THEMATIC BRIEF

ACHIEVING A JUST TRANSITION: GLOBAL INSIGHTS THROUGH SOCIAL DIALOGUE





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INTRODUCTION

Global warming through increased greenhouse gases is the proof of the humancaused climate change and the reason why a transition to net-zero emissions is an urgent imperative (IPCC 2023). Governments need to build climate and economic resilience to achieve a net-zero transition (OECD, 2023). However, unless action is taken, the transition risks to negatively impact workers from affected sectors. Hence, governments are striving to make the green economy a just transition for all, leaving no one behind. Although "Just Transition" is a concept first used by US unions and environmentalists in 1980s, the term became part of the green transition agenda only after it was included in ILO's Guidelines for a just transition towards environmentally sustainable economies and societies for all (2015). With its further inclusion in the preamble of the 2015 Paris Agreement and in the 2018 Silesia Declaration on Solidarity and Just Transition, it is now used globally by all relevant stakeholders (Stevis and Felli, 2020).

The concept of "Just Transition" relates closely to the idea that the success of the green transition hinges on adherence to principles of participation, inclusiveness, and social justice, guided by the central promise of the 2030 Agenda for Sustainable Development, encapsulated in the "leave no one behind" motto. Social dialogue serves as a means to achieve social cohesion for a fair transition, fostering economic, social and environmental progress in sustainable economies (ILO 2023). This perspective aligns with the four pillars of ILO's Decent Work Agenda: social dialogue, social protection, workers' rights and employment. Ensuring a just transition involves preventing job loss by implementing upskilling and reskilling measures, thereby enabling employers to draw from a skilled workforce when adopting green technologies.

The Global Deal for Decent Work and Inclusive Growth, a global initiative to address the challenges in the global labour market and enable all people to benefit from globalisation, also considers the Just Transition as a key part of its agenda.

Over the past decade, most governments have invested in initiatives aimed at reducing carbon dependency and fostering climateneutral activities to protect citizens from the consequences of climate change, with a particular focus on vulnerable groups. The concern with labour market implications of the green transition is more recent. Many countries are now coming to the realisation that sustainable development critically relies on active engagement by workers and employers and that mitigation policies could have important distributional consequences. For instance, as OECD (2023) report suggests the green transition has a significant gender dimension in the labour market. While men are the most affected in terms of their involvement in polluting jobs, there is an underrepresentation of women in new green jobs, highlighting the need for additional policy efforts. Therefore, social dialogue becomes an indispensable part of a just transition to a net-zero carbon economy with fair and inclusive labour markets within the context of sustainable economic growth.

Social dialogue includes "all types of negotiation and consultation, and also the exchange of information between, or among, representatives of governments, employers and workers on issues of common interest relating to economic and social policy" (ILO,

2018). Legitimacy and effectiveness of active labour market policies are ensured through workplace consultation and cooperation, collective bargaining, and tripartite social dialogue mechanism (Global Deal, 2020). Social Dialogue constitutes a vital instrument not only for managing the ongoing transition but also for addressing structural challenges. As stated in the ILO Centenary Declaration for the Future of Work, "social dialogue contributes to the overall cohesion of societies and is crucial for a well-functioning and productive economy". Enabling rights to freedom of association and collective bargaining are key means for effective social dialogue to take part in a just transition (Global Deal, 2023a).

Tripartite social dialogue empowers social partners to tackle broad societal issues stemming from transformative changes and to guide policy responses. It aids in the anticipation of skill needs, supports upskilling and reskilling to prepare displaced workers for transitions in the labour market (Global Deal 2023b), and ensures equitable sharing of the benefits of environmental sustainability with workers. Social dialogue also facilitates consultation, worker representation on decision-making boards, and mechanisms

for managing change. Through collective bargaining, it provides a means to identify new job profiles and negotiate decent working conditions. Social dialogue can also ensure an equitable compensation for the most affected groups by a transition to a low-carbon economy. It ensures that those most impacted by the transition are actively involved in decision-making processes, thereby promoting inclusivity and transparency. It fosters trust among diverse groups and identifies potential challenges and solutions. Finally, effective capacity building, driven by social dialogue, plays a pivotal role in generating new employment opportunities. This encompasses the provision of training and support for individuals acquiring new skills and the development of programmes to facilitate business adaptation.

The objective of this thematic brief is to offer policy insights, advocate for social dialogue and collective bargaining, encourage institutional cooperation, and tailor policies conducive to a Just Transition. The brief shares the knowledge and examines the experiences of good practices from Global North to Global South, because there is no "one size fits all" for a Just Transition (ILO, 2015).

CASE STUDIES

The case studies presented below illustrate the interplay between social dialogue and net-zero transition. These cases emphasise the importance of negotiation, consultation, collective bargaining, and the role of social dialogue in advancing the green transition within the areas of production, competitiveness, and employment protection. All these aspects align with the principles of the Just Transition and the Sustainable Development Goals. The case studies encompass a wide array of topics, including the establishment of entities

for ongoing information exchange during the transition, the role of social dialogue in the energy sector transition, and the intersection of the green transition with the digital transition, i.e., twin transition. The presented cases, ordered alphabetically by country, span both OECD and non-OECD countries and represent different levels of social dialogue occurring at sectorial, national, and company levels. Additionally, these cases feature different forms of social dialogue including bipartite, tripartite, and "tripartite-plus".

1. ARGENTINA: JUST TRANSITION THROUGH SOCIAL DIALOGUE

The characteristics unique Argentina's labour market, marked informal and non-standard require a particular employment, focus for a fair transition. Following the ratification of the Paris Agreement, Argentina incorporated green and just transition targets into its legislation through the Actualización de la meta de emisiones netas de Argentina al 2030.1 As exemplified by the creation of a number of bodies involving social partners, social dialogue has an active role in supporting the achievement of transition and sustainability objectives in Argentina.

In its second Nationally Determined Contributions (NDCs),² the country reaffirmed the principle of common but differentiated responsibilities and respective capabilities of the different parties taking action in transition processes (as enshrined in principle 7 of the 1992 Rio Declaration, Articles 3 and 4 of the UNFCCC, the preamble of the Paris Agreement, and on the 2019 Adaptation and Mitigation on Climate Change Act Law 27250).

Social partners and civil society are actively engaged in dialogue at the national level, with the 'so-called' Mesa Ampliada (Enlarged Table) serving as a platform for a broad range of sectors to contribute to the ecological transition. In addition, the Climate Change Cabinet, chaired by the head of the ministerial cabinet, facilitates collaboration between various ministries, subnational governments, and social partners.



Since its creation, the Cabinet has provided room for social dialogue and collaboration on the issue of climate policies. It has opened a space for synergies among those sectors that have become more and more supportive and committed to the development of sustainable policies to fight climate change. Workers and employers are also represented in the Advisory Council (Consejo Asesor, Articles 12-15 Law 27250) - a tripartite permanent institute, established within the Climate Change Cabinet, that develops climate change public policies. Unions, along with scientists, NGOs, universities, businesses, and political parties, contribute to employment policies that align with the principles of the 2030 Agenda, ensuring a just transition. This collaborative model informs the National Plan for Adaptation and Mitigation to Climate Change.

¹⁻ Argentina Presidencia, Actualización de la meta de emisiones netas de Argentina al 2030, October 2021, https://unfccc.int/sites/default/files/NDC/2022-05/Actualizacio%CC%81n%20meta%20de%20emisiones%202030.pdf

²⁻ Nationally Determined Contributions are the promises that have been made by governments around the world in terms of reducing greenhouse gas emissions; these documents are collected by the UNFCC, the United Nations Framework Convention on Climate Change.

2. CANADA: JUST TRANSITION TASK FORCE

In 2016, Canada committed to phasing out traditional coal-fired electricity in favour of cleaner sources by 2030. Accounting for 8% of national emissions as well as three quarters of total emissions in the energy sector, Canada's hard coal sector is one of the most impacted by the ecological transition. Phasing out coal-fired electricity will therefore have direct and indirect impacts on thousands of workers, especially in four provinces: Alberta, Saskatchewan, New Brunswick, and Nova Scotia.

In April 2018, Canada formed the Just Transition Task Force with the goal of tackling climate change while safeguarding workers and communities. The Task Force's mission involves engaging all stakeholders and offering recommendations for a fair transition plan tailored to coal power workers and communities. The task force, which comprises the Canadian government; municipalities (especially Leduc County); unions (including Canadian United Steelworkers and International Brotherhood of Electrical Workers - IBEW Canada): and other stakeholders (such as the Acadia Tidal Energy Institute and Ecotrust Canada), aims to accelerate the coal phase-out while mitigating its impact on workers, communities and provinces. This collaborative approach ensures worker involvement in transitioning

to more sustainable economies, recognising the importance of adapting green policies to ensure the success of a Just Transition. The Task Force also explores how companies can benefit from local resources, how territories can facilitate access to new professions, and how to create new infrastructures. In addition, Canada's Future Skills Council and the Future Skills Centre explore challenges and opportunities in the labour market, for example, skills needed for the green economy (Global Deal, 2021).

Published in March 2022, the final report of the Task Force³ highlights solutions for supporting a just and fair transition for Canadian coal power workers and communities. The report collects recommendations on supporting and protecting workers who now have permanent jobs at a coal mine or a coal-fired generating station. Additionally, it provides recommendations on how to support communities reliant on coalbased economies by fostering new economic activities, establishing benefit agreements, and enhancing services. In addition to the Task Force, social partners discuss their proposals for a Canadian Just Transition Act.⁴



³⁻ Government of Canada, Final Report by the Task Force on Just Transition for Canadian Coal Power Workers and Communities: section 3, 2022.

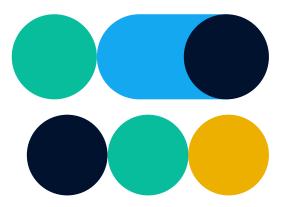
3. FRANCE: COLLECTIVE BARGAINING IN A MULTINATIONAL AUTOMOTIVE GROUP

France has increasingly and concretely promoted the fight against climate change and the promotion of environmental, social and productive sustainability objectives with the "Climate and Resilience Law", 5 adopted on July 20, 2021, and entered into force on August 24, 2021. Its provisions are inspired by the proposals of the Citizens' Climate Convention and, alongside numerous provisions for environmental protection – including making endangering the environment a legal offence –, the law underlines and highlights the role of social dialogue in the ecological transition.

With the aim of anticipating and accompanying the effects of the ecological transition on professions and skills, the government has introduced an obligation for businesses to inform and consult their work councils on the 'environmental consequences of their activity' as well as on any measure already subject to consultation based on the Labour Code. Therefore, matters of information and consultation, shared between employer and workers representatives and unions,

now concern environmental, economic and social issues. Moreover, "green clauses" are included in collective bargaining processes to promote sustainability, decarbonization and environmental protection goals. This has been done mostly through social dialogue, implemented by the parties at the national, local and plant level (Bugada and Cohen-Donsimoni, 2021).

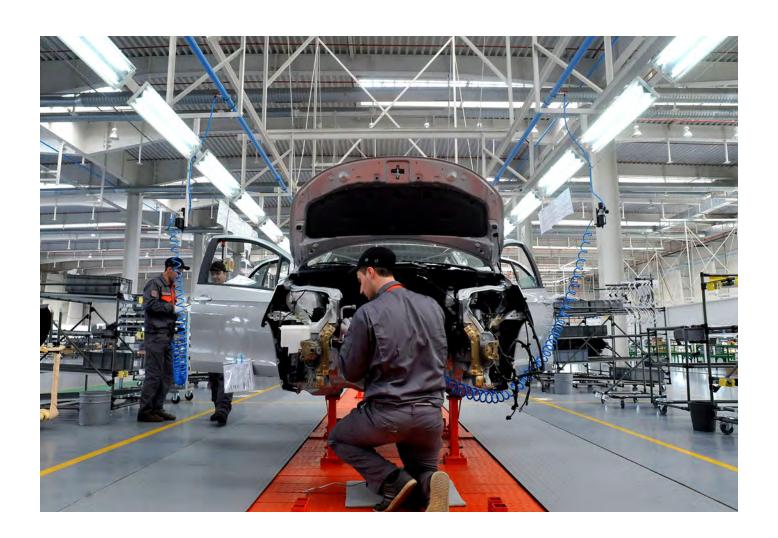
Many companies in France are also taking initiatives relevant to the just transition, with the involvement of trade unions and workers' representatives. For example, (previously PSA group) defines social dialogue as a key instrument to manage transformations within the company and to ensure competitiveness and protection. This aspect is reflected in the six commitments of Stellantis' social relations strategy, which includes "Stellantis bases social dialogue on relationships with independent trade unions and employee representatives and seeks workplace cooperation" and "fostering social dialogue by managers in the field on a daily



⁵⁻ France: as the national Climate Law is officially adopted, ecological transition becomes a bona fide topic for social dialogue, Planet Labor, 21 July 2021, n° 12636.

basis". According to its decarbonization goals, implemented through the **Dare Forward** 2030 - Stellantis' Blueprint for Cutting-Edge Freedom of Mobility and presented in March 2022, the group commits to reaching carbon net zero emissions by 2038. The company is progressively shifting its production towards electric vehicles and exploring its role in advancing circular economy principles, particularly in the areas of battery repair and reuse processes. While the processes outlined involve a reduction in climate changing gas emissions – i.e. support for overall sustainability goals - there is no doubt that these new electric motors will create both opportunities and challenges. In this sense, the Stellantis Group is complementing its electrification strategy with a program and business strategy based on social dialogue. The goal is to

foster collaboration, share insights, and ease the implementation of potential initiatives in technological development. This dual effort seeks to enhance green business productivity and competitiveness while ensuring job security through training in the contemporary skills required for production. According to the 2022 Corporate Social Responsibility Report, numerous collective agreements (467 in 2021 and 582 in 2022, covering 86% and 88% of the countries respectively) have contributed to both the company's performance and the group's green transition, which is based on a co-construction approach. Specifically, Stellantis has adopted a global operational model that assigns responsibilities at both local and corporate levels. This approach aims to manage and mitigate risks while preventing significant damage.



4. INDONESIA: PARTICIPATORY PROCESS FOR AN EFFECTIVE DIALOGUE TOWARDS SUSTAINABILITY

Despite the significant progress made in recent years, Indonesia still faces considerable challenges concerning the ecological transition, especially in the management of natural resources, the degradation of the country's land and the widening inequality gap. While talking about ecological transition entails taking the concept of the Just Transition into account, the challenges listed are significant and require a responsible approach from all the parties involved in the transition processes. In relation to sustainability, decreased greenhouse gas emissions and reduced use of fossil fuels, the Indonesian government has progressively developed a project plan called the Low Carbon Development Initiative (LCDI) ,6 which was initiated during the UNFCCC COP 23 in 2017.7

As noted by numerous studies, including the special IPCC report on Global Warming of 1.5°C (2018), among the countries of Southeast Asia, Indonesia will be the most largely impacted by climate change. This places Indonesia as a country that can effectively contribute to the reduction of greenhouse gas emissions, thereby mitigating environmental damage. However, addressing the large potential impact of climate change on the country requires political commitment by the government and the social partners, including actions to contain possible negative effects on employment.

Social dialogue has proven to be essential to respond to the country's needs and achieving success in both the green and Just Transition. The Confederation of Indonesian Prosperity Labour Union (KSBSI), one of the three largest

trade unions in the country, organised a conference in October 2018 at the national level to contribute to the debate on Just Transition.

The confederation itself, together with the territorial section of the ILO in Jakarta, launched a joint event involving the Indonesian government, to understand the national policies on climate change and its implications on employment. The conference gathered representatives from three confederations, twelve Indonesian national federations, three NGOs and four government departments Department of Labour, Environment, Development and Economy. The national section of the ILO participated in this new form of social dialogue to understand how employment can be safeguarded in a country that is heavily impacted by the ecological transition.

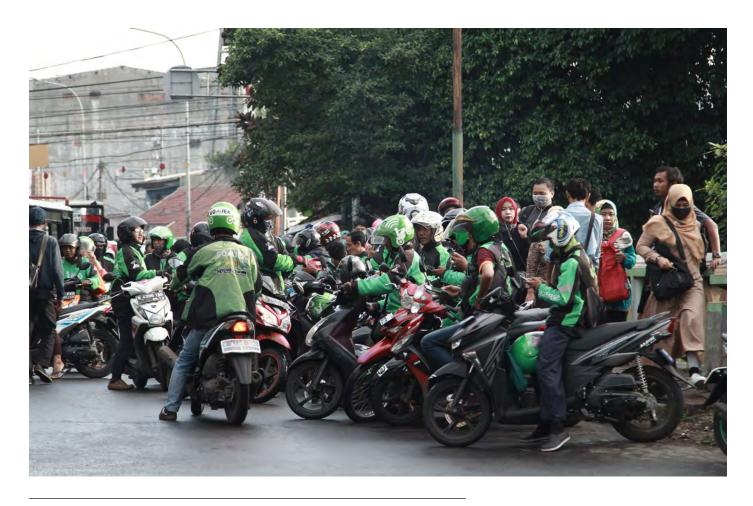
A further step was taken with establishment of a Steering Committee, responsible for implementing the social dialogue practices among the involved parties, including stakeholders. Since late 2018, two confederations (Confederation of All Indonesian Trade Union (KSBSI), Confederation of Indonesian Trade Unions (KSPI)), two environmental NGOs, ILO Jakarta, and the Ministries of Labour and the Environment have taken part in the Steering Committee. The goal is to voice the interests of the various parties involved in the transition processes (TUDCD, 2019).

⁶⁻ UN ENVIRONMENT, ILO, UNDP, UNIDO, UNITAR, Indonesia's transition to a green economy – A stocktaking report, 2019, p.4, https://www.un-page.org/files/public/indonesia stocktaking report page final.pdf.

⁷⁻ Alongside the initiatives to protect the environment, objectives to protect employment are spelled out, including specifically 6%-GDP growth per year between 2019-2045 and the increase in employment by providing 15.3 million additional jobs by 2045.

At the G20 Leaders' Summit in Bali that took place on 15 November 2022, Indonesia signed the Just Energy Transition Partnership (JETP) agreement to mobilise USD 20 billion financing to support a just energy transition in Indonesia. The agreement targets net-zero emissions in the power sector by 2050. The Government of Indonesia established a JETP Secretariat to prepare the Comprehensive Investment and Policy Plan (CIPP) for the country. Indonesia also became a participant of the interregional project "Innovations Regions for a Just Energy

Transition", one of the core elements of which is social dialogue. It is a jointly funded project by the International Climate Initiative (IKI) of the German Federal Ministry for Economic Affairs and Climate Action and the European Commission's Directorate-General for International Partnerships (DG INTPA) for the Just Energy Transition in Coal Regions (JET – CR) Interregional Platform.8 The contribution agreement was signed in December 2022 and the project started at the beginning of 2023.



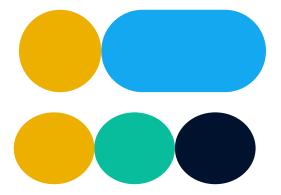
8- For more information, see https://www.international-climate-initiative.com/en/project/innovation-regions-for-a-just-energy-transition-22-i-418-global-g-innovation-regions-for-just-transition/

5. ITALY: ENEL'S ROLE IN THE TRANSITION TO CLEAN ENERGY

In 2013, the Italian multinational energy company ENEL, with approximately 70,000 employees, embarked on the conversion of 23 power plants and thermoelectric sites. In line with its tradition of participatory industrial relations, ENEL partnered with trade unions to facilitate the transition towards a more sustainable and decarbonised business model.

In March 2022, Italian trade unions FILCTEM-CGIL, FLAEI-CISL, UILTEC-UIL, and ENEL formalised their commitment to a model of social dialogue by signing the Charter of the Person.9 The Charter emphasises the engagement, collaboration, and participation of social partners and stakeholders in shaping policies related to the digital and green transitions, with a focus on well-being, lifelong learning, workplace safety, and gender equality in STEM positions. ENEL and trade unions have worked together to introduce internships and apprenticeships for young talent, training programmes for women, and upskilling and reskilling initiatives to address changing labour market demands. This collaborative approach ensures both business sustainability and employment protection.

The "I-we-community-environment" system at the core of this collaboration highlights the shared responsibility of employers and workers in achieving a just transition. ENEL's Futur-e project¹⁰ carries out the closure or redefinition of electricity production plants according to a circular economy approach, and fully finalizes the goal of sustainable development through social dialogue, engaging with social partners, local institutions and communities. While social dialogue has been instrumental, some challenges remain, particularly regarding differing interests stakeholders. Addressing amona these challenges involves promoting participatory democracy and the active involvement of local communities, workers, and social partners at all decision-making levels.



⁹⁻ FILCTEM-CGIL, FLAEI-CISL and UILTEC-UIL, ENEL, <u>Statuto della persona</u>, <u>Protocollo per la valorizzazione della persona</u> <u>nell'impresa</u>, <u>29 March 2022</u>.

¹⁰⁻ For more information about the project, see European Commission's Just Transition Platform Case study: Futur-e https://ec.europa.eu/regional_policy/sources/funding/just-transition-fund/case-study-futur-e.pdf

6. KENYA: INCLUSIVE SOCIAL DIALOGUE TO SAFEGUARD WORKERS

The disproportionate burden of climate change impacts is disrupting the country's economic development. The cost associated with the transition is unequally distributed and affects the most vulnerable groups of the population. However, inclusive social dialogue can promote the design and implementation of just transition policies. The country has a long history of social dialogue with an Industrial Relations Charter, a tripartite agreement, in place since 1962.

As an example, the country's transport sector is undergoing a fundamental shift that may have an impact on workers employed in the traditional means of transport in Nairobi. The city has recently introduced the bus rapid transit (BRT) system, a public transport network based on a smarter and greener way of moving, focusing on a fast and frequent public transport infrastructure. The BRT resembles a traditional bus service where higher speed and regularity are guaranteed. While the BRT service certainly has favourable effects on the environment and the final user, its implementation will affect certain categories of workers.

Changes in the transport system are likely to affect about half of the workforce employed by the industry, which counts approximately 70,000 people in Nairobi. While some workers will continue to offer their service complementing the safer and more sustainable bus service (e.g. on roads where the new infrastructure is not in place), many operators will risk their employment in the face of increasing implementation of the BRT system. This will disproportionally impact the so-called

matatu, operators of privately owned minivans used as shared taxis following specific routes.

Socialdialoguehasbeenmobilisedtosafeguard matatu workers and offer additional labour protection. Initially, the public administration consulted only matatu operators (vehicle owners), not including workers and their representatives. For this reason, the unions, with the support of International Transport Workers' Federation, worked for their own recognition as major stakeholders, to defend the interests of their representatives. The process resulted in the 2019 Nairobi Bus Rapid Transit Labor Impact Assessment Report, an examination of the impact of the new transportation system on employment in Nairobi, with the objective of "promoting quality public transport and inclusive cities in Africa, including decent jobs, a Just Transition for informal workers, strong union representation and improved access to affordable mobility".

Three IFT unions contributed to the preparation of this report: the Kenya Transport and Allied Workers Union (TAWU), the Matatu Workers' Union (MWU) and the Public Transport Operators' Union (PUTON). Also, workers' representatives have been involved in ongoing dialogue and collaboration with the Ministry of Transport. Their goal is to prioritise employment protection in Kenyan government policies. Social dialogue covers different topics, including the need to ensure balanced and transparent bargaining and the importance of establishing training processes (TUDCN 2019).

7. NETHERLANDS: PROMOTING A GREEN TRANSITION IN THE METALAKTRO SECTOR

This case study showcases how the government and social partners in the Netherlands, a country with a strong tradition of social dialogue, have increasingly agreed and promoted joint policies to reduce emissions and enhance sustainable development.

Regarding labour issues, the Dutch National Agreement¹¹ Climate specifies guidelines aimed at orienting and directing in a Just Transition perspective the transformations occurring in the market, in particular: the need to integrate the human capital issue into transition agendas; translation of national and sectoral agreements intro regional economic agendas as well as coordination between sectoral activities; modular and responsive education; an inclusive approach in active labour market policies; good and fair employment conditions; information and collaboration initiatives to understand the future skills needed in the sector; the provision of passive labour market policies that ensure adequate income replacement benefits for workers and support redundancies. The Agreement underlines how the involved parties bear primary responsibility for its effective implementation.

The Collective Agreement Metalaktro 2020/2022, signed by FME (Dutch employers' association in the technology industry), FNV Metaal, CNV Vakmensen, and De Unie, underscores environmental concerns. It promotes corporate responsibility, sustainable employability, and climate action, advocating for in-house environmental management systems. Specific reference is made to the

concept of "sustainable employability" in the context of a wider framework of provisions concerning lifelong learning issues.

The agreement is part of a broader effort by the Dutch government to address climate change challenges with the involvement of social partners. The Dutch government aims to reduce greenhouse gas emissions by 49% by 2030 (compared to 1990 levels) and by 95% by 2050. The Climate Act, enacted on 28 May 2019, establishes these objectives. The Dutch National Climate Agreement contains policy and measures to achieve these climate goals through agreements with various economic sectors on specific actions. The participating sectors include electricity, industry, "built environment," traffic and transport, and agriculture. The agreement includes seven guidelines for a just transition, emphasising the integration of human capital into transition agendas, dialogue between policy areas, the role of education, inclusivity, skills development, income support, and sector-specific committees.

The Social and Economic Council of the Netherlands (SER) is a key institution to foster dialogue on the twin transition. The SER comprises representatives from sectoral round tables and fosters dialogue among employer associations, trade unions, civil society, and NGOs. This inclusive approach recognises the profound impact of environmental issues on the economy and society.

^{11 -} National Climate Agreement – The Netherlands. The English translation of the National Climate Agreement of the Netherlands corresponds to the version presented to the House of Representatives on the 28th of June, 2019.

8. NIGERIA: JUST TRANSITION IN THE AGRICULTURE AND ENERGY SECTORS

Nigeria faces high vulnerability to climate change, but its global impact on environmental degradation is minimal. Transitioning to a just energy is a significant challenge for the country, given the dependance of the economy to oil and gas Achieving this transition requires an inclusive and fair process facilitated by social dialogue. In this context, trade unions and environmental organisations in Nigeria have established a unique alliance to promote social dialogue and collaboration between stakeholders and communities for a just transition (TUDCN, 2019). The alliance is a joint project involving the Nigerian Labour Congress and the NGO Environmental Rights Action/Friends of the Earth Nigeria. It receives support from Mondiaal FNV, Friends of the Earth Netherlands, and the Just Transition Centre.

At COP26 in 2021, Nigeria announced its commitment to carbon neutrality by 2060 and has taken significant steps since then. A Climate Change Act was passed in late 2021 and Nigeria's Energy Transition Plan (ETP) was launched in August 2022. An Energy Transition

Office (ETO) was established in partnership with Sustainable Energy for All, the Rockefeller Foundation and Global Energy Alliance for People and Planet to support the plan. The plan targets five areas to reduce Nigeria's emissions: power, cooking, oil and gas, transport, and industry. Considering the level of employment and population's dependence, both the agriculture and petroleum sectors emerge as key focal points for a just transition in Nigeria (Ojo and Mustapha, 2021).

In early 2022, the ILO launched the project Just Transition and Green Jobs for Nigeria. The project brought together the government, representatives of employers' and workers' organisations and development partners to build an <u>initiative</u> that places jobs and social justice at the centre of the ecological transition. The social partners are part of the initiative, including the Nigeria Employers' Consultative Association (NECA), Nigeria Labour Congress (NLC) and the Trade Union Congress (TUC). One of the main outcomes of the project is to strengthen social dialogue mechanisms for a just transition.



9. THE PHILIPPINES: JUST ENERGY TRANSITION AND GREEN JOBS

Despite contributing less than 0.50% to global carbon emissions, the Philippines remains one of the most vulnerable countries to the impacts of climate change. Various initiatives and projects are playing a pivotal role in shaping the country's approach to sustainable development.

The Green Jobs Act was enacted in 2016 and was the country's first legislation on green jobs. The Act provides a legal framework and supports skills and training for green jobs in line with the requirements of a green economy. Additionally, the Philippines was selected, along with Ghana and Uruguay, for the pilot application of ILO's Policy Guidelines on Just Transition (2015). Both initiatives are interrelated, with the ILO project supporting the development of the Act through capacity building for the government, workers and employers' organisations. This collaborative approach aims to foster a sustainable, low climate-resilient economy ultimately creates decent jobs (ILO, 2018 Skills for Green Jobs in Philippines and ILO 2022 Just Transition Policy Brief). The ILO plays a key role in supporting the country's just transition in terms of capacity building, coordination and policy orientation by undertaking other projects on, for example, "industry skills for inclusive growth (InSIGHT)" and "improved social dialogue, tripartism and better application of basic rights on freedom of association and the right to collective bargaining". With these initiatives, the ILO plays a key role in the country's just transition in terms of capacity building, coordination and policy orientation.

A critical area of transition in the country is the mining sector, primarily due to its environmental impact. The Department of Environment and Natural Resources (DENR) mandated the closure or suspension of certain

nickel and coal mines. Simultaneously, in March 2017, it issued Guidelines for Green Economy Models, embracing the just transition concept to facilitate the shift of displaced mine workers to green jobs. In collaboration with the ILO, workers' organisations developed a proposal for a Just Transition in the mining sector, which was used during negotiations with social partners. The impacts of this process are mitigated thanks to social dialogue (TUDC, 2019). In addition, unions and workers' representatives in the sector formed a network together with IndustriALL Global Union mining affiliates in the Philippines.

The country has also gradually increased the investments in solar energy creating new job opportunities. Despite some remaining challenges (Fortaleza, 2019), with the ILO's support and the efforts of the government and social partners, the Philippines started its progress towards a just transition through social dialogue. However, because of the increasing labour rights problems in the country, a high-level tripartite ILO mission to the Philippines shared its recommendations to ensure full recognition of international labour rights at the end of January 2023.



10. SOUTH AFRICA: A FRAMEWORK FOR A JUST TRANSITION

Developing and emerging countries are facing challenges in responding to the ecological and occupational transition. The decrease in the use of coal, natural gas and non-renewable sources will not only affect production cycles, it will also have a social impact. South Africa, with a reported dependence on the fossil fuel sources of 80% in 2018, is characterised by pre-existing employment challenges that have been aggravated by the transition from coal to new sustainable energy sources. Workers need to be updated and involved in the transition given that many occupations will be replaced by green jobs.

Since 2011, South Africa has been committed to the ecological transition through the instrument of social dialogue. The first outcome was the South Africa's Green Economy Accord, which brings together the interests of multiple parties to understand the complex facets of the green economy transition. Since the agreement, the South African government, together with the social partners, has promoted innovative, practical and implementable initiatives in the economic, social and environmental fields, to fully respond to the objectives of a green and Just Transition. An example of these is the Green Economy Inventory for South Africa (GEISA); established by the government; this platform has helped define, monitor and evaluate existing green economy initiatives and programmes.

GEISA¹² illustrates how a collaborative approach between various stakeholders is essential in the management of the green transition. For example, GEISA is working on a mechanism for cataloguing South Africa's green policies, frameworks and initiatives,

sharing knowledge, good practices and tools, introducing learning opportunities and highlighting key stakeholder activities. It is also introducing a Research, Monitoring, Evaluation and Learning (RMEL) system that helps to monitor and evaluate the performance of South Africa's green initiatives, and to improve planning and decision-making for sustainable development. Since the signing of the agreement in 2011 and the establishment of GEISA, the South African government together with public and private parties (both employers' associations and unions) have strengthened their collaboration in an increasing number of initiatives that seek to deliver environmental, social and economic outcomes across the country. These initiatives are innovative, practical and implementable, and are built on existing best practices in key sectors, such as the water and the energy sector. Social dialogue has been a crucial tool for a productive collaboration between actual and potential stakeholders in fostering economic, social, and environmental interests, and is needed along the entire value chain of green initiatives, from policy formulation to research and development, funding, capacity development, coordination, implementation, monitoring and reporting.

In parallel, <u>The Presidential Climate Commission towards Just Transition</u> (PCC) was established in December 2020 for a just transition to a low-emissions and climate-resilient economy. The PCC is an independent, statutory, multistakeholder body to promote social partnerships around a just transition by engaging with various stakeholders, including all spheres of government, business, labour, academia, communities, and civil society. The

¹²⁻ Environmental Affairs, Republic of South Africa, Page, Green economy inventory for South Africa: an overview, 2017. limate Agreement of the Netherlands corresponds to the version presented to the House of Representatives on the 28th of June, 2019.

Commission's first task was to design a just transition framework for the country. After an extensive research and consultation process, a large multi-stakeholder conference was organised in May 2022 in Johannesburg and, in the same year, the A Framework for a Just Transition in South Africa was published. The Framework determines the foundations on which the framework is built, and provides a definition of a Just Transition for South Africa. It establishes principles to guide the transition as distributive justice, restorative justice and procedural justice, identifies at-risk sectors and value chains, outlines key policy areas to give effect to the transition, proposes effective governance arrangements, and addresses the financial aspects for a Just Transition. The Framework also envisages an Action Plan to Give Immediate Effect to a Just Transition. Hereby, A Framework for a Just Transition in South Africa is a good practice of social dialogue involving all social partners from the beginning.

In addition to Indonesia mentioned above, South Africa also became a participant of the interregional project "Innovations Regions for a Just Energy Transition" funded by IKI and European Commisson, together with Chile, Colombia, India, Mongolia, South Africa, Thailand, Vietnam.



11. SPAIN: JUST TRANSITION FOR COAL POWER PLANTS

The ecological transition plays a key role in Spain's recovery and resilience plan and is a major goal for the country's economy and society. Out of the European funds allocated to the country for this plan, approved by Council on July 2021, 40% are earmarked for climate objectives, in particular the deployment of renewable energy, ecosystem conservation and recovery, the promotion of sustainable mobility, and the transformation of the agrifood and fishing system.

The government is already implementing 11 Strategic Projects for Ecological Recovery and Transformation (PERTE – Proyectos Estratégicos para la Recuperación y Transformación Ecológica) that bring together and engage public administrations, companies, and research centres with the aim of better managing the green and digital transformation of the country. Of these projects, three are directly linked to the ecological transition, (1) promoting renewable energies, (2) green hydrogen and storage, and (3) the circular economy.

In April 2021 the Spanish government, trade unions and companies concluded the Agreement for a Fair Energy Transition for coal-powered thermal plants that are on the verge of closure. The agreement contains the commitment from all parties to support the economic and productive transition in areas that will be affected by the closure of the thermal power plants. This agreement is important because social dialogue has enabled tripartite social partners to collaborate on actions aimed at protecting employment and revitalising the production and the competitiveness of the energy sector value chains. The areas the most affected by the closures of thermal power plants are Aragon, Andalusia, the Principality of Asturias, Castile-Leon and Galicia: here, too, social dialogue with local authorities helps to protect workers and communities and revitalise the industry in harmony with the environment.

Under this agreement, the Ministry for the Ecological Transition and Demographic Challenge and the Ministry of Employment and the Social Economy are implementing training plans aimed at supporting professionalisation and the integration of employees while facilitating the adaptation to the demand for new profiles. The government has placed this project under the Recovery, Transformation and Resilience Plan, which will be governed by an agreement between the State Public Employment Service and the Institute for a Fair Transition – a new body within the Ministry for the Ecological Transition and Demographic Challenge that has been established specifically for the ecological transition.

Also, through social dialogue, companies and trade unions are determined to conclude support and relocation plans for employees and territories. The aim is to ensure that the closure or the possible adaptation of production facilities do not have negative consequences on employment. The Agreement for a Fair Energy Transition notably prioritizes outplacement projects for workers, in case of redundancies, or collaborative projects with other production sites to facilitate their reemployment. The companies pledge their commitment to training workers, ensuring that the Just Transition becomes more than just a political proposition, but a tangible implementation program. Similarly, the efforts of the unions are focused on increasing information and involvement of workers in the areas of new jobs, new risks and reindustrialisation as well as in in the management of new local- or plant-level agreements.

12. SWEDEN: EMPLOYMENT TRANSITION AGREEMENTS AND JOB SECURITY COUNCILS

Sweden was the first country in the world to sign an environmental protection agreement back in 1967 (Statens Naturvårdsverket – literally still called: Nature Protection Agency, a government agency responsible for proposing and implementing environmental policies, that now reports directly to the Swedish Ministry of the Environment). The characteristics of the country have always required the government, the population and the social partners to pay special attention to each action taken to protect the natural environment. In addition to national legislation, Sweden has also acted as a major player at the international level, hosting in 1972 the first UN conference on climate change. Therefore, limiting emissions of climate-changing gases and reducing the use of fossil fuels are central to national policies.

Sweden is committed to achieving environmental goals, it aims to become a fossil-free country by 2045 and transitioning to 100% renewable energy. Social partners, stakeholders, and research centres contribute to

these efforts, particularly through collaboration in Job Security Councils. These councils serve as mechanisms to ensure transitions to new jobs in cases of mass dismissals, which may include training initiatives. Over the years, and through the Job Security Councils, social dialogue has gradually increased awareness on the labour market transition risks and on the collective responsibility for managing such impacts. In the context of the transition to a low-carbon economy, Job Security Councils transform active labour market policies into 'proactive' ones (Global Deal, 2020 and 2023b).

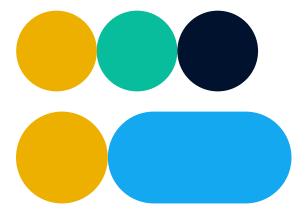
Periodical improvements to the transition agreements, which serve as the foundation for the Job Security Councils, have been made over the years to adapt them to the evolving landscape. For example, in January 2019, the Swedish Council for Negotiation and Cooperation (PTK, a joint organisation that negotiates collective agreements and provides trainings on behalf of 25 member unions) and the Confederation of Swedish Enterprises



enhanced the TRR conversion agreement (TRR: a non-profit foundation based on a collective agreement between the Confederation of Swedish Enterprises and PTK) to include job search support, employment protection, employability, and training. The agreement also includes a study allowance and severance payments.

Through social dialogue, all social partners and stakeholders become collectively responsible for managing the impacts of labour market transitions. For instance, in autumn 2020, the Confederation of Swedish Enterprise and PTK concluded a new cross-sectoral agreement with other social partners on safety matters, transition and job protection. The Swedish Trade Union Confederation (LO) joined the agreement after two of its members - IF Metall and the Swedish municipal workers' union became signatories. The terms of the agreement cover life-long learning processes and skills development. It is also noteworthy how the government and the parliament are involved in regulating issues, such as employment protection, transition support, and transition study aid (Rönmarr and Iossa, 2022).

In 2022, because of national cross-sectoral negotiations, two new historical agreements were concluded by social partners on security, transition and employment protection. A condition for the application of both agreements is that they must be adopted both at the national and sectoral level, to ensure job security and skills development within the context of the ecological and digital transition. The scope of the negotiations, conducted again between the Swedish Confederation of Enterprise, PTK and LO, has a broader scope than employment protection: it supports job-to-job transitions and lifelong learning.¹³ Both agreements are complemented by new public reforms, in force since October 2022. All together – the new agreements, the public reforms and the legislation address employment protection, support skills development and improve working conditions. .



KEY LESSONS AND POLICY RECOMMENDATIONS FOR EFFECTIVE SOCIAL DIALOGUE

ILO Guidelines (2015) highlight key policy areas to simultaneously address environmental, economic and social sustainability. Such key areas include growth policies, industrial and sectoral policies, enterprise policies, skills development, occupational safety and health, social protection, active labour market policies, rights, social dialogue and tripartism. However, as the above case studies suggest, there is no "one-size fits all" approach to achieve a Just Transition towards environmentally sustainable economies and societies for all. While the impact of the green transition varies across countries, regions, sectors, firms, and jobs, it is essential to ensure a gender-responsive and inclusive just transition in all countries, at every level of development, and across all economic sectors, including the informal economy. Therefore, "Just transition reflects a common global purpose that entails responsibilities for everyone, including governments, employers and workers" (ILO 2023). And social dialogue has a key role to play in all cases for fair, inclusive, legitimate and effective policies both in advanced and emerging economies.

The case studies present a variety of processes, approaches and issues related to effective social dialogue processes towards a just transition for all. While some of the practices outlined are still in an initial stage, a few considerations can be made concerning their positive impact. First, unions, employers, communities and governments are starting to take action on a Just Transition, in some cases even joined by civil society organisations. While a few of these initiatives are top-down driven, motivated by regulatory or voluntary targets, others are bottom-up. Second, while the involvement of civil society and government proved to be a key factor in the success of these policies, social dialogue provides the most tangible results in terms of a Just Transition. This holds particularly true in those contexts where the absence of established strategies may discourage the implementation of good practices resulting from collective bargaining. A trade union guide of practice for a Just <u>Transition</u> published by IndustriALL (2022) sheds light on building a Just Transition strategy. Finally, greater resources and policy focus are required to ensure a rapid decarbonization and to guarantee that the transition reduces inequality, poverty and social exclusion. Just Transition plans need to be more targeted towards achieving the requirements of the Paris Agreement and the Sustainable Development Goals. They should include a focus on poverty alleviation and ensure decent work for all, across sectors, both in developed and developing countries. As suggested in ILO's action framework for a just transition (2023), the implementation of just transition policies should be accelerated and scaled up through an action framework consisting of four interrelated and mutually supportive elements: (i) promoting inclusive, sustainable and jobrich economies; (ii) ensuring social equity; (iii) managing the process; and (iv) financing a just transition. To facilitate effective social dialogue throughout the process of achieving a Just Transition:

Governments should:

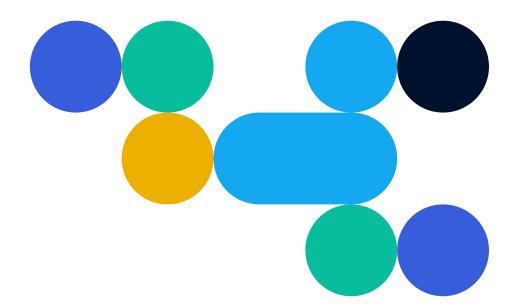
- Establish institutional mechanisms of social dialogue in their governance systems for a just transition.
- Initiate social dialogue processes for all policies related to climate change.
- Create platforms for discussion to promote social dialogue for a just transition.
- Promote good practices of social dialogue for a just transition.

Social partners including employers' and workers' organisations should:

- Increase their understanding of climate change policies through trainings, workshops and best practices.
- Utilise them in the collective bargaining processes related to the just transition.
- Promote Global Framework Agreements, including social dialogue processes.
- Ensure their perspectives are incorporated in just transition policies.

Donor countries/institutions should:

- Support capacity development for the employers' and workers' organisations in just transition processes.
- Support the establishment and empowerment of institutional platforms for social dialogue.
- Promote good practices of social dialogue for a just transition.



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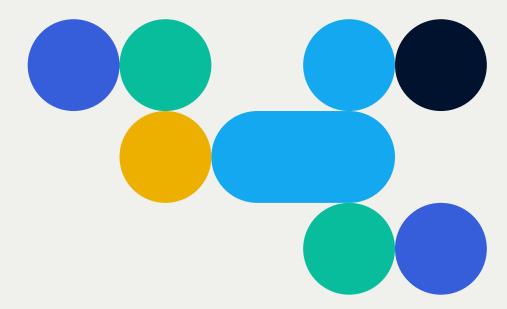
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