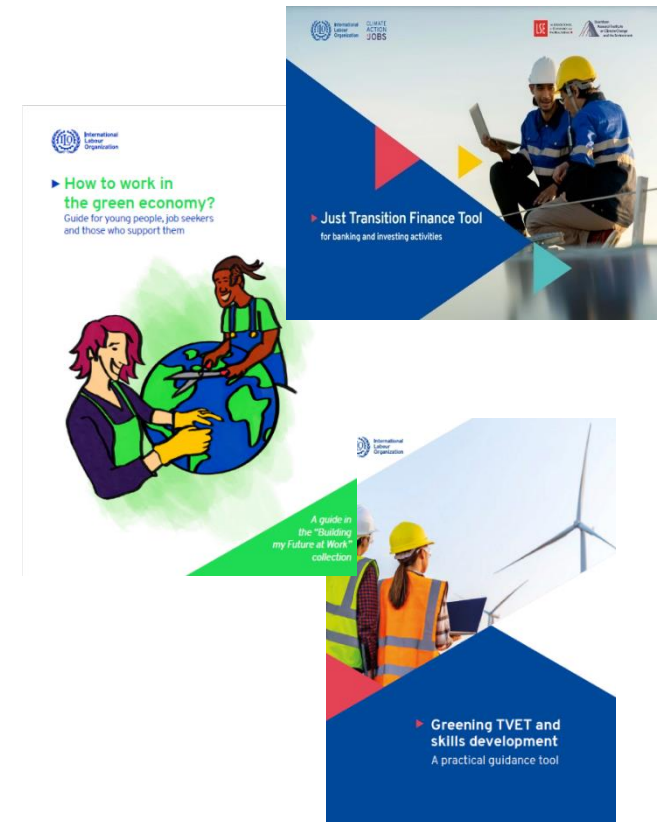
UN collaboration is vital for aligning country assistance and promote coherence

Multistakeholder partnerships are a key instrument to leverage complementary expertise and foster coordinated approaches

Partnerships with MDBs are needed to step up support to countries

Engagement in international policy processes is critical to generate shared understanding and commitments

Research, knowledge and policy tools and instruments



▶ Observations and perspectives

- ▶ **Increased recognition** of just transition priorities in policy discussions – but accelerated, concrete action is required to reach the goals.
- ▶ Just transition depends on **national contexts, circumstances and development priorities**
- ▶ **Lack of policy coherence** highlight the need for integrated frameworks and coordinated mechanisms.
- ▶ Generating consensus is necessary to mobilise support for green transition and to **ensure effective implementation.**
- ▶ **Important role of social partners** in gender responsive and inclusive just transition processes.
- ▶ **Essential role of the ILO** to support national and international processes for a just transition.
- ▶ **International cooperation and partnerships** is essential to support developing countries and foster a sharing of experiences.
- ▶ Financing is essential and important to deliver a just transition. The link between just transition **policies and financing frameworks** drawing upon complementary sources of funding needs to be strengthened.

► Points for discussion

1. How can a just transition be advanced across ILO Member States through:
 - (a) scaling up the development and implementation of integrated policies and measures across policy areas, including industrial policies and technology;
 - (b) the financing of such policies and measures;
 - (c) social dialogue and tripartism;
 - (d) institutional coordination and policy coherence at all levels; and
 - (e) the application of international labour standards?
2. What should be the roles of governments and employers' and workers' organizations in the transition, including with communities and people affected?
3. What should be the priorities and strategy of the ILO to assist its constituents? How can the ILO play a central role in the multilateral coordination for a just transition, including through partnerships?