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Solution Forum 2: Energy, Climate Change and Decent Work (ILO) Report

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MILLENNIUM DEVELOPMENT GOALS

















Solution Forum 2

Energy, Climate Change and Decent Work

20 November 2012, 12.30 – 3.00 pm Grosser Redoutensaal, Hofburg Palace

Solution Forum 2: Energy, Climate Change and Decent Work was held in Vienna, Austria on 20 November in the framework of the 2012 Global South South Development Expo, which addressed the links between renewable energy, climate change and development issues.

The Solution Forum held by the International Labour Organization (ILO) was intended to share knowledge through results-based presentations and scalable solutions centred on South-South and triangular cooperation (SSTC) initiatives that successfully promoted the integration of employment, decent work and social inclusion in sustainable development strategies. 1 The global economic downturn has placed employment policies at the core of national development strategies, thereby positioning the ILO as a solution enabler. The ILO's comparative advantage in promoting sustainable and decent work for all is paramount to tackle the high level of unemployment worldwide. In addition, natural and man-made environmental disasters threaten the sustainability of biodiversity and the ecosystem. There is clearly a need for alternative energy sources away from conventional sources to create employment, income and economic opportunities. Non-renewable energy sources such as oil and gas are now important sources of revenue and employment creation and contribute to economic growth and development, but do not offer a basis for a sustainable economy. The transition to a green economy is a means of achieving sustainable development while preserving the economy. ² SSTC strategies and mechanisms are vital in this regard to the realization of the Millennium Development Goals by 2015 and shaping the post-2015 sustainable world of work with a particular focus on the most vulnerable.

Opening

Mr Peter Poschen, Director of the ILO Job Creation and Enterprise Development Department, recalled the adoption of the ILO South-South and Triangular Cooperation (SSTC) Strategy by the its Governing Body in March 2012 1 and of the related indicators on SSTC in November 2012. 3

He emphasized that ILO constituents and partners believed in the benefits of SSTC because it was guided by the principles of solidarity and non-conditionality: SSTC strategies and mechanisms were vital elements in the transition to a green economy which promoted sustainable and decent jobs for all.

¹ In March 2012 the Governing Body of the ILO adopted a South-South and triangular cooperation (SSTC) strategy entitled "South–South and triangular cooperation: The way forward". This strategy followed the 100th Session of the International Labour Conference (2011) which placed particular emphasis on South-South and triangular cooperation (SSTC) as a means of achieving Decent Work for all.

² See conclusions of the ILO-UNEP report, Working towards sustainable development: Opportunities for decent work and social inclusion in a green economy, http://www.ilo.org/global/publications/books/WCMS 181836/lang--en/index.htm

³ Revised indicators for the Strategy adopted in March 2012: http://www.ilo.org/gb/decisions/GB316-decision/WCMS 192886/lang--en/index.htm

Keynote address by The Hon. Errol McLeod, Minister of Labour and Small and Micro Enterprise Development, Trinidad and Tobago ⁴

The Hon. Errol McLeod shared his insights on how his country had taken the initiative and leadership to cooperate with other countries of the South in the field of energy and decent work.

Countries of the Global South were essential partners in business transformation. A recent Oxford Economics report ⁵ had demonstrated how by 2021 the new geography of talent would transform human resource strategies and affect the organization of businesses worldwide.

In Trinidad and Tobago non-renewable energy sources such as oil and gas were an important source of revenue and employment creation and contributed to economic growth and development. In 2010 the petroleum industry accounted for 42.5 per cent of the country's gross domestic product (GDP), 51 per cent of total Government revenue, and 84 per cent of exports, but generated less than 5 per cent of employment. The country's energy sector had allowed for the development of energy-intensive industries.

However, there was clearly a need for the diversification of energy sources incorporating the principles of a green economy to create employment, incomes and economic opportunities. In this regard STTC mechanisms were key to move away from dependence on non-renewable energy sources. Transitioning to a green economy and low carbon society first and foremost required the identification of the key sectors and subsectors of the country. Sectors like energy, agriculture, tourism, manufacturing, forestry, fisheries and water management provided viable opportunities for diversifying to a green economy.

Secondly, the transition to a green economy remained critical: a "blue economy", ⁶which entailed the integration of innovative solutions into existing economic structures, contributed immensely to environmental protection and sustainability. Since decent work was mainstreamed into the various initiatives, triangular cooperation arrangements had proved successful in improving energy efficiency in countries of the South. A Renewable Energy Committee had been launched in February 2009 with the responsibility of formulating a *Framework for the Development of a Renewable Energy Policy for Trinidad and Tobago*. Trinidad and Tobago was actively seeking to learn from the experience of other countries, thus positioning SSTC as one of the key knowledge-sharing frameworks in the area of renewable energy.

Finally, the transition to a green economy required investment in renewable energy sources. In the case of Trinidad and Tobago, specific sectors had been identified with potential for the creation of green jobs which simultaneously addressed issues surrounding climate change and energy usage. This would increase employment in the renewable energy sector in the medium to long term while potentially leaving many unemployed in the conventional energy sector such as oil, gas and coal. He recalled the importance of South-South and triangular cooperation in achieving sustainable and decent work for all, especially for the countries of the Caribbean, but also Africa and South America. SSTC activities in the areas of climate change and energy were not new to Trinidad and Tobago and were essential to its economy. A Memorandum of Understanding (MOU) aimed at establishing a framework for cooperation in the energy field had been signed with Panama in March 2012. ⁷

Trinidad and Tobago was also promoting triangular cooperation with the United States and the Caribbean in the field of energy. On the one hand, the Energy and Climate Partnership of the

http://www.ilo.org/wcmsp5/groups/public/---dgreports/---exrel/documents/statement/wcms 193697.pdf

⁵ Global Talent 2021: How the new geography of talent will transform human resource strategies http://www.towerswatson.com/assets/pdf/7656/Global talent 2021.pdf

⁶ The expression was coined by Mr Gunter Pauli in his book *The Blue Economy: 10 years - 100 innovations - 100 million jobs*: http://www.theblueeconomy.org/blue/Home.html

⁷ http://www.news.gov.tt/index.php?news=10580

Americas (ECPA) Initiative ⁸ illustrated successful partnership building. The Initiative had been established in response to a call by President Obama at the Fifth Summit of the Americas held in Trinidad and Tobago in 2009 for Governments of the Western Hemisphere to work together towards a clean energy future. Initiatives addressed energy efficiency, renewable energy, cleaner and more efficient use of fossil fuels, energy infrastructure and sustainable forest and land use. The Global Environment Facility/Energy for Sustainable Development in the Caribbean (GEF/ESD) Project, ⁹ which spanned over five Caribbean territories, supported sustainable energy use through renewable energy and energy efficiency intervention technologies.

These initiatives showed that the Government of Trinidad and Tobago remained committed to sharing its knowledge and experience in the area of energy, climate change and decent work, and to learning from countries of the South as well as those in the developed world.

Address by H.E. Ambassador Laercio Vinhas¹⁰ Ambassador, Permanent Mission of Brazil to the IAEA and CTBTO: Energy, Climate Change and Decent Work – The Brazilian Experience

Ambassador Vinhas highlighted examples of how Brazil had cooperated with countries of the Global South in the field of energy. Brazil was one of the first partners of the ILO in the promotion of decent work through South-South and triangular cooperation mechanisms. Under the India-Brazil-South Africa (IBSA) framework, Brazil had worked closely towards the promotion of the lessons learned from innovative initiatives such as the Bolsa Família.

In addition, during the 2010 Global South-South Development Expo (GSSD) hosted by the ILO, Brazil had strengthened links with India and South Africa by signing a <u>Declaration of Intent on South-South and Triangular Cooperation</u> (SSTC) pertaining to the Decent Work Agenda. The Declaration reaffirmed the intent to build on the ILO South-South cooperation programme's expertise in order to foster greater solidarity and enhance cooperation between countries and social partners in the world of work. Brazil had, through South-South cooperation, linked environmental sustainability and decent work.

The aftermath of the Rio+20 Summit showed the connections between the three pillars of sustainable development (social, environmental and economic). The social dimension was particularly relevant to energy security since access to sustainable modern energy services contributed to poverty eradication and the realization of the Millennium Development Goals by 2015.

Nevertheless, there was no unique one-size-fits-all approach to energy security. The strengthening of national response capacity and coordination mechanisms, as well as the commitment of social partners, was crucial to the sustainability of results and actions. The role that SSTC might play in future sustainable development frameworks was immense because it was based on adaptable practices.

While transitioning to a green economy and green jobs was the only means of ensuring sustainability, countries needed to consider an optimal energy mix suited to their own circumstances. South-South cooperation enabled countries to adopt an optimal energy mix specific to their circumstances by providing them with a broad range of options that had worked successfully in other countries. SSTC strategies and mechanisms were hence vital in shaping the post-2015 sustainable world of work.

⁸ http://www.ecpamericas.org/

⁹ This project is part of a global partnership involving 178 countries, international institutions, non-governmental organizations, and the private sector to assess global environmental issues: http://www.thegef.org/gef/

¹⁰ http://www.ilo.org/wcmsp5/groups/public/---dgreports/---exrel/documents/statement/wcms 193699.pdf

Key factors in successful STTC initiatives included the fact that Brazil could count on the support of the Brazilian Cooperation Agency (ABC) which was affiliated to the Ministry of External Relations (MRE). The agency was in charge of all international technical cooperation involving Brazil and other countries and international organizations. ABC focused on national development policies defined by the Government's sectoral programmes and plans. It offered a strong platform to use STTC mechanisms to disseminate knowledge applied to social and economic development.

Secondly ABC's activities were based on the assumption that South-South cooperation helped consolidate Brazil's relations with partner countries as it generated, disseminated and applied technical knowledge. In addition, building human resource capacity and strengthening institutions in all nations involved were the main motivation for cooperation "by the South and for the South".

Thirdly, technical cooperation projects were effective to promote development, since they "must be demand-driven (respond to the demands of developing nations); must not interfere in beneficiary country internal affairs; and impose no conditionality". ¹¹

Finally, Ambassador Vinhas recalled that Brazil had signed a series of MoUs and agreements with the ILO on South-South and triangular cooperation. In 1987 the ILO had signed an agreement with the Government of Brazil to undertake technical cooperation with other countries in Latin America and Africa. This agreement was followed in 2009 by a new Partnership Complementary Agreement on South-South cooperation. This complementary agreement had – through a triangular mechanism (ILO–Government of Brazil–Partner Developing Countries) – provided support to the achievement of decent work outcomes in the targeted regions. Moreover, Brazil was particularly involved in the prevention and elimination of child Labour. The 2005 exchange of letters between the ILO and the Government of Brazil pertaining to the elimination of child labour in Portuguese-speaking countries in Africa (PALOP) was regarded as the starting point for the ILO's explicit involvement in SSTC. ¹³ This cooperation had been further strengthened thanks to the 2007 MoU that addressed similar issues with a specific focus on PALOP countries.

Similarly, in 2011, following negotiations on triangular cooperation and partnership with the United States Government, two new projects were approved targeting the elimination of child labour in Haiti and the PALOP countries. These projects echoed the first triangular agreement signed under the auspices of the ILO by Brazil and the US Government in the aftermath of the tragic earthquake that struck Haiti in 2010. ¹⁴ However, Brazil's contribution extended over several different issues and regions: a March 2008 MoU dealt with the promotion of social protection in several geographical areas; it expressed the commitment of the ILO and the Government of Brazil and outlined the need for technical cooperation between developing countries, as well as support to the mobilization of financial resources to make such cooperation possible. ¹⁵

By the same token, cooperation between Brazil and other emerging countries such as India and South Africa was essential to the success of SSTC initiatives. The <u>2012 India-Brazil-South Africa (IBSA) Declaration on South-South cooperation for decent work</u> was a step forward to promote a job-intensive economic recovery, create a framework for sustainable growth, and promote the

¹¹ http://www.abc.gov.br/training/informacoes/ABC en.aspx

http://www.ilo.org/global/abouhttp://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS 104069/lang-en/index.htmt-the-ilo/newsroom/news/WCMS 104069/lang-en/index.htm

¹³ http://ssc.undp.org/content/dam/ssc/documents/South-South%20in%20Action/South-South%20in%20Action%20Winter%202011.pdf

¹⁴ http://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_141747/lang--en/index.htm

¹⁵ ILO, Brazil's contribution to the ILO's South-South Cooperation Strategy. An overview: 2010-2012: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---exrel/documents/genericdocument/wcms 182879.pdf

Decent Work Agenda through horizontal exchanges between developing countries.¹⁶ Brazil was currently active in 81 developing countries through SSC mechanisms, and had established triangular cooperation agreements with seven developed countries covering 48 ongoing projects.

Presentation by Dr. Christo Marais, Chief Director, Natural Resource Management Programmes, Department of Environmental Affairs, South Africa: Unlocking Employment Opportunities by Restoring Natural Infrastructure – Key Lessons in Rural Development for Developing Countries ¹⁷

Dr. Christo Marais spoke of his experience of the *Working For* programmes and their achievements. ¹⁸ Managing natural resources and measures taken to restore "natural infrastructure" had proven to be effective and successful in generating employment opportunities, clean and environment-friendly energy sources and rural development. Investment in "natural infrastructure" by financing programmes on water and land conservation (largely public finances) had minimized land degradation, improved land quality and significantly reduced sedimentation in dams and lower stream banks. Such programmes had also created a number of green jobs and employment opportunities for a large number of people. The target was to create 95,305 jobs by 2017 and 230,824 by 2025.

Investment in "natural infrastructure" through public employment programmes targeted on natural resources such as land, water and forests had proven to be successful in improving land and water quality, as well as sequestering carbon while generating employment opportunities for a large number of people. However, the impact of such programmes was greatest when they were integrated in priority areas identified in country-specific contexts.

Moving to the issue of South-South cooperation, Dr. Marais recalled the activities in which South Africa has been involved. Cooperation with the IBSA countries was important, and he referred to the 2005 South-South ministerial exchange and study tour between the Expanded Public Works Programme (EPWP); India's Mahatma Gandhi National Rural Employment Scheme (MGNREGA); and the Twelfth Regional Seminar for Labour-Based Practitioners on "Prioritising Employment Creation in Government Policies and Investments in Infrastructure Programmes" hosted in 2007 by South Africa.

Since 2010 South Africa's Expanded Public Works Programme and Community Work Programme (CWP) ¹⁹ had been key partners in the development of a South-South Learning Package on "Innovations in Public Employment Programmes" offered annually by the ILO. ²⁰ In 2011 the ILO, assisted by Trade & Industry Policy Strategies (TIPS), had facilitated a course for the CWP to exchange international experience between India, Brazil and South Africa. In addition, the <u>India, Brazil and South Africa (IBSA) Conference in New Delhi in 2012</u> had focused on "Innovations in Public Employment Programmes and Sustainable Inclusive Growth".

Mr Marais also referred to the potential areas for future SSTC activities: further linkages could be made with neighbouring countries such as Lesotho, Swaziland, Mozambique, Zimbabwe, Botswana and Namibia with regard to the management of watersheds. Moreover, cooperation could be promoted between Working on Fire ²¹ and its Tanzanian firewise teams. Finally, he

¹⁶ http://www.ilo.org/pardev/partnerships-and-relations/south-south/WCMS 182923/lang--en/index.htm

¹⁷ http://www.ilo.org/wcmsp5/groups/public/---dgreports/---exrel/documents/statement/wcms 193698.pdf

¹⁸ Namely, Working for Water; Working for Forests; Value Added Industries; Working for Energy (Biomass to Energy); Eco-Furniture Factories; Working for Land; Working for Fire; Working for Wetlands.

¹⁹ http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---sronew_delhi/documents/presentation/wcms_175275.pdf

²⁰ http://ipep.itcilo.org/

²¹ http://www.workingonfire.org/

referred to the Limpopo Trans frontier project²² which was meant to collect data on the status of large carnivores in a transboundary conservation area between Zimbabwe and South Africa.

In his concluding remarks, Mr Marais raised questions and challenges for the future. Developing countries needed to determine the ways in which they could engage with the market to unlock the full employment potential of the natural resource management sector. He also referred to the challenge of finding the optimum institutional models for maximizing the number of jobs created through public employment programmes. For example, in South Africa small community contractors were being used as a vehicle to create many of the jobs, while others were done through government and private sector commercial implementing agents. This three-pronged system questioned the role that the not-for-profit sector played in providing more efficient employment services than current providers. Hence more analysis and work was required to determine optimum 'institutional models' for maximizing the number of jobs created through employment generation programmes. He also suggested that a South-South meeting on the issues of environment and employment, with a specific focus on climate change adaptation, would be useful.

Presentation by Mr. Brian Kohler, Director, Health, Safety and Sustainability, IndustriAll Global Union ²³

Mr Brian Kohler outlined the importance of the topic of the GSSD Expo. Energy was an essential human need, a prerequisite for economic and social development, but one of the major contributors to environmental problems. However, the energy sector also saw some of the best examples of union-employer cooperation and Global Framework Agreements.

In the transition to a green economy countries needed to accord the highest level of priority and political will to tackle the challenges involved. Countries needed to implement a national climate change policy to reduce greenhouse gas emissions and shift from fossil fuel dependence to more sustainable energy. There was a need for a "just transition" – a transition to a green economy in which consideration of the interests of those employed in the conventional energy sector (whose jobs and welfare might be affected as a result of the transition) was taken into account. Trade unions hence had an important role to play in the choice of clean renewable energy sources and the transition to a green economy.

A just transition was a necessary pre-requisite for further dialogue and discussions between various stakeholders. To the extent that the definition of policy options and actions based on a win-win scenario required the involvement of all parties, social partners should be included in policy dialogue and decisions. Sustainable development was the goal; just transition was the path. He described the opportunities that energy brought, such as making companies accountable through standards applying to upstream oil industries; adopting the best environmental, labour, and human rights practices; building communities for the long term; stewardship and care; and eschewing corruption and violence. In order to take advantage of these opportunities, he emphasized that governments were urged to view energy as a human need rather than just another commodity, to support truly sustainable sources of energy, adopt best technologies for fossil fuel generation, and to examine nuclear energy as a low carbon emitting energy source, among others.

There was a need to put special emphasis on the social dimension of sustainable development. Sustainability was integrative and was fundamentally a question of public dialogue to identify who benefited from and/or assumed the cost of environmental protection. Hence, the burden of climate change adaptation must rest on dialogue between workers, employers and governments. South-South activities might include bringing occupational health and safety into Global

²² http://wildedens.org/the_project

²³ http://www.ilo.org/wcmsp5/groups/public/---dgreports/---exrel/documents/statement/wcms 193700.pdf

Framework Agreements, promoting ongoing campaigns for the ratification of the ILO Safety and Health in Mines Convention, 1995 (No. 176), ²⁴ developing a long-term project on HIV/AIDS, enhancing further engagement with other international organizations, and providing assistance to affiliates on the complete range of occupational health and safety issues.

He recalled that trade unions had been long standing partners in developing SSTC mechanisms. This was effectively the essence of international trade unionism: "helping trade unions in all countries to develop their capacity to win decent working conditions everywhere, and promote workers' rights and interests". One example of union capacity building was the establishment of a cooperative network between COSATU (South Africa), CUT (Brazil), and KCTU (Korea).

Potential areas for SSTC included energy, climate change mitigation and adaptation, water management, agriculture, forestry, tourism and land use, biodiversity, technology transfer, and sustainability. In addition, Global Framework Agreements, Global Corporate Networks, Regional Corporate Networks, and Regional Union Networks were all possible ways of enhancing SSTC.

The environment, the economy, and society must be approached as an integrated whole rather than three separate pillars. There was a need to build capacity in the Global South and to implement sound industrial policies based on sustainability, to preserve existing jobs, and to create new jobs that provided decent work for all in a greener economy.

Statement by Mr Jürgen Schwettmann, Director, Partnerships and Development Cooperation Department, ILO ²⁵

Mr Schwettmann, summarizing the discussion, recalled the links between the themes of green jobs, sustainable development and climate change, and the post-2015 development agenda. He outlined the importance to the ILO of partners from the Global South. He particularly recalled that during the 2010 Global South-South Development Expo (GSSD), hosted by the ILO, India, Brazil and South Africa (IBSA) had strengthened their links by signing a Declaration of Intent on South-South and Triangular Cooperation (SSTC) and the Decent Work Agenda. He highlighted Brazil's contribution to SSTC at the ILO, embodied in the series of agreements to promote decent work through South-South and triangular arrangements.

He emphasized the ILO's comparative advantage in increasing institutional awareness and its capacity to identify and implement South-South and triangular cooperation (SSTC), which was embodied in the SSTC strategy endorsed by the ILO Governing Body in March 2012.

He also emphasized the importance and potential of such meetings to share South-South cooperation experience, and reaffirmed the commitment of the ILO to facilitate the continuation of the process for advancing the Decent Work Agenda, as well as other international development goals, including the new development framework that would guide the post-2015 agenda.

Award ceremony

Mr Yiping Zhou, (Director, UN Office for South South Cooperation – UNOSSC) and Ms. Anita Amorim, ILO Senior South South and UN Specialist, presented the awards for the ILO Solution Forum. ²⁶

²⁴ http://www.ilo.org/dyn/normlex/en/f?p=1000:12100:0::NO::P12100 INSTRUMENT ID:312321

²⁵ http://www.ilo.org/pardev/partnerships-and-relations/south-south/WCMS 193701/lang--en/index.htm

²⁶ Click here to view the photograph gallery.