



CLIMATE FINANCE FOR A LABOUR-FOCUSED JUST TRANSITION

TRADE UNION DEMANDS FOR THE
UNFCCC COP29 IN BAKU, AZERBAIJAN

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Workers and their communities worldwide are severely affected by the accelerating devastations brought about by the climate crisis. Often, they bear the brunt of insufficient, inappropriate or non-existent climate policies. In many places, the current lack of decent work and quality jobs means that livelihoods are far from guaranteed despite the fact that the transition to a decarbonised global economy will require the creation of millions of new jobs over the next 25 years. The International Trade Union Confederation (ITUC) is the global voice of working people and the largest democratic social movement organisation in the world, representing the rights and interests of nearly 200 million workers. As representatives of workers affected by the climate crisis, it is essential that we are fully consulted and engaged in the policies that are developed.

Last year, the labour movement achieved a significant victory with the approval of the

landmark Just Transition Work Programme (JTWP) which recognised the importance of ‘labour rights’ at the United Nations climate negotiations. This recognition now needs to be translated into all climate policy work.

As we prepare for COP29 in Baku, strong decisions are needed on the New Collective Quantified Goal (NCQG) which must incorporate a Just Transition with trade unions. The NCQG is the new global climate finance goal, due to be agreed by the end of 2024. Looking ahead to COP30 in Belém, we urge all parties to prepare Nationally Determined Contributions (NDCs) that include Just Transition policies. These policies must guarantee decent work, job security, training and skills development, and social protection for all workers affected by global warming and climate change policies. They must also be negotiated through robust social dialogue processes with unions actively involved at every stage.

JUST TRANSITION IN THE NCQG ON CLIMATE FINANCE

Workers’ issues are of fundamental importance to the NCQG. How funding is set up will have profound implications for the workforce, including what jobs are created and what form they will take. Funding is critical to protect working conditions in the face of new climate realities. **Heat stress alone resulted in 490 billion lost working hours in 2022**, and is projected to reduce global GDP by US\$2.4 trillion in 2030.¹ The Pakistan floods of 2022 illustrated how the failure to address worker needs can escalate the scale of **loss and damage, with devastating impacts on both formal and informal workers**. A proactive approach is necessary, and

initial estimates indicate that funding for a Just Transition will require.

The NCQG will only be successful if it explicitly recognises both the specific *needs of workers* and the *role of workers* in implementing climate solutions. To achieve this, TUNGO (the trade union constituency at the UNFCCC) is calling for the inclusion of the following **key points** in the next version of the NCQG text:

- 1. Specific mention of Just Transition in the overarching section (e.g. preamble)**

Require all financial flows under the NCQG to align with Just Transition principles, as defined by the Paris

¹ https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@dgreports/@dcomm/@publ/documents/publication/wcms_711919.pdf

Agreement, the Just Transition Work Programme, and the ILO's 2023 [resolution](#) and 2015 [guidelines](#) on Just Transition.

2. Ensure that the quantitative elements of Just Transition for workers are included

The needs assessment for the **quantum must incorporate the evolving needs of workers**, including: full costings to support decent and quality jobs in all mitigation pathways, such as funding for **workforce development, training, apprenticeships, and redeployment**; support for workers in high-emitting sectors requiring transition; funding for necessary adaptation and resilience measures, such as **ensuring safe and healthy workplaces; provision for the irreversible impacts of loss and damage on workers' livelihoods**; funding for **social protection** from all mitigation, adaptation, loss and damages, and funding to support **social dialogue** with trade unions throughout all change processes.

3. Ensure that Just Transition for workers, including social dialogue and labour rights, is included under qualitative elements

Workers must be explicitly mentioned, and given equal status to other constituencies, such as women, youth, Indigenous Peoples, people with disabilities, and LGBTIQ+ groups.

Both **social dialogue with workers** and **stakeholder engagement with affected communities** must be included – in order to recognise the specific importance of social dialogue between workers, governments, and employers, as well as the related but distinct process of stakeholder engagement with affected communities.

Just Transition must also reference **labour rights**, following the definition in the Just Transition Work Programme and the ILO's 2023 [resolution](#) and 2015 [guidelines](#) on Just Transition, to guarantee a comprehensive and labour-focused approach to Just Transition.

4. Recognise public finance as the core of the NCQG, and include a sectoral focus

Developed countries must fulfil their historical responsibilities. There must also be safeguards against increasing debt burdens. To maximise impact, the New Collective Quantified Goal (NCQG) must include **sectoral climate finance platforms** (e.g. transport, energy etc.) that integrate social dialogue. Moreover, countries should retain control over strategic sectors essential for the climate transition, such as energy, public transport, raw materials. The role of public ownership and control should be acknowledged and privatisation conditionalities should not be part of any climate finance agreements.

THE JUST TRANSITION WORK PROGRAM

The Just Transition Work Program (JTWP) decided at COP28 was a major milestone for the global labour movement. For the first time, the United Nations Framework Convention on Climate Change (UNFCCC) referred to the importance of labour rights. Labour rights, as defined by the International Labour Organisation (ILO), guarantee Freedom of Association for workers to organise in trade unions, collective bargaining, social protection and occupational health and safety among other rights. The promotion and enforcement of labour rights – at company, sectoral, national and international level – is the cornerstone of all Just Transition policies and measures. At COP29 trade unions have the following demands:

- 1. Governments must prioritise the full implementation of the Just Transition Work Programme (JTWP) as defined at COP28.**

If parties fail to respect and implement the agreements made, they become part of the problem. The second JTWP dialogue before COP29, along with the ministerial meeting at COP29, must be utilised to share information, good practices, lessons learned from parties on how they are implementing economy-wide, structural Just Transition plans. This information should contribute to the

development of ambitious Nationally Determined Contributions (NDC) 3.0.

Unions ask countries for the full and balanced implementation of all JTWP elements agreed upon at COP28. International cooperation, as an enabler of Just Transition pathways, and the creation of decent work and quality jobs – including through social dialogue, social protection and the recognition of labour rights – are equally important and mutually reinforcing.

- 2. Countries must demonstrate progress in incorporating Just Transition into their NDCs.**

Governments should negotiate comprehensive Just Transition Plans in line with the ILO Guidelines in the next round of the NDCs, they should report on how they engaged with trade unions in the planning and implementation of climate policies through social dialogue. Full respect of fundamental labour rights at work must guide the work on NDCs.

We urge governments to specify the measures they will implement to ensure the creation of decent jobs, skills development and training, occupational health and safety, and universal social protection for all workers, both in the formal and informal economy, during the green transition. This information is essential for governments when reporting how their NDC is fair and ambitious in the light of their national circumstances.

GUARANTEE HUMAN RIGHTS, LABOUR RIGHTS AND INCLUSIVE PARTICIPATION

The full and comprehensive protection of human rights is essential to build support and trust across societies and to implement urgently needed climate policies. Labour rights are human rights. The ITUC's [Global Rights Index 2024](#) offers an important status report on the worldwide struggle to defend and exercise core pillars of democracy: the fundamental rights and freedoms of working people and trade unions. As it attests, there are clear signs that governments and companies are

accelerating their efforts to trample on these basic rights that underpin the very nature of democracy and the rule of law.

Governments must consider the broader geopolitical dimension of climate policy. No climate protection is possible while countries are waging wars and violent conflicts are taking place. Respect of international law, labour and human rights, gender equity, the rights of indigenous peoples, as well as the inclusion of youth is fundamental.

*The ITUC represents 191 million workers in 169 countries and territories and has 340 national affiliates.
The ITUC coordinates the TUNGO (Trade Union NGO) observer constituency at UNFCCC.*

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