

FAQS ON SOCIAL PROTECTION AND CLIMATE CHANGE

What does social protection have to do with climate change?

Climate change will continue to increase the risks people face throughout their lives. It is a main driver of socioeconomic risks, directly increasing poverty, vulnerability and inequality. People will require more social protection. Today, especially following the global COVID-19 crisis, social protection is widely recognized as an essential strategy to prevent and protect people throughout their lives against poverty, vulnerability and social exclusion. Climate change will also continue to alter the parameters and increase the stresses on social protection systems (incl. social assistance, social insurance, active labour market interventions), while reinforcing the essential role of social protection in supporting people throughout and facilitating a just transition to a green economy.

What role does social protection play in the transition to an environmentally sustainable economy and society?

First, it protects people against the current and future impacts of climate change. Social protection can help people at any point in their lives but is particularly needed in times of crisis. Also in the longer term, climate change adaptation remains unavoidable, even if global warming is reduced. A just transition – well managed and contributing to the goals of decent work for all, social inclusion and the eradication of poverty – also entails supporting people in adapting to climate change impacts. **Similarly, social protection can shield people from the negative impacts of the transition.** While millions of jobs will be created in the transition to net zero, many workers will also lose their jobs or will have to transition to new ones (job loss, job elimination, job substitution, job transformation). Unemployment protection, linked to active labour market policies and interventions such as reskilling, can protect people and support them throughout the transition. Social protection is what makes the transition just and therefore socially and politically acceptable – and sustainable.

Social protection can also actively facilitate the transition to net zero: It can incentivize sustainable and green investments and decisions, supporting risk taking, diversification of income and innovation; and enable employability promotion, providing the time and resources for people to develop their skills and (re)enter the labour market. Social protection programmes can also contribute to reducing greenhouse gas emissions, for example by supporting the capture and storage of carbon. In many countries, employment-intensive public works programmes – a social protection instrument – are increasingly used to rehabilitate or restore landscapes and coasts, support reforestation or nature conservation.

Who are the economic winners and losers in the transition?

These transitions will not affect everyone in the same way. Globally, some countries will see job losses to a larger extent in the informal sector than in the formal sector. Job losses and opportunities will not necessarily cluster in the same countries or geographic areas to allow for job substitution. Within countries, there will be differences as well: People owning small-medium enterprises may struggle to afford the upfront cost of installing renewable energy technologies; workers in carbon-intensive industries will lose their jobs, unable to access new ones requiring different skill sets. Net jobs, however, also mask winners and losers.

How do we support workers from declining sectors and open up jobs in new ones?

In addition to the creation of decent work in the transition to net zero, it is of critical importance to: **offer skills development and on-the-job training programmes** to prepare workers for the transition from carbon-intensive sectors to green jobs; and **ensure comprehensive social protection coverage** to provide income support during this transition. In particular, a strong link between unemployment protection and active labour market policies and interventions, including job placement or skills development, is key. Unemployment protection, however, is one of the social protection instruments that is least developed: only 19% of unemployed workers are currently covered.

As **the transition to net zero will not be gender neutral**, particular attention will also have to be paid to the gender aspects when conceiving skills development, on-the-job training programmes and social protection measures. An estimated 80% of the new jobs created would be in today's male-dominated sectors in Latin America and the Caribbean, highlighting the importance of addressing this gender segregation by occupation throughout the transition.

How can we achieve an equitable green transition and avoid destabilizing economies?

United Nations Secretary-General Guterres has called for a renewal of the social contract to rebuild trust and social cohesion in his report "[Our Common Agenda](#)" and recommendations to Member States on 10 September 2021. Following up on this call, in the context of the recovery from COVID-19 as well as an equitable green transition, he launched the [Global Accelerator for Jobs and Social Protection](#) on 28 September 2021. It aims to create 400 million jobs in the green and care sectors by 2030 and extend social protection to 4 billion people – who still live without any form of social protection today.

Achieving a just transition will depend on moving away from status quo policies that treat some of the symptoms of unjust transitions without addressing their causes. Going beyond reforming management of present and future crises in order to prevent further destabilization, structural reforms are needed that change the way the political economy functions. This includes **universal social protection** – as concluded by all ILO Member States in June 2021 in their [Global Call to Action](#) for a human-centred COVID-19 recovery – along with significant **active labour market policies** to offer green job opportunities and facilitate the transition through skills development, training and job placement.



These questions and answers are based on ILO contributions during the “**Who will be the global winners and losers from net zero?**” panel discussion recorded on 20 October 2021 as part of the New Statesman’s [‘Making Sense of Net Zero’ online event series](#). The event was moderated by Dave Keating, Senior Writer at the Energy Monitor, and panellists included: Kelly Levin, Chief of Science, Data and Systems Change at the Bezos Earth Fund; Julian Popov, Member of the European Council on Foreign Relations & Advisory Council, Climate-KIC; and Valérie Schmitt, Deputy Director of the ILO’s Social Protection Department. For further information please contact: dankmeyer@ilo.org.