ETUC Resolution Rio+20: Strengthening the social dimension of sustainable development

Annex 1: Background and explanatory notes

In 1992, the Rio Earth Summit brought the concept of 'sustainable development' formally into the United Nations (UN) remit: bringing environmental and social concerns into mainstream debates on economic and human development within the Commission on Sustainable Development (CSD). In Johannesburg, ten years later, negotiating parties focused on promoting rules on social and environmental sustainability, to "strengthen and better integrate the three dimensions of sustainable development policies...In particular, the social dimension of sustainable development should be strengthened" (article 14oc). Rio+20 in 2012 will focus on reviewing progress and defining the way forward on Green Economy and Poverty Eradication, and the institutional framework on sustainable development.

The ETUC believes that Rio+20 must be grasped as an opportunity for the EU to revitalise its own sustainable development strategy through a strengthening of the European social and employment dimension, the promotion of economic and employment security, and recognising the essential importance for social cohesion played by social dialogue and collective bargaining. The European Union and European countries should have a key role in pursuing these demands. A single-minded focus on competitiveness and deregulation threatens to undermine sustainable development in Europe, contributing to a rise in precarious work and failing to address rising poverty levels, GHG emissions and resource depletion. A lack of political leadership in the current crisis has intensified the pressure on working, retired and unemployed men and women in Europe, threatening to further erode our societies.

1. Ensuring the social dimension becomes a strong pillar of 'sustainability'

The ETUC believes that it is imperative that governments (and the European Union) take the opportunity of the Rio+20 Earth Summit (May 2012) to revitalise and strengthen the international framework on sustainable development. The race for a 'Green Economy' should not become a substitute to sustainable development and its social aspect must not be left behind nor neglected. The Millennium Development Goals should not be ignored in the process, and any Sustainable Development Goals should prioritise the fight to eradicate poverty globally, whilst ensuring environmental protection.

Sustainability must address all three broad areas or dimensions: environmental, social, and economic. These needs interrelate in complex ways. The interfaces (social-economic, social-environmental, and environmental-economic) are blurred and indistinct. By ignoring one element of the three, any policy approach is destined to fail to address the underlying challenges of our model of production and consumption. It is therefore essential that the inclusion of Just Transition and Decent Work in the Cancun agreement be reflected in the work and negotiating texts of Rio+20. It is only through including policies and action to tackle inequalities, and promote safe, decent and sustainable green jobs that trade unions will remain engaged in the process and sustainable development will be achieved.

A "Just Transition" to the green economy is about recognising and planning fairly and

sustainably for the huge changes that climate change policies will have for the whole economy. The five Just Transition principles for managing process of change to a sustainable future are based on the principles of fairness and equity:

Consultation	Consultation between representatives from trade unions, business, government, regional bodies and voluntary organisations, on the shift to a green, low carbon economy, from the workplace to national government
Green and Decent Jobs	Investing in the technologies and infrastructure to meet the sustainability challenges for a low carbon, resource- efficient future while creating quality jobs.
Green Skills	Government-led investments in education/training and skills programmes, from the workplace to national levels, to equip students and the workforce with the skills for a low carbon, resource-efficient economy. Promoting individual worker rights to training to ensure access for all workers.
Respect for labour &	Democratic decision-making and respect for human and labour
human rights	rights are essential in order to ensure the fair representation of workers' and communities' interests. Strengthening worker information, consultation and participation rights to matters concerning sustainable development.
Social protection	Strong and efficient social protection systems in the transition to a low carbon economy

Putting the Decent Work Agenda into practice is achieved through the implementation of the ILO's four strategic objectives, with gender equality as a crosscutting objective:

- Creating Jobs an economy that generates opportunities for investment, entrepreneurship, skills development,
- Guaranteeing rights at work to obtain recognition and respect for the rights of workers.
- Extending social protection to promote both inclusion and productivity by ensuring that women and men enjoy safe, secure employment, with unemployment protection and adequate healthcare.
- Promoting social dialogue Involving strong and independent workers' and employers' organisations

The ETUC takes up the ITUC's call for strong employment policies promoting the greening of all sectors and jobs, with ambitious targets on quality job creation and transformation.

Consequently, the policy dialogue in advance of, during and following, the Rio+20 summit cannot be left to Environmental Ministries alone, but should involve Ministries responsible for Employment and Social Affairs and Industry, as well as the social partners through the promotion of social dialogue on sustainable development. It is within their remit to define the 'strengthened social dimension' already demanded in Johannesburg in 2002.

With 23 million unemployed in Europe, austerity measures will not build a greener, fairer Europe. They will not deliver the jobs and skills, nor the fair and just transition to a sustainable economic future vital for us all. The concept of Just Transition is fundamental to ensuring the policy framework for quality job creation, included already in the UNFCCC Cancun agreement, this concept and Decent Work must be integrated into the Rio+20 final agreements. However, the EU has already accepted this commitment in Cancun and therefore the ETUC joins the ITUC call for a specific mandate for the ILO to implement Just Transition at international

level, and calls for a proposal on a European Just Transition Roadmap, accompanying the EU's Roadmap 2050 to set the social framework of climate change mitigation and adaptation.

Within the context of the Rio+20 dialogue, the promotion of a universal social protection floor is of paramount importance to ensure this Just Transition to a energy- and resource-efficient economy alleviates poverty and unemployment globally. At European level, attempts to dismantle social protection systems and rights, and welfare states in general, under the guise of the sovereign debt crisis, threaten to exacerbate socio-economic inequalities, increasing poverty and the number of working poor, undermining the fabric of European society and social cohesion. It is a strengthening not a weakening of social protection rights (e.g. unemployment, pension provisions, healthcare) which is needed.

2. Providing a transparent and accountable framework for action at all levels

The ETUC calls for the strengthening of UNEP through its transformation into a new UN environmental organisation, which should be supported through an independent scientific assessment panel on sustainable development (mirroring the IPCC). Moreover, in addition to increase the political engagement in sustainable development, a top-level Sustainable Development Council reporting directly to the UN General Assembly should be foreseen, strengthening the work of and formal interactions between the ILO, UNEP and UNDP on sustainable development and green, decent jobs. A future UN Charter on Human Responsibilities and Solidarity could provide a legal foundation for UN action on sustainable development.

To this end, the ETUC supports calls for the establishment of an international system for measuring progress on sustainable development goals at Rio+20, establishing machinery for monitoring and guiding investment flows around the world to support sustainable development objectives (and to discourage unsustainable investment), including in particular how richer countries can assist the less developed in the sustainable transition.

Specific sectoral roadmaps are necessary with specific sustainable development goals and targets, particularly to address: sustainable mobility and urbanisation; tackling deforestation, the promotion of closed-loop manufacturing and better resource efficiency; the substitution of harmful substances; and the problems of water, food, energy and resource security.

The ETUC is convinced that it is urgent to adopt adequate indicators capable to measure sustainable development, ecological footprint and social inequalities. Growth as a concept should be reviewed in line with the work of Sen-Stiglitz.

A key priority at Rio+20 must be engagement with social movements and citizens on sustainable development. The tripartite model of the ILO should be reflected in the changing institutional framework, allowing a more bottom-up approach with active stakeholder engagement and responsibilities.

Broad-based societal pacts will be needed to ensure all elements of sustainable development are pursued consistently and fairly. Such pacts are only possible with the full engagement of social partners and recognition of the specific role of trade unions and their members as both workers and consumers.

Engaging at the workplace is of central importance in changing production and consumption behaviour. This is best achieved, as demonstrated by recent interprofessional social partner initiatives, through bilateral or trilateral social dialogue¹. However, there is still a long way to go if the Agenda 21 objectives are to be achieved, as unions are often not consulted within

¹<u>http://www.etuc.org/a/8865</u>

businesses or at sectoral level. A global evaluation would thus need to be drawn up of the level of implementation of Agenda 21, at environmental level and equally in the world of labour, specifically in terms of gender equality, training and poverty eradication, in order to design the measures more effectively bring on board the stakeholders who can help to achieve the objectives.

Furthermore, democratic structures should be strengthened to mainstream sustainable development in national and European policy-making. The EU and its Member States should start to mainstream sustainable development by implementing the horizontal clauses foreseen in the Lisbon Treaty on gender equality, social protection and environment (articles 8, 9 and 11 from the Treaty on the Functioning of the European Union). Other examples of how this could be achieved include national and European parliamentary committees 'for future generations' which consider the economic, environmental and social consequences of policies pursued. Alternatively, a European and national Ombudsman for future generations should be considered, or national Sustainable Development Councils. Finland already has a Parliamentary 'Committee for the Future'. Hungary has had an Ombudsman for future generations until recently. A number of EU countries have active multi-stakeholder Sustainable Development Councils. Such action is not just the prerogative of the developed world, but should become a model for all.

3. Investment in people and planet: Developing the European sustainable development strategy

Transformation of our economies and the promotion of the greening of all activities and jobs will demand a long-term policy and investment agenda. This policy agenda must go beyond the short-term constraints of stock-market reporting and political election cycles.

In the context of the current macroeconomic situation and spirally public bond-market crisis, this agenda is currently totally elusive and undermined continuously by national austerity programmes and market speculation.

The ETUC has made its position on European economic governance and macroeconomic policy clear in other positions promoting an alternative agenda for sustainable growth in Europe and job maintenance and creation². The ETUC is convinced that EU must go beyond the Europe 2020 strategy to give Europe a real sustainable development policy based on equal social, environmental and economic pillars.

To spur sustainable growth, more ambition is needed from Europe in terms of climate and energy goals. The ETUC calls for increased ambition on greenhouse gas emission reductions of -25 to -40% by 2020 in-line with the IPCC recommendations, together with binding energy efficiency and energy saving targets of at least 20% by 2020. While ensuring that increased targets are accompanied by measures to promote social progress, to tackle energy poverty and carbon leakage and promote continual improvement in environmental performance and greater resource efficiency. It is essential in this context to ensure the global competitiveness of Europe's energy intensive industries by adequate measures, if necessary. Jobs and production processes in Europe must be made more sustainable in these industries. However, it should be avoided that jobs are lost to countries with considerably lower environmental standards and legislation.

Government intervention is needed to achieve these goals as well as a portfolio of more efficient public and private instruments. Public authorities, regulations and public budgets are crucial for the delivery of sustainable industrial policies aimed at addressing value-chains for

² ETUC Strategy and Action Plan 2011-2015: <u>http://www.etuc.org/a/8928</u>

strategic industries, support for R&D, support for the demonstration and deployment of technologies, standard setting, regulation, public investment in infrastructure modernisation, the diffusion of technologies to the South, and strong employment policies and education, training and life-long learning frameworks promoting green, decent jobs. The EU should build European policy agendas based on joint technology platforms and cooperative R&D initiatives, to press for a level playing field at international level and further the transition towards greater energy- and resource-efficiency ensuring social cohesion and economic and environmental justice.

To ensure sustainable public finances, the promotion of development and a fairer distribution of wealth, tax evasion must be addressed through the abolition of tax havens, financial market regulation and reform, and a review of business and investment agreements. Moreover, the better use of energy taxation should allow an increased taxation shift from labour taxes to environmental taxation, respecting and ensuring the financing of social protection systems.

Public services play an important role both in mitigation and in adaptation policies for climate change. Austerity policies put this under pressure having long term consequences for example when budgets and staff for environmental protection agencies are cut, investments in water management are not made and health care and emergency services are not equipped to deal with disasters. ETUC urges the EU to underline the importance of public services and investment therein to ensure societies move on a path to sustainable development.

While existing European financial instruments can be used to better lever private capital to finance sustainable development policies and projects, they are currently insufficient.

A reorientation of the EU general budget is needed. Existing financial instruments must be reinforced and further mobilised to the benefit of a European Union sustainable development strategy. The ETUC has taken a clear position on how this should be achieved in its Resolution on the EU's Multi-Annual Financial Framework post-2013³.

The European Investment Bank is an important budget instrument not tied to the EU general budget, and adopted in 2009 a "Statement of Environmental and Social Principles and Standards", including the ILO core labour standards, now included in its strategy for project selection and implementation. This bank should be used more to finance European climate policies, to support R&D efforts not only in large firms but also in small enterprises, and should develop further the implementation of its sustainable development strategy through dialogue with the trade unions and civil society, and through a representation of social partners on the board of this bank. The European Bank for Reconstruction and Development also offers interesting prospects. Ex-ante and ex-post evaluations of loans from the EIB and EBRD should be conducted in line with social and environmental criteria.

Fundamentally, new innovative financing measures are needed. In particular, a financial transactions tax at European and ideally global level is needed, especially to provide a credible and stabilizing financial framework as such but it should also have effects on sustainable development policies (notably, global poverty eradication, tackling climate change, and ensuring social justice).

Financial market rules should change the allocation of risk to internalise the external environmental and social costs, promoting investments tailored to support sustainability through sustainable investment in infrastructure and strong industrial policies and job-rich strategies. It is only in this way that the social dimension will be strengthened and disproportionate costs will not fall on the most vulnerable in society (in Europe and globally).

³ Resolution March 2011 : http://www.etuc.org/a/8503

Annex 2: Policy Options and Practical Actions on chemicals, transport, mining, waste management and the 10-year framework on Sustainable Consumption and Production (SCP/10YFP)

In its preparation, during and following the Rio+20 summit, the ETUC calls for strong EU endorsement and implementation of the following specific sectoral principles/commitments:

1. Chemicals

The ETUC reiterates the central principles of the REACH regulations to ensure a high level of protection of human health and of the environment, to shift the burden of proof for identifying and controlling risks from authorities to companies and to speed up the placing of safe and innovative chemicals on the market. ETUC therefore considers that the replacement of substances of very high concern and worker health and safety are priorities. The structures of the European Chemicals Agency (ECHA) is seen as a best practice model, in which trade unions and other stakeholders are able to engage with the regulatory authorities to further workers' health and safety, and push for improved innovation towards the substitution of hazardous chemicals.

- Ensure all workers are protected from chemical-related fatalities, injuries and diseases. Ensure decent working conditions in the chemicals' sector as well as in those where chemicals are used. Improve workers' training and awareness on chemical risks.
- Ensure the prevention of chemical risks in workplaces and the environment.
- Ratify and implement ILO Conventions 155 on Occupational Safety and Health and 170 on Chemicals and work towards the application of the UN Global Harmonised System.
- Develop and implement a strong international regulatory framework regarding chemical hazards and national regulatory policies based on the precautionary principle and robust safety evidence. Work towards a binding agreement based on an integrated approach to

chemicals, including through the strengthening of UN SAICM. Ensure no exposure of substances of very high concern to humans and the environment, including CMR, synthetic endocrine disrupters, PBT/vPvB, and other highly toxic substances; and to reach a substitution of these substances in one generation.

- Intensify work to ensure compliance with EU and international rules (e.g. Basel Convention) on chemical products and their treatment as waste through safe and effective recycling, combating irresponsible and illegal shipments of waste to other regions of the world.
- Recognise the need for 'Just Transition' strategies to address economic change in the chemicals industry, resulting from environmental standards.
- Increase research and disseminate information on chemical hazards and on the impacts of unsustainable waste management on public health, occupational health and the environment.
- Encourage substitution of toxic substances through regulatory actions.
- Prevent social and environmental dumping and illegal trafficking and implement the Extended Producer Responsibility and Accountability principles.
- Develop global guidelines on the use of nanomaterials including the protection of workers, consumers, and the environment at all stages of the life cycle, based on the 'no data, no market' principle.
- Increase availability of financial and technical resources for developing and transition countries to enable full implementation of multilateral chemicals agreements.

2. Transport

Mobility and transport need to be considered as a coherent system, organized to meet specific needs. Urban and rural areas have different mobility requirements. This implies that costs for mobility must not become prohibitive due to energy prices. Both individual and collective transportation systems need to be reconsidered taking into account this aspect. Ambitious measures in the transport sector must be included in EU legislation through a directive on sustainable mobility.

- Ensure public transport systems are adequate, efficient and affordable, and help workers reaching their jobs, education and markets.
- Focus on infrastructure development in rural areas as it is vital for lifting poor people out of poverty. The lack of transport services is deeply related to exclusion, inequality and poverty.
- Implement policies which promote Decent Work in the transport sector.
- Promote ambitious public investments in sustainable infrastructure. Public transportation systems are a centrepiece of sustainable mobility strategies, which need to be promoted.
- Implement policies which enhance modal shift.
- Create fiscal frameworks that allow the internalization of transport social and environmental costs.
- Promote and improve urban and peri-urban planning.
- Reinforce institutional and high-level participation of trade unions and other stakeholders in transport policies.
- A new levy on heavy tonnage maritime shipments and kerosene used in civil aviation provide an opportunity for funding the aforementioned projects.

3. Mining

- Ensure the ratification and implementation of norms on Occupational Health and Safety in mining, including ILO Convention 176 on Safety in Mining.
- Reduce the negative social and environmental impacts of mining operations and compensate workers and communities for unsustainable mining practices.
- Recognise the role of trade unions in the mining sector for achieving decent working conditions in this sector.
- Recognize the need for 'Just transition' strategies to address economic change in the mining industry, resulting from environmental standards.
- Develop upstream and downstream mining activities as a means for diversifying local economies, through a mix of regulatory and voluntary instruments.
- Ensure that the revenue from mining activities is fairly distributed in communities and benefits local and national sustainable development.
- Establish an international regulatory framework for extractive companies.
- Improve the precarious situation of all mineworkers, including small scale mining workers.
- Impose appropriate terms and conditions on mining, including environmental, health & safety, and social protection criteria, and prevent the development of projects that would adversely affect areas of ecological, economic and cultural significance and other land uses.

4. Waste Management

- Ensure reliable and accessible information on the generation and management of hazardous and non-hazardous waste.
- The creation of an "organism, committee or agency" at the European level with union, social and environmental participation, responsible for monitoring the objectives of the Directive 2008/98/EC on waste (Waste Framework Directive) to ensure its implementation.
- Prevent the generation of waste at the beginning in product design and manufacturing in order to reduce the quantity and toxicity of waste, making products easily recyclable through 'cradle-to-cradle' approaches (Ecodesign).
- Promote a green tax reform to change the economic framework to promote waste management options of reducing, reusing and recycling instead the end of pipe options (landfill, incineration). For instance, putting levies on incineration or eliminating the subsidies received.
- Increase research and disseminate information on the impacts of unsustainable waste management on public health and the environment.
- Improve job quality and ensure decent working conditions in this sector. Recognise that workers carry out dangerous, unskilled and low paid work.
- Fight corruption and illegal transportation in the waste sector.
- Enforce a 3 Rs strategy: reduce, reuse, recycle and set binding targets.
- Recognize that dealing with waste is a public responsibility and strengthen the capacity of public authorities and public services to enforce the 3Rs strategy.
- Treat waste as close to the source as possible.
- Implement tracking, monitoring, sanction and compensation systems to better address illegal trafficking of hazardous waste.
- Introduce extended producer responsibility and accountability.

- Prevent social and environmental dumping and illegal trafficking and implement the Extended Producer Responsibility and Accountability principles.
- Focus on political commitment and institutional coherence, indispensable aspects, completing technology development.
- Build capacities for consultation, listening, information exchange and workers participation in decision making processes.
- Acknowledge the potential of the sector to achieve a resource efficient society for sustainable development.

5. 10-year framework on Sustainable Consumption and Production (SCP/10YFP)

- Ensure changes in SCP patterns reduce the damaging effects of unsustainable production on workers, the environment and communities and include the Just transition strategy to deal with potential challenges in the process of transforming our societies.
- Ensure governments rely more on public regulation and less on voluntary initiatives.
- Reform the shareholder value model of corporate governance and promote a stakeholder's value model.
- Reform investment policies. Currently, they are driven by a search for lower social and environmental standards.
- Address the entire production cycle and sustainability along the whole supply chain.
- Create a level playing field for consumers for them to make their choices only between sustainable products.
- Integrate the needs of small and medium enterprises and their workers when implementing SCP policies.
- Enhance the potential of SCP for the creation of green and decent jobs in sustainable sectors.
- Promote a different organization of global production, based on a fair share of the supply of natural resources, not on the demand of the affluent consumers.
- Adopt an integrated approach to advancing SCP across government departments, avoiding fragmented actions resulting from a lack of coherence in policy instruments.
- Promote sustainable public procurement practices.
- Implement meaningful participation of trade unions and civil society on government committees and projects concerning health and safety.

6. Protect biodiversity

• Alongside the threat of climate change, the loss of biodiversity poses a significant threat to humanity. Therefore active policies are necessary, the first of which must be the progressive removal of harmful subsidies. The second step should be to give a clear value to biodiversity, to encourage research in the area, including in biodiversity basins. Democratic processes should be used through public debate on the importance of different biodiversity priorities, such as landscapes, or endangered fauna and flora. This should be seen in the context of the Nagoya Protocol (adopted in 2010).

7. Deforestation and the use of wood

- REDD+ and other innovative ways to tackle deforestation in the third world are needed. In these the loss of employment of forestry and forest industry workers needs to be taken into account. For example, REDD+ finance should be channelled into easing the labour market transitions from unsustainable (illegal) forestry into something more sustainable.
- To tackle deforestation what is most of all needed is the promotion of sustainable forest management, which ensures that forestry and forest industry will continue to employ workers, and forest-based communities' rights are taken into account, while the environment is also looked after.
- The calculation method of LULUCF emissions needs to be such that it promotes the use of wood products from sustainable sources, as this contributes to tackling climate change and to the creation of green jobs in forestry and forest industries. Using sustainably harvested wood products in long-term applications such as buildings has been proposed by the IPCC among others to be an effective way to tackle climate change, mainly due to carbon being stored in these products for the duration of their lifespan.