Green Jobs: What they are and how we promote them

TARAgrom YATRA 2010
Orcha, MP, 19 September 2010
Hideki Kagohashi, Enterprise Development Specialist
ILO-DWT for South Asia
Green Jobs Initiative
Green Jobs Report

The partners:

[Logos of ILO and UNEP]
Green Jobs: Meeting challenges of 21st century

- **Achieving economic and social development and environmental sustainability**
  - **Environmental:** climate-related disasters (262 mill), water shortages (1.8 mill), environmental refugees (50 mill), displacement by flooding (330 mill), food shortages (180 mill now + 600 mill 2080), loss of biodiversity
  - **Social/decent work:** working poor (1.3 bill), unemployed (190 mill), young job seekers (500 mill), no access to social security (5.3 bill), food, shelter (1 bill), energy (1.6 bill)
Green jobs

✓ Reduce consumption of energy and raw materials (dematerialize economies)
✓ Avoid greenhouse gas emissions (decarbonize economies)
✓ Minimize waste and pollution
✓ Protect and restore ecosystems and environmental services
✓ Adapt to climate change
Green jobs

- Can be created in all sectors and enterprises (direct, indirect and induced jobs)
- Decent jobs: adequate incomes, social protection and respect for workers rights
Towards decent work and environmental sustainability

- E.S, but not Decent
- E.S & Decent
- Neither ES nor decent
- Decent but not E.S
Greening across economy
+ High potential sectors

- Energy efficiency: buildings, industry, transport
- Renewable energy
- Mobility: mass transportation
- Recycling, waste management
- Sustainable agriculture and forestry
- Environmental services
Green Jobs in Brazil

- 2.65 m formal green jobs
- 6.7% formal employment
- ~ construction industry
- Growing faster than overall labor market
Brazil: Social housing, sustainable construction

‘My house—my life’ social housing program (5/2009)

• 500,000 units energy savings measures (solar water heaters)
• - 40% electricity bill
• - 18% peak demand
• + 18,000 jobs

Sustainable construction
Upgrading of social housing South Africa

Slum population > 1 bn
Rural energy: Photovoltaic in Bangladesh

1.6 bn people without access to modern energy
Green infrastructure

- Social security and anti-poverty schemes
- Public works programmes
- Environmental rehabilitation
- Adaptation climate change
- Potential ~100 m jobs/y
Mind the gap: skills

- Skills bottlenecks in all countries and most green jobs
- Technology cannot be used effectively:
  - Ex. UK social housing
- Or not at all:
  - China building industry
Eco-taxes

net gain 14.3 m jobs globally within 5 y

Source: IILS (2009)
Policy instruments

- Regulation
- Mandates
- Public investment
- Public procurement
- Skills development

‘Getting prices right’:
- Subsidies (shift)
- Cap-and-trade, CO$_2$ tax, CDM
- (Eco-) taxes
Conclusions

• Jobs:
  - Positive balance in numbers likely
  - Improvement job quality
  - Short response time

• Critical conditions:
  - Supportive and coherent policies (mixes)
  - Well prepared enterprises and workers
Green Jobs in the Inclusive Growth

How our efforts to promote Green Jobs (quantitatively & qualitatively) can contribute to the inclusive growth scenario in India?
The Indian economy is dominated by informal employment in the informal sector (around 85% as of 2004-05).

The net growth of employment (1999-00 to 2004-05) has been largely of an informal kind.

The growth rate of wages of almost all categories of workers has declined during 1993-94 to 2004-05.

A large proportion of the Indian workforce and population (more than 3/4) continues to be ‘poor and vulnerable’ with very low rates of improvement in living standards.

The growth that occurred has been unequal, concentrating its benefits among the top segments of the population.
Green Jobs in the Local Economy - a scenario

Access to (clean) energy for the poor

- Grid extension
- Area-wide collective options
- HH level solutions
- repair & maintenance jobs
- some manufacturing jobs

Greener development of sectors with vast informality (incl. green & conventional jobs)

- Agriculture
- MSMEs
- Waste mgt & Recycling
- Building & Construction

Induced impact
What we can do (1)

Access to (clean) energy for the poor

- Grid extension

Area-wide collective options

- HH level solutions
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  - some manufacturing jobs

We support:
- gauging the labour market impact of selected energy projects and resulting skills gap
- Value-chain and business model dev

Partnership required
- e.g., regulators, technology providers, training providers, financiers, market facilitators
Introduction of green technologies

- Cost saving in terms of energy & waste reduction
  - Firms become more competitive
    - Gain
      - Firms grow, creating more GJ

- Technology supplier firms grow, creating more GJ
  - Gain
    - Demand for maintenance services grow, creating more GJ

- Brown technology supplier firms decline, reducing brown jobs
  - Loss
    - Alternative use of the waste may eliminate jobs previously dealt with

- Parts supplier firms decline, reducing brown jobs
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Alternative use of the waste may eliminate jobs previously dealt with
- Absorption of the labour within the expanding segment of VC
- Alternative livelihood thru entrepreneurship & ALMP

Conversion of brown jobs into GJ in the same firm/VC
- Alternative livelihood thru entrepreneurship & ALMP

Decent Work Challenge
- Integrated approach to green, decent and profitable businesses

Keeping jobs
- Compensating the loss

Jobs created or lost?
How about quality?
- Gain
- Loss
- Jobs created or lost?
Materialize the impact of access to energy into local economic development...

Access to (clean) energy for the poor  Greener development of sectors with vast informality

is NOT AUTOMATIC

• Calls for an integrated approach
• Need to work w/ various stakeholders incl. convergence w/ gov prog/schemes
What we can do (2)

- ILO programmes & tools available:
  - Local competitiveness & value chain tools
  - Entrepreneurship, skills and MFI training
  - Workplace enhancement & productivity prog.
  - Support to expand social protection coverage
  - Tools to address needs of vulnerable groups

Greener development of sectors with vast informality

Agriculture
MSMEs
Waste mgt & Recycling
Building & Construction
New tools to be introduced

- Tools to assess the size of Green Jobs potential
  - Sectoral (ILO-GHK guide)
  - Project level (under development)
- Tools to support Local Economic Development
  1. Value Chain Development for Green Jobs (policymakers’ guide/reader + practitioners’ guide)
  2. Sustaining Competitive & Responsible Enterprises – SCoRE (workplace & productivity programme)
  3. Generate Your Green Business Ideas (a module of SIYB entrepreneurship programme)
Recommendations for policy

Win – win not by default, but by design

Policies that work:
1. **Map** employment/income opportunities and risks
2. **Start with low-hanging fruit**
3. **Target:** youth, women, the poor, SMEs
4. Engage stakeholders in **social dialogue**
Useful websites

• ITC-Turin’s Green Jobs training site: http://greenjobs.itcilo.org/
• LED knowledge website: http://www.ledknowledge.org/
• SCoRE: http://www.ilo.org/empent/Whatwedo/Projects/lang--en/docName--WCMS_101367/index.htm