

LABOUR/MANAGEMENT PROGRAMME
JOINT MEETING OF MANAGEMENT AND TRADE UNION EXPERTS ON
CLIMATE CHANGE

to be held in Paris on Monday 2 October 2000,
at the OECD, 2 rue André Pascal, Paris 16ème

BIAC/TUAC Contributions

Contents

Session I: Overview of the Issues

- Presentation by John Evans (TUAC) 3
- Presentation by Claude Fussler (BIAC) 4

Session II: The impact of climate change measures/policies on employment

- Presentation by Klaus Mittelbach (BIAC) 7
- Presentation by Joaquin Nieto and Brian Kohler (TUAC)..... 9
- Presentation by Margo Thorning (BIAC) 11

Session III: Increasing the effectiveness of voluntary approaches to address climate change

- Presentation by Cecilia Brighi (TUAC) 15
- Presentation by Kees Bennebroek (BIAC)..... 17

Session IV: Addressing responsibilities of stakeholders for GHG emissions

- Presentation by Jesper Lund-Larsen (TUAC) 20
- Presentation by Chris Boyd (BIAC)..... 22

LABOUR/MANAGEMENT PROGRAMME
JOINT MEETING OF MANAGEMENT AND TRADE UNION EXPERTS ON
CLIMATE CHANGE

OVERVIEW OF THE ISSUES

Presentation by John Evans
Secretary General, TUAC

Sustainable development: The implementation of sustainable development as set out in “Agenda 21” of the UN Rio Conference on Environment and Development is progressing too slowly. Governments have the responsibility to lead the process and must implement a new initiative on sustainable development in advance of the “Rio + 10” meeting of the UN, scheduled for 2002. Central to this must be integrating the three “pillars” of environmental, economic and social sustainable development, in unison and not in isolated ways.

The Social Dimension: Indifference to the social impacts¹ of climate change reflects a general lack of attention to social dimensions of sustainable development. This a deficiency that the UNFCCC must correct with respect to climate change. Full social impact assessments must become the norm, to be fully integrated with environmental and economic assessments. Doing so will greatly enhance attempts to involve workers in workplace and community changes and to garner their support for the huge financial commitments by society that will be required to support change.

Economic Growth & Development: Sustainable growth, full employment and social inclusion must be the hallmark of climate change scenaria. Governments must promote standard setting supported by effective regulatory compliance to programs, which promote measurable natural resource efficiencies, especially for energy.

Innovation & Technology: Any climate change scenario must be seen within the context of the global economy. The Impacts of innovation, technological change and technological transfers which are promoted by UNFCCC or protocols must be measured against integrated indicators which ensure that global programs to eradicate poverty or employment equality are not undermined.

Capacity Building: Developing countries must be given the means to expand domestic demand thus helping to restore global growth and reinforce political stability. Large-scale debt relief can contribute to growth and increase capacity to participate in UNFCCC objectives. IMF stabilisation programmes must shift from austerity to the support of growth in domestic demand.

Multistakeholder Approaches: All stakeholders must be involved in both decision making about climate change and in implementation measure for change. Economic planning with due and alert regard for the interests of all sectors of society must be encouraged through mechanisms which ensure the participation of stakeholders, including workers and trade unions.

¹ **Social Dimensions** refer to alleviation of poverty, security of livelihood, access to food, shelter, water, health & welfare, social security, sanitation, education, transport, and incorporates protection of basic human and economic freedoms as enshrined in international Conventions and Protocols. Climate change and mitigation efforts will likely have tremendous social consequences that are not currently factored into estimates for predicting the costs and benefits of proposals. An attempt should be made to predict the nature and scope of the need for social transition programs and to assess the financial and economic measures required to support them (e.g. for compensation, training and education, industry, and government planning).

LABOUR/MANAGEMENT PROGRAMME


JOINT MEETING OF MANAGEMENT AND TRADE UNION EXPERTS ON CLIMATE CHANGE

OVERVIEW OF THE ISSUES

Presentation by Mr. Claude Fussler
World Business Council for Sustainable Development (WBCSD)

Diapositive 1

DEDICATED TO MAKING A DIFFERENCE



World Business Council for Sustainable Development

- ❑ How many people is the earth able to **sustain**?

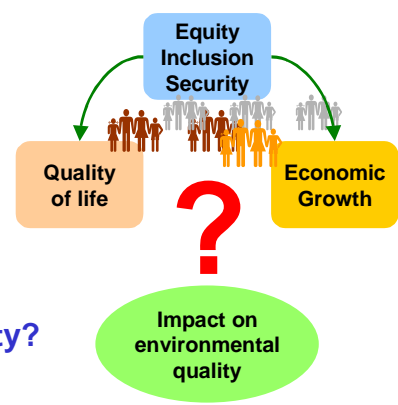
One must modify the question by asking further:

- ❑ At what level of technology?

And modify it still further by asking:

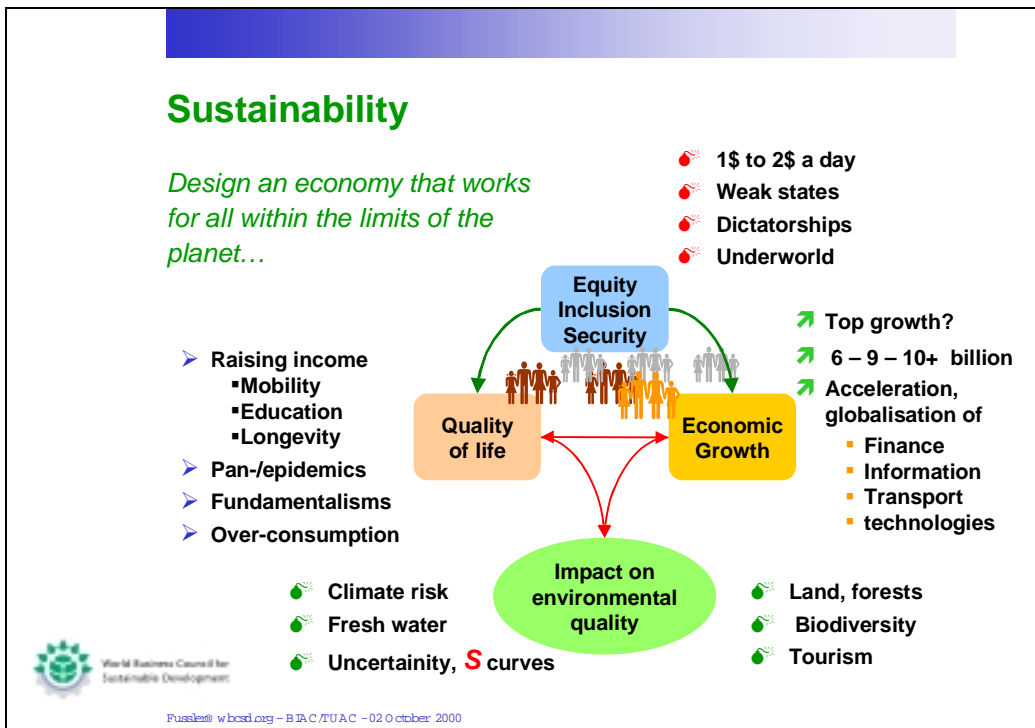
- ❑ At what level of human dignity?

Isaac Asimov 1974

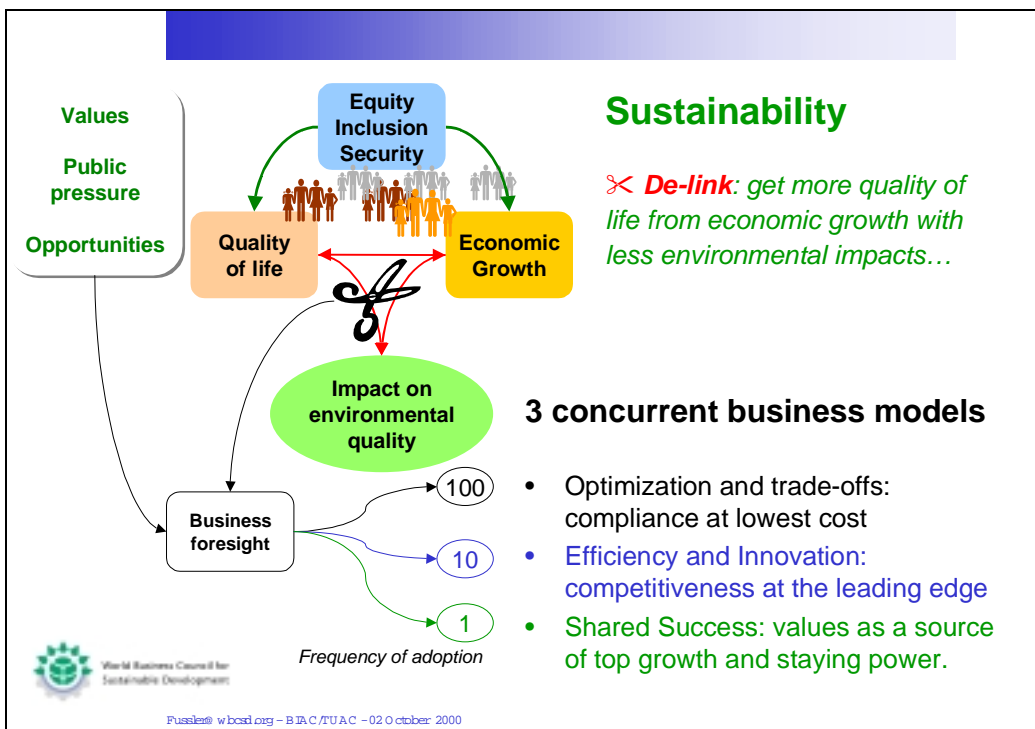


The diagram illustrates the interconnectedness of four key factors in sustainable development. At the top, a blue box labeled 'Equity Inclusion Security' has two green arrows pointing down to an orange box 'Quality of life' on the left and a yellow box 'Economic Growth' on the right. A large red question mark is positioned in the center, overlapping the space between these boxes. Below the question mark is a green oval labeled 'Impact on environmental quality'.

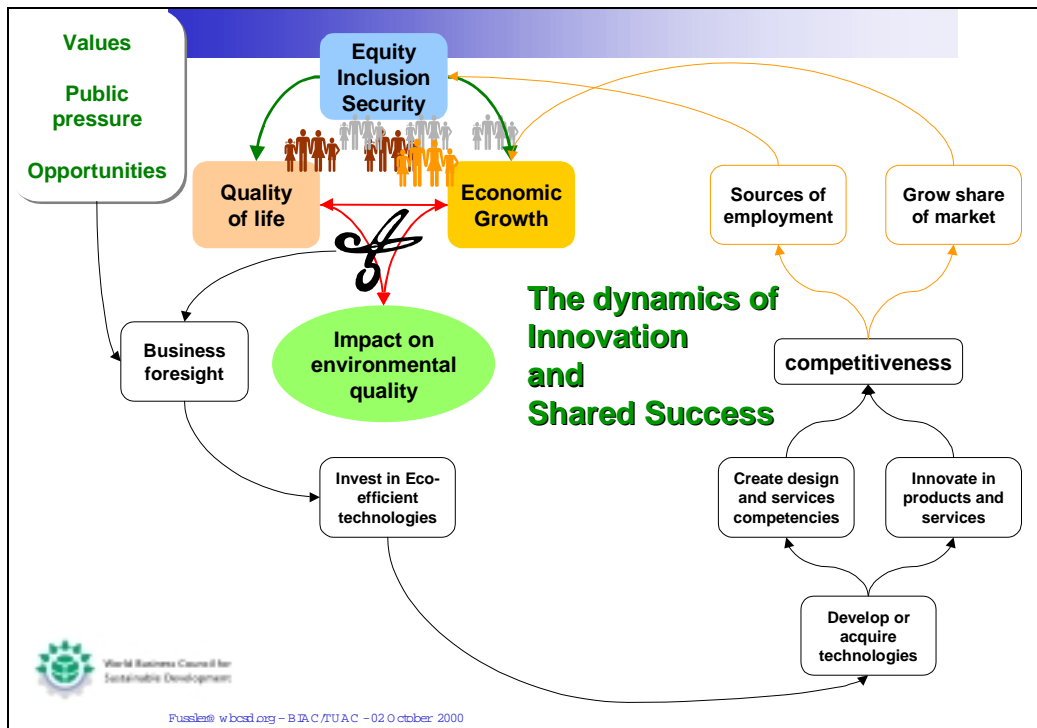
Diapositive 2



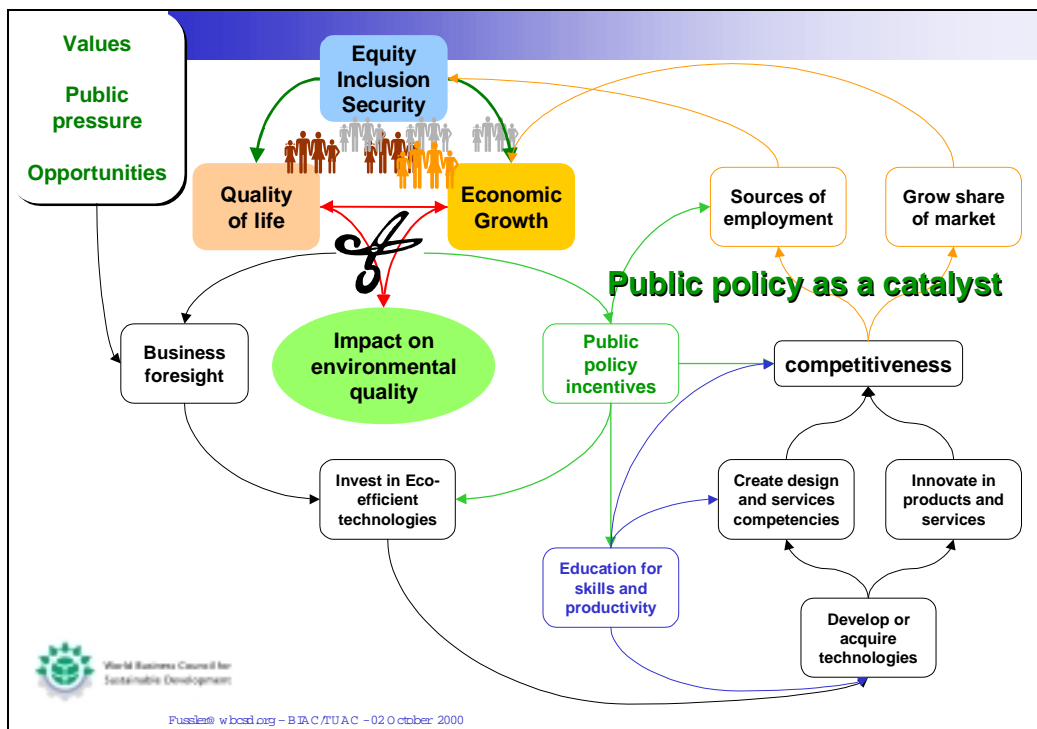
Diapositive 3



Diapositive 4



Diapositive 5



LABOUR/MANAGEMENT PROGRAMME

JOINT MEETING OF MANAGEMENT AND TRADE UNION EXPERTS ON CLIMATE CHANGE

THE IMPACT OF CLIMATE CHANGE MEASURES/POLICIES ON EMPLOYMENT

**Presentation by Dr. Klaus Mittelbach
Head Environmental Policy Department
Federation of German industries**

In abstract terms it is quite simple to answer the question on the impact of climate change measures on employment: If properly done employment will profit, if not it will suffer. This means there is no automatic correlation between i.e. governmental action in the field of climate change and the creation of jobs. The decisive factor for the employment impact of climate change policies is: Do they motivate for investment?

Let me first name some factors that might be counterproductive from the climate change as well as from the point of view of employment:

An international framework for the implementation of the Kyoto protocol that distorts competition between countries and companies will inevitably lead to the loss of jobs in those industries that suffer competitive disadvantages. Therefore, all decisions, especially on the design of the flexible mechanisms, have to be taken with great care in order to ensure that on the level of countries and companies the burden is fairly distributed.

To direct financial resources into technologies and sectors by subsidies over a long period of time will not lead to sustainable employment, this applies especially for subsidies for renewable energies which might serve as an assistance for the start up of new employment but not as a lasting subsidy paid by the rest of the industry.

The experience gathered so far with environmental taxation at least in Germany does not give any proof of a so called "double dividend". Subsidising social security systems by charges on energy resources negatively affects those parts of business that are net-payers and in the meantime reduces the willingness of politicians to take decisive measures in reforming social security systems. The latter is a pre-requisite for sustainable employment in the future.

If these risks are avoided climate change policies offer indeed a potential for sustainable employment. In order to realise the potential for synergies between climate protection and employment it is necessary to take the right decisions in the coming weeks and months:

Namely European industry has high competence in advanced environmental friendly technologies. Namely in the field of integrated technologies, European producers of machinery play a leading role. Well designed climate change policies, i. e. with a view to the issues of joint implementation and clean development mechanism might strengthen their competitive position in the medium term.

There are considerable synergies between different policy areas where rightly targeted investment provides opportunities for job creation. For example the massive need to invest in new traffic infrastructure might on one hand reduce CO₂ emissions, i. e. by avoiding traffic congestion, and on the other hand secure jobs in the construction industries.

Policy measures should be focused on those areas where the ecological return per unit capital is highest. For example in Germany it is clear that the highest so far unrealised potential for CO₂ emissions reduction is in the building sector. Therefore, it makes sense to give well-targeted incentives to private and corporate investors to modernise buildings in order to make them more energy efficient. Again, the synergies between employment and climate protection are evident.

From an industrial point of view the key challenge to policy makers is to develop coherent strategies that maximize opportunities by minimizing risks to competitiveness and investment. This is the more complicated since in this field we face a very close interrelation between the framework designed at a global level on one hand and their impact of the decisions taken at national, regional or even at local level on the other hand.

We are far away from such a coherent strategy so far. Nevertheless, there are examples for promising approaches: i. e. in the framework of the German alliance for employment and competitiveness established by chancellor Schröder in 1998, all interested parties including trade unions, environmental NGOs and industry have agreed with German government on the goal of reducing CO₂ emissions in the private housing sector and, in order to achieve these, to give appropriate incentives to private investors.

In other areas still the road to be taken is far less clear and many uncertainties remain. But one lesson to be learned is clear: To work in partnership between policy makers and business. An example for this approach is the German voluntary agreement on climate change by German government and industry in CO₂ reduction. I think that this initiative has contributed significantly to the attainment of the national CO₂ goal so far and in the meantime has been the way to avoid the threat of losses in competitiveness of German industry.

Concerning the broadening of the conceptual basis for future cooperation between industry, government and the other interested parties I also see a formidable role for the OECD.

LABOUR/MANAGEMENT PROGRAMME

JOINT MEETING OF MANAGEMENT AND TRADE UNION EXPERTS ON CLIMATE CHANGE

THE IMPACT OF CLIMATE CHANGE MEASURES/POLICIES ON EMPLOYMENT

**Presentation by Joaquin Nieto, European Trade Union Confederation
and Brian Kohler, Canadian Labour Congress**

A. Understanding Social and Employment Implications of Climate Change

Employment & Social Impacts: Climate change strategies reveal problems associated not just with energy, but with attempts to implement Agenda 21 generally. While a few national and regional reviews have been conducted on social and employment impacts of climate change (or their mitigation), overall effects have yet to become a priority in international discussions. Although jobs are sure to be lost and created in any climate change scenario, there has been no significant attempt to ascertain the extent of these impacts, globally or to address them.

Research and Analysis: Reliable research should be a matter of public priority and theoretical prediction models must pave the way to real-life assessments of impacts. Such research should serve as a basis to determine how to measure the implications of UNFCCC and Kyoto mechanisms against social and employment indicators¹. The results of such analyses should eventually shape how implementation of climate change protocols should proceed. The social and employment impacts of innovation, technological transfer and Kyoto Protocol flexibility mechanisms must be well understood for effective implementation to take place. Understanding these implications should serve to fashion appropriate employment² and social transition programs that would be needed to ensure effective transition.

B. Understanding Social and Employment Implications of Climate Change

Workers recognise the need for change. Change has been a permanent feature of industrial and economic development since the first industrial revolution. Moreover, the support of workers is important both in terms of the change per se and in terms of the effectiveness of its implementation. The more seriously programmes are developed to address retraining, re-employment, compensation, and alternative employment, the more widespread will be worker support for change. It is also important to recognise that sudden and radical social disruption that can be caused by rapid change can have the effect of galvanizing individuals and communities against change. It is therefore important to ensure that change is based on the

¹ **Employment displacement indicators** for member countries should seek to promote understanding of the adequacy of programmes for displaced workers (e.g., training & education, compensation and re-employment) as well as to identify the financial instruments and other measures needed to provide support for equitable employment transition. Analyses should also help identify gaps in information and research needed for comprehensive employment policy development

² **Employment Research Factors:** Analyses of general employment/unemployment trends only provide a starting point. The objective should be to replace theoretically-driven net employment analyses with concrete job gain/loss reviews related to specific sectors or implementation measures. Simple net employment analyses must be supplemented with information that reports actual employment shifts that result from climate change events as well as from the implementation of mitigation proposals². The impact of programmes related to employment income, working conditions, employment equality provisions, access to individual and social health benefits, livelihood benefits (e.g. vacation and retirement protection), and social protection benefits (e.g. unemployment and social welfare) must be key considerations. The overall aim should be to promote stability and optimal conditions of employment.

full involvement of stakeholders and is both planned and managed as far in advance as possible. This means that old style, paternalistic, ‘consult as late as possible and only when there is no other choice’ types of behaviour are anachronistic and, just as importantly, as likely to provoke antagonism as acquiescence.

Creating Positive Attitudes Towards Change: Major barriers to worker involvement must be addressed, as identified by the ILO’s Socio-Economic Security Program³. Socio-economic security policies, for example, can pave the way for poverty elimination through secure employment, as a cornerstone of sustainable development, as well as by enhancing the engagement of workers in workplace and social change.

Planning For Change: Proper assessments of social and employment impacts should lead the way to the development of concrete transition plans for change and to a better understanding of projected costs for such transition. A full range of financial and economic measures or instruments must be examined for this purpose and discussions must take place among stakeholders about charges and taxes, pricing strategies, marketable permits, deposit refund systems etc. which might be used to promote transition.

Worker Training and Education: Training and education of workers form the backbone of change. Trade unions have developed extensive educational capacity; indeed, in many countries, they are the foremost providers of adult education. This capacity must be harnessed to the goal of changing unsustainable habits and attitudes and as a means of securing the support and engagement of workers for change. Our expertise and structures in occupational health and safety can be effectively utilized in such strategies as “Workplace Assessments” (see TUAC document for Session IV) for sustainable development generally, and wiser uses of energy, specifically. Training and education form part of the potential costs of transition and should be part of improvements of lifelong learning by establishing links between new patterns of working time, job rotation and training. In addition, transition planning should contribute to efforts to overcome skill shortages; .

³ **The ILO InFocus Programme** on Socio-economic Security of the ILO has developed strategic objectives and work programmes. See, *Socio-economic security – a medium-term workplan*, ILO, October, 1999. It highlights the fact that the engagement of workers is unlikely if they fear job loss, earn insufficient income, work in an unhealthy or dangerous conditions, have little opportunity for advancements, and have insufficient opportunities to relate meaningfully with co-workers in workplace decision making.

LABOUR/MANAGEMENT PROGRAMME

**JOINT MEETING OF MANAGEMENT AND TRADE UNION EXPERTS ON
CLIMATE CHANGE**

THE IMPACT OF CLIMATE CHANGE MEASURES/POLICIES ON EMPLOYMENT

**Presentation by Ms. Margo Thorning
Senior Vice President and Chief Economist
American Council for Capital Formation**

Diapositive 1

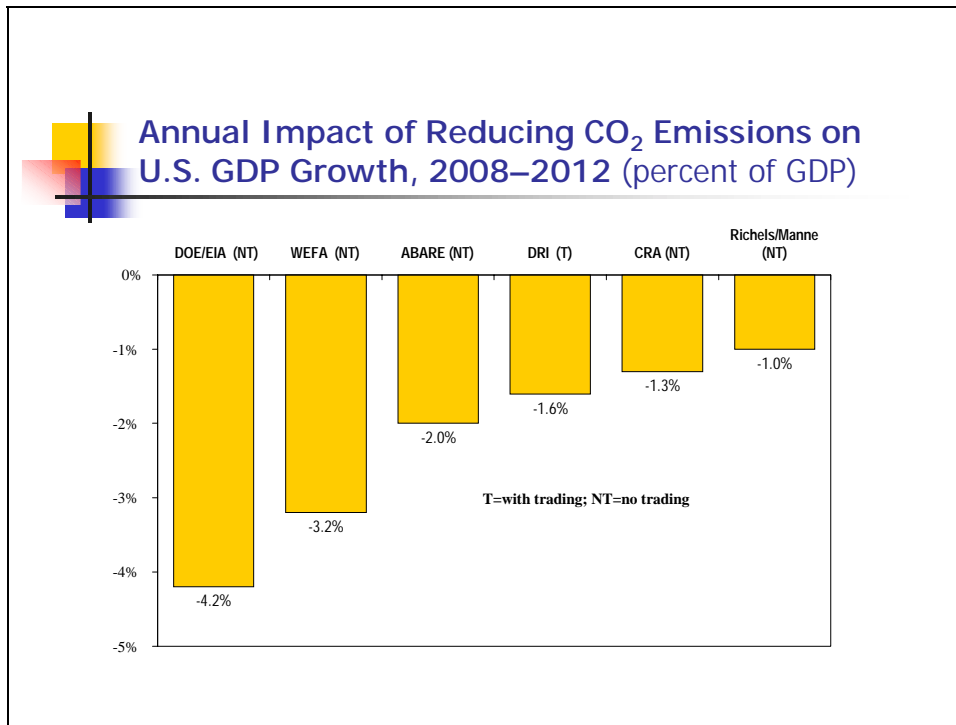


**Climate Change Policy,
Economic Growth, and
Employment**

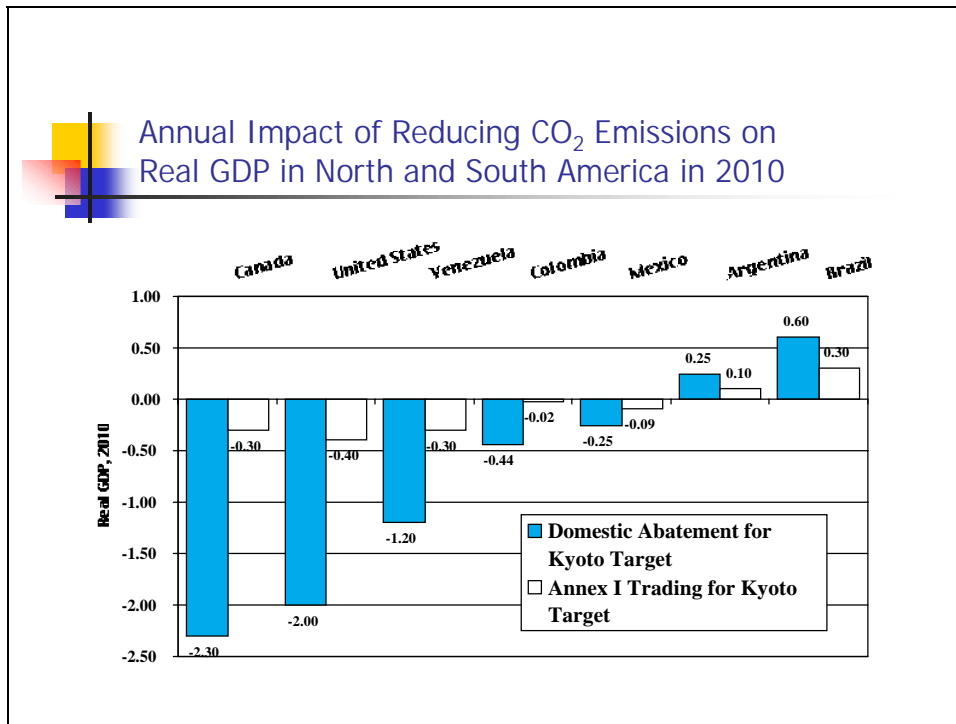
Margo Thorning, Ph.D.
Senior Vice President and
Chief Economist
American Council for Capital Formation
Washington, D.C.

www.accf.org • mthorning@aol.com • 202-293-5811 • 202-785-8165 fax

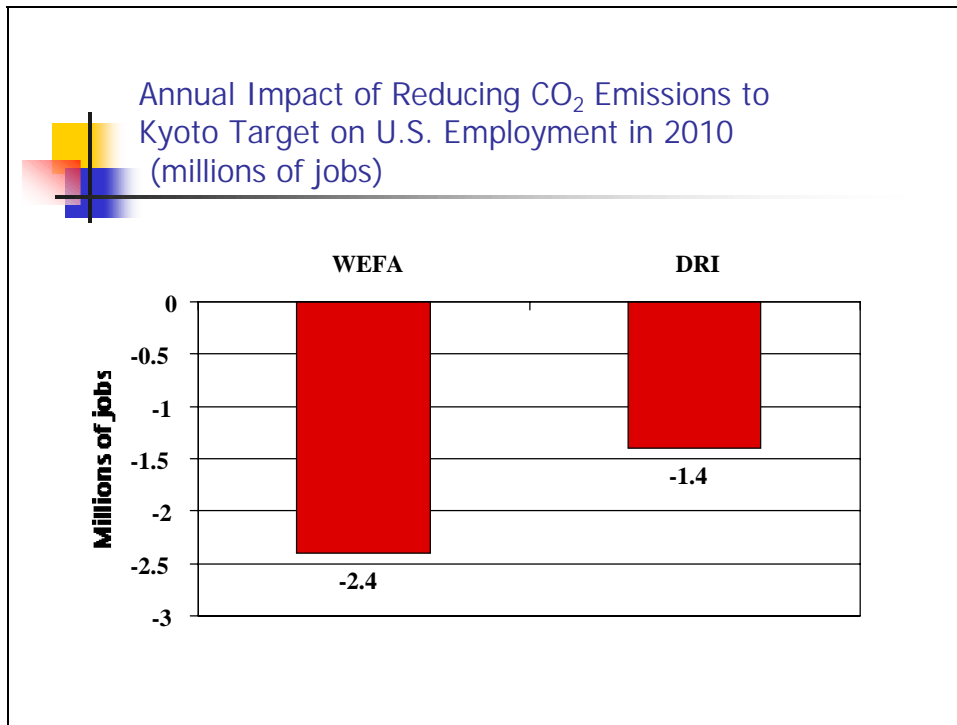
Diapositive 2



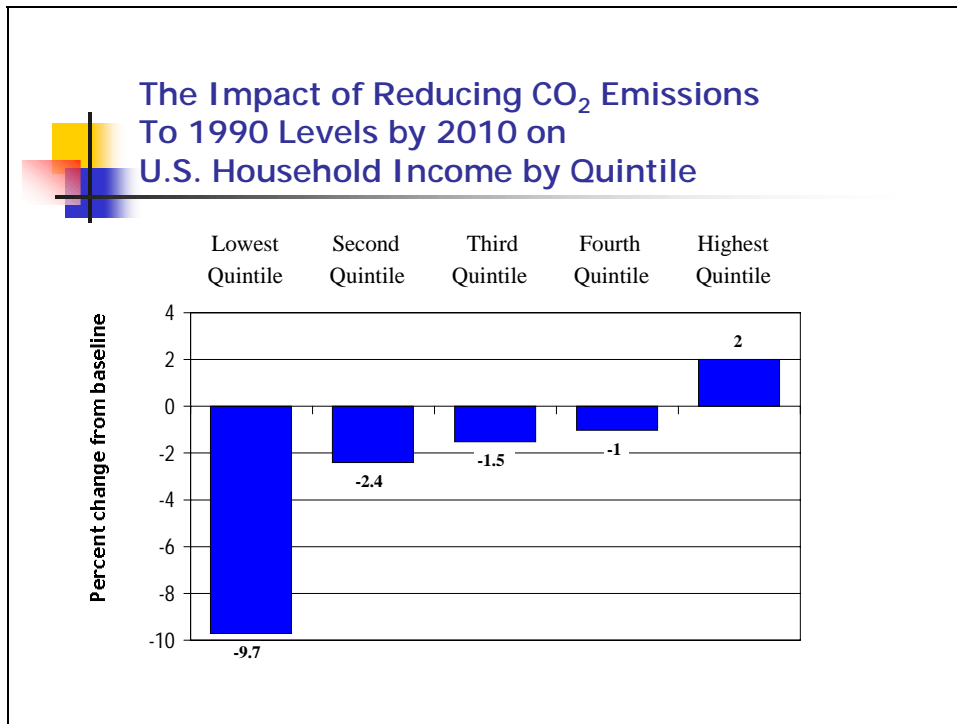
Diapositive 3



Diapositive 4



Diapositive 5





Clean Development Mechanism: Does It Help?

- CDM cannot replace full global trading as a cost-reduction strategy
- Transaction costs or fees reduce CDM adoption
- Restrictions on type and location of CDM projects reduces usefulness
- Real cost of imports rises for many countries



A Long-Term Approach to Climate Mitigation Policy

- Reform tax code to reduce the cost of adopting new technologies
- Development of more accurate climate change models
- Research on new energy production and consumption technologies and carbon sequestration
- Support for technology policy which is neutral regarding type and location
- Global participation in emission reductions

LABOUR/MANAGEMENT PROGRAMME

JOINT MEETING OF MANAGEMENT AND TRADE UNION EXPERTS ON CLIMATE CHANGE

INCREASING THE EFFECTIVENESS OF VOLUNTARY APPROACHES TO ADDRESS CLIMATE CHANGE

**Presentation by Mr. Cecilia Brighi
Confederazione Italiana Sindacati Lavoratori**

Voluntary approaches must form part of a mix of solutions, including regulation and standard setting, as a means of strengthening capacity to meet UNFCCC climate change aims and targets. Problems remain, however, with transparency and verification of Voluntary approaches. Continued analyses and research of voluntary agreements must be encouraged for the purposes of developing a proper framework for climate change implementation measures. Such frameworks should incorporate a number of elements:

- Voluntary approaches must supplement or strengthen government-based regulations and standards, or a lack of them, and clearly show how they serve this purpose. A recent OECD report, *Voluntary Approaches for Environmental Policy*, found little empirical evidence that voluntary approaches are very effective for environmental protection. However, it revealed that negotiated voluntary approaches, linked in some way to regulation, are the strongest type to date. These types of Voluntary approaches have proven to be effective to meet climate change targets in the Netherlands, Germany and other European countries. They should be used as a basis to further develop voluntary climate change approaches and targets.
- Research on voluntary approaches should seek to better understand how they might apply to all dimensions of sustainable development (including its social, economic and environmental dimensions). The current OECD review of voluntary approaches should extend beyond its narrow environmental scope and should seek to improve the verification and transparent implementation of voluntary approaches.
- Almost all voluntary approaches seek to change workplace performance, in some way. Workers and employers should be called upon to develop joint monitoring and reporting of their progress and effectiveness. This should become a basis for capacity building, including in the developing countries. Government inspectors and inspection systems must be considered as means of strengthening voluntary monitoring and reporting systems, especially where voluntary approaches supplement regulation and standards, or are intended to implement them.
- Voluntary approaches must never undermine minimum agreed environmental, economic and social standards. In particular, the body of international agreements dealing with social issues, including basic human rights and core labour standards, enshrined in international Conventions and Protocols must not be undermined. The recent initiative on the 'Global Compact' taken by the United Nations Secretary General, Kofi Annan, should also be promoted and supported as a basic foundation for voluntary approaches. In this regard, it is heartening to note that a number of global corporations have already signed up to the Global Compact and thereby committed themselves to its 9 Principles covering Human Rights (2); Labour (4); Environment (3).
- Education and training are needed to improve current workplace monitoring, record-keeping, and reporting mechanisms, especially for workplaces, where such capacity does not exist. In this regard,

Voluntary approaches can serve to provide a focus for training by trade unions and employers, acting as social partners to achieve sustainable development objectives.

- Lessons for voluntary approaches may be drawn from experiences with collective agreements already in place, as models for implementation and for the training of workers by trade union representatives. Collective agreements are well-suited to addressing particular problems faced by trade union members, and can remedy a wide range of problems dealing with sustainable development issues, including the environment and social dimensions. They can maximise the educational opportunities in the workplace over a host of issues, including the implementation of the Voluntary approaches themselves.

CSD Review of Voluntary Initiatives and Agreements (VIA's)

In 1998 the UN Commission on Sustainable Development (CSD) held a special Dialogue Session on “Business & Industry”, which resulted in the creation of a multistakeholder Steering Group to make recommendations for a review of Voluntary Initiatives and Agreements (VIA's), relating to all aspects of sustainable development. The Steering Group was composed of representatives from business, trade unions and NGO's, as well as the CSD Secretariat. In March 1999, it organised a multistakeholder consultation in Toronto, Canada to identify elements, which should be considered for such a review, and recommendations were subsequently adopted by the CSD in 1999. The following VIA issues are considered significant:

- how they complement regulatory frameworks and other policy instruments, and foster continuous improvements;
- their history which led to their creation, i.e. impetus & context;
- their stated purpose, goals and objectives;
- the extent of multistakeholder participation;
- the commitment by proponents to support their evolution;
- the working methods which sustain and build mutual trust and respect;
- the provisions for monitoring and assessment;
- the provisions for verification ;
- attention to communication for stakeholders and the public;
- the extent to which they promote capacity building

LABOUR/MANAGEMENT PROGRAMME

JOINT MEETING OF MANAGEMENT AND TRADE UNION EXPERTS ON CLIMATE CHANGE

INCREASING THE EFFECTIVENESS OF VOLUNTARY APPROACHES TO ADDRESS CLIMATE CHANGE

**Presentation by Mr. Kees Bennebroek
Public Affairs Manager, DSM**

Long-term agreements between industry and government

Most voluntary agreements take the form of arrangements between government and industry. As the word 'voluntary' implies, there is no element of compulsion; such agreements are not imposed by the government. Instead, individual firms and industrial sectors are free to make arrangements and agree on measures with the government. The reason why firms are interested in entering into such arrangements is that they allow them to anticipate future government policies and come up with their own proposals for the most efficient way of achieving the particular aim that the government has in mind. Industrial federations play an important role in getting as many companies as possible to participate in such arrangements. Not only can they clarify the benefits of a pro-active attitude, but they can also appraise the risks posed by the alternative, i.e. statutory regulations that may be imposed on industry if it fails to reach an agreement voluntarily. These long-term agreements can only achieve their aim if they are supported by all parties concerned and if there is sufficient commitment on the part of leading players. The attraction of long-term agreements for industry lies in the freedom they offer firms to devise their own measures within a reasonable period of time. For the government, long-term agreements are attractive in policy areas which are less suited for legislation for whatever reason.

Experiences in the Netherlands

The Dutch have gained considerable experience during the past 20 years with voluntary agreements on environmental action and energy conservation. During the 1980s, the majority of these agreements involved a small number of large industrial companies, for which the agreements provided a basis for performing soil clean-up projects. In the early 1990s, arrangements were made with most industrial sectors on the issue of reducing emissions, solid waste production and water pollution, and also on improving energy efficiency per unit of product. Targets were set for the year 2000, and in some cases even for the year 2010, and independent bodies were given the job of reporting every year on the progress made. The fact that annual reports are published on each sector's success in meeting these targets places both the sector in general and individual firms in particular under strong social and political pressure to achieve the targets. In addition, both provincial councils and municipal authorities can use the Dutch system of environmental licensing as a means of encouraging individual companies to improve their environmental policies.

The covenant on energy-efficiency improvement

In the early 1990s, a long-term agreement was signed for improving energy efficiency by 20% by the year 2000. There was considerable scepticism among both industry and government as to whether such a target was achievable, in the light of the large number of energy conservation projects that had already been tried in the past, following the oil crises in 1973 and 1980. Now we have actually reached the year 2000, we see that most industrial sectors have indeed achieved the target, and some have even gone beyond it. Combined heat and power plants have played an important part in this success. Energy-intensive sectors

such as steel manufacturing, chemical production, oil refining and papermaking have invested massive amounts in electricity generation, with the result that, today, over 35% of all electricity generated in the Netherlands comes from sources outside the National Grid. In addition, research has been intensified into ways and means of improving the industrial processes used in plants and installations, and the search for technological breakthroughs has continued. The freedom given to companies to apply their own criteria of effectiveness and efficiency in choosing projects, and also to decide themselves on the sequence in which such projects should be carried out, has been a crucial factor in industry's success in meeting the targets. The projects are required to generate a post-tax return of 15%, and this criterion has been accepted by the government.

Long-term agreement on world-top benchmarking, 2001 - 2012

The Dutch policy on improving energy efficiency will remain in place in the coming years. In the context of the climate change issue, industry and government have agreed that firms should ensure any energy-intensive installations operate in accordance with world-top; this means top 10 percent or the average of the best region. The world-top is to be determined by a benchmark review of energy consumption per unit of product among plants and installations all over the world. An independent agency has been given the task of monitoring the observance of the agreement, and is required to report on an annual basis to the Minister of Economic Affairs and the Minister of Environment. Any unique installations will be screened individually on the basis of the current state of the art.

This long-term agreement has been entered into for the same period as the Kyoto Treaty. The firms concerned are committed to achieving the specified targets. The requirement placed on industry is that it should operate in accordance with world-top, in which case the government has agreed not to impose any new ecotaxes or emission ceilings.

The benchmark review of production plants all over the world is to be performed by reputable consultants and engineering firms. For many plants, this will be the first time such a worldwide review has been performed. The findings of the review should spur many companies to undertake energy conservation projects so as to further reduce their energy consumption. This will benefit their cost position and continuity as well as the global climate.

The Dutch Environment Minister, Jan Pronk, is convinced that benchmarking is a very effective policy instrument.

The benchmark reviews will be conducted on a regular basis in the future, thereby placing firms under a constant pressure to improve their efficiency and reduce CO₂ emissions.

Participation, acceptance and support

The more companies sign up to long-term agreements on energy efficiency improvement, the more likely are governments to regard such agreements as effective instruments of climate change policy. Encouraging firms to participate is first and foremost a job for industrial federations. They need to provide clear information on the likely scale of the investment in terms of time and cost as compared with the risk associated with not participating. Large companies can help to find suitable consultants and engineering firms.

In order to ensure that the long-term agreements receive broad political and social support, it is important that the terms, objectives and results of such agreements are widely publicised. Both individual companies and industrial federations should inform the government fully and regularly on the progress of the long-term agreements and the results achieved. Given that little is known about the technical and organisational aspects of an agreement such as the worldwide benchmark review, a great deal of energy needs to be devoted to communication with non-government organisations and trade unions.

Conclusion

In short, what does Dutch industry think about voluntary agreements and covenants?

1. Covenants on energy efficiency improvement are much better than any other type of measure, on account of their effectiveness and efficiency.
2. The term 'voluntary' does not imply a lack of commitment: those who sign up to such agreements are under an obligation to carry them out.
3. There must be an independent, expert body that can review the progress made by firms in implementing the plans and assess the results. This is necessary in order to secure acceptance and broad support.
4. Covenants help to secure broad-based mutual commitment on the part of industry and government to improving energy efficiency and hence to reducing CO₂ emissions.

LABOUR/MANAGEMENT PROGRAMME

JOINT MEETING OF MANAGEMENT AND TRADE UNION EXPERTS ON CLIMATE CHANGE

ADDRESSING RESPONSIBILITIES OF STAKEHOLDERS FOR GHG EMISSIONS

**Presentation by Jesper Lund-Larsen
International Union of Food and Agricultural, Hotel,
Restaurant, Tobacco and Allied Workers Association**

A Focus on Workplaces: It is crucial that climate change scenaria focus on the workplaces, as they are at the hub of production, and major consumers in their own right. Effective change in the workplace can only be achieved with the full “engagement” of workers and trade union, however.

Workplace Assessments are conducted by workers and their representatives with employers to identify where workplace performance can be improved. They lead to joint target-setting, monitoring, record-keeping, and implementation, in tandem with enterprise management systems for environment (e.g. Cleaner Production or ISO), health and safety programmes (e.g. ILO Guidelines or Government regulations), internal or 3rd party enterprise audits, and Government-based programs (e.g. EMAS).. To some extent, they must also link and be evaluated by community organisations or local governments, and can also be made to work with collective agreements or other special partnership arrangements. The coordinating capacity of trade unions in workplace assessments must be recognized by all stakeholders.

Sustainable Consumption and the Role of Workers¹: If the targets identified by Agenda 21 are to be met, there will have to be change on a scale never before witnessed. Workers cannot simply be disinterested bystanders. They and their communities have a key role to play. They will have to become more responsible consumers of water, energy and other resources. For this reason, programmes aimed at addressing the continuing need for improvement at the workplace must also be consistent with programmes aimed at putting the consumption patterns of workers and their communities on a sustainable footing. However, it needs to be recognised that lack of education, lack of opportunity, lack of security and lack of dignity are all well-documented impediments to the development of a sustainable consumption ethic in individuals. This is another reason why climate change policy is something that is related to work whilst at the same time having implications beyond the factory fence.

Adopting Transportation and Other Targets: Three-fourths of all greenhouse gases come from manufacturing, energy production or supply, transport and construction sectors, areas in which waste and pollution can be readily addressed by the design, manufacture or operation of clean process equipment and technology. Workplace assessments should be applied to these energy sectors. An agreement by workers and employers to improve energy consumption in such areas as transportation² of workers, for example, would impact directly on all transport habits (e.g. travel to and from work), as well as raising awareness of the implications of other personal consumption choices relating to energy. Integrated workplace assessments could ultimately address all workplace resource use; however, energy provides a nexus around which other workplace targets could be set. Employers are in a good position to take leadership in promoting such assessments and trade unions can help pave the way for worker participation. Agriculture

¹ *Ethics of Consumption: The good life, and global stewardship*, ILO –Labour Doc 315671

² Prague Conference 2000, “All citizens should benefit from the access transport services provide in a reasonably equitable manner. This implies avoiding excessive dependence on private automobiles, if certain sections of society are not to be excluded”. ECMT, *Sustainable Transport Policies*, 2000, p.8

is one area where an energy focus could realise important environmental dividends if combined with water and resource conservation.

A new Workplace Culture: Cases compiled by the trade union movement show that such preconditions as the “right-to-know”, “whistle-blower” protection, the right to refuse dangerous work, and the right to participation are important. This has important implication within the context of ensuring effective compliance to protocol rules and measures. The purpose of recognising these rights is to provide tools of workplace engagement and to eliminate possible abuses of trust, though legislative frameworks³. Within this context, industrial relations should be examined as a possible tool for sustainable development. There are about 3.3 million collective agreements in the world, which derive from worker/employee cooperation at the workplace.

³ The history in health and safety shows that proper legislative frameworks can serve to develop trust and ensure checks and balances in desired scenaria for change.

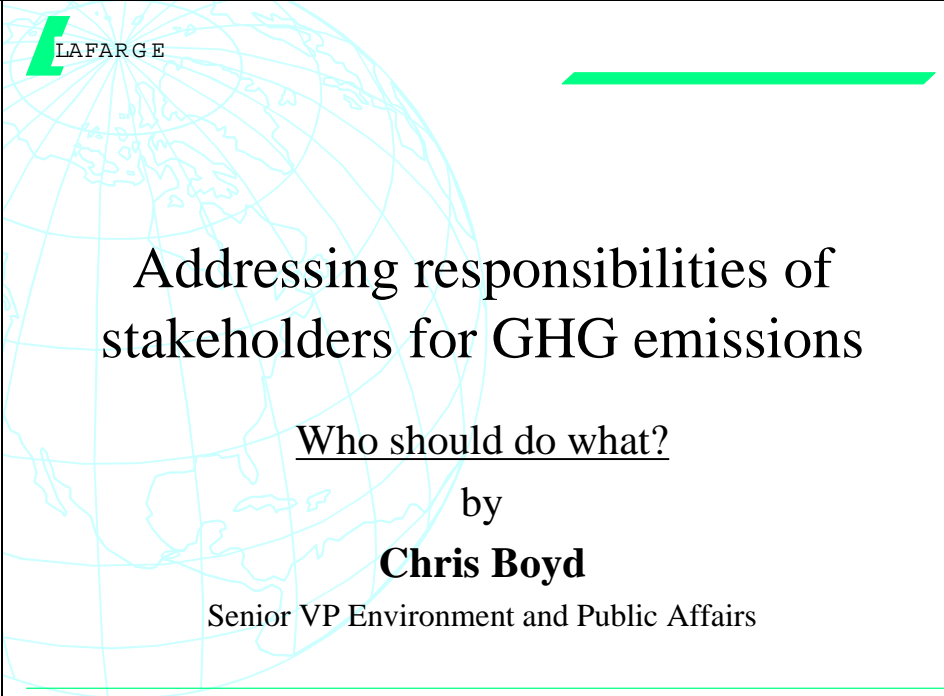
LABOUR/MANAGEMENT PROGRAMME

**JOINT MEETING OF MANAGEMENT AND TRADE UNION EXPERTS ON
CLIMATE CHANGE**

ADDRESSING RESPONSIBILITIES OF STAKEHOLDERS FOR GHG EMISSIONS

**Presentation by Chris Boyd
Senior VP Environment and Public Affairs, Lafarge**

Diapositive 1



LAFARGE

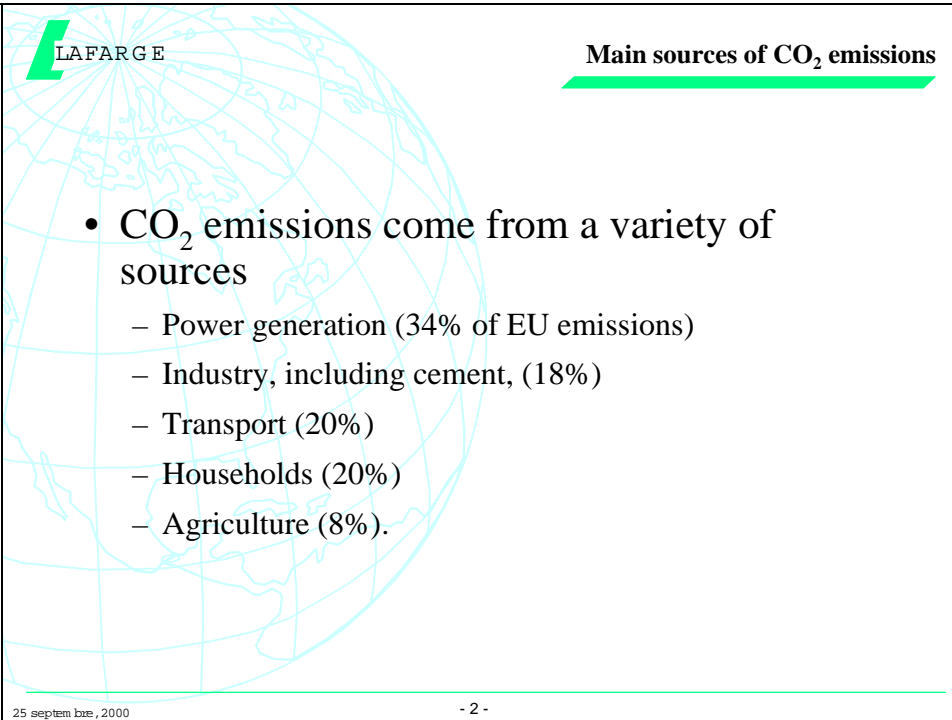

**Addressing responsibilities of
stakeholders for GHG emissions**

Who should do what?

by
Chris Boyd
Senior VP Environment and Public Affairs

25 septem bre, 2000 - 1 -

Diapositive 2

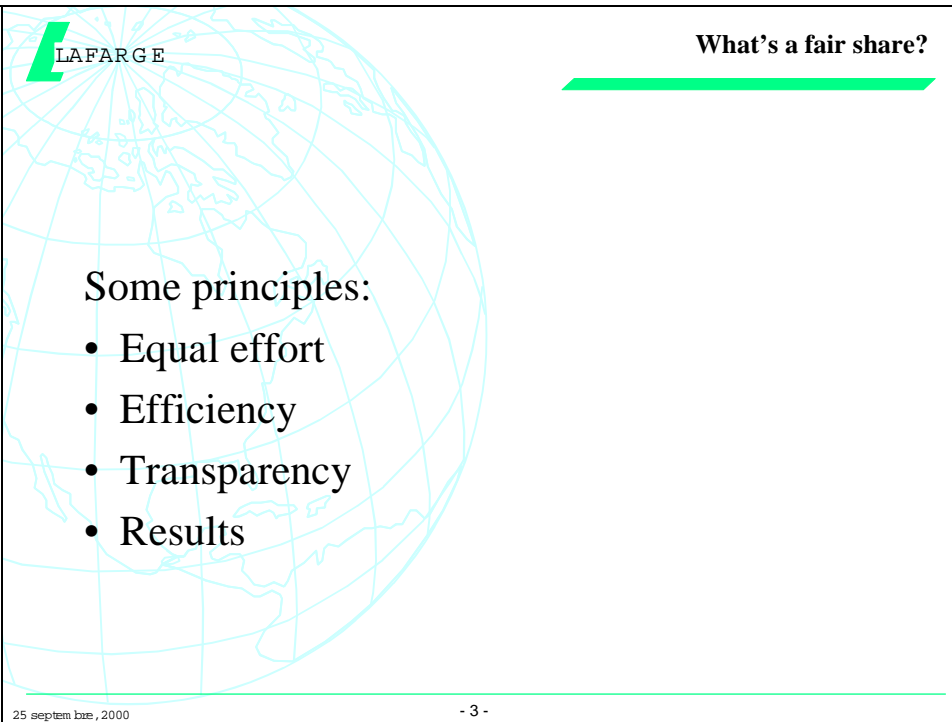



Main sources of CO₂ emissions

- CO₂ emissions come from a variety of sources
 - Power generation (34% of EU emissions)
 - Industry, including cement, (18%)
 - Transport (20%)
 - Households (20%)
 - Agriculture (8%).

25 septem bre, 2000 - 2 -

Diapositive 3





What's a fair share?

Some principles:

- Equal effort
- Efficiency
- Transparency
- Results

25 septem bre, 2000 - 3 -

Diapositive 4



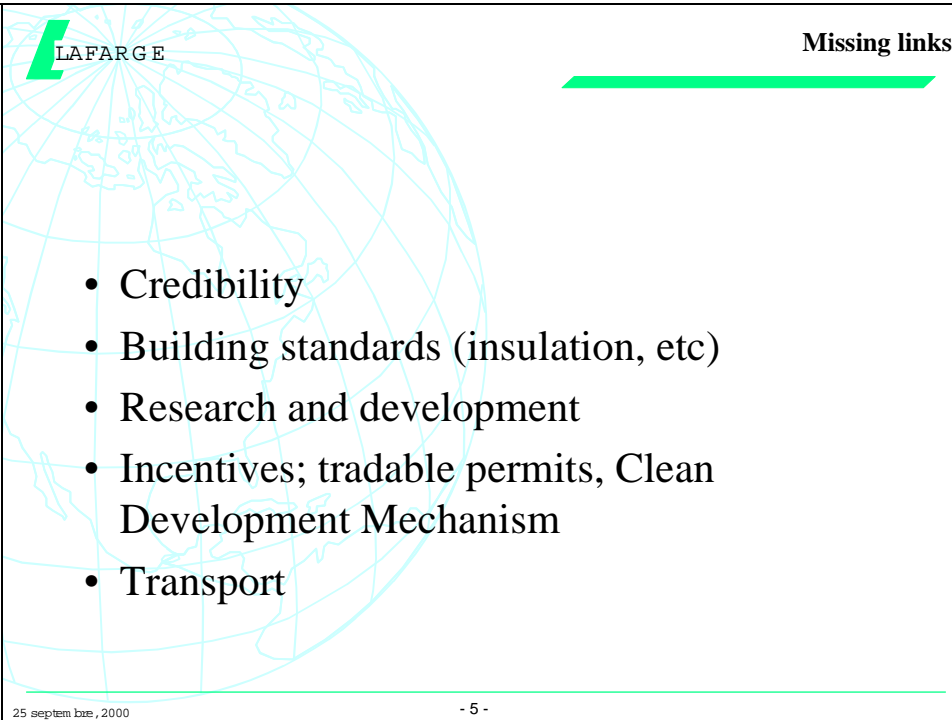

Enhancing awareness

Be realistic:

- Industry/labour: voluntary commitments; indicators
- Consumers: labelling
- Motorists: provide alternatives
- Government: national plan; integration

25 septem bre, 2000 - 4 -

Diapositive 5



Missing links

- Credibility
- Building standards (insulation, etc)
- Research and development
- Incentives; tradable permits, Clean Development Mechanism
- Transport

25 septem bre, 2000 - 5 -