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FOURTH ITEM ON THE AGENDA

The ILO and the multilateral system: ILO preparations for the 2012 United Nations Conference on Sustainable Development (Rio +20)

Purpose of the document

The paper is submitted for debate and guidance for further contributions by the ILO to the outcomes of the forthcoming 2012 United Nations Conference on Sustainable Development (UNCSD) and on ways these could be conveyed.

Relevant strategic objective: Sustainable development in relation to decent work.

Policy implications: Yes.

Legal implications: None.

Financial implications: None.

Follow-up action required: Paragraph 20. The paper is submitted for debate and guidance.

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Related documents: GB.312/POL/1.

Executive summary

The paper highlights the preparations for the forthcoming United Nations Conference on Sustainable Development (UNCSD) and the inputs provided by the Office. It discusses the possible outcomes of the Summit and their relevance for the ILO and its constituents. The paper seeks debate and guidance for further contributions by the ILO to the outcomes of the UNCSD and on ways these could be conveyed.

I. Introduction

1. The General Assembly of the United Nations, at its 64th Session,¹ decided to organize the UNCSD at the summit level to mark the 20th anniversary of the United Nations Conference on Environment and Development (UNCED) (Rio de Janeiro, 1992) and the tenth anniversary of the World Summit on Sustainable Development (Johannesburg, 2002). The General Assembly, at its 66th Session, further determined that the Summit would be held from 20–22 June 2012,² in Rio de Janeiro, Brazil, with participation at the highest political level.
2. The General Assembly decided that the objective of the Conference would be to secure renewed political commitments for sustainable development, assess the progress to date and the remaining gaps in the implementation of the outcomes of the major summits on sustainable development, and address new and emerging challenges. In that regard, the Conference would focus on two themes: (a) a green economy in the context of sustainable development and poverty eradication; and (b) the institutional framework for sustainable development. There would also be four high-level round table sessions convened concurrently with the plenary, on a common theme: “Looking at the way forward in implementing the expected outcomes of the Conference.” The Conference should result in a focused political document which would make notable contributions in advancing the goal of sustainable development.
3. The ILO’s Governing Body discussed the Office’s work on sustainable development and green jobs at the 312th Session, in November 2011.³ The role of the Office in the preparatory process towards Rio +20 was briefly considered. A more specific discussion about the outcome of the Rio +20 Summit was scheduled for the Institutional Segment of the Governing Body session in March 2012.⁴
4. The purpose of this paper is to seek guidance from the Governing Body on further ILO contribution to the UNCSD. It lays out a number of key areas which may be included in a focused message that would contribute to a meaningful, actionable outcome and that would also signal the ILO’s commitment to an active role in the agreed follow-up and implementation arrangements.

II. Preparatory process

5. The UNCSD secretariat has organized an extensive process of review and preparations including consultative meetings and regional preparatory conferences in all regions.⁵ A questionnaire was distributed in 2010 seeking inputs on three points: implementation gaps, green economy and institutional framework. Two preparatory committee meetings and two intersessional committee meetings have been held up to January 2012. A third intersessional meeting will be held on 26 and 27 March, in New York.

¹ United Nations General Assembly Resolution 64/236.

² Resolution A/C.2/66/L.5.

³ http://www.ilo.org/gb/GBSessions/GB312/pol/WCMS_168245/lang--en/index.htm (para. 2–27).

⁴ A broader discussion about the ILO’s contribution to sustainable development is scheduled for the ILC 2013.

⁵ <http://www.uncsd2012.org/rio20/index.php?menu=23>.

6. Following the results of the consultations and based on the initial guidance by the General Assembly on the main themes of the Summit, the Bureau of the UNCSD produced a Zero Draft of the outcome document on 10 January 2012. Initial discussions on the Zero Draft took place at an informal meeting convened from 25 to 27 January 2012, and will also be the subject of several rounds of “informal-informal” negotiations starting 19 March. After the 3rd Preparatory Committee Meeting from 13 to 15 June, in Rio de Janeiro, the outcome document will be submitted for adoption at the Conference.
7. The Office has provided inputs throughout the preparatory process through statements, panels and side events. Two written contributions were submitted to the secretariat: (i) a reply to the questionnaire, on 31 October 2010, reviewing progress and challenges; and (ii) suggestions for the draft outcome document, on 1 November 2011. These inputs were the result of a consultative process within the Office led by the Green Jobs Programme, with a view to ensuring a comprehensive contribution reflecting the Decent Work Agenda.
8. In advance of the Summit, the Green Jobs Initiative of ILO, UNEP, IOE and ITUC will launch a second Green Jobs report, in follow-up to its first report published in 2008.⁶ The report will be based on the large body of research by the ILO and others since 2008, as well as the practical lessons from ILO support to member States.

III. Current status and outlook

9. Numerous member States emphasized the importance of a strong social pillar for sustainable development. Decent work and job creation in the transition to a green economy were singled out as a key issue along with poverty reduction, food security and agriculture, water, oceans, access to energy, sustainable cities, and resilience and disaster preparedness. This is reflected in the Zero Draft outcome document of January 2012, which highlights the importance of employment – especially for youth – green jobs, decent work and social protection.
10. While it is still too early to predict to what extent the final outcome will reflect ILO values and principles, the alignment of efforts by a number of member States and institutional stakeholders in the preparatory process, to date, clearly reflect ILO values. This provides a real opportunity to build significant support for policy coherence in favour of decent work and for all concrete outcomes on issues of central concern to the ILO, including green jobs and social protection.
11. In a parallel effort, the UN Secretary-General established a High-Level Panel for Global Sustainability in 2010, co-chaired by Presidents Halonen of Finland and Zuma of South Africa. The purpose of the Panel was to seek and review independent views from a broad range of stakeholders on how to respond to the mounting challenge of sustainable development. The ILO provided inputs to the Panel. The final report issued in January 2012 included a key recommendation “to create employment opportunities, especially for women and youth, to drive green and sustainable growth”.⁷

⁶ Green Jobs: Towards decent work in a sustainable, low-carbon world. Report, ILO/UNEP/IOE/ITUC (2008).

⁷ United Nations Secretary-General’s High-level Panel on Global Sustainability (2012). *Resilient People, Resilient Planet: A future worth choosing*, New York, United Nations.

IV. Relevance for the Decent Work Agenda

12. The concept and strategic framework of Decent Work provide a vehicle for a better integration between the three dimensions of sustainable development. Decent work contributes to economic growth, social progress and inclusion. It is in workplaces that the social, economic and environmental dimensions come together inseparably.
13. The transition to resource-efficient, low-emission and climate-resilient economies requires profound change in production and consumption patterns. Bringing about this structural change in ways which generate sufficient opportunities for productive and decent employment and promote social inclusion lays out a challenging agenda. Enterprises and economic sectors will respond to constraints and opportunities from rising resource prices, regulation and incentives set by policies and evolving consumer demand. Job opportunities will shift within and between sectors, and enterprises and occupations will be transformed. Labour market institutions need to monitor and facilitate these adjustments to ensure opportunities are seized and the cost of adjustment is minimized. Transitional measures may include training and skills-upgrading programmes and building effective employment services and social protection floors to cushion the negative effects on the most vulnerable. Business and workers' organizations need to assist enterprises and employees to anticipate change and increase their resilience and adjustment capacity to changing markets and contribute to well-informed policy-making. Governments need to craft enabling and incentive-based policies that go beyond isolated sectoral approaches and forge synergies and coherence across line ministries. Effective social dialogue among all stakeholders will be essential if there is to be a just transition.
14. Productive and decent employment also constitutes the nexus between sustainable development, poverty reduction and social inclusion. Opportunities for employment and income generation and a mitigation of adverse impacts must be ensured in particular for the poor and for communities whose livelihoods and household expenditure patterns are disproportionately based on natural resources availability and prices.
15. The outcome of the Summit on the institutional framework and the governance of sustainable development constitute a major opportunity to advance policy coherence between environmental, economic and social policies at national and international levels. ILO constituents should be an integral part of institutional mechanisms for national policy formulation and implementation to ensure that employment, labour standards and social protection are addressed in ways that reinforce positive linkages with macroeconomic and environmental policies, that effectively address trade-offs and that mitigate adjustment cost.
16. The Summit will most likely provide a formal start-off for the formulation of a set of indicators and of a "roadmap" for sustainable development. In the context of assessing the Millennium Development Goals (MDGs) and developing a roadmap for the post-2015 agenda, the Summit may consider calling for the formulation of Sustainable Development Goals (SDGs). These would not replace the MDGs but expand on them in terms of ambition and scope. It is of major importance that the ILO gets involved in this process from the outset to ensure that decent work becomes one of the "umbrella" issues considered as part of future SDGs.
17. The Summit represents a unique opportunity to leverage the Decent Work Agenda and position it as a prerequisite for a fairer, greener and sustainable globalization. It is also a platform for establishing the fundamental importance of social dialogue and the role of labour market institutions for integrating the three dimensions of sustainable development.

V. Suggested focus areas for the ILO contribution to possible UNCSO outcomes

18. The contribution by the ILO is principally meant to support constituents in shaping their own inputs to the outcome of the Summit. In addition, the contribution should transmit to the member States, gathered in Rio de Janeiro, a short and focused message on behalf of the world of work that signals the ILO's renewed commitment to the goals of sustainable development and flags its readiness to be part of an action plan for the implementation of the Summit outcomes.

19. The following areas for a focused message could be considered:

- (i) *Renewed commitment.* The lack of decent work opportunities and persistent working poverty and social exclusion are major challenges to achieve sustainable development. This is, in large measure, caused by the insufficient attention to the social pillar and the lack of coherence between policies across the three pillars of sustainable development. At Rio +20, governments should reaffirm the goal of decent work for all as central to sustainable development, articulate the linkages between the three pillars, and commit to develop mutually supportive economic, social and environmental policies. Such policies would foster employment generation, poverty eradication and social inclusion by promoting sustainable enterprises and green jobs, and extending social protection through active dialogue with workers' and employers' organizations.
- (ii) *A strong social pillar.* The social pillar of the Sustainable Development Framework should have decent work for all as its foundation. This implies that decent work and social inclusion are reflected in indicators, goals, possible national commitments and governance mechanisms agreed at the Summit.
- (iii) *Employment, sustainable enterprises, infrastructure and skills development.* The green economy must provide the needed jobs, especially for the growing numbers of youth.
 - (a) Governments should create the enabling environment for sustainable enterprise development, with special attention to small and medium-sized enterprises that provide the bulk of employment.
 - (b) Policies should include measures to promote the greening of existing industries and the expansion of value chains and markets in new green sectors through incentives, finance and investment in research and development.
 - (c) Similarly, infrastructure policies should aim at optimizing employment outcomes that enhance equity and resilience; public employment schemes are effective tools in the hands of governments in support of social policies that also safeguard natural resources.
 - (d) Active labour market policies should support the creation of green jobs and the relocation of displaced workers through building effective employment services and strengthening training systems and upgrading schemes for new and changing skills, especially among youth.
 - (e) Macroeconomic and social policies should provide the conditions for income security that, in turn, will generate growth and jobs.

Consideration should be given to a recommendation in the UNCSD outcome to encourage countries to set nationally agreed and attainable targets to increase the share of green jobs in the labour market over time.

- (iv) *Social protection.* Social protection and the creation of national social protection floors is essential for a transition to a green economy in order to build resilient enterprises and communities challenged by the necessity to adapt to climate change, as well as in serving as a stabilizer in times of economic crisis. Both are indispensable components of sustainable development. *Consideration should be given to a recommendation* that all countries establish, complete or maintain national social protection floors in the context of national social protection extension strategies⁸ as outlined in the proposed ILO Recommendation (No. 202) on national floors for social protection, that may be adopted by the 101st Session of the International Labour Conference (June 2012). Synergies between environmental and social protection policies should be enhanced.
- (v) *Standards and fundamental principles and rights.* International labour standards provide an important normative framework, as well as practical guidance for the formulation of policies conducive to sustainable development and for good governance. This requires the ratification and the effective implementation of, and compliance with, relevant international labour standards. This should include the ILO's eight fundamental Conventions dealing with freedom of association and the right to collective bargaining, the abolition of forced labour, the abolition of child labour and freedom from discrimination in employment and occupation and the four ILO governance Conventions dealing with labour inspection, tripartite consultation and employment policy. These further include Conventions dealing with the right to a safe and healthy working environment, which is most relevant in the context of risks emerging from new technologies and occupations in the green economy. *Consideration should be given to a recommendation* that all countries ratify and implement relevant labour standards as part of their normative frameworks for sustainable development.
- (vi) *Enabling policies for making the transition work for all.* A clear framework and institutional arrangement to review, discuss and agree on response measures to structural changes in the transition to a greener economy is required, with an active role of the social partners. This will improve the anticipation and management of the impact on enterprises and workers dealing with the profound structural changes driven by changing prices in markets, new environmental policies, taxes, regulations, consumer preferences and directions of investment. The conclusions concerning the promotion of sustainable enterprises (ILO, ILC, 2007) provide a consistent framework and practical guidance in this context. The costs for workers and communities negatively affected should be anticipated and taken into account in response measures, as part of active labour market policies and social protection schemes. The role of the social partners in mapping the transition and advising on adjustment strategies is of pivotal importance. *Consideration should be given to a recommendation* that all countries strengthen social dialogue and establish a framework for a transition that aims at greater social inclusion and the creation of quality employment opportunities.
- (vii) *Institutional framework (governance) and national capacities.* Social dialogue and efforts to enhance policy coherence between the three pillars of sustainable development should underpin any national institutional framework and should guide the design of reporting mechanisms on progress and implementation gaps.

⁸ Building on Social Security (Minimum Standards) Convention, 1952 (No. 102).

- (viii) *SDGs*. The formulation of SDGs should include the creation of green jobs, decent work and social inclusion through policies for the greening of economies. Specific indicators and goals should be adopted to reflect job creation and social inclusion, as well as the role of social protection and the implementation of social protection floors. The Decent Work indicators provide important guidance in this respect. *Consideration should be given to a recommendation* that all countries adopt national goals based on green jobs assessments in terms of current and potential gender dimensions, working conditions and other decent work aspects. The results of these assessments should underpin national economic and labour policies that are coherent with sustainable development policies.
- (ix) *Capacity building*. Major efforts should be made to further build member States' capacities and knowledge, particularly at the national level, on labour market trends and developments resulting from the greening of economies and enterprises, with the aim of charting pathways for a just transition, by adapting and applying available labour market tools, mobilizing business development support and offering skills-upgrading schemes in order to create quality jobs in the green economy.

VI. Proposed points for discussion

- 20.** *The Governing Body is invited to discuss the issues raised in this paper and to identify the key ILO messages, inputs and any other contributions to the 2012 United Nations Conference on Sustainable Development.*