



#### SOCIAL PROTECTION FOR A JUST TRANSITION

# A GLOBAL STRATEGY FOR INCREASING AMBITION IN CLIMATE ACTION

Despite some recent progress since the adoption of the Paris Agreement, more ambitious commitments are necessary if the world is to achieve the goal of limiting global warming to 2°C, and particularly the more desirable goal of 1.5°C. Stronger climate action requires not only bolder decarbonisation and adaptation measures to face climate change itself, but also measures to tackle the socioeconomic and health impacts of climate change on people.

The Paris Agreement calls upon State Parties to take into account the imperatives of a just transition of the workforce, and the creation of decent work and quality jobs. The ILO's "Guidelines for a just transition towards environmentally sustainable economies and societies for all" provide a solid basis for supporting countries to achieve their climate goals and seize the economic opportunities of the green economy in an equitable way.

Social protection is at the heart of any just transition effort. It facilitates the global shift towards a carbon-free world by ensuring the provision of essential guarantees against social risks affecting income and health in the context of climate change, thus favoring social acceptability of green policies.

As of 2019, 185 countries have ratified the Paris Agreement and virtually all have submitted their first Nationally determined contributions (NDCs). As countries are expected to update their commitments by 2020, this is an opportune moment to engage with national stakeholders for stronger action, including social protection for a just transition towards carbon-free world.

This document lays out a strategy for social protection for a just transition and provides a framework to support State Parties to the Paris Agreement to increase the ambitions of their climate actions and plans, including their NDCs, through social protection policies and measures.



THERE NEED BE NO TENSION OR CONTRADICTION BETWEEN ECONOMIC GROWTH AND JOBS ON THE ONE HAND, AND ENVIRONMENTAL SUSTAINABILITY ON THE OTHER.

Guy Ryder ILO Director General



### **CLIMATE CHANGE: CHALLENGES AND OPPORTUNITIES**

The climate change crisis has critical consequences on populations, affecting incomes, jobs and the health of millions around the planet. The world of work is intrinsically linked to the natural environment, with more than **1.2 billion jobs relying on a stable environment and ecosystems** (ILO, 2018a).

Climate change impacts people in two ways. The direct effects of climate change, including rising temperatures and sea levels, changing precipitation patterns causing severe droughts and floods, and increasingly stronger extreme weather events have negative impacts on the income and health of affected populations. The most vulnerable are often the hardest hit by climate-related shocks, including the working poor, informal workers, and small and micro-enterprises.

On the other hand, response measures developed to mitigate climate change also have, at least temporarily, an inevitable negative impact on people. While the ecological transition is expected to witness the **creation of up to 24 million green jobs by 2030** in sectors such as the renewable industry, pro-climate policies will inflict job and income losses on workers and communities who rely on less sustainable industries and activities (ILO, 2018b).

Despite a positive net job creation resulting from the shift towards sustainability, it is critical to address the side effects of green policies to ensure that workers in carbon-intensive sectors have adequate support to make the transition and are not left behind. Countries have also to take steps to ensure that populations are protected against climate-related shocks directly impacting their livelihoods and health. Against these challenges, social protection can provide many options to ensure that the transition towards a greener future is equitable for all.



### 18 MILLION NEW NET JOBS

CAN BE CREATED IN THE ENERGY SECTOR BY

LIMITING GLOBAL WARNING TO 2°C

# CONTEXT: INCREASING MOMENTUM FOR MORE AMBITIOUS AND EQUITABLE CLIMATE ACTION

Recognizing the urgency to address the current and future challenges posed by climate change, the adoption of the Paris Agreement in December 2015 set out the path for the global effort to combat climate change and adapt to its effects. It is of particular significance that the preamble of the Paris Agreement recognizes the importance of taking into account the "imperatives of a just transition of the workforce and the creation of decent work and quality jobs" in establishing the commitments of the pact towards sustainability (UNFCCC, 2015)



The United Nations 2030 Agenda for Sustainable Development also reinforces the premise that economic growth, decent work, poverty eradication and environmental sustainability can go hand in hand. This is expressed in the Sustainable Development Goals (SDG), particularly SDG 1 on ending poverty, SDG 3 on ensuring healthy lives, SDG 8 on promoting sustainable economic growth and decent work for all, and SDG 13 on climate action.



Since the adoption of the Paris Agreement, countries have been expressing their climate action commitments by submitting their Nationally determined contributions (NDCs) to the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC). As of May 2019, a total of 183 NDCs were submitted.

Increased ambition is, however, critical for reaching Paris goals. Stronger commitments have to be translated not only by establishing and pursuing bolder targets for reducing carbon emissions, but also by introducing measures to ensure that socioeconomic and employment considerations are taken into account in climate action. As highlighted in the **Solidarity and Just Transition Silesia Declaration** adopted at COP 24 in 2018 in Katowice, Poland, just transition measures are needed if countries are to fully fulfill their commitments under the Paris Agreement.









### TACKLING CLIMATE CHANGE THROUGH A JUST TRANSITION

With a view to enabling social partners to leverage the impending process of the transition towards sustainability, the ILO adopted a set of guidelines for a just transition towards environmentally sustainable economies and societies for all (ILO, 2015) The recent report by the Global Commission on the Future of Work identified the transition to a sustainable environment as one of the key factors transforming the world of work, requiring strong and responsive social protection systems to deliver human-centered solutions (ILO, 2019).

Just transition is a policy framework and operational tool comprising a set of principles, processes and practices that produces plans, policies, investments and concrete measures designed to move the world towards a future where jobs are green and decent, carbon emissions are net zero, poverty has been eradicated, workers and their families enjoy their human right to social protection, and communities are thriving and resilient.

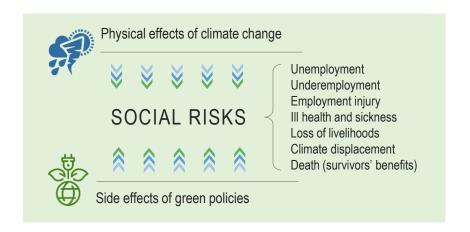


As a systemic approach to sustainability, the just transition framework includes both measures to produce green jobs in traditional and emerging sectors, such as the renewables sector, and measures to reduce the impact of job losses and industry phase-outs on workers and communities. It therefore provides a solid basis for increasing ambition in climate action and NDCs by addressing environmental, social and economic issues simultaneously.

# THE ROLE OF SOCIAL PROTECTION IN ENSURING A JUST TRANSITION FOR ALL

As countries take action to fight against climate change and pursue a green transition towards sustainability, measures to guarantee that the transition is just and equitable are necessary. An essential pillar of any just transition effort, social protection offers many options for countries to protect their populations while guaranteeing a sustainable environment for future generations.

Social protection is a human right and is defined as the set of policies and programmes designed to safeguard against risks related to ill health or income loss to protect people over the life cycle, preventing poverty and guaranteeing decent incomes and living standards.



The physical impacts of climate change and the adverse effects of green policies on populations can further exacerbate lifecycle risks, such as unemployment, sickness, employment injury, disability, death, old-age and income risk due to loss of jobs and livelihoods related to climate change.

To tackle the pressure exerted by climate change on these social risks, sound, rights-based and comprehensive social protection systems and floors are fundamental for cushioning populations against climate-related impacts.



#### SOCIAL PROTECTION AND ADAPTATION

#### Protecting populations against the direct effects of climate change

Social protection can protect people affected by the direct impacts of climate change, enhancing adaptive capacity to reduce vulnerability and increasing the resilience of populations.

Workers in sectors such as agriculture, forestry and construction are particularly vulnerable to heat stress, putting workers' health at risk and reducing productivity. Other sectors, such as agriculture, fisheries and tourism, are also exposed to climate change impacts. The working poor are often more vulnerable to these and other climate-related risks, such as floods, droughts and landslides, and are poorly equipped to cope, often causing them to flee to safer areas.

Multiple measures can be taken to enhance the adaptability of these populations, including strengthening social protection systems to absorb and respond to shocks.

These include ensuring access to affordable health care, unemployment protection for those who lose working hours or their jobs due to a climate-related catastrophe, and employment guarantee schemes that engage workers in the rebuilding of their communities after natural disasters associated with climate change. Cash transfer schemes that are flexible and rapidly scalable to expand coverage to affected groups can also be effective measures to cushion populations against climate-related impacts.





# HOW DID THE PHILIPPINES COMBINE EMERGENCY RELIEF WITH LASTING PROTECTION AFTER TYPHOON HAIYAN?

In the wake of Typhoon Haiyan, the Philippines' Integrated Livelihood and Emergency Employment Program (DILEEP) provided emergency employment opportunities to affected populations, and affiliated participants to several social insurance schemes. Nearly 80,000 programme participants received immediate relief after the typhoon struck in 2013, and were enrolled in the national health and employment injury insurance schemes (ILO, 2016a).

- Approximately 20 typhoons strike the Philippines every year, affecting millions of people and their livelihoods. When super Typhoon Haiyan struck the country in 2013, it killed 7,000 people and affected the livelihoods of 5.9 million workers.
- DILEEP was initially conceived as a response to the 2008 crisis. In the wake of Haiyan, however, the government targeted households affected by the storm. Workers of the informal sector, often among the most vulnerable, were specifically targeted.
- DILEEP was initially conceived as a response to the 2008 crisis. It ensures that public works are decent work, affiliating beneficiaries to national health and employment injury insurance schemes as a condition of participation.

#### SOCIAL PROTECTION AND MITIGATION

Protecting workers against the side effects of green policies

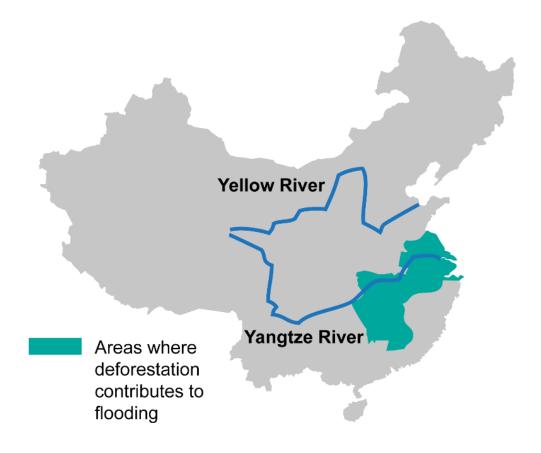
Social protection can support those affected by the adverse effects of policies designed to mitigate climate change, ensuring that workers and their families are protected against income and job losses and do not fall into poverty as the world shifts towards sustainability.

While effective at mitigating climate change, some pro-climate policies, such as phase-outs or stricter control of carbon-intensive economic activities, will have adverse effects on people, putting at risk the jobs and income security of those whose livelihoods rely on unsustainable practices. Employment losses following the phase-out of polluting industries are expected to affect around 6 million workers.

To ensure that workers are protected while countries make progress towards a low carbon world, governments should implement and strengthen unemployment protection schemes, and facilitate early retirement for workers of advanced age at risk of losing their jobs due to phase-outs of carbon-intensive industries.

Such measures should be pursued through social dialogue among social partners, including governments, employers' and workers' organizations, and should be combined with active labour market policies (ALMP) to facilitate the transition of workers to low-carbon jobs through retraining, redeployment support and skills development. When removing fossil fuel subsidies or enacting conservation measures that limit economic opportunities, cash transfers can also be used to offset the negative impacts on low-income households.





# HOW ARE RURAL WORKERS AND RESIDENTS IN CHINA FARING WITH CONSERVATION EFFORTS?

In China, there are big efforts to combat deforestation, with logging and other restrictions placed on large swaths of land. Nearly a million workers in state-owned forest enterprises lost their jobs, but got help with job training and placement services. Other rural residents received cash to perform conservation activities (ILO, 2016b).

- China's forests are important for capturing carbon from the atmosphere and fighting soil erosion. But for decades, agricultural development and timber harvesting destroyed this precious resource. Deadly floods linked to deforestation killed thousands in 1998.
- In 1998, the Government enacted a logging ban across newly protected lands. Nearly one million state forest workers were laid off. Another 120 million rural residents were also affected when the new restrictions on land use were put into place.
- New forest management opportunities, unemployment protections and state-led active labour market policies assisted many affected workers to find jobs elsewhere. Meanwhile, some 32 million rural households began receiving cash to perform conservation activities.

# STRENGTHENING SOCIAL PROTECTION IN CLIMATE ACTION THROUGH A THREE-PRONGED APPROACH

The ILO is committed to act on climate change and promote resource efficient and low-carbon societies. Under the guidance provided by ILO Guidelines for a just transition towards environmentally sustainable economies and societies for all, the ILO has been developing knowledge, policy tools and methodologies to facilitate an equitable shift of the world of work towards a carbon-free future.

In 2016, the ILO and the secretariat of the UNFCCC signed a Memorandum of Understanding (MOU) for catalysing action on a just transition of the workforce and the creation of decent work in the context of global action on climate change.

In the context of the existing collaboration between the ILO and the secretariat, this strategy is geared towards increasing the ambitions of climate commitments and actions, to influence countries to integrate just transition measures, particularly on social protection, in their climate action plans and operations.

Support will be provided in the following areas:



(Open source icons from "The Noun Project)

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#### **KNOWLEDGE PRODUCTION AND SHARING**

Through the development of studies and policy materials, the documentation of national and regional experiences, capacity building activities, and presence in the Web, the AFD-ILO partnership produces and shares knowledge on the linkages between social protection and climate change.



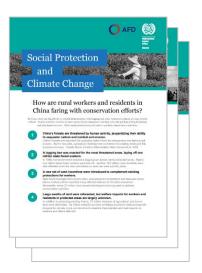
#### Policy and research studies

The ILO is consolidating its vision and policy messages on the role of social protection in addressing the challenges of climate change. The ILO-AFD partnership will also develop a research study on the specific role of social insurance in the context of climate change, including the challenges posed by climate change to conventional social insurance programmes, a review of country experiences in leveraging social insurance to address climate-related challenges, and policy recommendations for strengthening and adapting social insurance for the climate change and just transition contexts.



#### A series of country case studies

The ILO is documenting experiences of steps that countries are taking to pursue climate goals and the role that social protection is playing to ensure the protection of workers and their communities. These case studies, available in English and French, are available on the ILO's online platform on "Social Protection and Climate Change".





#### Web visibility and knowledge-sharing

The ILO online platform on "Social Protection and Climate Change" offers a dedicated space to give visibility to this specific issue, serving as a repository for sharing the knowledge that has been produced. The platform is available in English and French, and can be accessed at <a href="http://climate.social-protection.org">http://climate.social-protection.org</a>.

#### TECHNICAL ADVISORY SERVICES AND PARTNERSHIPS

Through the provision of technical advisory services and capacity building activities the AFD-ILO partnership guides the development of national policies and actions to enable a just transition.



#### **Technical advisory services**

The ILO has been supporting tripartite constituents in their efforts to extend social protection to all based on a two-dimensional vertical and horizontal approach that includes basic and essential income and health guarantees (social protection floors), and also higher levels of social protection. In building and maintaining sustainable, comprehensive and adequate social protection systems, the ILO takes into account policies that aim at addressing climate-related issues. With a vast body of social protection standards developed under its auspices, notably the Social Security (Minimum Standards) Convention, 1952 (No. 102) and the Social Protection Floors Recommendation, 2012 (No. 202), the ILO influences the global policy debate, serving as a key reference for the development of comprehensive, rights-based social protection systems and floors.



#### **Capacity building**

The ILO's annual "Academy on the Green Economy" and its various standalone courses delivered in collaboration with the International Training Centre in Turin (ITC-ILO), are designed to enhance the capacities of national and international stakeholders for the promotion of inclusive green economies and enable policy-makers to crystalize just transition principles in their national policies.



## Partnership with the United Nations Framework Convention on Climate Change (UNFCCC)

The UNFCCC-ILO collaboration includes, among others, the analysis on the implications of climate change and response measures on incomes, livelihoods, human health, and among the poor and marginalized in the informal sector. It also comprises the review and sharing of information on national experiences where offsetting measures, including social protection, have been coupled with climate policies to reduce negative social and economic impacts. Building on a this partnership, the ILO is looking at strengthening this collaboration to advocate for the role of social protection in climate action.



#### The Climate Action for Jobs Initiative

At the United Nations Climate Action Summit 2019, some 46 countries made commitments to support a just ecological transition in the framework of the new Climate Action for Jobs Initiative. This initiative has been developed jointly by the Climate Action Summit, together with the International Labour Organization and other members of the Summit's Social and Political Drivers Action Area, co-led by Spain and Peru.

The Climate Action for Jobs Initiative will boost climate action by ensuring that people's jobs and well-being are at the centre of the transition to a carbon-neutral and climate-resilient economy. The Initiative will bring programmatic and technical support to countries which make commitments to a just transition and achieving ambitious climate change mitigation and adaptation goals, while enhancing quality employment creation and supporting those negatively affected, thus ensuring a transition that is fair and inclusive.

This initiative aims at increasing the capacity of partner countries to formulate and implement national plans for a just transition that are based on national contexts and priorities, building on the Decent Work Agenda, anchored in the Sustainable Development Goals and aligned with the objectives of the Paris Agreement on climate change. These plans will be designed to strengthen climate action by promoting full and productive employment and adequately protecting workers. At the country level, these plans are expected to entail the following areas:

- Strengthening mechanisms of social dialogue
- Supporting high quality research and knowledge
- Formulating and implementing job-centred policies for climate action, with particular attention to labour market policies, skills, enterprise development, and public and private investment, and
- Ensuring comprehensive, adequate and sustainable social protection policies



## A GLOBAL CAMPAIGN FOR SOCIAL PROTECTION COMMITMENTS IN CLIMATE ACTION AND NDCs

The ILO will roll out a global campaign to raise awareness on the role of social protection in addressing climate change challenges and for ensuring a just transition towards environmentally sustainable economies and societies. It will target policy and decision-makers engaged in the international climate change governance. The global campaign will seek to influence the international debate on climate change through the development of a communication and awareness raising strategy and related tools.



#### Communication and awareness-raising strategy

Building on the knowledge produced on social protection and climate change, the ILO is developing a communication strategy to craft tailor-made messages for the target audience, namely, national and international policy and decision-makers participating in negotiations and developing NDCs in the framework of the Paris Agreement. The strategy will also identify most effective communication channels and tools, and establish a work plan for a campaign rollout, including in the context of the United Nations Climate Change Conferences of the Parties (COPs). The ILO aims to raise awareness among the target audience on the importance of integrating just transition commitments, specifically regarding social protection, into climate action and plans.



#### **Communication tools**

To effectively disseminate the messages and reach national and international negotiators in the area of climate change, communication tools, such as videos, brochures, posters, and conference booths will be developed.







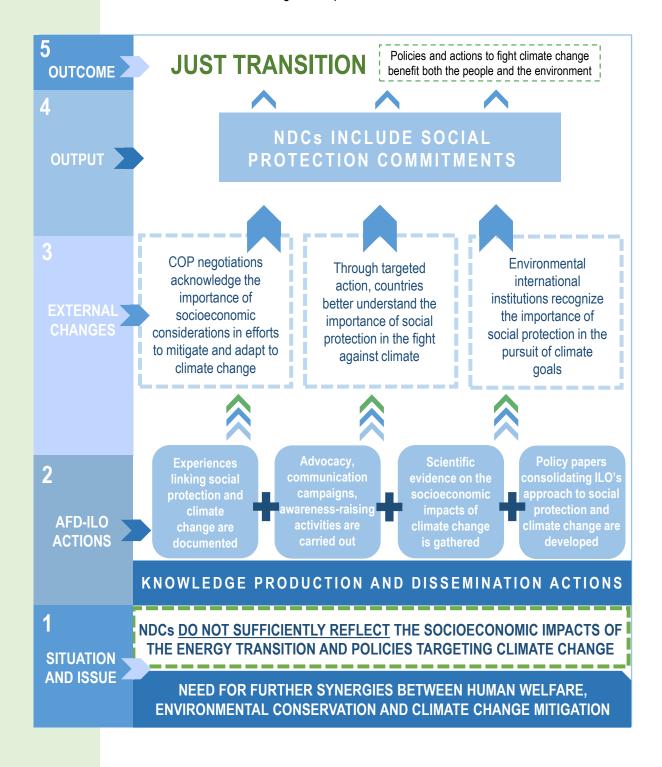






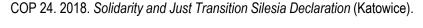
### STRATEGIC ROADMAP

A visual illustration of the strategy for increasing the ambitions of NDCs through social protection.





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THE ILO'S GLOBAL FLAGSHIP PROGRAMME ON BUILDING SOCIAL PROTECTION FLOORS FOR ALL SUPPORTS THE IMPLEMENTATION OF SOCIAL PROTECTION FLOORS (SPFS), GUIDED BY ILO STANDARDS, AND CONTRIBUTES TO THE ACHIEVEMENT OF SEVERAL SUSTAINABLE DEVELOPMENT GOALS.

FRENCH WITH THE SUPPORT OF THE DEVELOPMENT AGENCY (AFD), THF PROGRAMME ALSO INCLUDES A THEMATIC PORTFOLIO TO SUPPORT CLIMATE ACTION THIS PROTECTION. THROUGH SOCIAL STRATEGY BUILDS ON THE COMMON OBJECTIVES OF THE ILO AND THE AFD.

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