Labour & the environment

Towards an ILO programme on the environment

Dr Francis Vorhies
fvorhies@earthmind.net
+41 44 586 58 36
skype: fvorhies
http://earthmind.net

draft 22 May 2006

1. Introduction
- 1.1 Spaceship earth
- 1.2 Sustainability & labour

2. Identifying priority issues
- 2.1 Water, energy, health, agriculture & biodiversity
- 2.2 Johannesburg Plan of Implementation
- 2.3 UN Global Compact
- 2.4 UN Millennium Development Goals
- 2.5 IFC environmental & social standards
- 2.6 WBCSD activities & themes
- 2.7 Trade Union Assembly on Labour & the Environment
- 2.8 Multilateral environmental agreements
- 2.9 Priority issues for the ILO

3. Engaging with key stakeholders
- 3.1 Intergovernmental organisations
- 3.2 Nongovernmental organisations
- 3.3 Multinational corporations
- 3.3 Priority stakeholders for the ILO

4. Participating in major events

5. Addressing critical questions

6. Towards an ILO programme on the environment
- 6.1 The 1977 ILO-UNEP MOU
- 6.2 The 2006 Trade Unions Assembly Declaration
- 6.3 What is to be done?

7. References

1. Introduction

The environmental has been an element of the work programme of the International Labour Organisation (ILO) for many years. There was a particularly interest in the topic of labour and environmental sustainability during the build up to the 2002 World Summit on Sustainable Development (WSSD). After the Summit in 2003, the 286th Session of ILO Governing Body asked the ILO to undertake follow- up activities:

> "The Governing Body invited the Director-General to develop proposals for ILO follow-up action related to the Johannesburg Summit drawing on the outcomes of the Summit, ILO participation in inter-agency coordination of follow-up, the discussions of the Committee and appropriate consultations. Such follow-up action would include the relevant elements of the Programme and Budget proposals for 2004-05, in addition to identifying opportunities for extra-budgetary support."

With this mandate, the ILO has an opportunity to play a leadership role within the UN in developing global a programme on labour and the environment.

In support of such a programme of work, a recently-established foundation called Sustainlabour helped to organise the first Trade Union Assembly on Labour and the Environment. Hosted by the United Nations Environment Programme (UNEP) at their headquarters in Nairobi, the assembly took place in January 2006. It has provided a fresh opportunity for the ILO to reconsider its role with respect to the environmental sustainability.

This paper builds on the deliberations and outcomes of this first assembly – which was also called the Workers Initiative for a Lasting Legacy or WILL 2006. It also surveys information from outside of the ILO as well as some elements from within the ILO itself. The paper attempts to provide some insights and hopefully also generate some enthusiasm for the ILO to develop a substantive work programme on the environment.

2.1 Spaceship earth

Long before 2002 Johannesburg Summit or the 1992 Rio Earth Summit or event the 1987 Brundtland Report, the evolutionary economist, Kenneth Boulding, explained the overwhelming challenges we face if we are to manage our planet sustainably. Written in 1965, Boulding's highly

insightful talk on “Earth as a space ship” marked the beginning of what today is know as the science of ecological economics. Boulding was one of the few economists who saw our world in a way that clearly linked labour issues to environmental challenges. His 1965 talk provides a vision for developing ILO’s programme on the environment and is reproduced here in its entirety:

> “In the imagination of those who are sensitive to the realities of our era, the earth has become a space ship, and this, perhaps, is the most important single fact of our day. For millennia, the earth in men's minds was flat and illimitable. Today, as a result of exploration, speed, and the explosion of scientific knowledge, earth has become a tiny sphere, closed, limited, crowded, and hurtling through space to unknown destinations. This change in man's image of his home affects his behaviour in many ways, and is likely to affect it much more in the future.
>
> It is not only that man's image of the earth has changed; the reality of the world social system has changed. As long as man was small in numbers and limited in technology, he could realistically regard the earth as an infinite reservoir, an infinite source of inputs and an infinite cesspool for outputs. Today we can no longer make this assumption. Earth has become a space ship, not only in our imagination but also in the hard realities of the social, biological, and physical system in which man is enmeshed. In what we might call the "old days," when man was small in numbers and earth was large he could pollute it with impunity, though even then he frequently destroyed his immediate environment and had to move on to a new spot, which he then proceeded to destroy. Now man can no longer do this; he must live in the whole system, in which he must recycle his wastes and really face up to the problem of the increase in material entropy which his activities create. In a space ship there are no sewers.
>
> Let me suggest, then, some of the consequences of earth becoming a space ship. In the first place, it is absolutely necessary for man now to develop a technology that is different from the one on which he now bases his high-level societies. High-level societies are now based on the consumption of fossil fuels and ores, none of which, at present rates of consumption, are likely to last more than a few hundred years. A stable, circular-flow high-level technology is conceivable in which we devote inputs of energy to the concentration of materials into useful form, sufficient to compensate for the diffusion of materials which takes place in their use. At the moment we take fuels and burn them, we take

concentrated deposits of iron ore for instance, and phosphates, and we spread these throughout the world in dumps, and we flush them out to the oceans in sewers. The stable high-level technology will have to rely on the oceans and the atmosphere as a basic resource from which materials may be concentrated in sufficient quantity to overcome their diffusion through consumption. Even this, of course, will require constant inputs of energy. There is no way for the closed system to prevent the increase of entropy. Earth, fortunately, has a constant input of energy from the sun, and by the time that goes, man will probably have abandoned earth; and we have also the possibility of almost unlimited energy inputs from nuclear fusion, if we can find means of harnessing it usefully.

Man is finally going to have to face the fact that he is a biological system living in an ecological system, and that his survival power is going to depend on his developing symbiotic relationships of a closed-cycle character with all the other elements and populations of the world of ecological systems. What this means, in effect, is that all the other forms of life will have to be domesticated, even if on wildlife preserves.

The consequences of earth becoming a space ship for the social system are profound and little understood. It is clear that much human behaviour and many human institutions in the past, which were appropriate to all infinite earth, are entirely inappropriate to a small closed space ship. We cannot have cowboys and Indians, for instance, in a space ship, or even a cowboy ethic. We cannot afford unrestrained conflict, and we almost certainly cannot afford national sovereignty in an unrestricted sense. On the other hand, we must beware of pushing the analogy too far. In a small ship, there would almost have to be a dictatorial political system with a captain, and a planned economy. A voyaging space ship, like a battleship, almost has to be a centrally planned economy. A large space ship with three billion passengers, however, or perhaps ten billion, may have a very different social structure. Large social organizations are very different from small. It may be able to have much more individual freedom, a price system and a market economy of a limited and controlled kind, and even democratic political institutions. There must be, however, cybernetic or homeostatic mechanisms for preventing the overall variables of the social system from going beyond a certain range. There must, for instance, be machinery for controlling the total numbers of the population; there must be machinery for controlling conflict processes and for preventing perverse social dynamic processes of escalation and inflation. One of the major problems of social

> science is how to devise institutions which will combine this overall homeostatic control with individual freedom and mobility. I believe this problem to be not insoluble, though not yet solved.
>
> Once we begin to look at earth as a space ship, the appalling extent of our ignorance about it is almost frightening. This is true of the level of every science. We know practically nothing, for instance, about the long-run dynamics even of the physical system of the earth. We do not understand, for instance, the machinery of ice ages, the real nature of geological stability or disturbance, the incidence of volcanism and earthquakes, and we understand fantastically little about that enormously complex heat engine known as the atmosphere. We do not even know whether the activities of man are going to make the earth warm up or cool off. At the level of the biological sciences, our ignorance is even greater. Ecology as a science has hardly moved beyond the level of bird-watching. It has yet to become quantified, and it has yet to find an adequate theory. Even to an economist, its existing theoretical structures seem fantastically naive, and when it comes to understanding the world social system or the sociosphere, we are not only ignorant but proud of our ignorance. There is no systematic method of data collection and processing, and the theory of social dynamics is still in its first infancy.
>
> The moral of all this is that man must be made to realize that all his major problems are still unsolved, and that a very large and massive intellectual effort is still necessary to solve them. In the meantime we are wasting our intellectual resources on insoluble problems like unilateral national defence and on low-priority achievements like putting a man on the moon. This is no way to run a space ship."

Today, one can say that the sustainable development community has come to recognise the environmental challenges facing our spaceship earth. There has also been a great effort to better understand the many sustainability challenges, notably in areas such as climate change, ecosystem services and industrial pollution.

Nevertheless, forty years after Boulding stated that "when it comes to understanding the world social system or the sociosphere, we are not only ignorant but proud of our ignorance," our understanding of the socio-economic dimensions of the challenges we face remains woefully limited. Specifically with respect to the mandate of the ILO, we understand far too little about the socioeconomic implications of keeping the human race gainfully and decently employed in the face of

increasing natural resource scarcity and ecological fragility. More importantly, as we implement policies and work programmes on a global scale to ensure the sustainability of our planet – such as the multilateral environmental agreements – we pay far too little attention to the labour implications of these efforts.

1.2 Sustainability & labour

A fundamental challenge to environmental sustainability is that the livelihoods of workers are today bound up with unsustainable patterns of production and consumption. Major structural adjustments towards environmentally-friendly, sustainable production processes – as Boulding predicted would be needed – will result in significant and substantive changes in labour markets. What impact will these changes have on sustainable development and human livelihoods?

The increasing market-based demands for sustainable products and the increasing market-based investments in sustainable production processes will bring new and continual pressures to labour markets. Some industries will shrink, others will grow. Some jobs will disappear, others will emerge. Will the new employment opportunities ensure decent livelihoods for workers and their dependents? Will the transition from unsustainable patterns of production and consumption to sustainable patterns generate enough jobs and decent jobs, especially for those whose employment opportunities are threatened by the transition to sustainability? In short, are sustainability goals compatible with labour goals?

Looking at this challenge from another perspective, will it be possible to shift our increasingly globalised economy towards environmental sustainability without the explicit support of the workers? If workers – who after all also represent the majority of consumers and to a large extent also investors – are not behind the structural adjustments needed to manage our planet sustainably, will it be possible to make these adjustments? If labour is not engaged in solving the sustainability challenges facing "spaceship earth," can they realistically be solved?

This paper explores the nexus between labour and environmental sustainability, including the employment implications of a shift toward more sustainable economic activity. It presents a conceptual "mapping" of priority issues, key stakeholders and major events; it addressed some critical questions; and it proposes core elements of a re-energised ILO programme on the environment.

2. Identifying the priority Issues

There is a large and complex array of issues relating to environmental sustainability. This array is made even larger and more complex by the place environment plays within the concept of sustainable development. Sustainable development encompasses not only environmental considerations, but also social and economic considerations including labour issues. Hence any exercise to map environment issues in the context of labour must look at these issues in the broader context of sustainability or sustainable development.

2.1 Water, energy, health, agriculture & biodiversity

Prior to the 2002 World Summit on Sustainable Development; government negotiators and others within the sustainable development community were struggling to develop a clear focus and logical framework for the event. By 2002 we had come to understand a great deal about the challenges facing our planet, but still were unable to identify clear priorities for action.

Just prior to the Johannesburg Summit, the UN Secretary General, Kofi Annan, attempted to set a relatively tangible agenda for the deliberations. In a press release dated 15 May 2002, he proposed a short list of priority areas:

> "I see five specific areas where concrete results are both essential and achievable.
>
> First is water and sanitation. More than 1 billion people are without safe drinking water…
>
> The second area is energy. Energy is essential for development. Yet 2 billion people currently go without…
>
> Third is agricultural productivity. Land degradation affects perhaps as much as two thirds of the world's agricultural land…
>
> The fourth area is biodiversity and ecosystem management. Biodiversity is declining at an unprecedented rate – a s much as a thousand times what it would be without the impact of human activity…
>
> Finally, the area of health. The links between the environment and human health are powerful.

> Water. Energy. Health. Agriculture. And biodiversity… Five areas in which progress is possible with the resources and technologies at our disposal today… Five areas that can be remembered by a simple acronym: WEHAB. You might think of it like this: we inhabit the earth. And we must rehabilitate our one and only planet."

Echoing Boulding's concept of spaceship earth, Annan's called on the sustainable development community to "rehabilitate our one and only planet" by focusing on 5 critical areas. Each of the WEHAB areas has clear linkages to labour and thus provides one approach for focusing an ILO programme on the environment.

2.2 Johannesburg Plan of Implementation

Though Annan made a bold attempt to focus the deliberations in Johannesburg, the adopted report that came out of the meeting – the Johannesburg Plan of Implementation (JPOI) – covered a much larger and much more complex set of issues.

The UN Division for Sustainable Development provides a workable "short" list of the key sustainability issues arising from the JPOI and also from Agenda 21 which was crafted at the 1992 Rio Earth Summit. The list includes:

- Agriculture,
- Atmosphere,
- Biodiversity,
- Biotechnology,
- Capacity-building,
- Climate change,
- Consumption and production patterns,
- Demographics,
- Desertification and drought,
- Disaster reduction and management,
- Education and awareness,
- Energy,
- Finance,
- Forests,
- Freshwater,
- Health,
- Human settlements,
- Indicators,
- Industry,

- Information for decision-making and participation,
- Integrated decision-making,
- International law,
- International cooperation for an enabling environment,
- Institutional arrangements,
- Land management,
- Major groups,
- Mountains,
- National sustainable development strategies,
- Oceans and seas,
- Poverty,
- Sanitation,
- Science,
- Small islands,
- Sustainable tourism,
- Technology,
- Toxic chemicals,
- Trade and environment,
- Transport,
- Waste (hazardous),
- Waste (radioactive), and
- Waste (solid).

All of these issues have a direct or at least indirect relevance to an ILO programme of the environment. Interestingly, however, the substantive linkages to labour were not well developed in the JPOI. For example, with respect an issue such as sustainable management of the natural resource base, the JPOI states that "managing the natural resources base in a sustainable and integrated manner is essential for sustainable development," but it does not explicitly address the labour dimensions of sustainable natural resource management.

One example, on the other hand, where the linkage was highlighted was with respect to the issue of unsustainable patterns of production and consumption. JPOI states that "fundamental changes in the way societies produce and consume are indispensable for achieving global sustainable development" and that these changes are to be brought about in part through encouraging "industry to improve social and environmental performance" and through developing "workplace-based partnerships and programmes."

This large set of JPOI issues is being addressed in part by the regular meeting of the UN Commission on Sustainable Development (CSD).

Meetings of CSD generally focus on thematic clusters. For example at CSD 14 in May 2006, the themes were energy for sustainable development, industrial development, air pollution and the atmosphere, and climate change – all of which have direct linkages to labour issues. The ILO's input into such deliberations could provide a much needed reality check by asking governments to seriously consider what they efforts mean for labour, decent work opportunities and sustainable livelihoods.

2.3 UN Global Compact

Alongside the work of the UN CSD, the UN has created a parallel process to engage the private sector in its work on sustainable development. Known as the UN Global Compact, this process is centred on corporate commitment to 10 principles covering human rights, labour standards, environment and anti-corruption:

Human Rights
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labour Standards
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment
Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption
Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.

The Global Compact is particularly relevant to the development of an ILO programme on the environment as it explicitly puts labour issues alongside environment issues. Indeed, the four labour principles are adapted from the ILO's 1998 Declaration on Fundamental Principles and Rights at Work.

The three environment principles, on the other hand, are based on Chapter 30 of Agenda 21 which was adopted at the 1992 Rio Earth Summit. Interestingly, these principles are not directly linked to the environmental standards and commitments that have developed under the various multilateral environment agreements, including the agreements on biodiversity, climate change and desertification which also came out of the Rio Summit. These agreements are discussed further in section 2.8 below.

Moreover, the three environment principles only really provide an entry point for businesses to address the challenges of environmental sustainability. They are also not linked to the labour principles, particularly to the right to collective bargaining in principle 3. To what extent should workers be represented – even through collective bargaining processes – in the development of a company's environmental policies, standards and management plans?

Though its approach to environmental issues appears to be somewhat superficial, nevertheless, the Global Compact does provide a unique platform for engaging employers and employees on issues of labour and sustainability. A component of an ILO programme on the environment could be to strengthen the linkages between the labour principles and the environment principles of the Global Compact and to deepen the work programmes developed by companies in their implementation of these principles.

2.4 UN Millennium Development Goals

Yet another UN process which presents a priority set of issues relating to sustainability is the commitment of all 191 members of the UN to meeting the Millennium Development Goals (MDGs) by 2015. Like the Global Compact principles, the MDGs cover a range of issues, though there is much less of a direct emphasis on labour and a relatively greater focus on environmental sustainability.

Associated with each of the 8 MDGs are sets of targets and indicators. Some of the indicators are still under development and in the case of the target on youth employment, the ILO is playing an active role. The 8 MDGs and their targets are as follows:

Goal 1: Eradicate extreme poverty and hunger

Target 1: Reduce by half the proportion of people living on less than a dollar a day

Target 2: Reduce by half the proportion of people who suffer from hunger

Goal 2: Achieve universal primary education

Target 3: Ensure that all boys and girls complete a full course of primary schooling

Goal 3: Promote gender equality and empower women

Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015

Goal 4: Reduce child mortality

Target 5: Reduce by two thirds the mortality rate among children under five

Target 6: Reduce by three quarters the maternal mortality ratio

Goal 6: Combat HIV/AIDS, malaria and other diseases

Target 7: Halt and begin to reverse the spread of HIV/AIDS

Target 8: Halt and begin to reverse the incidence of malaria and other major diseases

Goal 7: Ensure environmental sustainability

Target 9: Integrate the principles of sustainable development into country policies and programmes; reverse loss of environmental resources

Target 10: Reduce by half the proportion of people without sustainable access to safe drinking water

Target 11: Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020

Goal 8: Develop a global partnership for development

Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system (includes a commitment to good governance, development, and poverty reduction — both nationally and internationally)

Target 13: Address the special needs of the least developed countries Includes: tariff and quota free access for least developed countries' exports; enhanced programme of debt relief for HIPCs and cancellation of official bilateral debt; and

> more generous ODA for countries committed to poverty reduction
> *Target 14:* Address the special needs of landlocked countries and small island developing States
> *Target 15:* Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term.
> *Target 16:* In cooperation with developing countries, develop and implement strategies for decent and productive work for youth
> *Target 17:* In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries
> *Target 18:* In cooperation with the private sector, make available the benefits of new technologies, especially information and communications"

Regarding goal 7 on environmental sustainability, like the Global Compact environment principles, there is no direct linkage to the standards, commitments and work programmes of the multilateral environment agreements. Again, these agreements are covered in section 2.8 below.

The MDG process as it includes targets and also indicators of direct relevance to the ILO provides another opportunity for the ILO to address issues related to labour and environmental sustainability. In particular, targets 10 and 11 relate to improve environmental dimensions of livelihoods. The ILO publication on MDG 7 and decent work makes a clear statement on the importance of labour to environmental sustainability:

> "To achieve MDG 7, jobs must be environmentally sustainable, and policies more coherent… To be sustainable, governmental environmental and social policies require the participation of employers and workers."

The publication also highlights how the ILO can support environmental responsibility in several key sectors:

- "environmentally responsible agricultural practices
- sustainable tourism that promotes rural and indigenous community initiatives while preserving natural resources
- codes of practice on forestry to improve working conditions and environmental protection

- rights and better working conditions in small-scale mining
- standards to prevent large-scale disasters in the oil and gas industries
- improved working conditions and safe working hours on board ship as ways to protect the marine environment
- the joint ILO/IMO/FAO revised Document for Guidance on Training and Certification of Fishermen includes a code of conduct for sustainable fisheries"

As all of these linkages relate to the ILO's decent work agenda, they provide another approach to developing an ILO's programme on the environment in the context of the MDGs.

2.5 IFC environmental & social standards

Another approach to identifying priority environmental issues relevant to labour is to review the environmental performance standards of major investment banks. A world leader in the development and application of such standards is the International Finance Corporation (IFC), the private investment arm of the World Bank Group. Following a lengthy consultative process, the IFC has recently adopted new environmental and social policies and procedures. These include the following eight performance standards:

1: Social and environmental assessment and management system

2: Labour and working conditions

3: Pollution prevention and abatement

4: Community health, safety and security

5: Land acquisition and involuntary resettlement

6: Biodiversity conservation and sustainable natural resource management

7: Indigenous peoples

8: Cultural heritage

Most interestingly, the IFC has included both labour issues (notably in standard 2) and environment issues (notably in standards 3 and 6) into its new environmental and social policies and standards. The standard

on labour is based at least in part on ILO conventions. ILO conventions are also relevant to standards 5 and 6. There is an opportunity, however, to more clearly understand the labour implications of the environmental components of these standards, particularly with respect to pollution prevention and biodiversity conservation.

ILO engagement with the implementation of the IFC's new performance standards is also of particular importance because of the direct link of these standards to over 40 large multinational banks though the Equator Principles. These banks have signed on to a set of principles for project finance in emerging economies which include the following commitments:

> "We will only provide loans directly to projects in the following circumstances:
>
> 1. We have categorised the risk of a project in accordance with internal guidelines *based upon the environmental and social screening criteria of the IFC* as described in the attachment to these Principles (Exhibit I)...
>
> In each case, the EA [Environmental Assessment] will have addressed compliance with applicable host country laws, regulations and permits required by the project. Also, reference will have been made to the minimum standards applicable under the World Bank and *IFC Pollution Prevention and Abatement Guidelines* (Exhibit III) and, for projects located in low and middle income countries as defined by the World Bank Development Indicators Database, the EA will have further taken into account the then applicable *IFC Safeguard Policies* (Exhibit II)...."
> *[italics added]*

A revised version of the Equator Principles which explicitly integrates the IFC's new environmental and social policies and procedures is currently in circulation for comment and is expected to go into effect on 1 July 2006. Hence, the IFC performance standards will influence billions of dollars of capital flows and tens of thousands of employment opportunities across the world.

2.6 WBCSD activities & themes

One of the key employer-related organisations addressing issues of environmental sustainability is the World Business Council for Sustainable Development. WBCSD brings together over 130

international companies from more than 30 countries and 20 industrial sectors. It is truly an employer's network with CEOs sitting on its Council and senior managers serving as liaison delegates.

Like the ILO, WBCSD faces a large and complex set of issues related to sustainability. It bases it programme on a number of international agenda-setting declarations including the Millennium Development Goals, the Johannesburg Plan of Implementation, the Doha Declaration of the World Trade Organisation, the Monterrey Consensus, and the various multilateral environmental agreements. From all of these agendas and in consultation with its members, WBCSD runs a multifaceted programme with the following core areas:

- Key Activities
  Accountability
  Capacity Building
  Development
  Energy & Climate
  Health Systems
  Water

- Cross-Cutting Themes
  Corporate Responsibility
  Eco-Efficiency
  Ecosystems
  Financial Sector
  Innovation/Technology
  Risk
  Sustainability & Markets

- Sector Projects
  Cement
  Electricity Utilities
  Forest Products
  Mining & Minerals
  Mobility

From the perspective of the ILO's partner employees and employee associations, it is important to know what employers are – and are not – working on in the area of environmental sustainability. In addition, to the work of the WBCSD, other corporate responsibility organisations, such as the Prince of Wale International Business Leadership Forum and the World Economic Forum, are also addressing various dimensions of environmental sustainability. Such organisations can provide guidance

on key issues to the ILO as it further developments its programme on the environment.

2.7 Trade Union Assembly on Labour & the Environment

In January 2006, Sustainlabour in collaboration with UNEP, the ILO and the UN Global Compact, organised the first Trade Union Assembly on Labour and the Environment. It is also known as WILL 2006 standing for Worker's Initiatives for a Lasting Legacy. Through a consultative process, Sustainlabour came up with a short-list of priority issues for the Assembly. These guided the preparation of a workbook for the assembly and for the work groups within the assembly. Like Annan's WEHAB, the list was limited to five themes:

One: Climate change and energy

Two: Chemical risks and hazardous substances

Three: Public access to resources and services

Four: Enterprise social responsibility and accountability

Five: Occupational, environmental and public health

The WILL 2006 Assembly, however, like the 2002 Johannesburg Summit, went well beyond these themes and adopted a more holistic and integrative approach in its resolutions. It came up with the follow set of ten objectives:

(a) To strengthen the link between poverty reduction, environmental protection and decent work…
(b) To integrate the environmental and social dimensions of sustainable development with a rights-based approach…
(c) To establish effective and democratic governance to ensure sustainable development…
(d) To take urgent action on climate change…
(e) To implement the Johannesburg goals on chemicals…
(f) To promote sustainable production and consumption patterns…
(g) To introduce policies for just employment transition as a central feature of environmental protection…
(h) To enhance the dialogue between labour and management, consultation and negotiation in the workplace on sustainable development…

(i) To enhance cooperation and coherence between international rules and conventions on environment and sustainable development…
(j) To link occupational health to environmental and public health policy and practice…

Just as reviewing the work programmes of the WBCSD and similar institutions provides insights into the priority issues for employers, the list of WILL 2006 objectives provides crucial insights into the priority issues for employees. Furthermore, the work on environmental sustainability of the International Confederation of Free Trade Unions and other labour-related organisations should also be reviewed to identify priority environment issues from the perspective of workers.

2.8 Multilateral environmental agreements

In addition to the higher level, intergovernmental approaches to sustainable development – such as Agenda 21, WEHAB, JPOI, CSD, and the MDGs – and to the industry-focused approaches – such as the Global Compact, the IFC standards, the Equator Principles, WBCSD programmes and the WILL 2006 objectives – there is a long list portfolio of multilateral environment agreements (MEAs) which address many aspects of environmental sustainability.

The UNEP register of international environmental treaties lists over 270 MEAs and related agreements! These date from the 1921 Convention Concerning the Use of White Lead in Painting to the 2005 Amendment to Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters. Elsewhere UNEP provides a shorter list of just under 100 MEAs dating from the 1946 International Convention for the Regulation of Whaling to the 2001 Stockholm Convention on Persistent Organic Pollutants.

In addition to the environmental issues and actions outlined in the actual texts of these MEAs, many of them also have numerous subsequent decisions and programmes of work arising from meetings of the national parties to the agreements. For example, in the eight meetings of the Conference of the Parties of the 1992 Convention on Biological Diversity (CBD) approximately 200 additional decisions have been made by governments.

A review of the issues identified in the MEAs is clearly beyond the scope of this paper. Nevertheless, key policy decisions and programmes of work on environmental sustainability are being developed and implemented in the context of the MEAs. In addition, many millions of

dollars of funds through multilateral organisations such as the Global Environment Facility and its implementing agencies, bilateral government programmes and private foundations are spent annually in support of MEA-related activities.

In some of the MEA processes, such as the UN Framework Convention on Climate Change (FCCC), employee organisations such as the International Confederation of Free Trade Unions and employer-related organisations such as the International Chamber of Commerce are active. Broadly speaking, however, the ILO and ILO-related organisations are not nearly as active as they should be in addressing the labour implications of MEAs and their programmes for implementation.

For example, at the recent 8th Conference of the Parties (COP8) of the Convention on Biological Diversity – which was attended by more than 4000 delegates from most the intergovernmental agencies, many major environmental NGOs, a number of multinational corporations, and, of course, virtually every national government – the ILO and its partners were not present to speak for labour.

The 37 decisions of CBD COP8 covered many ILO-relevant topics including (a) access to genetic resources and sharing benefits arising out of their use, (b) traditional knowledge and practices, (c) economic incentives for the sustainable biodiversity use; (d) the role of biodiversity in supporting poverty alleviation; (e) private sector engagement; and (f) trade-related intellectual property rights. Yet within the 272-page advanced draft of these decisions, the words labour, jobs, employment, workers, employees, employers, trade unions or ILO do not appear once.

This is not to say that, however, that there is not an interest within the biodiversity community to collaborate with the ILO and to address ILO-related issues. On the contrary, at CBD COP6 in 2002, decision 15 on incentive measures stated:

> "It is important to explore the linkages with international organizations/agreements focused on economic policies, in particular trade policies under the World Trade Organization and other policies such as labour *(the International Labour Organization)* and health (the World Health Organization)." *[italics added]*

The biodiversity community and indeed the broader MEA community does not have the capacity to understand the labour implications of their agreements and decisions. There is a clear leadership opportunity here for the ILO.

A major challenge for the ILO is to identify priority MEAs. As even the following "short list" of core MEAs (adapted from the UNEP Division for Environmental Conventions) indicates, if an ILO environmental programme is to engage with MEAs, it will need to set some clear priorities.

Core MEAs	adopted
Atmosphere-related conventions	
United Nations Framework Convention on Climate Change	1992
Kyoto Protocol to the United Nations Framework Convention on Climate Change	1997
Montreal Protocol on Substances that Deplete the Ozone Layer	1987
Vienna Convention for the Protection of the Ozone Layer	1985
Biodiversity-related conventions	
Cartagena Protocol on Biosafety to the Convention on Biological Diversity	2001
United Nations Convention on the Law of the Sea	1994
Convention on Biological Diversity	1992
United Nations Convention to Combat Desertification	1992
Convention on Migratory Species	1979
Convention on International Trade in Endangered Species	1973
World Heritage Convention	1972
Ramsar Convention on Wetlands	1971
Chemicals and wastes conventions	
Stockholm Convention on Persistent Organic Pollutants	2001
Rotterdam Convention on the Prior Informed Consent Principle for Certain Hazardous Chemicals and Pesticides in International Trade	1998
Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal	1989

2.9 Priority issues for the ILO

As this section of the paper has shown, it is no easy task to identify a core set of issues related to labour and environmental sustainability. If the ILO is to develop its programme of work on the environment, it will have to prioritise. An ILO programme on the environment might include the following elements:

- *Addressing employer and employee environmental priorities*

The ILO could considering grounding its environment programme in the priorities identified by employer-related and employee-related processes. The issues highlighted in sections 2.6 and 2.7 above from WBCSD and Sustainlabour which are common to both employers and employees include the following:

- enterprise responsibility and accountability

- occupational and environmental health
- sustainable production and consumption
- climate change and energy

The ILO environment programme could undertake collaborative dialogue and activities with employees and employers organisations on such priority issues.

- **Building synergies between business principles on labour and on the environment**

Several key global processes have included both labour and environment principles. Notably the UN Global Compact includes four principles on labour and three on environment, while the new IFC sustainability policies include standards on both labour and environment.

As the UN Global Compact influences multinational corporations and the IFC sustainability policies through the Equator Principles influences international capital flows, an ILO programme could focus on strengthening the linkages and synergies between the labour and environment elements of these two processes. In so doing, the ILO could have a material influence on globalisation.

- *Identifying labour and environment linkages in sustainable development processes*

The global community has a number of interrelated processes underway in support of sustainable development. These included the work of the UN Commission on Sustainable Development, the Johannesburg Plan of Implementation and the UN Millennium Development Goals. Though the environmental elements of these processes have a commitment to the overarching priority of poverty alleviation, there is still far too little understanding of the macro and micro interlinkages between environmental sustainability, decent work and poverty alleviation. An ILO programme on the environment could develop these linkages.

- *Integrating labour into multilateral environmental agreements*

As significant policy making and substantive programmes of implementation with millions of dollars of funding annually are being developing under the MEAs, it is important for the ILO to improve the understanding within MEAs processes of the implications for labour. Furthermore, integration of labour issues such as decent work into MEA

implementation will enhance both their effectiveness and their overall contribution to sustainable development.

Unfortunately, the complexity of the MEA regime makes it almost impossible for any one intergovernmental agency to get a handle on all that is or should be underway through the development and implementation of these agreements. An ILO programme on the environment might want to focus initially on a number of the key global agreements including:

- the UN Framework Convention on Climate Change,
- the Convention on Biological Diversity, and
- the Stockholm Convention on Persistent Organic Pollutants.

To conclude, an ILO programme on the environment programme with the following four components could provide a robust coverage of the key issues regarding environmental sustainability:

- Addressing employer and employee environmental priorities
- Building synergies between business principles on labour and on the environment
- Identifying labour and environment linkages in sustainable development processes
- Integrating labour into multilateral environmental agreements

3. Engaging with key stakeholders

Though few organisations are directly or even indirectly addressing the interlinkages between labour and environmental sustainability, many organisations have substantive programmes of work which are of relevance to the topic or have a potential to be key stakeholders in an ILO programme on the environment.

There are many potential stakeholders with which the ILO could be engaged in the development of its programme on the environment. For example, IUCN – the world's leading environmental association -- has over a 1000 members from almost 150 countries:

Total IUCN members	1086
States	81
Government agencies	113
International NGOs	84
National NGOs	775
Affiliates	33

In addition to government and non-government environmental organisations, such as the members of IUCN, there are also intergovernmental organisations, business and labour organisations and private corporations which are potential stakeholders. As an indication of the potential for engaging key stakeholders – primarily at the international level – this section of the paper reviews 18 key organisations, 6 from each of the following categories:

- Intergovernmental organisations
- Nongovernmental organisations
- Multinational corporations

3.1 Intergovernmental organisations

- *European Community*

The European Commission (EC) – a special type of intergovernmental organisation – is addressing what it sees as the positive linkages between environmental policy and employment policy. It website on Environment and Employment states:

> "Environment policies contribute to job creation and social inclusion in the EU. Studies show that environmental policy is not a job-killer but instead has neutral or even mildly positive impact on the number of people in work…There is also a clear link between social inclusion and the quality of the environment… In short: environment policies can contribute to employment objectives and vice versa, in line with the concept of sustainable development."

The EC has also recently commissioned a staff working document on "the links between employment policies and environment policies." The paper sees substantive opportunities to promote sustainable development through addressing the linkages between employment and it environment. It concludes with the following statement:

> "Notably, there is no evidence that environment policy is a job-killer overall but instead it seems to have a neutral or even mildly positive impact on the overall number of jobs. This is especially true if environmental policy is well designed and hence is cost-efficient. Some environmental policies may be particularly favourable from the point-of-view of employment policies: for example, policies to promote environmental innovation or environmental tax reform. Broadly though, the biggest impact of

> environmental policy is likely to be on the composition of the labour market rather than its size.
>
> Environmental policy can also contribute to social cohesion objectives as often the poorest communities live in a poor environment. Policies to tackle poverty and environmental degradation together can therefore be mutually supportive. Similarly, suitable training can allow the workforce to take advantage of the opportunities inherent in managing the environment.
>
> Overall, there are good examples of policy issues and mechanisms that can deliver 'win-wins' and mitigate negative spillovers. There is scope for decision makers to take better account of these links, notably through improved impact assessment at EU and national levels."

As the EC develops it work in this area, the ILO can benefit from learning about how these linkages are being addressed within the 25 countries of the European Union and, as appropriate, disseminate lessons learned and guidance to labour ministries, employers and employees elsewhere, particularly in developing countries.

- *International Finance Corporation*

As the private sector division of the World Bank Group, the mission of the International Finance Corporation (IFC) is "to promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives." It does this through providing loans, equity, structured finance and risk management products, and advisory services to build the private sector in developing countries.

Over recent years, the IFC has taken an increasing interest in the environmental and social dimensions of its work. In particular, the IFC has developed a considerable amount of in-house capacity in environmental and social development/sustainability issues. Perhaps of most relevance are the recently launched new social and environmental standards which include both environmental issues and labour issues. (See section 2.5 above for more information.)

With the IFC's new performance standards addressing both labour issues and environmental issues, there is a real opportunity for the ILO to work with the IFC – and in turn with the signatory banks for the Equator Principles – to develop substantive sustainability linkages

between labour and environment in the context of private sector investments in development countries.

- *United Nations Conference on Trade and Development*

The United Nations Conference on Trade and Development (UNCTAD) promotes the development-friendly integration of developing countries into the world economy. The topics of labour and environment often arise in the work programmes of UNCTAD but rarely together. There are, however, some areas of particular relevance.

The UNCTAD BioTrade Initiative, for example, focuses on the commercialisation of goods and services derived from native biodiversity under criteria of environmental, social and economic sustainability. Particularly in the context of the Convention on Biological Diversity, UNCTAD's work on biotrade focuses on sustainable business development and by implication sustainable job creation in biodiversity-rich developing countries.

The UNCTAD programme on environment also covers a broad range of topics which have linkages to labour issues. For example, UNCTAD's most recent Trade and Environment Review focuses on environmental and health standards and points out that these have an influence on employment.

To the extent that UNCTAD facilitates policy dialogue between the international trade regime and the sustainable development processes, including the MEAs, it is a potential stakeholder and partner for elements of an ILO programme on the environment.

- *United Nations Environment Programme*

The United Nations Environment Programme (UNEP) has a small work programme on labour based in its Division of Technology, Industry, and Economics (DTIE) in Paris. This programme is committed to engaging labour in UNEP's work:

> "As part of its work with business and industry, UNEP DTIE regularly involves labour in its activities. Labour representatives attend the Annual Consultative Meeting on Business and Industry held in Paris."

The programme's website highlights the WILL2006 conference hosted by UNEP at its headquarters in Nairobi and also a paper on labour unions and sustainable production and consumption titled "The role of

labour unions in the process towards sustainable consumption and production."

UNEP and the ILO have and also developed a Global Compact resource package for companies, associations and management schools. It covers human rights, labour, and the environment and includes slide presentations and case studies.

Clearly, in the development of its programme on the environment, the ILO should explore opportunities to work closely with relevant divisions and sections of UNEP.

- *United Nations Industrial Development Organisation*

The vision of UNIDO – the United Nations Industrial Development Organisation – is "to improve the living conditions of people and promote global prosperity through offering tailor-made solutions for the sustainable industrial development of developing countries and countries with economies in transition." In this context, interestingly, UNIDO links economic development to both the environment and employment:

> "Sustainable industrial development is never easy to achieve. It means balancing concerns for:
>
> - competitive Economy
> - sound Environment
> - productive Employment
>
> "These 3Es - economy, employment and environment - are guiding beacons for UNIDOs approach to its markets, clients and customers, especially in the light of growing international concern over the social and environmental consequences of industrialization."

Regarding "sound environment," UNIDO has programmes in several areas, notably:

- Sustainable energy and climate change,
- environmental management, and
- the Montreal Protocol.

For example, UNIDO has been particularly active in the early stages of the Stockholm Convention on Persistent Organic Pollutants where it has

worked with the Global Environment Facility to develop a large number of national implementation plans.

The ILO could explore opportunities to enhance the labour and employment aspects of UNIDO's environment programmes.

- *World Bank*

The World Bank sees itself as a vital source of financial and technical assistance to developing countries around the world. It is made up of two institutions — the International Bank for Reconstruction and Development and the International Development Association. Other institutions within the World Bank Group include the International Finance Corporate – referred to above – and the Multilateral Investment Guarantee Agency. The World Bank has substantive programmes on both labour and the environment.

The Labour Markets Group provides considerable information on labour issues in support of the investment programme of the World Bank. Of particular interest, is its work on labour and corporate social responsibility. Though the focus is on labour standards and policies, this section does position labour issues in the broader context of corporate responsibility which also includes environment issues.

The World Bank also has a large programme of work on the environment covering topics such as (a) natural resources management, (b) pollution management and environmental health, (c) environmental economics and indicators, (d) global environmental management, and (f) environmental and social sustainably. The latter of these is the Bank's own approach to corporate social responsibility.

Except for the occasional mention of environmentally-responsible employment generation, however, the Bank's work on the environment is generally not linked to its work on labour. The ILO could play a lead role in mainstreaming labour issues into the environmentally-related investments and technical assistance programmes of the World Bank.

3.2 Nongovernmental organisations

- *Apollo Alliance for Good Jobs and Clean Energy*

The Apollo Alliance for Good Jobs and Clean Energy is a unique nationwide programme in the USA promoting decent job creation through environmentally-responsible self-sufficiency in energy:

> "The Apollo Alliance provides a message of optimism and hope, framed around rejuvenating our nation's economy by creating the next generation of American industrial jobs and treating clean energy as an economic and security mandate to rebuild America."
>
> "The mission of the Apollo Alliance is to build a broad-based constituency in support of a sustainable and clean energy economy that will create millions of good jobs for the nation, reduce our dependence on foreign oil, and create cleaner and healthier communities. Through policy alternatives, organizing, and on the ground results in states and cities across the nation, we are demonstrating that a social just, environmentally balanced and economically prosperous future is attainable."

The Apollo Alliance has been endorsed by a large number of labour unions including the AFL-CIO; the American Federation of State, County, and Municipal Employees; the International Brotherhood of Teamsters; the Paper and Allied Chemical Employees; the United Mine Workers of America; and the United Steel Workers of America.

As a labour-based environmental initiative, the Apollo Alliance provides an excellent example of how employee associations can address issues of environmental sustainability in ways which also address labour concerns. As this initiative develops and others like it develop at national and regional levels, the ILO may be able to both learn lessons and provide input into ways in which environmental issues can be addressed by labour movement initiatives.

- *Conservation International*

Headquartered in Washington DC, Conservation International (CI) is now one of the world's largest and most influential conservation organisations. Though labour is not a core issue, it does feature indirectly in CI's business-related programmes.

Verde Ventures, for example, is CI's biodiversity business investment programme. CI recognises that by investing in biodiversity-benefiting small businesses, these can generate "employment of local people in jobs which preserve local natural resources for future generations."

The Center for Environmental Leadership in Business (CELB) is CI's programme to engage business -- particularly multinational corporations -- in biodiversity conservation. It has work programmes in (a) agriculture & fisheries, (b) climate change, (c) energy & mining, (d) forestry, and (e) travel & leisure. To date, however, the Center has not directly addressed

issues of labour and employment. Nevertheless, its portfolio of environment activities with large, multinational companies makes CI a strong potential stakeholder for an ILO's programme on the environment.

- *European Partners for the Environment*

Another interesting multi-stakeholder alliance is the European Partners for the Environment (EPE):

> "EPE is a multi-stakeholder forum which builds the ground for consensus on sustainability, on which members can more confidently plan actions. EPE serves as a catalyst, in Europe and around the world, to achieve into the future a better balance between the environmental, social and economic elements of life. Dialogue built through long-term relationships between partners and strengthened by trust leads to common practical action…
>
> EPE brings together international, European, national and local Public Authorities, Companies large and small, Trade Unions, Institutes, environmental, consumer and ethical NGOs."

EPE has published draft guidelines for an "employment and environment action plan." These progressive guidelines call for a substantive engagement of employees in the development and implementation of corporate environmental responsibilities. As the role of labour in corporate responsibility is likely to be an element of an ILO's programme on the environment, the work of the EPE provides the ILO with both lessons and learned and opportunities for engaging with stakeholders across Europe.

- *IUCN – The World Conservation Union*

Like the ILO, IUCN – The World Conservation Union has a unique multi-stakeholder membership and governance structure. As noted above, IUCN members include states, government agencies and non-governmental organisations. As it has state members but is not part of the UN family, IUCN could be perhaps best described as a "non-intergovernmental organisation." Its mission is to:

> "influence, encourage and assist societies throughout the world to conserve the integrity and diversity of nature and to ensure that any use of natural resources is equitable and ecologically sustainable."

Throughout its 60 year history, labour and employment have never been priority issues within IUCN. Only recently in the context of poverty alleviation, has there been some focus on labour-related issues. For example, "Beyond Fences: Seeking Social Sustainability in Conservation" is an on-line resource kit which addresses linkages between conservation and job creation.

Labour and employment issues are also indirectly addressed in the related work on sustainable livelihoods. For example, the IUCN Commission on Environmental, Economic and Social Policy has a theme on sustainable livelihoods. It is concerned with:

> "local aspects of environmental sustainability and community well being, in other words with community-based, equitable and sustainable management of natural resources, the generation of local wealth and the empowerment of local communities for their own social and cultural well-being."

IUCN manages a strong global programme on environmental issues and could serve as an ideal stakeholder or partner for the development of a ILO's programme on the environment.

- *Sustainlabour*

The International Labour Foundation for Sustainable Development – also known as Sustainlabour – was established in 2004 in response to the World Summit on Sustainable Development. Sustainlabour aims to become the leading organisation promoting sustainable development through "strengthening its social and labour dimension."

Sustainlabour played a key role in the WILL 2006 conference and the regional follow-up conferences on labour and the environment. Its website contains a wealth of relevant information and links. Currently, Sustainlabour is developing programmes in the following areas:

- Climate change,
- Chemical risk,
- Globalization,
- Occupational health and safety,
- Social accountability, and
- Water.

In many ways, Sustainlabour is filling a gap left by the absence of an ILO environment programme. As the ILO develops its programme on the

environment, Sustainlabour will surely be an strong candidate for close cooperation.

- *World Business Council for Sustainable Development*

Related to the employers side of the ILO, is the World Business Council for Sustainable Development (WBCSD). Headquartered in Geneva, Switzerland, WBCSD brings together about 180 multinational companies from more than 30 counties and 20 industrial sectors to promote sustainable development through their businesses. It mission is:

> "to provide business leadership as a catalyst for change toward sustainable development, and to support the business license to operate, innovate and grow in a world increasingly shaped by sustainable development issues."

WBCSD is clearly an employer-driven organisation which includes "the personal commitment of the Chief Executive Officers (CEOs), acting as Council Members." As described in section 2.6 above, WBCSD is working on number of activities and cross-cutting themes related to environmental-sustainability.

From an employers' perspective within the ILO, closer linkages with WBCSD would enable the ILO to develop a programme on the environment which engages employers and employees more directly in the environmental issues.

3.3 Multinational corporations

- *British American Tobacco*

Perhaps because of the controversy surrounding its product, British American Tobacco (BAT) has an extensive corporate social responsibility programme which addresses both environment and labour issues. Priority areas include:

- Youth smoking prevention,
- Sustainable development,
- Environment, health & safety,
- Responsible tobacco production,
- Biodiversity,
- Eliminating child labour,
- Community, and
- Globalisation and business integrity.

Regarding child labour, BAT has established links to the ILO. In 2001, BAT helped to establish the Eliminating Child Labour in Tobacco Growing Foundation. The ILO is a technical advisor to the board of this foundation.

Regarding biodiversity, BAT has an interesting partnership programme with four major NGOs: the Earthwatch Institute, Fauna & Flora International, the Royal Botanic Gardens Kew, and the Tropical Biology Association. A component of this programme focuses on employees:

> "Capacity building (corporate and operational): Raising awareness and capability among employees at corporate and operational levels, understanding the implications for biodiversity of the company's business, developing and implementing plans of action/activities that address impacts."

Employee capacity building is accomplished in part through participation of BAT employees on Earthwatch scientific field research projects. Such an approach can provide insights to the ILO on how to raise awareness about labour and environment issues among employees.

- *HSBC*

HSBC is not only one of the world's largest banks, but it is also one of the leaders in its sector on corporate social responsibility. In this respect, HSBC is clear that it listens to its stakeholders including employees:

> "We look to address the expectations of our customers, shareholders, employees and other stakeholders…"

HSBC is keenly aware that taking corporate social responsibility seriously plays a key role in attracting and keeping high quality employees. Furthermore, they are committed to raising the environmental awareness of their employees and hence developing an environmental ethic within the workplace.

Like BAT, HSBC also has a partnership programme on biodiversity known as Investing in Nature. It is a US$50 million eco-partnership over five years to fund conservation projects around the world which includes WWF, Botanic Gardens Conservation International (BGCI) and the Earthwatch Institute. Like BAT but on a much larger scale, HSBC is building employee capacity though employee participation in Earthwatch scientific field research projects:

> "Some 2,000 HSBC staff will work alongside Earthwatch scientists on conservation projects worldwide, yielding the equivalent of 100 'man years' of critical research. This will create a network of environmental ambassadors in the Group, who will be given grants for local conservation projects when they return to their communities."

Beyond Investing in Nature, HSBC also trains managers on corporate socially responsibility and has internal communication mechanisms so that employees can voice their views on environmental issues.

Regarding labour issues, perhaps most interesting is HSBC's commitment to outsourcing work from the UK and other developed countries to developing countries. HSBC sees this as a positive contribution to development:

> "Global resourcing is an important component of our business strategy, playing a key role in delivering shareholder value and helping HSBC remain competitive in the global financial services market.
>
> "Almost 20,000 employees in … five countries (China, India, Malaysia, the Philippines and Sri Lanka) support customers in Europe, North America and Asia-Pacific with account administration, credit card payments, mortgages and telephone enquiries. [They] enable us to harness a diverse range of skills, knowledge and languages and to avoid being overly dependent on any one region or economy."

With a commitment to environmental sustainability at the same level as the IFC and with a global reach covering much of the developed and developing world, HSBC provides substantive opportunities for the ILO to learn lessons and to build partnerships which link labour issues to environment issues.

- *McDonalds*

McDonalds has more than 30,000 restaurants serving nearly 50 million people daily in more than 120 countries. The company employs nearly 500,000 people.

With increasing controversy about its products, like BAT, McDonalds has started to develop a comprehensive approach to corporate social responsibility which includes environment and labour elements.

Interestingly this includes a strong focus on responsible purchasing covering the following topics:

- Animal welfare,
- Antibiotics,
- Food supply initiative,
- Quality & safety,
- Rain forest policy, and
- Supplier social accountability.

In so doing, McDonalds is focusing on both the environmental and the labour implications of its supply chain. Regarding labour, the company's position is very clear:

> "We require our suppliers to create programs that will identify and correct unacceptable conditions in their facilities and also to strive for ongoing improvement. We insist that they seek solutions that meet the legitimate needs and expectations of all stakeholders—the supplier's affected employees, the supplier itself, McDonald's, our customers, and our shareholders.
>
> Social accountability is, in our view, an ongoing process. We, therefore, continually challenge our suppliers to identify new ways to protect the health, safety, and human rights of their employees."

The company is equally clear about its commitment to the conservation of rain forests:

> "McDonald's does not, has not and will not permit destruction of tropical rain forests for our beef supply. We do not, have not and will not purchase beef from rain forest or recently deforested rain forest land.
>
> Any McDonald's supplier that is found to deviate from this policy—or that cannot prove compliance with it—will be immediately discontinued."

By focusing its corporate responsibility on its supply chain, McDonald's is addressing the larger labour and environment footprint of its operations which goes far beyond its 30,000 restaurants and 500,000 direct employees. If companies such as McDonald's can succeed in promoting responsibility down its supply chain, they could have a substantive impact on both environmental sustainability and decent employment.

Promoting environmentally sustainability and decent employment through supply chain management could become a key element of an ILO programme on the environment.

- *Rio Tinto*

In September 2005, Rio Tinto published the latest version of its statement of business practice called "The way we work." It is available in 19 languages from Afrikaans and Chinese to Welsh and Zulu. It coverage is comprehensive including areas such as:

- Transparency,
- Business integrity,
- Corporate governance,
- Internal controls and reporting procedures,
- Communities,
- Employment,
- Environment,
- Human rights,
- Land access,
- Occupational health,
- Political involvement,
- Safety, and
- Sustainable development.

Rio Tinto has put a great deal of effort into developing its approaches to both labour and environment issues. It regular reviews its various policies and programmes, consults with stakeholders and partners with environmental NGOs. One of the more interesting programmes for engaging employees in the environment is organised by BirdLife International:

> "Annual birdwatching events at Rio Tinto operations … are run by Rio Tinto coordinators at operations around the world, and may be based on Rio Tinto sites or suitable birdwatching sites within the catchment of the local community. Events may involve local community groups, the local BirdLife partner and local schools as well as Rio Tinto employees."

For the ILO, Rio Tinto provides learning experiences about promoting sustainability through an extensive portfolio of programmes some of which directly link employees to the environment.

- *Shell*

Like Rio Tinto, Shell is also taking a comprehensive approach to sustainability and social responsibility. Its programme addresses a large array of issues and topics:

- Global environmental issues
  Climate change, biodiversity, water use
- Our products
  Alternative energy, product stewardship, animal testing, energy prices
- Living by our principles
  Business integrity, human rights, politically sensitive regions, contractors, lobbying
- Our people
  Safety, security, responsibilities to employees, HIV/AIDS
- Our neighbours
  Interacting with communities
- Our contribution
  Payments to governments, social investment, local spend and supply chain
- The world we live in
  Globalisation, the energy challenge

For Shell, the business case for engaging in sustainable development includes its ability to attract and retain good employees as well as good relations with other stakeholders:

> "Our commitment to sustainable development is an important factor in some people's decision to join and stay and that alignment between personal values of staff and corporate values is a powerful motivator.
>
> By being seen and being credible as a good corporate citizen whose performance matches its words, we become the organisation of first choice for customers, staff, investors, suppliers, partners and the communities in which we operate."

Thus the alignment of employee issues with environmental sustainability and other sustainable development issues is seen as a win-win policy for the company. However, as a company that is intimately involved with the critical issue of climate change, there is much work to be done on identifying the employment implications of its efforts to reduce carbon

emissions by developing alternative forms of energy. This too could be a priority area for an ILO programme on the environment.

- *Unilever*

Unilever produces and sells food, home care and personal care products internationally under some of the world's best known brands. They have a serious interest in ensuring that their brands stand for responsible production and consumption processes:

> "Our commitment is to manage our social and environmental impacts responsibly, to work in partnership with our stakeholders and to contribute to sustainable development."

Regarding environmental sustainability, Unilever has three global initiatives on agriculture sustainability, fish sustainability and water sustainability. With respect to agriculture – the source of two thirds of Unilver's raw materials, the company has been conducting sustainability research on five key crops: palm oil, tea, tomatoes, peas and spinach. For these, crops the company is looking at the following set of 11 sustainable agriculture indicators:

- Soil fertility/health
- Soil loss
- Nutrients
- Pest management
- Biodiversity
- Value chain
- Energy
- Water
- Social/human capital
- Local economy
- Animal welfare

These indicators include both environmental and labour elements of sustainability. Regarding labour, the indicators on social/human capital and local economy are most relevant:

> "Social/human capital
> The challenge of using natural resources sustainably is fundamentally a social one. It requires collective action, the sharing of new knowledge and continuous innovation. Sustainable agriculture practices can improve both social and human capital in order to ensure normal outputs. The prime responsibility for this

should remain with the local community, leading to realistic and actionable targets.

Parameters can include:

- Group dynamics/organisational density (farmer groups)
- (Rural) community awareness of relevance and benefits of sustainable practices/connectivity to society at large
- Rate of innovation

Local economy

Agricultural inputs (goods, labour, services) can be sourced from many places, but when they come from the local economy, the expenditure helps to sustain local businesses and livelihoods. Sustainable agriculture practices can help to make the best use of local and available resources in order to increase efficiency.

Parameters can include:

- Amount of money/profit reinvested locally
- Percentage of goods/labour/services sourced locally
- Employment level in local community"

The interlinkages between policies and standards which promote environmental sustainability and those which promote decent employment opportunities, however, are not clearly developed. Nevertheless, Unilever has undertaken an extensive amount of research on what sustainability means in practice and has in turn developed its corporate sustainability policies and standards. The agricultural component of an ILO environment programme could build on Unilever's applied research and focus on better understanding the interlinkages among the various labour and environment criteria.

3.4 Priority stakeholders for the ILO

This section of the paper has looked at 18 potential institutional stakeholders for an ILO programme on the environment – 6 each from intergovernmental organisations, nongovernmental organisations and multinational corporations. There are, of course, many, many organisations which the ILO could and should be working with in the area of labour and the environment.

A process to identify a short list of priority stakeholders with respect to the environment for the ILO could consist of three elements. First, the ILO should review its existing stakeholders – including employee and employer organisations – to see who among these is working on or has

an interest in environmental sustainability. Second, the ILO should undertake a more through review of other organisations that are or might be able to contribute to an ILO programme of work on the environment. Third, the ILO should categorise its stakeholders into three groups:

- organisations for monitoring,
- organisations for dialogue, and
- organisations for partnerships.

As a first step, the ILO may want to consider establishing a process of initial dialogue with the 18 organisations presented above.

4. Participating in major events

One of the most effective ways to engage with the environmental sustainability agenda is to participate in relevant major events. Today there are many – perhaps far too many – relevant events to attend. For example, for the upcoming 6-month period from July-December 2006, the following international events related to the environment will take place:

July 2006

- ECOSOC 2006 SUBSTANTIVE SESSION: 3 July 2006 - 28 July 2006. New York, New York, United States of America.
- 16TH MEETING OF THE CITES PLANTS COMMITTEE: 3 July 2006 - 8 July 2006. Lima, Peru.
- TWENTY-FIFTH OPEN-ENDED WORKING GROUP OF THE PARTIES TO THE MONTREAL PROTOCOL: 3 July 2006 - 6 July 2006. Montreal, Canada.
- 22ND MEETING OF THE CITES ANIMALS COMMITTEE: 7 July 2006 - 13 July 2006. Lima, Peru.
- 30TH ORDINARY SESSION OF THE WORLD HERITAGE COMMITTEE: 8 July 2006 - 16 July 2006. Vilnius, Lithuania.
- WORLD CONGRESS OF SOIL SCIENCE: 9 July 2006 - 15 July 2006.
- 11TH SESSION OF THE SUB-COMMITTEE OF EXPERTS ON THE GLOBAL HARMONISED SYSTEM (GHS): 12 July 2006 - 14 July 2006. Geneva, Switzerland.

August 2006

- INTERNATIONAL CONFERENCE ON MERCURY AS A GLOBAL POLLUTANT: 6 August 2006 - 11 August 2006.
- 2006 WORLD WATER WEEK IN STOCKHOLM: 20 August 2006 - 26 August 2006. Stockholm, Sweden.
- CONFERENCE ON NEW CHALLENGES IN MANAGEMENT OF BOREAL FORESTS: 28 August 2006 - 30 August 2006. Umeå, Sweden.

- EIGHTH ANNUAL BIOECON CONFERENCE ON "ECONOMIC ANALYSIS OF ECOLOGY AND BIODIVERSITY": 29 August 2006 - 30 August 2006. Cambridge, United Kingdom.
- THIRD GEF ASSEMBLY: 29 August 2006 - 30 August 2006. Cape Town, South Africa.

September 2006

- FIFTH MEETING OF THE PARTIES TO EUROBATS: 4 September 2006 - 6 September 2006. Ljubljana, Slovenia.
- EIGHTH INTERNATIONAL CONFERENCE ON MODELLING, MONITORING AND MANAGEMENT OF WATER POLLUTION: 4 September 2006 - 6 September 2006. Bologna, Italy.
- 59TH ANNUAL CONFERENCE FOR NGOS ASSOCIATED WITH THE UNDPI: 6 September 2006 - 8 September 2006. New York, New York, United States of America.
- IWA WORLD WATER CONGRESS: 10 September 2006 - 14 September 2006. Beijing, China.
- EUROPEAN LARGE LAKES SYMPOSIUM 2006: 11 September 2006 - 15 September 2006. Tartu-Pühajärve, Estonia.
- BETTER AIR QUALITY 2006 WORKSHOP: 13 September 2006 - 15 September 2006. Yogyakarta, Indonesia.
- GLOBAL CONFERENCE ON RENEWABLE ENERGY APPROACHES FOR DESERT REGIONS: 18 September 2006 - 22 September 2006. Amman, Jordan.
- HIGH-LEVEL SEMINAR ON "MULTILATERAL ENVIRONMENTAL AGREEMENTS AND THEIR RELEVANCE IN THE ARCTIC": 21 September 2006 - 22 September 2006. Arendal, Norway.
- ASCOBANS MOP-5: 18 September 2006 - 22 September 2006. Egmond aan Zee, Netherlands.
- MEETING OF THE UNEP WORKING GROUP ON LEAD AND CADMIUM: 18 September 2006 - 22 September 2006. Geneva, Switzerland.
- IFCS FORUM V: 24 September 2006 - 29 September 2006. Budapest, Hungary.

October 2006

- INTERNATIONAL WORKSHOP ON CLIMATE CHANGE: OPPORTUNITIES AND CHALLENGES FOR FOREST MITIGATION PROJECTS IN SUB-SAHARAN TROPICAL AFRICA: 1 October 2006 - 4 October 2006. Busua, Ghana.
- 54TH MEETING OF THE CITES STANDING COMMITTEE: 2 October 2006 - 6 October 2006. Geneva, Switzerland.
- INTERNATIONAL CONFERENCE ON MANAGING FORESTS AND POVERTY REDUCTION: CAPTURING OPPORTUNITIES IN FOREST HARVESTING AND WOOD PROCESSING FOR THE BENEFIT OF THE POOR: 2 October 2006 - 6 October 2006. Ho Chi Minh City, Viet Nam.
- FIFTH SESSION OF THE COMMITTEE FOR THE REVIEW OF THE UN CONVENTION TO COMBAT DESERTIFICATION (CRIC-5): 4 October 2006 - 13 October 2006. Buenos Aires, Argentina.
- FIRST INTER-AMERICAN MEETING OF MINISTERS AND HIGH-LEVEL AUTHORITIES OF SUSTAINABLE DEVELOPMENT: 5 October 2006 - 6 October 2006. Santa Cruz de la Sierra, Bolivia.
- JOINT FAO/WHO MEETING ON PESTICIDE RESIDUES (JMPR): 3 October 2006 - 12 October 2006. Rome, Italy.
- THIRD CONFERENCE OF PARTIES TO THE ROTTERDAM CONVENTION (PIC COP-3): 9 October 2006 - 13 October 2006. Geneva, Switzerland.

- CONFERENCE ON HOW TO MAKE MARKETS WORK FOR CLIMATE: 16 October 2006 - 17 October 2006. Amsterdam, Netherlands.
- SECOND INTER-GOVERNMENTAL REVIEW OF THE GLOBAL PROGRAMME OF ACTION FOR THE PROTECTION OF MARINE ENVIRONMENT LAND-BASED ACTIVITIES: 16 October 2006 - 20 October 2006. Beijing, China.
- CONFERENCE ON EFFICIENT MANAGEMENT OF WASTEWATER, ITS TREATMENT AND REUSE IN THE MEDITERRANEAN COUNTRIES: 30 October 2006 - 1 November 2006. Amman, Jordan.

November 2006

- 9TH INTERNATIONAL CONFERENCE ON GLOBAL SPATIAL DATA INFRASTRUCTURE: 6 November 2006 - 10 November 2006. Santiago, Chile.
- SECOND MEETING OF THE PERSISTENT ORGANIC POLLUTANTS REVIEW COMMITTEE: 6 November 2006 - 10 November 2006. Geneva, Switzerland.
- TWELFTH CONFERENCE OF THE PARTIES TO THE UNFCCC AND SECOND MEETING OF THE PARTIES TO THE KYOTO PROTOCOL: 6 November 2006 - 17 November 2006. Nairobi, Kenya.
- 20TH MEETING OF THE WORKING GROUP ON PESTICIDES: 13 November 2006 - 14 November 2006. Bonn, Germany.
- 40TH JOINT MEETING OF THE CHEMICALS COMMITTEE AND WORKING PARTY ON CHEMICALS, PESTICIDES AND BIOTECHNOLOGY: 14 November 2006 - 15 November 2006. Bonn, Germany.
- FIRST INTERNATIONAL CONFERENCE ON SUSTAINABILITY MEASUREMENT AND MODELING: 16 November 2006 - 17 November 2006.
- EIGHTH MEETING OF THE CONFERENCE OF THE PARTIES (COP-8) TO THE BASEL CONVENTION: 27 November 2006 - 1 December 2006. Nairobi, Kenya.
- SECOND INTERNATIONAL CONFERENCE ON ESTUARIES AND COASTS: 28 November 2006 - 30 November 2006. Guangzhou, China.

December 2006

- SECOND MEETING OF THE EXPERT GROUP ON BEST AVAILABLE TECHNOLOGIES AND BEST ENVIRONMENTAL PRACTICES (BAT/BEP): 4 December 2006 - 9 December 2006. Beijing, China.
- THE EAST ASIAN SEAS (EAS) CONGRESS 2006: 12 December 2006 - 16 December 2006. Haikou City, Hainan Province, China.

Clearly, the ILO cannot actively participate in all of these events! The ILO will need to should develop a strategic approach to engaging in these events along similar lines to its approach to organisations:

- events for monitoring,
- events for participation, and
- events for active engagement.

Most of these events should probably be monitored, but a number of them should be attended. Events such as these provide an ideal opportunity for informal dialogue with other organisations. For an even smaller set of events, the ILO should consider active engagement including speaking up on the labour implications of the deliberations,

sharing experiences of relevant ILO work, and ensuring a place for the ILO in future programmes of work.

5. Addressing critical questions

At a conceptual level, there are a number of key questions which an ILO programme on the environment will need to consider. From a policy integration perspective, this section of the report addresses some of these. It draws on the contributions of Kenneth Boulding.

- *What does a "sustainable" pattern of economic activity look like?*

In 1996, the year after he introduced the concept of spaceship earth, Boulding wrote another now-famous essay on "The economics of the coming spaceship earth" which provided original insights into what a sustainable economy might look like:

> "The closed earth of the future requires economic principles which are somewhat different from those of the open earth of the past. For the sake of picturesqueness, I am tempted to call the open economy the "cowboy economy," the cowboy being symbolic of the illimitable plains and also associated with reckless, exploitative, romantic, and violent behaviour, which is characteristic of open societies. The closed economy of the future might similarly be called the "spaceman" economy, in which the earth has become a single spaceship, without unlimited reservoirs of anything, either for extraction or for pollution, and in which, therefore, man must find his place in a cyclical ecological system which is capable of continuous reproduction of material form even though it cannot escape having inputs of energy.
>
> The difference between the two types of economy becomes most apparent in the attitude towards consumption. In the cowboy economy, consumption is regarded as a good thing and production likewise; and the success of the economy is measured by the amount of the throughput from the "factors of production," a part of which, at any rate, is extracted from the reservoirs of raw materials and non-economic objects, and another part of which is output into the reservoirs of pollution...
>
> By contrast, in the spaceman economy, throughput is by no means a desideratum, and is indeed to be regarded as something to be minimized rather than maximized. The essential measure of the success of the economy is not production and consumption at all,

> but the nature, extent, quality, and complexity of the total capital stock, including in this the state of the human bodies and minds included in the system. In the spaceman economy, what we are primarily concerned with is stock maintenance, and any technological change which results in the maintenance of a given total stock with a lessened throughput (that is, less production and consumption) is clearly a gain. This idea that both production and consumption are bad things rather than good things is very strange to economists, who have been obsessed with the income-flow concepts to the exclusion, almost, of capital-stock concepts."

As explained, by Robert Constanza, the modern discipline of ecological economics – which has its roots in this Boulding's essays on spaceship earth – is today attempting to understand what we mean by a sustainable economy:

> "Ecological economics is a transdisciplinary effort to link the natural and social sciences broadly, and especially ecology and economics… The goal is to develop a deeper scientific understanding of the complex linkages between human and natural systems, and to use that understanding to develop effective policies that will lead to a world which is ecologically sustainable, has a fair distribution of resources (both between groups and generations of humans and between humans and other species), and efficiently allocates scarce resources including "natural" and "social" capital. This requires new approaches that are comprehensive, adaptive, integrative, multi-scale, pluralistic, evolutionary, and which acknowledge the huge uncertainties involved…
>
> One of the basic organizing principles of ecological economics is thus a focus on this complex interrelationship between ecological sustainability (including system carrying capacity and resilience), social sustainability (including distribution of wealth and rights, social capital, and coevolving preferences) and economic sustainability (including allocative efficiency in the presence of highly incomplete and imperfect markets). A major implication of this is that our ability to predict the consequences of economic behaviour is limited by our ability to predict the evolution of the biosphere.
>
> The complexity of the many interacting systems that make up the biosphere means that this involves a very high level of uncertainty. Indeed, uncertainty is a fundamental characteristic of all complex systems involving irreversible processes and ecological economics

> is particularly concerned with problems of uncertainty. More particularly, it is concerned with the problem of assuring sustainability under uncertainty. Instead of locking ourselves into development paths that may ultimately lead to ecological collapse, we need to maintain the resilience of ecological and socioeconomic systems by conserving and investing in natural and social assets.
>
> Ecological economics has historical roots as long and deep as any field in economics or the natural sciences, going back to at least the 17th century… Nevertheless, its immediate roots lie in work done in the 1960s and 1970s. Kenneth Boulding's classic 'The economics of the coming spaceship Earth' set the stage for ecological economics with its description of the transition from the 'frontier economics' of the past, where growth in human welfare implied growth in material consumption, to the 'spaceship economics' of the future, where growth in welfare can no longer be fuelled by growth in material consumption… More particularly, it implies that the focus of analysis should be shifted from marketed resources in the economic system to the biophysical basis of interdependent ecological and economic systems and their co-evolution over time."

Today the short answer to the question of what does a sustainable pattern of economic activity look like is that we can increasingly say we know what it does not look like. The longer answer lies in understanding the implications of a transition from "sustainable development" to "sustainable stability" – the transition from a "cowboy economy" to a "spaceman economy."

- *What policies would be needed to promote such a pattern, on the assumption that the market alone will not provide such a trajectory?*

One of the clear messages coming out of the new discipline of ecological economics is that markets alone are not likely to lead us to a sustainable pattern of economic activity. We see this recognition in the increasingly globalised effort – evidenced by the many global agreements, organisations, and events – to address the challenges of environmental sustainability.

Governments alone have also not been successful in leading us towards sustainability. The likely failure of the signatories of the Kyoto Protocol – notably the member states of the European Union – to meet their carbon emission commitments is just one example of government environmental failure. Even the 60 year alliance between government

and science under IUCN's "world conservation union" has not stopped the continuing loss of biodiversity. Nor have the 60 years of multilateral and bilateral development assistance brought about sustainable patterns of economic activity.

Clearly markets and governments alone are not developing the types of policies we need to promote sustainability. Thus, the recent and growing interest in public-private partnerships has arisen as one effort to bring together these two systems of human interaction – what Boulding called the "threat system" and the "exchange system" – in order to better address the challenges of environmental sustainability. The UN Global Compact is one example of such a partnership. This approach was also recognised at the 2006 Davos meeting of the World Economic Forum. A press release from the meeting stated:

> "Business leaders have called for a greater role in the fight to reduce poverty and speed progress towards the Millennium Development Goals…
>
> In meetings here this week, business leaders defined strategies for expanding private-sector partnerships with government, agency and non-profit groups to address health, education and hunger in developing countries."

Building partnerships between governments (threat systems) and businesses (exchanges systems), important as they are, however, cannot be relied upon alone. There is a third system of human interaction which needs to be considered seriously if we are to develop meaningful policies and programmes towards sustainability. It is the "integrative system." Boulding explains:

> "Integrative systems … involve such things as love and hate, benevolence and malevolence, affection, altruism, community, legitimacy and so on… Both threats and exchange must be legitimated and places in some kind of framework of community before than can become extensive… A vital element in integrative structures is identity, for a person's image of identity is a very important determinant of behaviour and of other people's responses."

Threats, integration and exchange – or to put it more colloquially, police, preachers and prices – are the core elements of human interaction which must be addressed. Markets and governments alone are not enough. We must also address the cultural, social, and indeed spiritual

dimensions of human action if we are to succeed in shaping government and market processes towards a sustainable pattern of economic order.

The ILO with its direct focus on the economic and social dimensions of work – on the way we secure our livelihoods and the welfare of our families – is well positioned to play a leadership role in addressing the policies needed to evolve our the systems of human interaction towards sustainability.

- *Would investment depend on the policy incentives created and what do we know empirically about the policy/ investment linkage?*

Indeed, investment does depend on policy incentives. The IFC's new safeguard policies, which include labour and environment elements, are likely to have a substantive impact of the investment decisions. Through their inclusion in the Equator Principles, these policies have the potential to influence billions of dollars of private sector investments.

The growing attention to corporate social responsibility by multinational corporations and the increased interest in socially responsible investments by both institutional and individual investors will also promote more environmentally sustainable capital flows through the world's financial markets.

Regarding traditional multilateral finance by the World Bank and the other multilateral finance institutions, attention to sustainability issues is also growing. For example, in the 1990 founding document of the European Bank for Reconstruction and Development, it is mandated "to promote in the full range of its activities environmentally sound and sustainable development."

In all of these policy/investment linkages, however, the critical interlinkages between environmental sustainability, decent employment and other labour issues are not well understood. This is where the ILO needs to step in and assist financial institutions to better understand the labour implications of their sustainability policies and procedures.

- *How to define environmentally sustainable activity, both in terms of new industries or in the transformation of processes occurring in existing industries?*

There are numerous approaches to defining environmentally sustainable activity. A particular succinct approach with clear relevance to the mission of the ILO has been developed by the Canadian-based Centre for Indigenous Environmental Resources:

"Sustainability is different things to different people, and to different groups of people.

- To an ecologist, sustainability is the ability of ecosystems, such as a lake ecosystem, to maintain its structure and function and to remain resilient in order to continue to give and support life.

- To an economist, sustainability is the ability of the market to optimally allocate scarce resources, to send proper price signals, to provide a mechanism for investment, *and to maintain a healthy labour market*.

- To a sociologist, sustainability is the ability of individuals and communities to remain in good health physically, mentally, emotionally and spiritually, and ensure equity among and between generations.

To us, *sustainability is all of these strands - sustainability of ecosystems, sustainability of economies, and social/community sustainability or equity - and the interconnections between them*. The many interconnections between the strands - for example, between the number of fish in the ocean and the economic stability of a commercial fishery - are like a web.

Like a web, it is difficult to tell where one strand ends and another begins. It is equally difficult, almost impossible, to touch one strand without vibrations, however small, felt elsewhere within the web. Thus, *sustainability requires an understanding of these interconnections* in order to meet local and global sustainability objectives...

Formally, we define sustainability as: undertaking environmental, economic, and social activities in a manner that ensures local and global ecosystem structures and functions are able to maintain themselves in perpetuity.

Our definition of sustainability gives express preference to ecological sustainability. This is an acknowledgement that the other two dimensions - economic and social - depend upon on a healthy natural environment in order to maintain or achieve sustainability. *Imagine a forestry industry without forests or a fishery without fish. The economic sustainability of these industries*

> *is wholly dependant on the sustainability of the forest and fish ecosystems.* In the same sense, every living being needs clean water and clean air and a sustainable food source."
> *[Italics added.]*

It is in the understanding of interconnections – interconnections between the sustainability of ecosystems, the sustainability of economies, and social/community sustainability; interconnections between exchange systems, threats systems and integrative systems; and indeed interconnections between land, labour and capital -- where an ILO programme on the environment can make a substantive contribution to sustainability development and the transition to sustainability stability.

- ***What conclusions, finally and most importantly, can be drawn as to the employment implications of such an economic transition, both in quantitative terms, as well as in income terms (as, for example, proxied by changes in skill requirements)?***

The employment implications of a transition to a sustainable pattern of economic activity are huge. In the early days of industrial capitalism, land was abundant and labour and capital was scarce. Today, it is labour and to a large degree also capital that are abundant and "land" is scarce.

As the human race – the planet's most invasive species – has multiplied and spread, unemployment and underemployment have become major obstacles to decent livelihoods, social stability, and environmental sustainability. Furthermore, as the management of our spaceship earth requires a fundamental shift from the economic logic of producing more and consuming more to an economic logic of producing less and consuming less, future opportunities for full and decent employment are in question.

On the other hand, shifts away from producing more goods to producing more services and improvements in the quality of both goods and services may provide new opportunities for labour. However, will there be enough decent opportunities for everyone who needs to work?

Over recent years, various scenario projects have been undertaken to look at the implications of alternative paths of political-economic development. One of the most famous of these has been undertaken by Shell. Their 2025 scenarios posit three alternatives:

> "The first of these "possible futures" is called Low Trust Globalisation. This is a legalistic world where the emphasis is on security and efficiency, even if at the expense of social cohesion. The second, Open Doors, is a pragmatic world that emphasises social cohesion and efficiency, with the market providing "built-in" solutions to the crises of security and trust. The third, called Flags, is a dogmatic world where security and community values are emphasised at the expense of efficiency."

Understandably, Shell looks at the implications of these three scenarios for the energy sector. They do not, however, look closely at the labour implications. The ILO may want to engage in scenario projects, such as the Shell project, to ensure that labour issues are addressed. Alternatively, the ILO might want to develop its own set of scenarios regarding the implications for labour of environmentally-sustainable economic patterns. Clearly much more needs to be known about the labour impacts of the transition from a cowboy economy to a spaceman economy.

6. Towards an ILO programme on the environment

As highlighted at the beginning of this paper, at its 286th Session in 2003, the ILO's Governing Body agreed to follow up on the outcomes of the World Summit on Sustainable Development. Giving the ILO a clear mandate to develop a programme on environmental sustainability, the Governing Body called on the ILO's Director General to:

> "develop proposals for ILO follow-up action related to the Johannesburg Summit [and for such] follow-up action [to] include the relevant elements of the Programme and Budget proposals for 2004-05, in addition to identifying opportunities for extra-budgetary support."

This section of the paper highlights two statements which provide an sufficient basis for the development of an ILO programme on the environment.

6.1 The 1977 ILO-UNEP MOU

The ILO's interest in environmental sustainability started long before the 2002 Johannesburg Summit. As far back as 1977, the ILO signed an MOU with the then recently established UN Environment Programme. The MOU called for the development of an extensive collaborative programme of work. Almost 30 years later, the substance of this MOU remains highly relevant and could form the basis for a revitalised ILO

programme of work on environmental sustainability. The MOU identified several areas of mutual interest for collaboration between the ILO and UNEP:

> "Working environment…
>
> (a) the appropriate design and location of factories and workplaces so as to ensure a safe and healthy working environment and to protect the general environment;
>
> (b) the prevention and control of occupational accidents and diseases;
>
> (c) the prevention and control of air pollution, noise and vibration in the working environment;
>
> (d) institutional support at the national, regional and local levels to improve the working environment;
>
> (e) continuing liaison between the ILO's International Occupational and Health Information Centre (CIS) and UNEP's International Referral System (IRS), between the ILO's Working Conditions and Environment Department and UNEP's International Register for Potentially Toxic Chemicals (IRPTC), and between the ILO's Industrial and analogous Committees and similar bodies and UNEP's Industry Programme;
>
> (f) the establishment, within the framework of the ILO's International Programme for the Improvement of Working Conditions and Environment (PIACT), of a link between the proposed international occupational safety and health hazards alert system and UNEP's Global Environmental Monitoring System (GEMS);
>
> (g) the elaboration and implementation of activities to be conducted within the framework of PIACT…
>
> Human settlements…
>
> (a) developing policies for balanced urban and rural development, account being taken of the ecological and human opportunities and constraints;

(b) promoting improvements in the quality of rural habitat in terms of basic housing and physical infrastructural needs and of general enhancement of the environment;

(c) promoting improvement of urban settlements through planned easing of congestion, improvement of slums, provision of low-cost housing and development of physical infrastructure and services;

(d) promoting development and use of appropriate building materials and construction techniques for low-cost and environmentally sound urban and rural housing...

Environment and development...

(a) assessment of basic human needs and determination of viable approaches to their lasting satisfaction;

(b) the study and promotion of alternative patterns of development consistent with environmental protection and enhancement;

(c) promotion of balanced rural and urban development and conducting of research, including case studies towards this end, with a view to helping bring about such distribution of populations and of production activity as would be conducive to achieving sustained improvement in the quality of life for all;

(d) identification, development and promotion of socially appropriate and environmentally sound technologies in construction, agriculture and industry;

(e) strengthening of institutional capabilities at national and regional levels to facilitate development and adoption of appropriate and environmentally sound technologies in particular, and of environmentally sound technologies in particular, and environmentally sound development patterns in general...

Education and training...

(a) participation in the multilateral co-ordination of education and training within the United Nations system, including close co-ordination with UNESCO and UNIDO, as well as with the Regional Centre for Environmental Education in Madrid and the Centre d'Etudes Industrielles in Geneva;

(b) promotion of awareness of environmental consideration in the ILO's ongoing education and training programmes;

(c) promotion of awareness of environmental considerations among employers' and workers' organisations."

The four areas for proposed collaboration highlighted in this 1977 MOU – the working environment, human settlements, environment and development, and education and training – could become core components of a revitalised ILO programme of work on the environment in collaboration with UNEP as well as other stakeholders.

6.2 The 2006 Trade Union Assembly Resolution

At the first Trade Union Assembly on Labour and the Environment which was held in January 2006, the ILO reminded the delegates of its early MOU with UNEP. The ILO also emphasised two of its particular strengths with respect to implementing this MOU – its focus on tripartite discussions between workers, employers and governments and its focus on labour standards. The assembly also agreed on several objectives as presented in section 2.7 above.

Furthermore, the 2006 Trade Union Assembly afforded a new opportunity for key intergovernmental organisations – specifically UNEP the ILO, and the WHO – to commit to a "common platform" to "explore … opportunities for further action." The opportunities set out in the resolutions of the assembly provide a further basis for the development of an ILO programme on the environment. It includes to the following elements:

"(a) To undertake capacity-building and training, and the development of joint training materials for trade union leaders and workers in the following areas:

(i) Climate change mitigation and adaptation: adaptation measures and their impacts on employment and workers' health;

(ii) Sustainable consumption and production, including environmental management systems and occupational health and safety;

(iii) Corporate environmental and social responsibility, as called for at the World Summit on Sustainable Development;

(iv) Environmental content of global social dialogue, including framework agreements;

(v) Awareness and preparedness for emergencies at the local level including disaster management;

(vi) Multilateral environmental agreements and law: improved awareness and understanding of their applicability to the workplace;

(vii) Sound management of chemicals, including through evolving and newly adopted treaties or agreements, of industrial chemicals and of pesticides and enhancing the role of trade unions and workers in the implementation of the strategic approach for international chemicals management, the European Union REACH system and other programmes; and revitalizing the UNEP-ILO-WHO memorandum of understanding on the safe use of chemicals;

(b) To facilitate the engagement of the labour movement with public authorities, for example, in public services delivery;

(c) To replicate the successful case studies presented at the Assembly and, to that end, to create and maintain a website to collect the case studies and to consider their possible publication;

(d) To promote the engagement of trade unions with other major groups, including multi-stakeholder dialogue to address the sustainable development agenda;

(e) To undertake a study on the incorporation of just employment into environmental policy design;

(f) To promote environmentally and socially responsible job growth;

(g) Jointly to review implementation of agreements on a regular basis;

(h) To provide a model for joint, integrated planning among the different sectors, such as the Health and Environment Linkages Initiative of the World Health Organization and the United Nations Environment Programme;

(i) To invite the World Health Organization to present a global action plan on occupational health to the World Health Assembly in

2007, with contributions from the International Labour Organization and the United Nations Environment Programme;

(j) To provide an analysis of the health aspects of the transition to sustainable production, including the health consequences of changes in the employment situation."

There is a full agenda here for the ILO to address. Though seen from the perspective of employees, it covers many issues of interest and relevance to employers.

6.3 What is to be done?

Since its 1977 MOU with UNEP, the ILO has had a framework for developing a comprehensive programme of work on environmental sustainability. In 2003, the ILO's Governing Body mandated the ILO to get on with the job. In 2006, the trade unions provided in depth guidance on what needs to be addressed now and in particular what the ILO should be doing.

As this paper has shown, the ILO has an opportunity – and indeed a responsibility – to develop its environment programme in the context of our planet's complex array of priority issues, key stakeholders, major events and critical questions. If the ILO is truly serious about its commitment to decent work and sustainable development, it should move quickly to establish a substantive programme of work on labour and the environment.

By 2012 – twenty years after the Rio Earth Summit – the ILO should be well established as a lead agent in the just transition from a cowboy economy to a spaceman economy.

7. References

The references for this paper are available in a password-protected website which provides a large set of documents and links to support the development of an ILO programme on the environment. Please contact the author for further information. (Forthcoming)