

Concept and practices of Just Transition – state of play

JUST TRANSITION (to a zero-carbon economy) State of art of the EU policy debate

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Just transition: why, what, how??

- Concept of just transition
- The state of art of the current EU policy context and ongoing debates
- Interpretations
- Learning from practices (EU, US, Canada, developing countries)
- Trade union role

Compelling necessity: Revision of growth model

Just transition is the (only) way to make the **fundamental revision of the previous – energy and resource depleting - growth model to become reality**

This means: a **restructuring of the entire economy, production and consumption model**

HUGE emissions gap after COP21

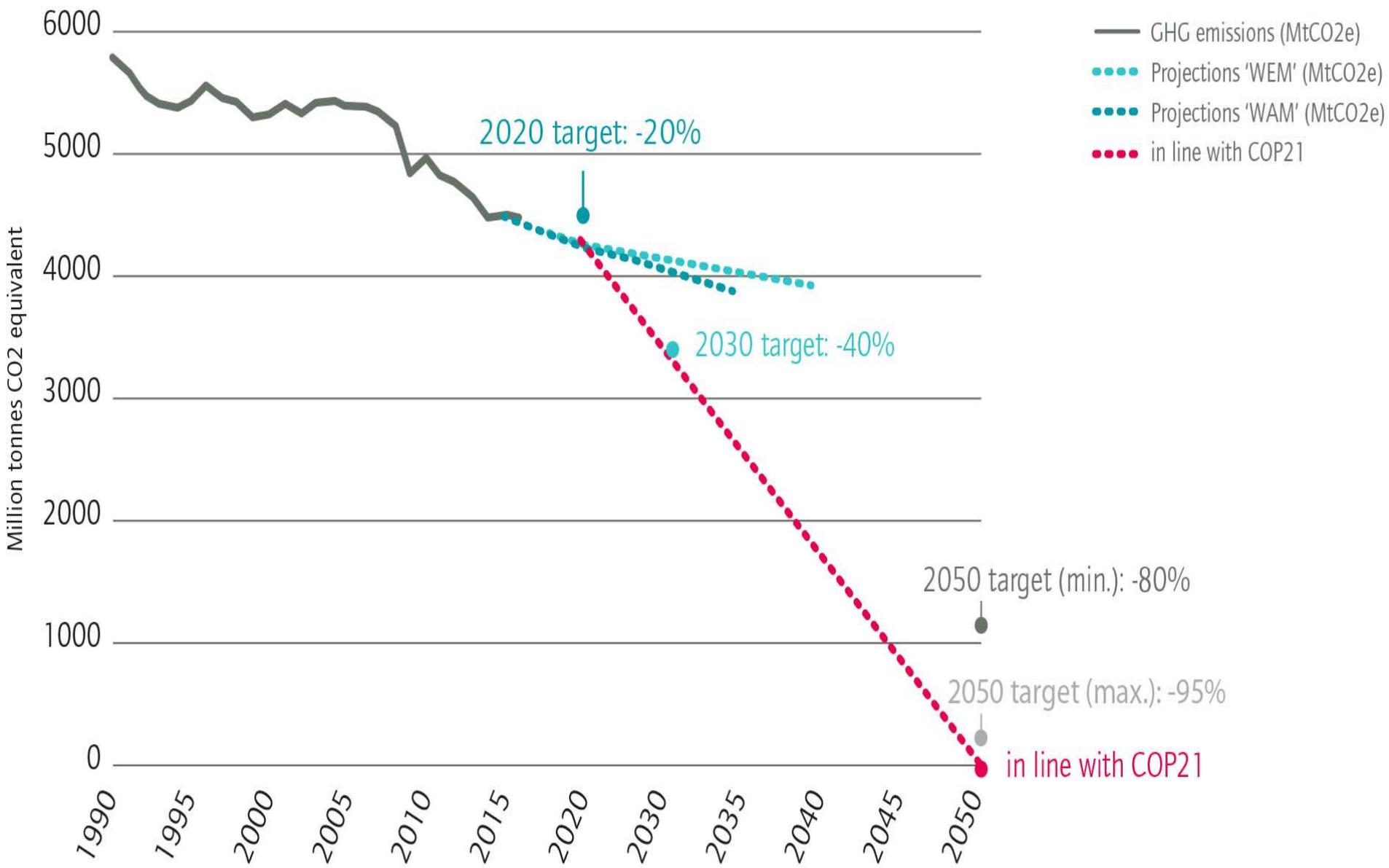
Draft IPCC report (2018): 1.5C warming by mid 2040-s

NASA Scientists find that global sea level rise is likely to double – compared to earlier forecasts - (66cm) by 2100

New evidence: climate sensitivity higher than expected, most heat trapped by the oceans – 25% more effort needed

So, the Clock is ticking...and this is more and more recognised

EU ghg emissions trajectories: radical correction needed



Broad European policy context

Two current priorities: Brexit and the next EU budget

Elephant in the room: rise of populism ahead of 2019 EP elections

So, even if it is more and more realised that the clock is ticking,
climate policy and JT not in the centre of the EU policy debate

BUT: the Commission needs to present the mid-century low carbon roadmap by Feb 2019 that is in line with Paris

A crucial moment ahead of Katowice (COP24) to get ministerial level commitment for `Just transition` (ETUC-ITUC demand)

Important development in key countries:

Germany: a controversial and long-dragging exit plan from brown coal and closing down coal fired power stations –National Coa; Commission should set agenda until the end of the year;

Spain: spectacular coal exit by end 2018; 250 Mn EUR revitalisation plan; agreement with trade unions

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The concept of `Just transition`: an early trade union demand, now mainstream

- **ILO Just Transition Guidelines (2015) – essential for social justice but also to mobilise support for climate action**
- UNEP, ILO, CEDEFOP, OECD, UNFCCC, COP21 – by now, `just transition` became a mainstream narrative
- Make sure it does not become an empty phrase – fill with content, concrete policies and practices
- The concept of JT **is multi-faceted**, has different dimensions and contexts, also theoretical backgrounds – and these **are cross-cutting each other**
- There is no silver bullet of just transition, but lessons can be drawn and some common principles established (the 2015 ILO Guidelines make a useful contribution)

Just transition: what does mean – wrap up NOT `Just another transition`

JT is as much about `**just burden sharing**` of the costs of greening (FiT, emissions trading design during the transition), as of the `costs` of the transition + **managing job transitions and job quality and equity in the zero-carbon world**

Although there is no genuine trade-off between green-labour and social dimensions – during the transition these appear

Outcome: job quality in a zero carbon economy: decent jobs with fair pay, gender equality and workplace democracy (ILO) - while traditional industrial jobs /car, steel, energy/: good organised jobs; new green jobs often precarious; VW > gig economy

Process: how we get there, how job transitions are managed (nobody left behind, just burden sharing, managing social impacts), revitalise local economy – social dialogue at all levels

Just transition: what does mean? Not a fancy funeral and NOT `Just another transition`

- **New policy narrative: broaden the horizon of `Just transition` to all `big transitions`: digital, globalisation, green**
- **EU COMM proposal was pragmatic (in the budget context): to avoid an other `EU Fund` by getting a `JT Fund` under the existing `Globalisation Adjustment Fund` - TU-s seem the accept this narrative**
- Although, fair and just globalisation, a just transition to a digital economy are also important in those cases the CLOCK is not TICKING (no policy targets!!)
- **and Green transformation is special and unique**

Dimensions of Just transition

- **Process < > Outcome**
- Fair burden sharing in terms of both financing and employment transition perspective
- Green transition should not create new inequalities, but should contribute to more equal societies
- **Policy context:** co-operative or confrontational
- Governments in charge of energy policy – infrastructure – networks – investments – roadmap; employment policy framework to facilitate job transitions
- What responsibility do private and state owned energy firms have vis-à-vis employees at downsizing, restructuring and closure?
- What burden sharing, financing?
- Social dialogue, social plans, employment transitions, training

Actions and initiatives perspective

Adapting workplaces to a low carbon economy: mobilising employees for greener workplaces – preventive, advance looking actions, initiatives (mostly voluntary and incremental changes)

- e.g. Eco-dynamic enterprise label (Belgium): companies that introduce eco-management principles into their activities, in terms of waste management and prevention, rational use of energy, management of worker mobility
- Managing the green restructuring: advance looking/crisis intervention
- Comprehensive policies to achieve green targets and create decent jobs and contribute to more equitable societies – shaping the regulatory framework in a way to make sure burden sharing is just and avoid negative employment and social effects

How JT works in practice

Cases at state, regional, sectoral and company level, both from the global North and the South highlighting the role of the actors, key conflicts and country specific challenges

Private or public initiative (ENEL, Engie vs Alberta, France with state managed coal phase out)

Supportive or hostile (e.g. Hazelwood /AU/; Philippines)
political environment?

Coalition building (blue-green alliances in joint action):

California, Wisconsin, but in the Philippines against each other;
in EU not yet an established practice

Current Policy debates at EU level

Crucial policy decisions take place at the European Council (based on Commission proposal and consulted with EP). Lobby groups all over..trade unions main action field is via Parliament.

Issues: Car emissions 2030 (a slight increase of ambition with German resistance)

Mid-century carbon road map, revision of 2030 targets

EU budget 2020-2027 – big debates on a possible European Just Transition Fund, but a likely compromised with a mixed fund (for just transitions)

How JT appears in current European actions, events, conferences

Different levels and quality: from awareness raising and promotional through action based concrete activities, capacity building and actors` training.

Examples from 2017-2018:

- Platform on Coal Regions in Transition (EU COMM launched series of stakeholder events)
- EP Greens and S&D Group: Post-Growth 2018 Conference – 3 days about de-growth, employment, basic income, digitalisation
- Exxon-Mobile European Energy dialogue (series of conferences) about the future of refinery workers, chemicals, plastics, energy – open approach, but much self-promotion
- EESC Energy transitions - EU hearing (large audience, opinion to Commission)
- ETUC project workshops in 8 MS-s: Trade union actions for fulfilling COP21 climate policy objectives (role of social dialogue in managing transitions) – has also a capacity building and training aspect (Guidelines for trade unions)
- ILO Brussels: A just transition to a sustainable future: Next steps for Europe – promotional event mainly from enterprise perspective

Trade union role

Trade unions: although much experience in dealing with restructuring cases BUT new questions emerge; e.g.: (what comes after social plans); not just core workers, but all + spouses and the wider community – long term perspective

Managing change in an advance looking way

Time horizon is crucial: short term vs long term interest (jobs of here and now vs future jobs)

Transition time is also important in order to get prepared

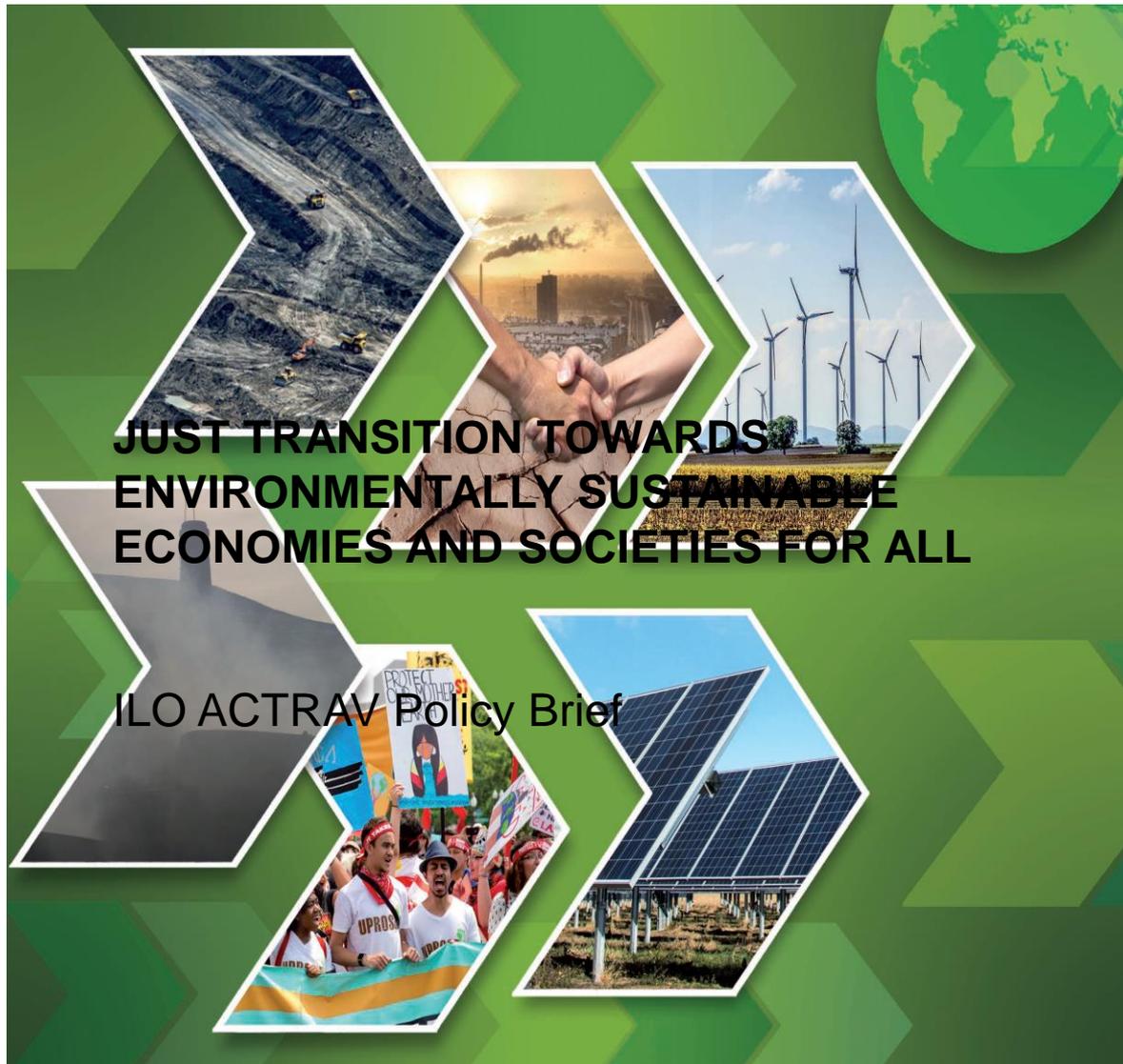
Build coalitions with environmental and social NGO-s

New innovative organisation strategies should be developed

Thank you for the attention!

- See also:
- <https://www.etui.org/Publications2/Policy-Briefs/European-Economic-Employment-and-Social-Policy/From-Paris-to-Katowice-the-EU-needs-to-step-up-its-game-on-climate-change-and-set-its-own-just-transition-framework>

Thank you for the attention!



**JUST TRANSITION TOWARDS
ENVIRONMENTALLY SUSTAINABLE
ECONOMIES AND SOCIETIES FOR ALL**

ILO ACTRAV Policy Brief