



Towards a fair and sustainable economic transition

We are currently in the middle of a drastic transition. Climate change is forcing us to take major steps towards a greener and more sustainable economy. But this energy transition affects not only Europe, it also has a dramatic impact on the countries which source all our coal and metals. On the one hand, the use of electricity increases the need for metals like lead, tin, and silver by 4-6 times, as these are required for electric cars, wind turbines, and solar panels. But on the other hand, the demand for coal and other fossil fuels is going to drop sharply and have an adverse effect on the countries which have relied for decades on the income from mining these metals.

Power within the chains is highly concentrated. A small group of international companies controls both the coal and metal trade. Moreover, China is largely responsible for extracting and processing metals. A Profundo investigation sponsored by CNV Internationaal shows that China is the most important export country for metals from Peru and Bolivia. This is also confirmed by the American Geology Services. 80% of precious metals worldwide were imported by China in 2019¹.

Mine workers at the beginning of the chain are often subject to poor working conditions. Companies often make use of outsourced workers for large portions of the workload. Most miners are forced to work through employment agencies, making them vulnerable to risks. They have far fewer rights than the small number of workers who work directly for the mining companies. These outsourced workers are continually hired with short-term contracts of 3-6 months. They never get the freedom to create or join a union. They are not paid for overtime or days off. And they earn some 30% less than permanent employees. Long shifts are not uncommon for mine workers. In fact, the men who work in the coal mines in Colombia have what they call “deadly shifts”. They work 7 days for 12 hours a day. They then get 3 days to rest before starting again.

The metals chains are known for having a lack of transparency. It is often difficult to determine where metals have come from. This makes it especially difficult to hold companies accountable for their actions.

A fair transition for ALL workers

The transition to a sustainable economy with a low carbon footprint needs to be fair for everyone. A “just” transition means implementing all the new technologies for a greener economy, but at the same time, preventing negative consequences for the affected workers across the globe.

CNV Internationaal primarily focuses on workers at the beginning of our international chains. This means the workers mining the metals so necessary to creating a greener economy as well as the coal miners who are going to be impacted by all the mines closing down in the coming years. Creating a greener economy cannot be based on a business model that ignores or exploits these workers. That is definitely not a sustainable practice. We must make sure this energy transition is both green and just.

As a significant coal and metals consumer, the Netherlands has a responsibility to contribute to ensuring a just transition. Conditions for a just transition must be included when policies are created and implemented, especially regarding the climate and natural resources. The first step is to determine which countries are providing the Netherlands with imported coal and metals. Then, labour risks should be analysed for those countries and regions. It can then be determined which risks involving labour rights exploitation can be avoided. The transition must be created in a way that does not harm these countries and their workers. Fair Transition Pacts should be established with countries whose economies depend on coal and metals mining.

¹ <https://pubs.usgs.gov/periodicals/mcs2020/mcs2020-rare-earths.pdf>

Transition plans for the coal mining sector

There are various regions where coal mines are going to be completely shut down. It is important to support them, to make sure they are treated justly and are also part of a sustainable transition. The closing of the mines must be regulated, with both environmental AND labour effects being taken into consideration. This means that workers and how they are going to be dealt with must be included in the plans and documentation. A sustainable transition must, at a minimum, include the following 4 elements:

1. Social dialogue and trade union freedom

Constructive social dialogue should be established between mine owners and their employees regarding how the workers are going to be helped during/after the mine closures. This should take place on a regional level, and when necessary on a national level. All relevant parties should be involved in this formal social dialogue and work towards policy where the workers' perspective is central.

2. Social safety net

Monetary funds must be created to protect all the men and women whose jobs rely directly or indirectly on the mining industry. This fund must also protect mine workers who can no longer find other means of employment due to work related illnesses.

3. Economic diversification

Attention must be given to finding/creating alternative employment options. For example, a fund could be established for economic diversification. This money could start up experimental projects in other sectors, such as tourism, agriculture, or renewable energy.

4. Professional education

People who have worked their entire life in mining often have a hard time finding work in other sectors. Professional training and education programs are therefore very important. These programs should implement the workers' current skills and provide them with new ones needed for a future occupation.

In developing these current global transition plans, the Netherlands should keep in mind their own history. We can implement the experience and knowledge we acquired during our transition from coal to gas and the closing of our mines in Limburg. Trade unions played an important role in that process. They refused to cooperate with any plans unless the government provided alternative employment for the mine workers.



Internationaal



Fair transition pact with production countries

Fair transition pacts come out of a cooperation between the Netherlands and metal mining countries. They encompass an integral approach to the energy transition from every facet. They create a “green motor” for fair jobs in mining and sustainable management of natural resources.

A Fair Transition Pact must include the following elements:

1. Social dialogue

Government support for unions and employers in production countries to establish social dialogue for social and economic policy that ensures a just transition.

2. Labour rights and trade union freedom

Decent work is an important condition for a just transition. Miners must be able to work in safely and in a decent environment. Outsourcing needs to be subject to strict regulations and all workers must be guaranteed trade union freedom. The Netherlands can provide important technical support, which will strengthen labour inspection.

3. Social safety net

Mine workers need to have a safety net. This is a high risk sector where incurable work related diseases are prevalent. Workers also have a high risk for serious accidents. They must be given compensation in such cases.

4. Support for local unions and social organisations

The pact must include support for local unions and social organisations that contribute to the sustainable transition. (For example, those that report mine infractions).

5. Financial support for investing in fair work

Companies in both the Netherlands and production countries should be able to obtain financing with favourable conditions when they invest in fair work. This financing would be subject to certain conditions. For example, the companies being invested in must respect human rights and the environment, allow trade unions, and prevent the excessive use of outsourcing.

6. Multi-stakeholder and sectoral cooperation

Cooperation among the various chain partners, unions, and social organisations, both locally and in the Netherlands, is crucial when it comes to dealing with malpractices. The Netherlands can work to stimulate cooperation and implement their knowledge and skills.

7. Local complaint processing

Independent local mechanisms for processing complaints need to be established for the mine workers. This should be done in cooperation with other companies, unions, and NGOs.

8. Transparency in the chains

The chains must be obliged to provide transparency. Respecting labour rights should include making the chains public. Transparency is fundamental to being able to identify and deal with wrongdoing in the chains.

Further, the Dutch government must make it mandatory for companies to respect labour rights throughout the entire chain, including the beginning. Companies must be extra alert regarding trade union freedom, outsourcing, and in the case of coal mining, the mine closures.

How is CNV working on a just transition?

CNV Internationaal advocates for labour rights, provides expertise and service, and is a watchdog for trade unions and workers regarding their rights. They monitor the implementation of legislation, and more generally, provide an arena for attention to human rights. Unions can work with CNV Internationaal and use their insights and developments to make (international) corporate responsibility the norm.

1. Coordination with local unions in the coal mining sector

CNV Internationaal works with local unions in the coal mining sector, for example in Colombia, to create social dialogue about plans for a just transition where the mine workers will be compensated for damages they might suffer during the transition. CNV has supported the local unions in Colombia in setting up a coordination network. The Workers Collective for a Just Transition in Mining. This collective represents workers in social dialogue with companies and the government. They create proposals for good social plans with decent compensation for dismissals and healthcare expenses incurred due to work related illnesses.

2. Observatory for a Just Transition in the Coal Mining Sector

7 October 2021, the Colombian Workers Collective, with CNV Internationaal's support, launched the Labour Observatory for a Just Transition in Mining. This observatory provides input for strategies for re-developing the mining industry and stimulating new industries in order to improve economic diversification. We hope to create new work opportunities which will ensure a decent standard of living for mine workers or anyone who has been dependent on the mining industry. CNV Internationaal is working on this in cooperation with European energy companies who purchase coal in Colombia.

3. Social dialogue with companies and local unions in the metals mining sector

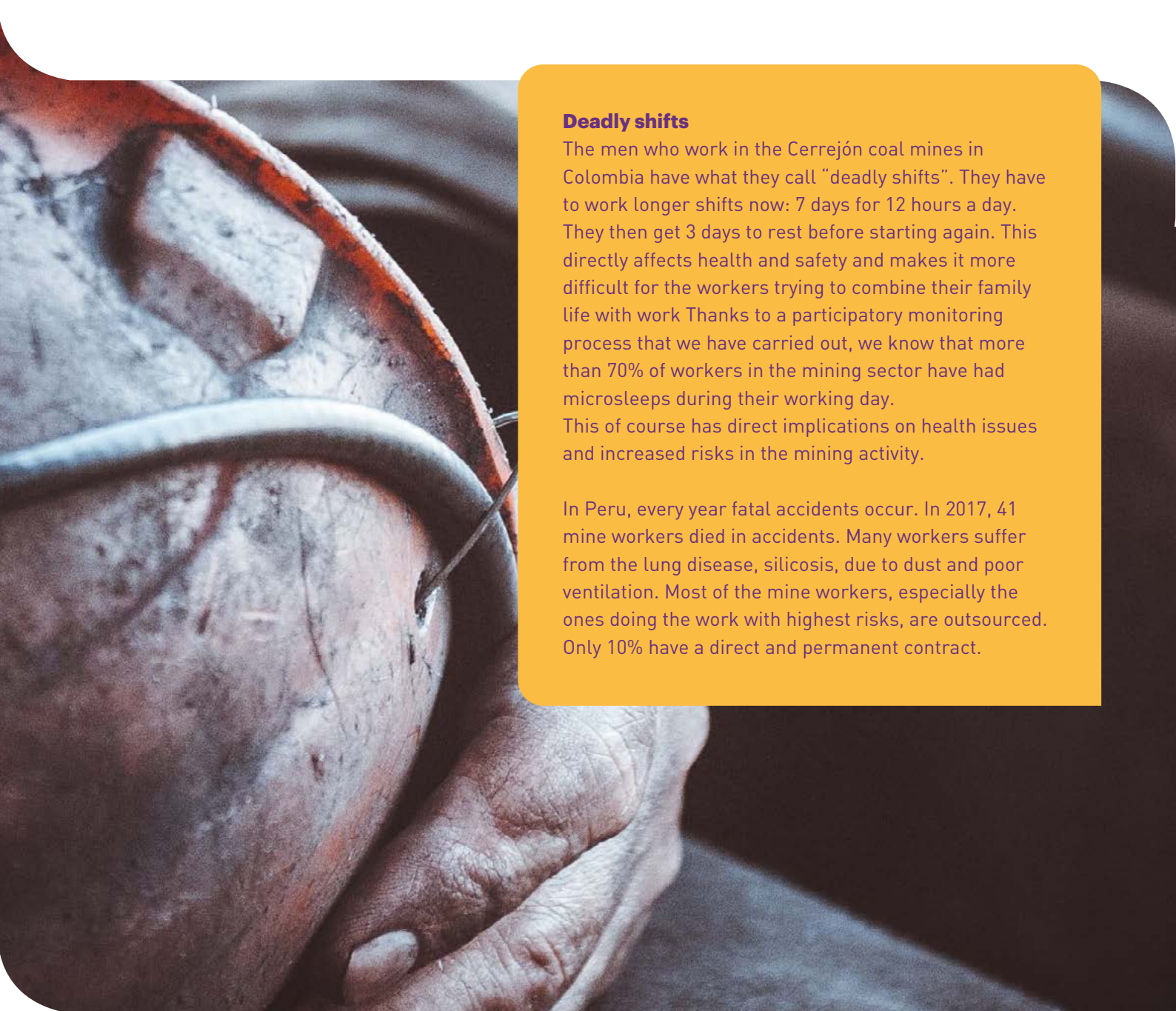
In countries where metals mining is increasing due to the energy transition, such as Peru and Bolivia, CNV Internationaal works with local unions on creating social dialogue with the mining companies. CNV Internationaal focuses on all parts of the supply chain, as each link should take responsibility for their practices.

4. Transparency in the supply chain and safe working conditions

We are working on a project for creating transparency in the supply chain and safety at work. The Dutch CSR covenant is one of the tools being consulted and implemented. This helps us determine the types and locations of health and safety risks in mines and how we can work cooperatively to make improvements.

5. Complaint filed with SEP

CNV Internationaal has been the first trade union organisation to file [a complaint](#) with the Single Entry Point (SEP) of the European Commission to expose the terrible labour conditions in the mines in Colombia and Peru. SEP is the complaint mechanism set up by the European Commission for monitoring trade agreements. This complaint shows how both countries are violating the rights of workers hired through outside employment agencies. They are treated very differently than the workers employed directly by the mining companies. Points of difference include job security and salaries. We aim to spotlight these trade agreement violations and anti-union practices in both Colombia and Peru. The European Commission is expected to give an initial response in December 2022.



Deadly shifts

The men who work in the Cerrejón coal mines in Colombia have what they call “deadly shifts”. They have to work longer shifts now: 7 days for 12 hours a day. They then get 3 days to rest before starting again. This directly affects health and safety and makes it more difficult for the workers trying to combine their family life with work. Thanks to a participatory monitoring process that we have carried out, we know that more than 70% of workers in the mining sector have had microsleeps during their working day.

This of course has direct implications on health issues and increased risks in the mining activity.

In Peru, every year fatal accidents occur. In 2017, 41 mine workers died in accidents. Many workers suffer from the lung disease, silicosis, due to dust and poor ventilation. Most of the mine workers, especially the ones doing the work with highest risks, are outsourced. Only 10% have a direct and permanent contract.

More information

- **ILO Guidelines Just Transition (2016)**

These guidelines are a framework for policy and a practical instrument to help countries make a good and fair transition to a sustainable economy.

- **ILO Recommendation 205, Employment and Decent Work for Peace and Resilience (2018)**

These recommendations contain work related measures to prevent a crisis on economies and society.

- **Just Transition Centre van de internationale vakbondsorganisatie ITUC**

The Just Transition Centre brings together unions, companies, and governments to have a social dialogue about working with communities and social organisations to ensure the energy transition is both sustainable and fair.

- **Just transition in mining (cnvinternationaal.nl)**

Here you can find more information about CNV International and their research work with Profundo.
www.cnvinternationaal.nl/justtransition