

**European Trade Union Confederation**  
**Boulevard du Roi Albert II, 5**  
**1210 Brussels**  
**Belgium**  
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**The ETUC response to the EC consultation on  
“The 2015 International Climate Change Agreement:  
Shaping international climate policy beyond 2020”**

For several years the ETUC has refused to frame the climate change debate as a binary choice between either the protection of the environment, or that of an inclusive economy that is a creator of employment. Maintaining and creating quality jobs, and protecting and reinforcing the European Social Model remain its absolute priorities but at the same time, keeping global warming below the threshold of 2 degrees meets the basic requirements for the protection of the environment as well as the need for solidarity both for vulnerable people as well as for future generations. The union movement is unambiguous in this aim. In this period of economic crisis, and a few months before crucial political choices are made, which will affect the future of the European Union and the planet, the ETUC reaffirms strongly that the only feasible way to reconcile the two ambitions is by a ‘Just Transition’.

*1. How can the 2015 Agreement be designed to ensure that countries can pursue sustainable economic development while encouraging them to do their equitable and fair share in reducing global GHG emissions so that global emissions are put on a pathway that allows us to meet the below 2°C objective? How can we avoid a repeat of the current situation where there is a gap between voluntary pledges and the reductions that are required to keep global temperature increase below 2° C?*

- Achieving this objective will firstly, require that the treaty is ambitious enough in terms of its aim of reducing greenhouse gases (GHG) through binding objectives that will reflect the recommendations by the Intergovernmental Group of experts on Climate Change (IPCC) to achieve a global reduction of GHG by at least 50%, and a reduction in emissions by developed countries of between 80 and 95% compared to the levels in 1990. Achieving these objectives for 2050 presupposes credible intermediary objectives and that the ambition of existing policies is reinforced starting right now, in accordance with the mandate of the Durban Platform.

- Secondly, this presupposes that the Treaty is sufficiently broad to submit all of the major economies of the planet to an obligation to reduce their GHG in a comparable but not identical way, in accordance with the principles of a common, but differentiated responsibility. The universality of the obligations to master GHG, excepting the least developed countries, is an indispensable prerequisite for reinforcing environmental effectiveness in the international struggle against climate change, without excessively penalising the economies of the countries, such as those in the EU, who have had to submit to binding objectives to reduce their GHG for a number of years.
- Concrete financial commitments undertaken by developed countries to help developing countries put measures in place to mitigate their emissions and adapt to the consequences of global warming is also a necessary condition for the conclusion of an ambitious treaty. It is indispensable that the developed countries clarify the way in which they will reach the objective of mobilising 100 billion dollars a year by 2020. The public contribution of this finance package cannot come at the expense of the 0.7% of GDP to development aid. In the same vein, the recourse to international credits, used to reach the target for reducing the GHG of developed countries, must not be accounted in the public contribution of these 100 billion.

2. *How can the 2015 Agreement best ensure the contribution of all major economies and sectors and minimise the potential risk of carbon leakage between highly competitive economies?*

- The 2015 agreement must provide a global level-playing field covering all major economies and sectors. Special attention should be dedicated to the energy-intensive sectors exposed to a significant risk of carbon leakage. All major economies should commit to similar standards for these sectors, otherwise those who commit will be exposed to an unacceptable competitive disadvantage.
- International trade and climate policies should be better coordinated. International trade agreements, whether multi or bilateral, should include sustainable development chapters on labour and environmental protection. These chapters should commit parties to international agreements. Border adjustment mechanisms for products manufactured in countries without similar commitments to GHG emission reductions should be considered as a necessary last resort.

3. *How can the 2015 Agreement most effectively encourage the mainstreaming of climate change in all relevant policy areas? How can it encourage complementary processes and initiatives, including those carried out by non-state actors?*

- In order to be a basis for a Just Transition, the 2015 global agreement should catalyse: the greening of training and education and skills; innovation in low-carbon breakthrough technologies; investment in key infrastructures (energy, transport etc.). A formal mandate should be given to the ILO to undertake this work.
- The operating entities of the financial mechanism of the Convention should better support the integration of climate change within education and training programmes.

4. *What criteria and principles should guide the determination of an equitable distribution of mitigation commitments of Parties to the 2015 Agreement along a spectrum of commitments that reflect national circumstances, are widely perceived as equitable and fair and that are collectively sufficient avoiding any shortfall in*

*ambition? How can the 2015 Agreement capture particular opportunities with respect to specific sectors?*

- The starting point of such an exercise must be based on science and equity. The purpose should be to clearly know what must be done, by when and by whom to keep global warming under the 2C°.
- Even though a global agreement covering all major economies is essential, it should reflect common but differentiated responsibilities and respective capabilities. This principle means that developed countries should take the lead in combating climate change and their negative effects. It also means that all countries will have to act accordingly.
- A Just Transition for the workforce should be one of the guiding principles of the international action against climate change. Understanding the impact on the labour market, and the social dimension of the mitigation policies, is essential to keep the climate regime socially just and guarantee social acceptance. Enhancing social dialogue and workers' participation can also facilitate the identification of challenges, hurdles and opportunities of the transition towards a low-carbon society. The Just Transition also requires respect for labour rights and other human rights. Moreover, social protection is another key element of the Just Transition. Social protection, including support mechanisms for workers who fall victim to economic change, is essential to help workers to requalify or re-train when needed.
- The precautionary principle is also a key principle of the climate regime. Mitigation policies as well as international credits linked to carbon markets should take this more into account, notably in terms of the impact on water or biodiversity or on social inequalities and human rights.

5. *What should be the role of the 2015 Agreement in addressing the adaptation challenge and how should this build on ongoing work under the Convention? How can the 2015 Agreement further incentivise the mainstreaming of adaptation into all relevant policy areas?*

- Adaptation must remain one of the key pillars of the international climate regime, especially to assist the most vulnerable countries through adequate public funding.
- Enhancing the support for training and capacity building programmes would also incentivise the mainstreaming of adaptation.
- Incorporating risk-assessments linked to climate change consequences into the reporting exercises both for states and private companies can contribute to raising the awareness of key stakeholders on this crucial issue.
- Recognising the key role of public authorities as regulators and service providers is central to addressing the adaptation to climate change.

6. *What should be the future role of the Convention and specifically the 2015 Agreement in the decade up to 2030 with respect to finance, market-based mechanisms and technology? How can existing experience be built upon and frameworks further improved?*

- As written in our answer to question 1, achieving the commitments made by developed countries in Copenhagen is one of the key conditions if we are to reach a global deal in 2015. The provision of financial means indeed remains

essential for catalysing action both for mitigation of GHG and for adaptation. In that perspective, the current pressure on public finances must not serve as a pretext for inaction, but on the contrary, serve as a spur to put in place complementary financial instruments, like for example, the financial transaction tax, a carbon tax or a revision of subsidies which negatively affect the environment such as those for fossil fuels.

- Regarding international credits and carbon markets, the ETUC does not think that they will be able to steer a Just Transition towards a low carbon world economy. For this reason, the ETUC has been arguing for many years for a quantitative and qualitative limitation of the use of international credits within the EU. International credits should only complement domestic measures to reduce GHG emissions and the projects must respect ILO conventions as well as OECD guidelines for multinationals. Moreover, without ambitious national legally binding targets, the demand for credits will be low and, without strict qualitative criteria on supplied credits (i.e. the type of offset credits that can be put on the markets) international carbon markets would be flooded by a large amount of non-additional credits at a cheap price. At the international level, carbon markets can be an efficient instrument within a cap and trade system based on strict rules and limitations that ensure both its environmental integrity and its benefits for sustainable development. However, without such a regulatory framework, international carbon markets will neither contribute to a significant decrease in GHG emissions, nor generate the financial resources that were expected in various international reports before COP 15. In short, the role of carbon markets in future international agreements should be seen as a secondary issue that should be dealt with depending on whether the future regime will be based on ambitious legally-binding national commitments.

7. *How could the 2015 Agreement further improve transparency and accountability of countries internationally? To what extent will an accounting system have to be standardised globally? How should countries be held accountable when they fail to meet their commitments?*

- An internationally standardised reporting and accounting system is an essential corollary of any international agreement. Without common rules and shared definitions, there will be no clarity on the link between national commitments on the one hand, and the 2°C objective on the other. Moreover, a global level-playing field for all major economies and sectors must be based on a transparent and mandatory reporting system.

8. *How could the UN climate negotiating process be improved to better support reaching an inclusive, ambitious, effective and fair 2015 Agreement and ensuring its implementation?*

- Ensuring the active involvement of all categories of civil society organisations, to the UNFCCC meetings as well as to the work of all its entities, will help to keep the process transparent and inclusive. Transparency and inclusiveness are key requirements to ensure public support to the UNFCCC process and more broadly to policy measures adopted to tackle climate change at regional, national and local

levels. In addition, civil society organisations regularly feed the process with relevant analysis and expertise.

9. *How can the EU best invest in and support processes and initiatives outside the Convention to pave the way for an ambitious and effective 2015 agreement?*

- The top priority for the EU must be to invest in and support the Just Transition to a low-carbon economy within the EU. Massive investments in energy savings and efficiency, renewable energy, key technologies such as inter alia: Carbon Capture and Storage, smart grids, and energy storage, will provide many benefits to the EU in terms of reducing energy dependency, ensuring security of supply, promoting technology leadership and greening jobs. Even though these benefits will exist whatever the 2015 agreement, setting up an ambitious EU policy framework based on adequate milestones and binding objectives for Member States will help to install the trust that will be needed to seal the deal with all major economies.
- Support for processes and initiatives outside the Convention should deliver clear benefits in terms of a Just Transition and should neither undermine the role of multilateral fora, nor jeopardise the principles they are based on such as, the “common but differentiated responsibilities” principle or the “precautionary principle”.