







Integrated programme of the European social dialogue

"Initiatives involving the social partners in Europe on policies on climate change policies and employment"

> Report on the final conference of the project **Auditorium – International Trade Union House** Brussels, Belgium 1 - 2 March 2011

The final conference of the integrated European social dialogue programme entitled 'Initiatives involving social partners in Europe on climate change policies and employment took place on 1 and 2 March 2011 in Brussels.

The results of the project were presented in the presence of over 80 participants, including national social partners from the EU Member States and the applicant countries of Croatia and Turkey, representatives from the European Commission and the organisations of European social partners (a full list of participants can be consulted – Annex I).

The objectives of the final conference were:

- to present the objectives and the conduct of the project;
- to provide a summary of the main trends emerging from the research and the interviews conducted;
- to discuss the capacity of the national social partners to promote European social dialogue; the challenges stemming from the transition to a low-carbon economy; the characteristics of the bipartite and tripartite social dialogue, and the unilateral initiatives by the social partners; and the external factors facilitating or hampering the social dialogue.

This report follows the format of the programme of the final conference and seeks to describe the round tables making up the conference. It can be read in conjunction with the study report prepared for the conference by Syndex.

The detailed programme for the conference is appended (Annex II), but it can be summed up as follows:

DAY ONE (1 March 2011)

Introduction by the European social partners on the study and the expectations of the Conference

Joël Decaillon (ETUC) recalled the objectives of this 2nd conference, referring to the previous work with the intermediate conference in 2010, after which the steering committee and the experts decided to select 18 countries,

- To be able to identify the existing common actions making it possible to maximise the opportunities in economic, social and environmental terms,
- To evaluate a number of aspects and risks in terms of employment,
- To assess the role of the institutions in the framework of the national strategies to combat climate change and reduce greenhouse gas emissions.

He emphasised that the social partners had succeeded, via this joint study, in identifying experiences of good practices that were far greater than had been anticipated at the start, and that they had been pleasantly surprised by the number of bipartite and tripartite initiatives. This joint work would have the benefit of showing that the social partners were at the very heart of this issue in many countries, and needed to work together on two major principles which were virtual cornerstones of social relations and effective social dialogue: anticipation and management of transitions.

Steven D'Haeseleer (BUSINESSEUROPE) thanked the social partners and the participants, recalling the motives and the expectations of this study which had started over eighteen months previously:

- The structure of the labour market had changed, and climate issues had recently moved to the top of the political agendas;
- The purpose of the project was to analyse the current skills, and to estimate the present and future needs in terms of skills and jobs;
- The wish to identify the initiatives conducted by the social partners in their own countries.

He added that the study focused on bilateral initiatives (conducted between social partners). The latter had been amplified by the tripartite and unilateral initiatives which could, in some countries, be more important than the bilateral initiatives.

Presentation of the results of the study by the Syndex experts, Alain Mestre and Philippe Morvannou

The objectives of the study:

- To understand the role of the social partners on the questions around the policies and measures to combat climate change and their impacts on employment;
- To evaluate the impact of these policies and measures on employment and the management systems set in place;
- To gain tools for the social partners;
- To describe the realities and the experiences of good practices identified and analysed.

The methodology (two phases):

1st phase:

- Analysis of the existing literature on the countries and the various initiatives existing;
- Analysis of the responses to the questionnaires.

This work was presented on 29 June 2010 at the intermediate conference.

Two elements were presented there: firstly, 5 so-called 'reference' studies of a European dimension, on the links between the climate policies and measures and the impact on employment, and the methods of managing the impact on employment by the players. Then, 4 cases of good practices at national level were presented, namely Germany, Belgium, Spain and the United Kingdom.

2nd phase:

- Selection of a wider sample than the restricted sample in the first phase, going from 4 to 18 countries (Germany, Austria, Belgium, Bulgaria, Denmark, Spain, Finland, France, Ireland, Italy, Lithuania, the Netherlands, Poland, Portugal, the Czech Republic, Romania, the United Kingdom and Sweden). In the case of some countries, the experts conducted interviews among the social partners, and in others, they collected information from the questionnaire responses.
- The bilateral initiatives were logged, but also the tripartite initiatives (with the government), which were the most common. There were also the 'tripartite+' initiatives, with players such as NGOs, research centres or universities, as well as the so-called 'public-private partnership' initiatives.
- Finally, the unilateral initiatives. These had their own importance in terms of a factor contributing to the maturity of the processes of dialogue between the players (the

social partners) on these complex questions, and also played a role in terms of raising the level of the players on these problems.

The results:

- Policies to combat climate change have asserted themselves in the economic and social policies of every country all round the world;
- It is a multidimensional and timeless subject;
- The social dialogue and social consultation are useful ways of bridge-building. This is a subject that demands a long-term view and anticipation;
- There is a mismatch between the energy-intensive sectors on the one hand and the employment-intensive sectors on the other;
- The needs for training in the new techniques and new management modes are significant: Human Resources policies must be radically transformed.
- The first vector for this transformation: the question of climate change is addressed via the problem of energy efficiency. The bilateral initiatives form the link between energy, employment and new skills (for example the public works/civil engineering and building sectors).

On the subject of energy efficiency, the example of the Swedish programme of actions (PFE), which incorporates energy efficiency in highly energy-intensive industries with training needs.

Energy efficiency is also a platform for purchasing power: the example of Belgium with its eco-cheques and the Fund for the Reduction of Energy Costs (FRCE).

- Second vector: renewable energies and carbon capture and storage (CCS)
 - Three countries have developed a low-carbon industrial policy: Portugal, the United Kingdom and Denmark;
 - The European ULCOS (Ultra-Low CO₂ Steel-Making) sectoral R&D project is interesting, with its aim of driving down CO₂ emissions from the steel industry.

Concentrating on the question of renewable energies makes it possible to create new jobs, transform old ones and create facilities dedicated to renewable energies: for example, the Copenhagen shipyard transformed into an offshore wind energy producer.

Local communities, at a decentralised level, are also conducting various industrial policies:

- The 'Growth Forum' in Denmark;
- Portugal with the towns of Evora and Viseo or the city of Berlin in Germany;
- > The SALAR network in Sweden.

Climate change and the crisis:

- The social partners agree that the low-carbon economy can create jobs
- The crucial issue: moving from destruction to transformation

In some countries, the social partners have been involved in the framing of proposals relating mainly to energy efficiency, the low-carbon economy and the transformation of employment to reduce greenhouse gas emissions.

However, with the financial crisis and the funding shortfall, this initial impetus has stalled.

The results vary widely from country to country. In some cases, initiatives have survived.

The question of social transition:

Investment in so-called 'green' jobs must focus on the quality of the jobs and must equally guarantee high standards in terms of health, safety and working conditions.

The low-carbon transition must not adversely affect the situation of the least well off.

The priority is to train qualified staff, to promote a constructive social dialogue and to raise awareness and train workers, as well as entrepreneurs, on this subject.

Vocational training emerges as an indispensable tool to accompany the creation of low-carbon jobs, the reskilling of the jobless or the transformation of existing jobs.

Transforming jobs:

Examples of initiatives exist to identify the new qualifications:

- The Romanian initiative of a skills roadmap;
- The National Qualifications Agency created by a tripartite agreement in Portugal;
- The government initiative in Spain to keep the social partners regularly informed about the effects of the policy being conducted to combat climate change.

According to the experts, Europe lacks identification and anticipation tools, and the European social partners have been invited to work on their development.

Questions from the room regarding the results of the study:

- Jean-Pierre Birat (Arcelor-Mittal) came back to the link between the new low-carbon technologies and the intensity in terms of labour and work posts.
- Somebody else asked whether the experts could see a link between the trend towards increasing insecurity in jobs and the desire to move towards a green economy.
- A trade union representative from the Netherlands (FNV) asked why this study had not defined the conceptual framework of 'decent work', which would make it possible to talk about these questions.
- The question whether the crisis had been an opportunity to change the current economic model in favour of a more sustainable model was raised by Bert De Wel (ACV-CSC).
- Dimitar Brankov (BIA, Bulgaria) considered that the report presented some objectives planned/pursued by some countries and not legally binding objectives, and that it would be necessary to rely on documents: the EU's Energy/Climate package and the one from the European Commission entitled 'EU 2020 Strategy'. In that context, the Member States were obliged to supply regular updates on the progress towards their objectives. In addition, he asked the experts why they had not analysed the issues involved in nuclear energy in their study.

Experts' replies:

- The link between the new low-carbon technologies and jobs was not obvious. But it was impossible to develop a low-carbon economy without new qualifications and new jobs. It was important to focus not simply on the consequences in terms of jobs, but also on the jobs that needed to be created for the transition to be able to occur.
- As to the conceptual framework of decent work, the experts replied that at the conference on 29 June last year, the focus had been on that issue. This was the case specifically in the UNEP and ILO report in 2008, which stipulated that decent work must be at the heart of all strategies in terms of low-carbon policy and green

- economy policy. This was why this concept had been incorporated into the part devoted to the reference studies.
- On the subject of increasing insecurity, they replied that it was not the actual nature of the industries that led to this increasing insecurity, but rather the trend in society and industrial relations. The UNEP/ILO study on the subject was interesting: green jobs were, in most cases, a greening of existing jobs, rather than newly created jobs. The study explained that the insecurity of green jobs or the retraining and re-promotion of these green jobs would depend on the whole set of conditions which would be defined and implemented.
- The experts wanted to return to the link between climate policy and energy issues. The international context of the financial crisis and the current and future political and geopolitical events would serve only to heighten the need to set up initiatives for energy efficiency, and sustainable and renewable energies.
- On the question of the presentation and analysis of the CO₂ emissions objectives, the experts replied that at the request of the steering committee, they had decided to give a systematic presentation at the start of the text for each country of their objectives for 2020, as defined under the Kyoto Protocol. The report also highlighted the objectives that certain countries had decided to pursue off their own bat, such as Germany and Sweden, which had pledged to reduce their emissions by 40% by 2020, even though their binding objectives were far lower. Putting the focus on these figures was made for a better understanding of the initiatives being conducted on the ground by the social partners in those countries.
- As to the question on the energy mix and nuclear energy, the experts replied that they had not analysed the energy mix in this study. However, as to nuclear energy, the report took account of one tripartite initiative (Forum) set up in the United Kingdom. A similar initiative had been set up for carbon capture and storage (CCS). These were places for discussion which enabled tools to be defined and advice to be provided. These bodies held meetings three times a year.

Round table 1: 'Low-carbon industrial policy and employment'

1stsubject: The Portuguese experience with renewable energies

Philippe Morvannou (Syndex) reminded participants that Portugal had been one of the countries hardest hit by the financial crisis, and that the Portuguese government had found the resources to cope with the crisis by launching a low-carbon policy and a policy on renewable energies, with positive effects on the Portuguese economy.

José Janela from the General Confederation of Portuguese Workers (CGTP) began by briefly outlining Portugal's energy situation and its dependence on imported oil. This dependence had forced the government, in 2005, to stimulate the production and use of renewable energies. By 2009, 45% of the energy used was coming from renewables, and by 2010, 70%.

Mr Janela added that the unions agreed with the objectives and directions defined. So there was a consensus on the favourable impact in terms of energy independence and a boost for employment.

He recalled that the objective of creating jobs set by the government was 7,000 jobs. According to the unions, only 5,000 jobs had been created and not all of these were

sustainable. Mr Janela drew attention to another problem: the fact that it was impossible for workers to become unionised. He argued that this brought three difficulties:

- Impossibility of defending workers' rights,
- Impossibility of properly putting a figure on the number of jobs created under the national strategy,
- It did not allow the union organisations to have a voice and to influence the debate on the political strategy.

Mr Philippe Morvannou, replacing the absent Portuguese employers' organisations, indicated the identification of four major objectives for employers in the national renewable energies strategy:

- Reduction of energy consumption.
- Reduction of energy dependence.
- Increase in the share of renewable energies in electricity production.
- Creation of new jobs by the development of a cluster involving renewable energies and energy efficiency.

Between 2004 and 2009, Portugal had trebled its installed renewable energy capacity, a performance that had been assisted thanks to land-based wind power coupled with hydroelectric power.

The employers' organisations recognised the positive aspects of this strategy, but regretted the lack of evaluation of its impacts, both economic and social.

Mr Morvannou explained that this policy had been criticised on certain points such as its funding via an increase in electricity prices.

Mr Morvannou added that this policy had fostered the creation of clusters and helped the development of many businesses. The photovoltaic and wind sectors had expanded, achieving export successes. One important point was the setting up of training programmes with the creation, by a tripartite agreement, of the 'National Qualifications Agency'.

To sum up, the employers wanted to reiterate that unlike in the period 2007-2008, when the employers' organisation CIP had been invited to join the government's work on energy efficiency questions, consultation with the employers had been interrupted in late 2010.

Finally, two examples of local policies were presented:

- The town of Evora, subsidised by the government to set up facilities to drive down energy consumption and CO₂ emissions.
- The town of Viseo, where the Portuguese Industrial Association (AIP) had decided create a programme in association with two universities to set up business incubator programmes.

Questions from the room:

- The impact of the price of electricity for the Portuguese citizen, and the question of the funding of the investment
- More details about the national objective of reducing CO₂ emissions in 2020
- More information about the estimated numbers of jobs created
- The question of the environmental impact.

Replies from Mr Janela and Mr Morvannou:

- Investment was funded via billing: 20% of the final price of the electricity was due to the subsidies.

- Regarding the national objective of driving down CO₂ emissions, Mr Morvannou recalled that under the Kyoto Protocol, Portugal had pledged to limit the growth in its emissions to +27% and today, Portugal was at +32.2%.
- On the subject of job creation, Mr Janela explained that depending on the objectives, there were plans to create 135,000 extra jobs, and that some of these would be coming from small businesses making components for wind farms. He also observed that the trade union organisations did not have any information on the subject, and wanted a social dialogue to be set up on these questions.
- Mr Morvannou made a point of adding that on the question of the objectives, there
 was a lack of transparency and legibility. The social partners wanted better
 monitoring.
- Finally, Mr Janela confirmed that the main problem today with these infrastructures was indeed their impact on the environment, and that the real impact was a shadowy affair.

2nd subject: The European ULCOS programme in steel-making

Philippe Morvannou opened the second round table by recalling that ULCOS was a European R&D programme whose main objective was to find technical and social resources to achieve a significant reduction in carbon emissions from the steel-making industry.

Jean-Pierre Birat (Arcelor Mittal-ESTEP) explained that the main dilemma for the steel sector was to increase energy efficiency in an energy-intensive industry. So the aim of ULCOS was to find suitable solutions, but the programme was complex and would run for thirty or so years. The point was to find procedures that would make for a 50% reduction in CO_2 emissions per tonne produced, and to explore steel recycling.

He indicated that there were four potential solutions available today:

- The ULCOS-BFprocedure, designed to install a CCS procedure on the blast furnace. This involves injecting layers of gravel filled with water into the depths.
- The HIsarna and ULCOREDprocedures, which rely on the same principle: the CO₂ is captured and then stored underground.
- The ULCOWIN and ULCOLYSIS procedures: the idea is to use electricity to make iron.

These four potential solutions would be developed, and according to Mr Birat, the ULCOS-BF procedure would come on stream by about 2020, with Hlsarna and ULCORED still being in the evaluation and validation phase, and ULCOWIN and ULCOLYSIS still at the laboratory stage.

Mr Birat added some facts with regard to the programme:

- With the solutions envisaged, CCS was integrated. The funding issue was: if the price of steel increased, the solution that would win out would be a default solution. How could this increase in the cost price be financed, and how could the investments be amortised?
- The ULCOS solutions envisaged cost only half as much as the solutions involving simply recovering the CO₂ in the chimneys and then storing it later.

Enrico Gibellieri (FEM) began with a brief run through the history of energy policy in Europe, with the ECSC Treaty in 1951 and, in parallel, the various projects for collaboration on energy issues which rapidly incorporated the environmental dimension.

Since the expiry of the Treaty, the trade union organisations had had the Research Fund for Coal and Steel, and specific projects had been set up under the European Union's framework programmes for R&D (FPRD). Mr Gibellieri reported that in all these projects, the unions played a major role in coordination and management.

Mr Gibellieri cited the example of the European Steel Technology Platform (ESTEP), created in 2003, one of the first operational technological platforms, for which the trade unions were supplying technical and political support, as well as vis-à-vis the European Commission.

Mr Gibellieri concluded by returning to the question of relocation, which raised two problems:

- The technologies would be installed overseas and not in Europe, which would lead to a slippage with negative repercussions for activity and employment in the steel sector in Europe.
- A major social cost for the European Union.

A specific working group had been set up to address these questions.

Questions from the room:

- W. Schneider (DGB) made some comments on CO₂ storage: CO₂was a critical gas which could not be liquefied beyond 31°C. This meant that when the gas was stored in a saline aguifer over one thousand metres deep, the saline aguifer would propagate itself up to several hundred or even a thousand kilometres, and if the gas was to be kept in a liquid state, there would need to be a pressure of over 300 bars. This meant that the saline aguifer was at risk of rising into the ground water. This is a consideration that we must factor in. We cannot jeopardise our supplies of drinking water. Geology shows that there are no genuinely safe storage solutions (with the example being cited of the world's biggest CO₂ storage site in Canada, where there had been a CO₂leak, where animals had died and where the project had been suspended in 2011 for want of a solution) and there were technological problems and problems with water pollution and workers' health and safety. In Germany, all the big businesses that had supported the carbon storage project had now withdrawn. The only one not to have quit the CO₂ capture and storage project was Vattenfall, but it was now also on the point of pulling out. For this type of storage site, the union IG BAU (Bauen-Agrar-Umwelt, a building, farming and 'green' jobs union) was calling for a legal ban on working on an isolated post, because when the gas escapes, people suffocate and die on site. So there is a whole string of reasons pointing to the conclusion that the CCS project, however desirable it might be, might never come into being.
- Jean-Pierre Birat replied that the CO₂ reservoirs were deep and that they were places where nobody would ever be inside, like oil deposits. As to the incidents in Canada, there was nothing to prove that there was a link between the incidents on a farm and the CO₂ storage underneath. So this reservoir in Weyburn had continued to store CO₂. There was to be an enquiry, but in all likelihood, this CO₂ storage site would carry on running. As to the risks touched upon with regard to pollution of drinking water aquifers because of the injection of CO₂ into deep saline aquifers, when you drink water containing CO₂, it is good and there is no problem with the taste. Plus, between the underground water where the CO₂ was to be injected and the surface aquifers from which drinking water was taken, there was no physical link and so the water injected with the CO₂ was water that had been there for 100 or 200 million years and would stay there for as long again. As to the ULCOS project, there were

extremely detailed and in-depth geological studies, which had been embarked upon last year and would be completed in three years' time, which were manifestly serious and conducted by experts, using very serious measurement and categorisation techniques, and this was all done via the intermediary of licences which were granted by the State in all the countries. In order to build the system in Florange, eight different licences were required, all demanding complicated, serious and well-produced dossiers.

- Enrico Gibellieri replied that it was obvious that every new technology brought its own set of problems. This was why we needed to start the debate with the local populations. In the case of ULCOS, eight projects (like the one in Florange in France) would be operating with a CCS technology in the steel sector. Other projects to store CO₂ for other materials would be emerging. This was why we needed to broaden the debate in Europe on these questions, and have a solid footing in order to pursue the work.
- Mr Schneider replied that his remarks were based on a report by an expert that had never been contradicted until now. As to drinking water, the problem was not so much to do with the fact that the water contained CO₂ and that we were going to be drinking that water: it was more about the need to produce strong pressure to make it possible to store it in a saline aquifer, which contained far more salt than the seawater in the North Sea or the Atlantic. Yet when you produce a pressure of 300 bars, this water, being forced upwards, can reach the groundwater. So one litre of water from a saline aquifer was enough to pollute 1,000 litres of drinking water. As to the risks to human health, the problems were not linked to the storage sites over 1,000 metres below ground, because all it took was for there to be a certain kind of rocky layer, but the problem was that safety was not ensured, as long as there was no guarantee that all the CO₂ remained down below and as long as there was a risk of the gas rising to the surface. We might find ourselves in the same situation as with that African lake where 1,700 dead people were found. We must ensure that things like this do not happen.
- Jean-Pierre Birat replied that the CO₂ would not be injected at 300 bars, but at 120 bars. The only reason why we had deposits of oil and gas was that there were underground reservoirs in the world's geology that were capable of holding hydrocarbons for hundreds of millions of years. The underground water into which the CO₂ was to be injected was not in contact with the surface water. Obviously, if we are to have the right to inject it, we have to ensure that the old mine shafts used for the storage of the CO₂ do not leak.
- Question about the setting up of training programmes.

Reply from Mr Gibellieri:

On the subject of the training programmes, Enrico Gibellieri confirmed the existence of a working group on skills and lifelong learning. This was an inter-European programme whose aim was to develop a training model, specifically for the most widely required jobs of mechanical technicians and electrical technicians.

Round table 2: 'Good practices in the field of energy efficiency to tackle the crisis'

Alain Mestre (Syndex) opened this second round table, presenting the two practices selected with the steering committee:

- The German 'Network Resources Efficiency' initiative in the aluminium sector.
- The programme for energy efficiency actions (PFE) in Sweden.

He went on to recall that energy efficiency was an important issue, and Germany and Sweden had set themselves some very ambitious goals in terms of reducing greenhouse gas emissions. In Germany, there had been a long tradition of consultation between the social partners at both sectoral and regional levels.

1stsubject: The German 'Network Resources Efficiency' initiative in the aluminium sector

Alain Mestre recalled that this initiative had been launched in March 2007 with the aim of setting up action plans to develop efficiency in the use of resources in the industrial sector and to contribute towards the greening of industry.

Thomas Mock (Hydro) explained that this project, completed about a year ago, had been launched by GDA, IG Metall and the Ministry of the Environment, and that the presence of each stakeholder was relevant. The role of GDA was to demonstrate that aluminium could be energy efficient and that it had many properties allowing the production of primary energies to be offset. IG Metall was also an important player, just like the Ministry of the Environment, which was responsible for resource efficiency.

Under this initiative, several round tables and numerous workshops had been set up, and then a dozen businesses in 15 locations across Germany had been surveyed.

Thomas Mock then addressed the subject of the economic crisis, which had not really had any impact on jobs in Germany thanks to the labour model which guaranteed workers that their jobs would be maintained through times of crisis.

We found ourselves today in a second phase of climate and energy policy in Europe or in Germany, with a new challenge and some difficulties:

- Aluminium is a global industry traded on the London stock exchange, and so it was important to ensure that production occurred below the price set in London.
- In Germany, electricity costs accounted for 50% of all costs. A solution was needed at global level so as to avoid excessive burdens at local level.
- Competition between sites for investments made on the basis of energy costs. If investors moved away from European projects, the European industry would age, and this would have adverse consequences.

Thomas Mock summed up by saying that he wanted to act on the environment, but the costs must not go beyond a certain threshold, because that might have a negative effect on employment.

Peter Wilke (WMP) recalled that the greening of the economy was a priority shared by all the German parties, and that since the turn of the century, the strategy had been to try to gain a competitive advantage by exporting technologies. He then pointed to a major initiative in 2006/2007 involving 31 partners, under the umbrella of the Ministry of the Environment. This project had sought to discuss energy efficiency in Germany, to improve it and to create practicable initiatives.

There was a determination in Germany to set up other similar projects in other fields.

To conclude, he stated that the trade unions had found it beneficial to play an active role in this discussion so as to guarantee the sector's highly-skilled technician jobs.

2nd subject: The Swedish energy efficiency programme (PFE)

Alain Mestre reported that Sweden was committed to an ambitious new objective of reducing greenhouse gas emissions by 40% by 2020. To achieve this aim, Sweden was pursuing an energy policy based upon three pillars:

- Moving away from fossil fuels towards renewables.
- The security of energy supplies.
- Improving energy efficiency.

Labour relations in Sweden stemmed from a long tradition of co-determination and cooperation between the social partners. At national level, the social partners were active on the questions linked to improvements in energy efficiency, hence their contributions to the implementation of the PFE programme, launched in 2005 by the Swedish energy agency. Alain Mestre (Syndex) presented the PFE programme:

- The context: the programme was set up to respond to two problems: reducing CO₂ emissions and the rising price of electricity.
- The objective: to encourage highly energy-intensive industries to develop their energy efficiency through incentives such as reducing the level of energy taxes.
- Operating principles: the programme was a tripartite venture, scheduled to run for five years, which involved the Swedish government agency, the highly energy-intensive industries and the trade union organisations.
- The conditions for businesses to participate: they must be highly energy-intensive, and more particularly in their consumption of electricity, and they must meet certain economic conditions.

There had been 117 businesses involved in this programme, covering 250 plants (in sectors including paper, pulp, chemical products and food processing).

Two bodies were important in this programme:

- The programme bureau, an advisory and control body, made up of representatives from trade union organisations, employers and research centres;
- The Swedish taxation office, reporting to the Ministry of Finance, which had the authority to allocate, to sanction and in certain cases to cancel the energy tax reductions granted to the businesses.

There was also the Agency, which was responsible for checking and monitoring the programme.

Programme outcome:

- 900 measures had been developed, at a cost evaluated at 100 million euros and a rate of return on investment which was on average two years.
- The gains in terms of energy efficiency had been put at about 1 TW/H/year, or between 500,000 and 1 million tonnes of CO₂ per year.
- The businesses had received an average tax reduction of 17 million euros per year per business.
- In 2010, the objectives had been significantly exceeded.
- A very powerful energy management and audit system had been put in place. This system included employee training programmes.

Alain Mestre wound up by reporting that there was some uncertainty regarding the continued implementation of the programme, for various reasons:

- In the absence of State aid, businesses were not motivated to invest.
- The European Commission took the view that this programme was a distortion of competition vis-à-vis businesses in other countries or on other continents, which might shed doubt on the programme's continuation.

Sven Nyberg, Swedish Trade Union Confederation (LO-S), focused on the lessons to be learned from this experiment:

- The setting up of the 'EMS²' management system for all the businesses entering the PFE programme. This was a useful and easy-to-use system, thanks to which the businesses had found ways of being energy efficient. The trade unions found this system to be positive at local level, because it made for more order and meant that more regular controls could be imposed and imports reduced.
- The setting up of an extensive energy audit had been very important, even though it was costly.
- Some businesses in the PFE programme had developed training programmes on topics linked to energy, for the sake of educating their workers to cope with the energy challenge.

Sven Nyberg recalled the existence of a discussion within the EU on subsidies to industries which might jeopardise the pursuit of the programme. He argued that the programme should be expanded to include other branches of the industry and other sectors, but it also needed to embrace other types of businesses, such as SMEs. The programme should include fuel alongside electricity.

He reiterated that the trade union organisations believed the PFE programme to be a key programme, without losing sight of all the future issues (competitive industry, maintenance of employment, etc.). He suggested that the social partners get more involved in the programme and provide a more favourable framework in which ideas could be better presented, debated and incorporated into collective bargaining. More structured education and training programmes should be put in place.

In conclusion, Sven Nybergstated stated that it was important for these management and audit systems and the training programmes and the spaces for discussing energy issues to be more widespread across Europe. In this way, European businesses would develop a competitive advantage over the rest of the world.

Questions from the room:

- A question on the return on investment. If there was genuine profitability, then why would businesses need State support?
- A clarification on the energy tax and its interest to businesses was requested, as well as more information on the education and training programmes and the EMS management systems. Was there a link with the ISO management system?
- The question of the mobilisation of financial resources, which would not be considered to be a debt or public deficit, was raised.

Replies from Mr Mestre and Mr Nyberg:

- On the subject of the return on investment, Mr Mestre considered that without help from the public authorities, the rate of return could not be ensured, and this was a

factor in the success of this initiative. He recalled the importance of lobbying European bodies to ensure that the project for the harmonisation of State aids did not come to fruition.

- Mr Nyberg added that with this initiative, the politicians were giving something, making them not just wanting something.
- Sweden had a system of high taxation in the field of energy, and so-called 'carbon' taxing. Mr Mestre stated that this system brought certain problems: a high energy cost, safeguarding energy supplies and a cost problem, because the energy taxes were too high. Hence the idea of granting at the request of the highly energy-intensive businesses a significant reduction in these energy taxes by pegging them to actions.
- Mr Nyberg added that the system was compatible with European standard EU 6001 and the ISO management standard.
- On the subject of funding, Alain Mestre commented that the case of Sweden was very interesting, because it addressed the European policy and imposed a genuine reflection about the question of energy efficiency, the investments required and how it should be financed. There was a whole strategy to be set in place at European level to mobilise funding.

Round table 3: 'Low-carbon jobs and vocational training'

1stsubject: Vocational training in the sustainable construction sector in Romania

Alain Mestre recalled the Romanian objective between 2005 and 2010 of limiting the rise in emissions to +19% under the European Climate-Energy Package. The non-governmental organisation 'Construction Jobs House' (CMC) was considered to be the secretariat for vocational training in the construction sector, and its objective was to contribute towards energy efficiency in that field.

Ramona Mercedes Veleanu, CMC vice-president, explained that the CMC was an independent, self-managing organisation made up of representatives from the social partners in the sector. Its mission was to develop an efficient and sustainable system of vocational training, in accordance with the European policies, for the sake of ensuring the promotion of solid qualifications and lifelong learning. The CMC was likewise involved in the health and safety policies in the sector. It was anxious to contribute towards the improvement of employees' skills levels in the construction sector through:

- The framing and implementation of projects with European funding;
- The framing of national continuing training policies;
- Running the Technical Secretariat of the Sectoral Committee;
- The establishment of cooperation relations with national and international institutions.

Within the CMC, it was the Sectoral Committee for Vocational Training that handled the organisation and monitoring of vocational training in the construction sector. The CMC had already identified 127 types of training needs.

Ms Veleanu explained that the CMC had implemented some European projects, both as partner and as applicant. These projects, funded under the European Social Fund, were:

 CALE – Quality in Education (2008-2011). The broad aim of the project was the development of human resources in the construction sector through the creation and implementation of mechanisms and instruments to improve continuous vocational training. This project had created a roadmap of professions, a tool making it possible to identify trans-sectoral skills.

- ACCED Access to Continuous Vocational Training (2010-2012). This project aimed to develop the skills of the people employed in the sector through continuous vocational training programmes, the training of trainers and skills evaluators, as well as the implementation of actions to promote the results obtained within businesses.
- The PICAS Centre. The broad aim was to improve the human resources occupation capacity in the construction sector by developing complex, specialised instruments and mechanisms for the training, support and motivation of jobseekers. The scheme was implemented via a labour market analysis in the sector followed by the development of an IT solution to facilitate the match between supply and demand, the conduct of qualification courses and the evaluation of the skills, etc.

The CMC had also been a partner in the EURO EnEFF (Euros Energy Efficiency) project, developed by the Chamber of Construction of Bulgaria, designed to develop a guide to energy efficiency for the thermal renovation of buildings.

Ms Veleanu concluded by saying she was very interested in the work of similar organisations in other countries and in the solutions to reduce CO₂ emissions from buildings.

2nd subject: The Lindoe Centre in Denmark

Alain Mestre recalled that in October 2010, the Danish government had decided to close down the fossil energy production capacities by sharply boosting the use made of renewables. Denmark had a lot of original, innovative projects, and the Lindoe Centre was a good example.

Ms Heidi Ronne Moller (LO-DK) explained that the Lindoe Centre (LORC) had been created as an industrial policy instrument in the framework of the Growth Forums, organised by each regional community in Denmark as from 2007, and had been dedicated to offshore wind power. The centre was set up by a consortium of businesses and the president of the Board was the former Danish Prime Minister. The trade unions were represented in a consultative body. The project had received public funding worth 5 million euros, a political signal for private investors. For this project, a programme for the vocational retraining of workers from the shipyards to equip them to work in jobs in the offshore wind power industry had been funded and implemented with the social partners.

Ms Moller put forward the point of view of the Danish trade unions. This project, which was at the centre of a number of debates, such as the one about the competitiveness of Danish industry in general, had a positive side, with the ambition of developing an industry at the cutting edge of technological development, but it did also generate significant social costs. The definitive closure of the Lindoe shipyard was planned for 2012, and of the 2,500 former employees at the shipyard, only about 400 would be getting a job at the LORC in the short term. The unions were hoping that 6 years down the line, the number of people working at the LORC might be equal to the initial number of jobs at the shipyard.

Ms Moller added that in Denmark, the trade unions had to be mindful of the vulnerable industries and the mono-industrial regions in order to be able to anticipate changes and avoid excessively high social costs. Denmark had a different vocational training system from other countries, in which the employers and the trade unions had to decide jointly about the curriculum.

Questionsfrom the room:

- Doubts were expressed about the fact that projects such as the LORC would improve Denmark's economic competitiveness.
- Some people wondered whether there were other cases like Denmark.

Replies from Ms Ronne Moller and Mr Mestre:

- Heidi Ronne Moller stated that Denmark would like the EU to impose a quota of 30% for renewables in Member States' energy consumption. This would increase demand and sales for the Danish producers.
- Regarding other examples of these practices, Alain Mestre indicated that the LORC was the only case of jobs being converted from a traditional industry of that scale towards a low-carbon industry. More modest experiments existed in other countries.

Conclusion by Alain Mestre on the day's work on 1 March:

All the cases presented on the first day had shown that the involvement of the public authorities alone was not sufficient and that the role of the social partners was an important issue in ensuring this dynamic with a view to creating synergy between the crisis context on the one hand and the opportunities and risks of this low-carbon economy on the other.

DAY TWO (2 March 2011)

Round table 4: 'Initiative of bipartite dialogue'

<u>1st subject: The ESF Competence Assessment System project by the Bulgarian social</u> partners

Philippe Morvannou presented the round table and gave the floor to Dimitar Brankov from the BIA.

Mr Brankov explained that energy intensity in Bulgaria was 60%-70% above the EU-27 average, which produced a lot of disturbances in the national economy. The country was heavily dependent on fossil energy, but it did have an objective of reducing greenhouse gas emissions by -50% by 2020 compared to 1988. The National Energy Plan approved in January 2011provided for a very modest increase in GDP by 2030, averaging +3% per year. The price of renewable energies represented a dilemma for Bulgaria, because the price of solar energy was 20 times higher than the price of nuclear, and raised a problem of availability of land. However, Bulgaria had made big strides in developing wind farms.

Dimitri Brankov explained that the BIA was in favour of a general greening of the economic process, and maintaining a balance between added value and employment. He then presented the 'Competence Map' project, implemented by a joint body of which the BIA was part, and conducted in cooperation with the government, the trade unions and the sectoral and regional organisations on the basis of good European practices. The aim of the project was to estimate the key competences for the major economic activities. Several activities were planned:

- Analyses, studies and research;
- Competence models and evaluations;
- Proposed legislative modifications:
- Creation of a network to evaluate competences by sector and by region;
- Development of a competence evaluation system;
- Training courses and consultations.

He stressed the importance of the process of developing the reference networks for employers and employees. The project likewise provided for a part dedicated to green jobs (the Bulgarians used the American classification).

Alexander Zagorov (PODKREPA) indicated that the trade unions were actively participating in the 'Competence Map' project and were represented on the Consultative Council. He then talked about the 'Social Audit Concept' project, carried out by Podkrepa in cooperation with the experts from the BIA, which aimed to prepare a comprehensible presentation of the European legislation in the field of social auditing for non-governmental organisations and private enterprises. He also commented that the deadlines for the realisation of the policies imposed upon Bulgaria by the EU were very short, including in the field of the environment. The closure of the thermal electrical plants was widely seen as a consequence of the environmental policies imposed by the EU.

Exchanges with the room:

On the concrete results of the 'Competence Map' project, Mr Brankov explained that the project was in the application phase and 50 evaluations had been made in 2010. He stressed that the concept of green jobs was very broad, and closely tied to the best techniques and technologies available.

According to Mr Zagorov, the problem was that the Bulgarian government interpreted green jobs as being only jobs in the renewable energies sector. A broader-brush definition was therefore necessary in order to develop policies on a larger scale.

2nd subject: The Belgian initiatives: Eco-cheques, Fund to reduce the overall cost of energy (FRCE)

Catherine Vermeersch (FEB-VBO) reported that sustainable development and climate change were at the heart of the Belgian social dialogue. The eco-cheques initiative had emerged within a consultative body, the CNT (Conseil National du Travail) under the 2009-2010 Inter-industry Agreement. In a context of economic crisis, the main objective was to increase the purchasing power of workers, in the form of a new instrument: eco-cheques. These were provided by the employer and could be used only for the purchase of ecological products. They were free of social charges for the workers and the company. The project had taken concrete shape in Collective Labour Agreement (CCT) n°98, which set out the procedures for worker information, the calculation arrangements and the list of the ecological products and services covered by the eco-cheques scheme.

After an evaluation of this system, CCT n°98 had been adjusted and a new CCT n°98 bis signed with stipulations as to the information procedures, the calculation arrangements and a modified list of products. Catherine Vermeersh concluded by stressing the importance of the stability of the list of products and that a check on traders should show whether the cheques were indeed being used for the products on the list.

Sébastien Storme (FGTB) told the meeting that the FRCE was the fruit of an initiative by the Belgian social partners, and explained the context. Belgium's housing stock had very poor energy efficiency, with 50% of properties not correctly insulated. Two Opinions (in 2005 and 2006) had been designed to improve energy efficiency through a 'win-win-win' solution.

The FRCE was created in March 2006 as a limited-liability company under public law and a subsidiary of the "Société fédérale de Participation et d'Investissement". The missions of the fund were:

- The study and performance of the projects through intervention in the funding of structural measures to promote the reduction of the global cost of energy in private homes;
- The award of cheap loans in favour of structural measures.

The funding for the FRCE came from registered bonds at a rate of 3.92% and the permanent volume of debt was limited to a maximum of 100 million euros, with allocation staggered over 5 years.

The funding system was as follows: the FRCE awarded loans to local bodies, which extended loans and pre-financing to individuals. To date, 17 local bodies were recognised by the FRCE.

Two problems had been encountered:

- The repayment risk (the local authorities served as guarantors for the loans whose beneficiaries were a fragile target).
- The promotion of the FRCE in other regions (beyond Ostend).

Sébastien Storme recalled that the social partners had a historical role as project initiators, and participated in the Council of Wise Men within the FRCE, which issued opinions by the Board, and could put points on the agenda for the Board. The social talking partners were players in the struggle against climate change, acting as vectors for initiatives or participating in informing the population and raising public awareness.

Questionsfrom the room:

- The risk of the substitution of wages by eco-cheques
- The question of the creation of jobs thanks to eco-cheques
- The contribution of eco-cheques to the growth in the manufacture of green products in Belgium.

Replies from Ms Vermeersch and Mr Storme:

- Eco-cheques were subject to strict conditions and limited to 250 euros per year, and therefore, the consequences could not be huge.
- On job creation, time would tell, because the project was still too recent. It was likewise too soon to assess whether it had had an impact on producers of goods.
- Mr Storme added that eco-cheques were an exceptional measure and one which might open people's minds to other patterns of consumption.

Round table 5: 'Tripartite and tripartite+ initiatives'

1st subject: The Alliance Villes-Emploi in France

Thomas Gaudin (ADEME) presented the objectives and activities of the ADEME:

The objectives were fundamentally environmental, and the activities were spread between preparing expert reports for the State and funding projects linked to sustainable development.

As to employment, there was an evaluation of the projects in terms of employment and the dissemination of information to all the stakeholders on the behaviour of the markets in connection with environmental policy.

The Environment Grenelle had allowed a shift towards a new dimension because the objectives now imposed obligations.

He then described the Alliance Villes-Emploi project. Structures known as 'Employment houses' had been created to give local communities a boost. They made it possible to study local dynamics on employment and the environment. He finished by recommending that it was important not to mix up the upstream (Environment Grenelle) and downstream (the achievement of the objectives at the level of the employment pools) elements of environmental policy.

Dominique Olivier (CFDT) reported that the trade unions were somewhat hesitant with regard to the 'Employment houses' for a number of reasons:

- Disagreements on the ideas of green jobs and a risk of stigmatisation of other jobs;
- Possibility of breaches of the guarantees existing in the collective bargaining agreements.

The unions were taking a pragmatic approach to boost the territorial social dialogue. The CFDT was committed to the promotion of jobs in energy efficiency and those in the renewable energies sector.

The unions had two objectives:

- A multi-level social dialogue to encourage businesses to redirect their activities.
- Mediation towards the employees to encourage them towards retraining or vocational enrichment.

Under the Alliance Villes-Emploi, Dominique Olivier recalled the trade unions' demand for consistency and social justice in these projects:

- Fuelling collective bargaining;
- Contributing to the updating of job reference material;
- Supporting the recognition of the new vocational qualification certificates;
- Valuing transverse skills.

In response to a request for clarification about the funding of the project, Thomas Gaudin replied that after a meeting between the ADEME and the partner 'Employment houses', the ADEME had funded the organisation and the local meetings. Initially, there were 3 local pilot studies (geared toward skills). Today, the project was tied into the employment mobilisation plan drafted in the framework of the Environment Grenelle, which had allowed the creation of 30 extra Employment housesand the drafting of 30 extra local studies designed to result in three-year action plans.

2nd subject: The Alliance for Work and Environment in Germany

Werner Schneider (DGB) announced that the Alliance had allowed the framing of 80 proposals (on energy efficiency, technology exports, etc.). With the world's greenhouse gas emissions rising and employment declining, the aim of the Alliance was to reverse these two trends.

The project entailed setting up a programme to build very energy-efficient houses. This concept, known as the '3 litrehouse', was supposed to allow an 80% reduction in energy consumption. The results hoped for were:

- New technologies allowing the creation of new markets;
- Positive effects inside towns and cities (thanks to the renovations);
- Creation of green jobs.

The project was funded by the government, and in all, over 21 billion had been made available between 2001 and 2008.

Mr Schneider finished off by stressing that the results achieved were excellent, with 2.4 million apartments renovated and 340,000 jobs created in 2010. However, the unions and the DGB were very disappointed at the reduction of public funding to 950 million € in 2011.

Jan Dannenbring (ZDH) recalled that the social dialogue in Germany was of a bilateral type, and that there were few examples of national initiatives around green jobs because of the regional and sectoral structures in the social dialogue. He then quoted some examples of initiatives such as the Alliance for the Environment and Employment, or the German government's climate change programme for the construction sector.

Mr Dannenbring guoted some examples of initiatives in cooperation with the social partners:

- 'Energy-saving houses advantages for all';
- The climate protection partnership;
- The world of business and climate protection.

He hailed the positive effects on employment of the environmental protection measures, recalling the link between public funding and employment, hence the negative effects that the recent budget cuts might have.

Questions from the room:

- A question on the survival of the jobs created
- The importance of the craft sector and the key role of SMEs in the fight against climate change.

Replies from Mr Schneider and Mr Dannenbring:

- Mr Schneider explained that 200,000 jobs were guaranteed, and he was at pains to stress that the renovations applied to all the elements in those homes.
- Mr Dannenbring stressed that SMEs played a key role in the fight against climate change in Germany, and that ZDH covered several sectors.

3rd subject: The Coal Forum and the programme for the development of carbon capture and storage in the United Kingdom

Giles Dickson (Alstom) explained that the Coal Forum, created in 2006, was a tripartite body devoted to the development of clean coal technologies. This forum allowed the commitment of the stakeholders and thus added credibility to the messages it was seeking to get across. Coal and gas accounted for 50% of electricity production. As to the figures:

- 100,000 jobs had been created;
- 3 or 4 pilot projects had been chosen in 2012;
- There were plans for a reform of the electricity market.

Philip Pearson (TUC) explained that Carbon Capture and Storage (CCS) was important to the United Kingdom because the country needed a balanced energy mix and inexpensive solutions. Around CCS, there were many discussion groups:

- TUC Clean Coal Task Group 2006
- Coal Forum 2008
- CCS Development Forum

He recalled the various challenges with regard to the development of CCS:

- Funding;
- The development of the technology;
- Ambition;
- The strength of political support and the competitiveness of the sector at international level.

On the question of the existence of a classification of green jobs, Philip Pearson replied that this did not exist in the UK. He thought that the most important thing was training and skills.

Presentation by the European Commission – the integrated European social dialogue programme:

Ariane Labat, DG CLIMA at the European Commission, stressed that the challenges to be met were sizeable. In Cancun, the EU had pledged to develop low-carbon strategies and a just transition.

She had 4 comments to make:

- Some initiatives presented at this conference were very expensive or did not allow for the creation of jobs other than in the short term. So they were not all good ideas. It was important to reproduce only the good practices.
- Some funding possibilities had not been exploited. Between 4 and 5 billion euros was available, in particular for CCS and renewables. Although 100 billion euros was available under the European regional funds, only 20% of those funds had been used.
- Support for SMEs needed to be developed. As to the greening of jobs, a roadmap towards a low-carbon economy by 2050 would be discussed next week. Her main message was directed to the sectors with strong potential, and consisted of telling them that they had to progress quickly and efficiently.
 - The Commission was counting on the social partners to act as a vector for information.
- Initiatives were being prepared by the Commission.

Final round table: 'The role of the European social partners'

What role for the European social partners in the context of employment and labour market policies related to European action plans on climate and energy?

Folker Franz (BUSINESSEUROPE) explained the difficulty of schematically representing the initiatives because they were very varied. Also, it was not easy to send out horizontal messages from Brussels. He added that this was just another transition, with its own attendant challenges. In his view, the EU must:

- Press ahead with an exchange of good practices at the level of skills.
- Disseminate the information both between sectors and within sectors, as well as between SMEs and big businesses.
- Not seek an artificial definition of green jobs, because any job could be green. What was needed was jobs that looked to the future.
- Show that industry had a future in Europe, even by 2050. It was important to focus on two objectives: reducing global emissions and preserving European industry.

So there was a need for European industrial policies, in order:

- To create new technologies:
- To reduce emissions of greenhouse gases;
- To protect European industry.

Mr Franz likewise stressed the importance of investment, the point being that the funding necessary for the switch to a low-carbon economy was very substantial. He believed that the 'Commission roadmap for a transition to a low-carbon economy by 2050' needed to stress the fact that the EU would have to obtain 270 billion € per year until 2050.

Liliane Volozinskis (UEAPME) stressed the complexity of the transition process and the difficulty of striking the right balance between the various aspects, renewable energies, saving energy and resources, anticipating changes on the labour market and skills needs. She emphasised the impact of European legislative instruments as a driver for the change to a low-carbon economy such as the European ETS, but also the directive on shared efforts which would have direct consequences on SMEs and here, the local and regional approach was very important.

Ms Volozinskis recalled that the largest number of jobs was at the SME level, hence the need for robust supporting measures from the public authorities, professional organisations

and the social partners to adapt to climate change. There was equally a need for the dissemination of information. She added that it was necessary to develop initiatives for cofinancing and co-development. In that regard, governments needed to play a key role.

She wound up her speech by returning to the role of the social partners. The outcome of this conference was very important because it made it possible to target the challenges for businesses and employment. In her view, the exchange of good practices remained the watchword, but in order to continue, there was a need for public actions at both national and European levels.

Joël Decaillon (ETUC) thanked Syndex for its work, which had helped to confirm that it was not possible to reduce greenhouse gas emissions and change European society without the social partners being directly involved.

Mr Decaillon stated that the debate must be conducted at European level, and there should be no more talk of green jobs, because this concerned all jobs. He also focused on the question whether the EU would have a role in the global economy in the future, when greenhouse gas emission questions would be key issues.

He went on to explain that the less use the EU made of raw materials, the more competitive it would be. The EU of the future therefore needed to equip itself to be able to produce with minimal energy and raw materials. So wages were not the only European economy's only competitive lever.

Mr Decaillon recalled two fundamental questions:

- The level of investment necessary.
- Recovery and closed cycles. Energy and materials needed to be recycled and recovered.

On the subject of the trend in European manpower, there were two main challenges:

- Ageing;
- The development of skills.

Returning to the Danish example on industrial changes and safeguarding industrial production by maintaining skills, Mr Decaillon explained that we needed to define how to maintain, protect and transform skills. The countries of the EU were strongest where the sharing of skills was collective. Identification of changes needed to be much better controlled for the sake of better anticipation.

The ETUC was ready to join BUSINESSEUROPE in supporting the issue of investment, the level being linked to the return on investment, and we were in a bid to conduct an analysis in the medium to long term.

Joël Decaillon wound up by declaring that the ETUC was satisfied at the convergence of points of view on the need for a European industrial policy. Temporary and insecure jobs were not solutions to maintain European competitiveness, and decent work, in terms of both quality and security, was an issue for everyone.

Ulrike Neuhauser (CEEP) recalled that the public suppliers were already investing heavily in public services. It was important not to get into a situation of marginalising the public enterprises which were playing an important role. Infrastructure networks represented 150 billion euros' worth of investment per year at EU level, playing a substantial stabilising role in times of crisis. She added that here too, training was a very important issue. She wrapped up by stating that any growth in the private sector depended on the public sector which invested in services of general interest.