



EPSU position and recommendations on the discussion paper on climate change and its impact on public services

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ЕВРОПЕЙСКАЯ
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ПРОФСОЮЗОВ
ОБЩЕСТВЕННОГО
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Adopted by the Executive Committee 13 – 14 April 2011



EPSU position and recommendations

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Global warming and the resulting climate change will have an enormous impact on our economies and societies. Measures are needed to prevent temperatures rising with more than 2 degrees Celsius and to reduce CO₂ and other green house gas emissions. And the consequences of a rise of global temperatures with around 2 degrees Celsius will force us to adapt. While the changes climate change will bring for the energy and several industrial sectors have been relatively well explored, this is not the case for the impact of climate change on public services. EPSU commissioned this paper to obtain an overview of how climate change affects a broad range of public services such as health and social services, local and national government, energy, water, waste.

The paper was discussed in several EPSU bodies and a set of recommendations was adopted by the EPSU Executive Committee in April 2011.

First and foremost we endeavor that the study is used by the affiliated unions to stimulate discussion and reflection on the impact of global warming on public services and what this means for workers and the services they provide. Second, we will bring the study to the attention of the European institutions and relevant European organizations. EPSU is a member of the Spring Alliance and we expect the study is a contribution to its work

The recommendations of the study are many and broad and will provide a basis for EPSU policy and how we position ourselves. EPSU's Standing Committees will consider if and which sectoral parts will need to be developed further. The study can also play a role in the sectoral social dialogue. We have developed an internal document to track progress.

Based on the study the EPSU Executive underlines several key issues:

- We support binding energy efficiency targets in the EU. Addressing energy efficiency will make an important contribution to lower electricity consumption and safe fuels. It is important that energy efficiency is tackled together with energy poverty. It is often the housing of low income households that lacks appropriate isolation but which can be addressed with making appropriate funding available.
- *Integrating* social and environmental criteria in public procurement remains a priority, ensuring public funds are used to contribute to deal with poverty, social dumping and climate change for example. EPSU has supported this over the years and together with many other organizations such as in the Spring Alliance, have demanded action of the European Commission to make this more binding.
- A controversial issue is how the reduction of CO₂ emissions can be achieved. EPSU and ETUC have criticized the Emission Trading Scheme of the European Commission arguing a carbon tax might be a better way forward. EPSU also supports taxes on environmental polluting products and processes and we will explore this further to develop EPSU's position in more detail.

- The same is true for the appropriate targets for CO₂ and other green house gas emission reductions for 2020 till 2050. The targets have important consequences for several industries and the workers in these industries. We will continue discussing this also in the light of the strategy of the European Commission Towards a low carbon economy in 2050 which foresees significant cuts for several sectors with close to 100% for the power sector.
- Corporate and economic policy remain focused on profit-making and economic growth independent if the profits and growth contribute to realizing societal and environmental objectives and independent if these activities destroy or not human health, the environment etc. EPSU argues different measures are needed and we will participating in the discussion on Beyond GDP, as an element in exploring a different basis for economic policy and exploring the implications of smart, sustainable or even less growth for workers unions and our communities.
- It was stressed in several discussions in EPSU that change starts at the work place. EPSU is committed to assist work place representatives by making information available on how environmental and climate change can be addressed at workplace level and collective bargaining.

General recommendation

It is recommended that EPSU Secretariat brings the study and the recommendations EPSU supports to the attention of the European institutions and other European organizations including the Spring Alliance highlighting the impact of global warming and climate change on public services. It is recommended affiliated unions use the study in a similar manner at national level.

The recommendations are many and broad. They provide a basis for EPSU policy and positioning including regarding sectoral policies. We suggest to concentrate on the following:

- *For the Standing Committees to develop more detailed positions based on the overall recommendations and where appropriate address this in the sectoral social dialogue and sectoral policy.*
- *Support binding energy efficiency targets and linking this with addressing energy poverty*
- *Integrating social and environmental criteria in public procurement*
- *Develop a more detailed position based on the general recommendations and ETUC policy on carbon tax and taxes on environmental polluting products and processes*
- *Continue discussion on the appropriate targets for reduction of CO2 and other green house gas emissions for 2020 till 2050.*
- *Participating in the discussion on Beyond GDP, as an element in exploring a different basis for economic policy and exploring the implications of smart or less growth for workers unions and our communities.*
- *Assist work place representatives by making information available on how environmental and climate change can be addressed at workplace level and collective bargaining*

A further suggestion is that the Executive Committee agrees that we invite a challenging personality to address an Executive Committee meeting both in 2012 and 2013 to raise our awareness of the challenges in addressing global warming and other environmental issues. The purpose is to continue our reflections and prepare for the Congress in 2014.

Recommendations : Climate change adaptation

- Adaptation to climate risks requires enhanced governments' regulatory capacity and the strengthening of public services, recruiting new staff and equipping public sector workers with the skills required, so as to ensure risk preparedness and management strategies will be designed and implemented in a timely manner, addressing the needs of the most vulnerable. This should not be delayed, as climate risks are already being felt by public services. Public private partnership, market based instruments and private insurance will not deliver on adaptation, because the costs are likely to be high, some people are not able to pay and private actors are risk adverse.
- ***A general position EPSU supports. It is the central point around which EPSU can contribute to discussions on global warming and climate change. EPSU can raise this in discussions with employers (frame of the social dialogue e.g.), Commission and European Parliament. Affiliated unions can raise it in discussions with the national governments. The research of PSIRU (www.psiru.org) supported by EPSU is useful to demonstrate the risks of PPPs.***
- Given that shortage of adequately-trained personnel is affecting almost all services in the area of disaster preparedness and response, and given the general decline in the number of volunteers, reported by the UN International Strategy for Disaster Reduction (UNISDR), adequate staff, along with financial and technical capacities, should be granted.
- ***To be considered if affiliates and EPSU Secretariat can raise this with the Civil protection agencies at national and EU level and use the EP resolution on disaster prevention of September 2010 for follow up.***
- The Commission should undertake without delay, the assessment of the impact of climate change and adaptation policies on employment and vulnerable social groups, as stated in the Adaptation White paper. It should include a sector-by-sector dimension and address the impacts on occupational health and safety and working conditions in those sectors. Measures to address the negative impact and maximize the benefits should be proposed, including the use of EU funds to support skills and occupational health and safety programmes.
- ***A general position EPSU supports. EPSU Secretariat to consider what is happening with regard to the White Paper on Adaptation, and approach the European Commission for the sector dimension focused on public services.***
- The EU member states and regional governments should prepare adaptation strategies to address climate change risks, with adequate human and financial resources.
- ***A general position that EPSU can support. Demand the Commission to make an overview of Member States adaptation strategies and indicate if MS are sufficiently prepared. The biggest challenge is at local and regional level it appears – see also later under Social Dialogue. EPSU could explore the possibilities for a discussion with the Committee of the Regions and CEMR***
- New short and long term, guaranteed EU funding for both EU and international adaptation should be made available, with dedicate funding for public-public partnerships. In addition, climate risk prevention should be integrated in the next financial perspectives so that the EU funding instruments can be used for funding risk prevention. The possibility of using revenue generated from auctioning allowances under the EU greenhouse gas emission allowance trading system (the EU ETS) for adaptation purposes should be utilized, but the volatility of carbon prices makes it a non reliable source of financing.

- ***A general position EPSU can support. EPSU to raise with ETUC and Spring Alliance in the frame of the next EU financial perspectives.***
- Trade unions must be associated in the work of the Impact and Adaptation Steering Group (IASG). Composed of representatives from the EU Member States, this group was established to develop the recommendations of the Adaptation White paper and consult with representatives from civil society and the scientific community.
- ***EPSU Secretariat to explore the follow up that is given to the work of the Steering Group. Consider how this relates to the consultation mechanism on climate change policies for the social partners the Commission considers establishing***

Recommendations: Climate change Mitigation

Internal market

- Evidence show that the electricity market liberalization makes carbon mitigation a more expensive task to achieve. Governments should ask the European Commission to assess how the restructured energy markets have actually performed with respect to cutting carbon emissions. Stop policies that rely on vagaries of market.
- Adopt provisions on social energy tariffs in the energy directive.
- ***A general policy position of EPSU not to rely (solely) on the market to deliver important public goods. EPSU Secretariat to approach the Commission for this study on the impact of liberalized markets on the carbon market. Link it with the impact assessments of the Energy Road Map 2050 ?***
- ***A recent resolution of the Council of Energy Ministers on Energy Consumer Policy offers possibilities to demand more and better protection of vulnerable users and to stress the importance of addressing fuel poverty. EPSU Secretariat to demand Commission to take that resolution into account, Fuel poverty is also an issue in the context of the Energy Community. EPSU has worked and can continue to work with the European Anti-poverty network. The recent resolution of the ETUC takes up this issue as well arguing for a European definition and coordination with the national action plans on social inclusion and protection***

Public investment

- The most efficient and cost-effective way to meet the renewable and energy efficiency targets is government intervention in the development of publicly regulated and publicly owned renewable and energy efficiency sectors. Market-based solutions for energy efficiency in particular white certificates trading and independent energy efficiency auditors, are ill-suited to the pace and magnitude of energy efficiency improvements required to address climate change.
- ***A general policy position supported by EPSU and ETUC. ETUC is demanding binding energy efficiency and savings targets. EPSU to argue for such binding targets (20% reduction in energy consumption by 2020)***
- Massive public investment are needed in renewable generation, smart electric grids and infrastructure allowing for the development of sustainable electricity usages such as charging infrastructure for electric cars. Public procurement through public electric utilities has also a huge role to play. Public energy research and development should be doubled and redirected towards energy conservation, environmental friendly renewable and electricity grid improvements.
- ***This demand is in line with the EPSU Congress resolution on the utilities. EPSU is also arguing that energy procurement should include social and environmental standards and that companies that benefit from EU funding should have a CSR policy that respects the positions taken by the European electricity social partners. (EPSU contribution on EU energy policy)***

- Public service solutions for energy efficiency combine a greater local control over supplier obligation income, a more structured domestic energy auditor system and government-led programs for energy retrofitting of social-housing homes.
- **A general position EPSU can support.**
- Condition EPSU support to the Mediterranean Solar Plan on the guarantee that it will deliver long term social and environmental benefits, including for the host country population.
- **PSI has commissioned research on the Desertec project, a private sector part of the Mediterranean Solar Plan. The purpose is to consider this with the affiliated unions concerned. The PSIRU paper raises similar concerns as above. The MED solar plan is also part of the EU and South MED countries plan to create a single network and integrated and liberalized market. EPSU and PSI to cooperate to ensure social issues are recognized in the development of the MED solar plan and the liberalized markets.**

Coal-fired power

- Consider supporting a moratorium on new coal-fired power stations not equipped with Carbon Capture and Storage (CCS), in view of the recent evidence that we have less time to reduce emissions. As there are no power station running with CCS today, this implies a moratorium on new coal-fired power stations.
- **With the evidence being solid, emission producing coal fired power plants are to be avoided if not equipped with technologies for clean-burning and carbon capture and storage. With such technologies coal can be part of the solution as ETUC argues. Issues not explored here concern the subsidies required for CCS (compared to investment in already available technologies), and possible stranded costs of CCS infrastructure, and if CCS is sufficiently economic. . .**

Recommendations: Energy conservation

- Support binding energy efficiency targets for 2020, broken down into national targets, in line with recent studies showing significant energy consumption reduction potential in 2020 (19% for industry, 20% for transport and 30% for the households and services sector)¹. Targets should be set in terms of absolute reduction in energy consumption compared to current levels, and not relative target.
- Follow the Spring Alliance recommendation to “Launch a renovation programme for the total housing stock which rapidly and significantly decreases energy consumption for heating and cooling, and ensures professional training and retraining of builders and installers, while providing targeted support to housing for people in poverty and promoting compact cities
- Promote the responsibility of public authorities, notably municipalities, in delivering services that promote energy efficiency behavior by final customers, ensuring that jobs created are quality jobs. Use public procurement to lay down criteria for quality, health and safety and collective agreements to follow.
- Oppose the possibility to trade Energy Efficiency White Certificates, as the benefit of trading has not been demonstrated.
- **EPSU and ETUC support binding energy efficiency targets. For EPSU a strategic choice is to argue for energy efficiency services at municipal and utility level and make this obligatory for companies to deliver free of charge for vulnerable users. The job potential is significant. EPSU to support the work of the Spring Alliance and Anti-poverty campaigners. EPSU is already active in the area of public procurement.**

¹ see 10

Recommendations: carbon pricing as part of a tax justice reform

- Support the Spring Alliance call to achieve by 2020 a shift of at least 10% of the revenue or tax-base away from labour to environmental pressures, resource use and capital, by applying the Open Method of Coordination combined with Enhanced Cooperation.
- ***A general position EPSU supports. Explore with the Spring Alliance what concrete follow up can be given to this. Include this point in the EPSU Tax Charter ?***
- Support the EU carbon tax for sectors not covered by the EU ETS, provided conditions as set out by the ETUC resolution of 1-2 June 2010.
- Support auctioning of the CO2 permits for all the sectors covered by the EU ETS as from 2013, with earmarking of revenues for internal investment measures to reduce emissions, on climate support for the developing countries and to finance the necessary compensating measures for low income households.
- Support proposals from ETUC to regulate the carbon market, including the establishment of a EU regulating agency.
- Strict environmental and social conditions must be established for the use of “carbon credits” so as to incentivize the modernization of the power plants in the developed countries and promote sustainable, labour intensive carbon emissions projects in developing countries.
- Support the setting of a ‘border compensation mechanism’ to address the risk of carbon leakage, as stated in the ETUC resolution on climate change of March 2008.
- ***EPSU to pursue these points in its contributions on EU energy policy. Recent problems with the Carbon Trading mechanism and the low carbon price indicate that the system of trading is possibly not stable enough to provide the so called market signals that are needed for a change to more sustainable production.***
- ***EPSU to develop a more detailed position on carbon tax and taxes on environmentally polluting products and processes***

Recommendations: International climate negotiations

- Unilaterally increase its emissions reduction target from 20% to 30%, without possibility for compensation beyond the EU; the IPCC recommends 25-40% emissions reduction from developed countries. As the 20% target includes the possibility to use flexibility mechanisms, the actual reduction to be achieved through domestic efforts is less than 20%. Public services which are at the front line of dealing with the impact of environmental degradation will directly benefit from a cleaner environment.
- ***The European Commission and others argue that it makes economic sense to move to this new target given that the EU is close to realizing it. The additional costs of doing so would outweigh the costs of doing so at a later stage. At some stage a 30% target is needed to move to the reduction of emissions with 80-90% in 2050 to keep global temperatures from rising more than 2 degrees Celsius. But in the absence of other countries moving to this target now (and even not having committed in a binding manner yet to a similar target as the EU - Russia has committed to limit emissions to 10-15% below 1990 levels in 2020 – in practice an increase over today's levels e.g) Many European industries are concerned that they will lose their competitive position, leading to job losses. As regards the energy sector it will have direct negative consequences for coalmines and coal fired power stations in particular (jobs and regional impacts) EPSU could advocate that such a target – a reduction with 30% - is possible under the condition that this is accompanied with compensation mechanisms for investment, training and jobs for those sectors and regions affected and safeguarding investment in the most efficient technologies..***
- Fast start finance should be launched as soon as possible, so as to build confidence of developing countries. Part of the funding should be earmarked for public-public partnerships in the key areas of water supply and sanitation, energy, disaster prevention, health.
- ***EPSU and the water activist group we work with have been successful in securing money for Public Public Partnerships in water in the EU. This could be tried in other areas as well favoring also labour management cooperation.***
- Commit to long term, guaranteed finance. This should be public money and additional to the 0,7% aid target, The 0.7% development aid target gets under increasing pressure due to austerity plans and budget cuts. EPSU should support efforts to keep this target.
- ***The 0.7% target is the % that has received backing from the UN and which OECD governments have committed to devote to development aid. Many countries fall short of realizing this. Achieving this target will be very difficult in the current climate. EPSU could stress with ETUC the importance of raising this with the Commission.***
- Stop supporting a global carbon market; this is unrealistic. Instead press for a global carbon tax, building on the EU support for a Tobin tax expressed by the European council in December 2009.
- ***EPSU is supporting the Europeans for Financial Reform campaign which is backing the Financial Transaction Tax. EPSU is in general critical of market based approaches like a global carbon market. The proposal for a global carbon tax would also require further discussion which EPSU could support.***
- ***PSI has been taking the lead on Global climate change discussions. EPSU is to continue to contribute to these discussion***

Recommendations: Just employment transition policies

The recommendations made by the ETUC in its resolution on 'climate change, new industrial policies and the way of out of the crisis'² for a socially fair and negotiated transition to a low-carbon economy should be supported, especially the following :

- National, regional and sectoral studies on the policies linked to climate change and their impact on employment and labour markets need to be systematically conducted, by consultation with the social stakeholders, and based on widely accepted criteria for assessing the vulnerability of workers, countries and regions.
- ***This can be a key demand of EPSU towards the European Commission as well as in the sectoral social dialogue with the employers. Unions could demand such sectoral analysis also at national level.***
- Creation of a permanent instrument to ensure the anticipation of socio-economic transition is urgently needed, to coordinate existing instruments such as sectoral councils and reinforce dialogue between the social partners and public authorities. It will be made up of the social partners and the public authorities, and would receive sustainable development impact studies and will be able to participate in the definition of the specification of legislation as well as the implementation and follow-up.
- ***ETUC and EPSU have been arguing for a European consultation mechanism over Climate Change policies. This is likely to be put in place in 2011. EPSU should demand representation in the ETUC Delegation. Comparable mechanisms might be sought at national level.***
- Systematic analysis should be performed of how existing European policies and instruments to support the just transition can be mobilized (including structural funds), of the resulting gaps between needs and available resources and institutions, and of the added-value of additional European instruments and institutions.
- ***A general position we can support and bring forward to the EU institutions***

² ETUC resolution on on Climate change, new industrial policies and the ways out of the crisis. adopted by the executive committee of 20-21 October 2009

Recommendations: Social dialogue on sustainability issues

- Raise awareness among employers and employees: The trade union movement has developed work on the way climate change will affect employment. However, there is still a lack of understanding about the distinction between adaptation and mitigation, which affects the way that employers are developing their responses. To date, the mitigation agenda has had much higher profile and greater public awareness than adaptation. USR report warns that regional and local levels are not yet fully prepared and equipped to address climate change risks. The TUC report on adaptation reports that flood response plans have been developed by only around half of the local authorities surveyed.
- ***Earlier we referred to the possibilities to raise climate change policies in the European inter-professional and sectoral social dialogues. It appears however that the bigger challenge is in raising these policies at national and regional/local level. See also earlier under adaptation. The challenge for EPSU is to stimulate discussion on adaptation strategies at sectoral level. The Standing Committees can consider if and how this can be addressed in the sectoral social dialogues.***
- Research the potential implications of adaptation for health and safety, skills and working plans in the workplace. There is still relatively little information available about this, especially in different national and regional contexts. So first steps should include stakeholder-led research to identify the issues and skills gaps. This should inform the formulation of EU skills policy and could be built into the work of the New skills for new jobs initiative.
- ***The sectoral studies of the EU Commission project on the Future of Skills and Jobs offer a starting point for discussion which possibly can be taken further in the Standing Committees and where appropriate in the social dialogue committees.***
- ***A worthwhile contribution EPSU could make to the local level and national discussions is to develop a format for such discussions on adaptation. (Discussion has taken place in the context of EPSU's collective bargaining work on how unions can use collective agreements to promote addressing environmental issues, This is in its infancy however. A contribution EPSU can make is a check list of what unions have done on addressing climate change and environmental issues in collective bargaining***
- Gather good practice on how employees can be engaged in workplace projects on adaptation;
- ***Several unions have issued guidance for work place representatives. EPSU to explore with ETUI and other bodies such as Sustain Labour what exists and can be made available.***
- Make common recommendations to the European institutions on ways to increase the resilience of public sector to climate change risks.
- ***Several points raised in this study and the recommendations can be combined and addressed to the European Commission (as recommended earlier)***

Recommendations : “Beyond economic growth”

- Initiate, with the ETUC and industry federations, the EEB/Social Platform and with the support of research work, a reflection on the shift of paradigm implied by a real move towards sustainability, and its implications for labour.
- ***Potentially the most controversial point in the study as it challenges traditional notions of economic growth and progress taking account also of the impact on the developing world. It centers around concepts of smart or even zero growth, radical redistribution of wealth, revaluing the different forms of work (Do speculators contribute more to society than fire-fighters, nurses, refuse collectors), limiting and reducing working time as well as long-term vision. EPSU could initiate or support a research project on the implications for workers and trade unions of such changes which possibly could feed into the EPSU Congress in 2014.***
- Support and argue for new instruments that measure growth and the value of GDP differently based on social and environmental considerations
- ***The current framework based on traditional benchmarks for growth undervalue the contribution public services make to general welfare and economic progress. EPSU Secretariat can explore which “forces” are seeking different measurements and become part of coalition groups***

Recommendations: tackling energy poverty and environment-related poverty

- Countries should support increased efficiency in households, through public investment, provision of low-rate loans, and regulation. Countries should focus their use of EU Structural Funds (which can fund energy efficiency in buildings) on vulnerable households.
- Countries should make use of the new rules adopted as part of the European economic recovery plan (EERP)³, allowing the use of structural funds to support energy efficiency measures in social housing⁴.
- The countries should support measures that limit energy price increases, through increase of energy efficiency of heat network and heating stations, substituting local biomass combustion to fossil fuels, and introduction of combined heat and power (CHP). This can also include changing of heat network structure, to avoid too long transmission lines, but interconnect nearby heat supply to increase efficiency in supply. Structural funds can be used for that purpose.
- Joint ETUC-EEB-Social Platform demand for a new EU investment initiative to support social energy saving programmes are still valid. It is regrettable that Union financial assistance in the frame of the EERP did focus on energy projects having less obvious benefits for social inclusion and people's well-being, namely CCS, offshore wind energy and gas and electricity interconnections.

ETUC-EEB-SPF Manifesto to the European Council march 2008: “An initiative by the European Investment Bank to mobilise capital - up to 1% of European GDP - to lend to EU governments investing in sustainable priorities (i.e. renewable energy production, energy efficiency including combined heat-power production and social energy saving programmes).”
- The European Commission should further assess the social inequalities associated with the quality of the environment in the EU and propose initiatives to address them, building on the conference organized by DG employment on the links between environment and social policy.
- ***EPSU can support the 5 recommendations made here. Based on the trade union***

³ A European Economic Recovery Plan - COM (2008) 800

⁴ CECODHAS-IUT joint press release on the Recovery package (November 2008)

contributions to the Belgian presidency seminar on energy poverty and together with the European Anti-poverty network EPSU's position on energy poverty can be further developed. EPSU has raised issues of energy poverty also with the European Council of 4 February.

Recommendations: Biodiversity

- the recognition of the character of public good of biodiversity and the need for government intervention to protection biodiversity, as well as democratic overview and public participation;
- In the context of the EU Adaptation strategy, a comprehensive, objective assessment of how Payments for Environmental Services mechanisms have performed in developed countries.
- an assessment of the jobs generated by the protection of biodiversity, especially Natura 2000 network
- ***EPSU can support the public good character of bio-diversity and need for government intervention to protect this as suggested.***

Recommendations: sustainable public procurement

Promote quality jobs and sustainable enterprises through public procurement that rewards companies that uphold social, labour and environmental policies. Set EU target on green public procurement: the EEB asks for achievement of 100% green public procurement by 2012

- Make the link with social procurement (social and green jobs)
- Monitor the implementation of the new directives in the member states
- Run a campaign to raise awareness among the public services employees
- ***These recommendations EPSU can support. They are part of our current work including with a broader coalition of organizations and strengthening the role of social and environmental criteria in procurement is a key demand of EPSU.***