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Towards a fair and sustainable energy transition

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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. This energy transition not only affects Europe, but it will also have a dramatic impact on the countries where the majority of our coal and metals are sourced. On the one hand, changing to green electricity is going to cause us to need 4-6 times more metals like lead, tin, lithium, nickel, silver, and rare earth metals, as these are required for electric cars, wind turbines, and solar panels. On the other hand, this change will also negatively impact the countries, workers, and communities which have relied on revenues from mining coal and other fossil fuels for decades.

There is a concentration of power in the coal and metal value chains and the parties holding this power are notorious for their lack of transparency. This creates challenges when it comes to holding companies accountable for their actions, as it is often difficult to determine where metals have come from. A small group of international companies wields nearly all control over the majority of the coal and metal trade. China, for example, is largely responsible for extracting and processing the metals necessary for the energy transition. 80% of precious metals worldwide were imported by China in 2019. A Profundo investigation commissioned by CNV Internationaal, as well as a report by the American Geology Services, confirm that China is the most important export destination for metals from Peru, Bolivia, and other countries, including South Africa and Indonesia.

Upstream, the mine workers are often subject to poor working conditions. Companies frequently contract outsourced workers to do large portions of the work. In addition, miners forced to work through employment agencies are significantly more vulnerable to occupational risks. Outsourced workers have far fewer rights than the small number of workers who work directly for the mining companies. Because outsourced workers usually only receive short-term contracts for 3-6 months at a time, they don't have most of the rights and benefits provided to direct workers. They have no freedom to create or join a union, limited or no social protection, no paid overtime, or days off. In addition, they often earn approximately 30% less than permanent employees. Long shifts are not uncommon for mine workers. In fact, the men who work the coal mines in Colombia have what they call "shifts of death," where they work seven consecutive days for 12 hours each day, getting only three days of rest before beginning the seven day cycle all over again.

A fair transition for ALL workers

The transition to a sustainable economy with a low carbon footprint needs to be a fair and just transition for everyone. Such a "just" transition should implement all the new technologies for a greener economy, but at the same time, it must remember and protect the affected workers across the globe.

Within this sector, CNV Internationaal primarily focuses on workers at the mining stage of international value chains. CNV deals with workers from both sides of the transition; those mining the metals for creating a greener economy, as well as those who are being impacted by the anticipated mine closures. Both groups are important and we must make sure the energy transition is both green and fair to all the workers.

Creating a greener economy based on a business model that exploits these workers cannot be defined as sustainable. Another model must be developed, one that doesn't focus solely on extracting raw materials. It has to evolve into fairer trade partnerships. This means investing in mining, both in terms of providing decent jobs and maintaining technological development. This will even add value at the beginning of international value chains.

The European Union, as a significant coal and metals consumer, needs to take responsibility and contribute to ensuring a just transition. Conditions for a just transition must be embedded in policy regarding climate and the use of natural resources, specifically in terms of protecting mine workers. In doing this, it is important to avoid a race to the bottom. When companies and countries compete on prices to reduce costs for labour and sustainability, they neglect human rights and fail to meet due diligence standards. The way forward is to create a level playing field and set a standard which includes both social and environmental sustainability by facilitating partnerships.

It is important that the energy transition occurs without causing harm to the affected countries and their workers. The first step is to identify the countries providing Europe with imported coal and metals. Then, labour risks in those countries need to be analyzed to determine where and how labour rights are being exploited. Finally, measures should be implemented to avoid or address those risks. Having a roadmap for a just energy transition will greatly assist the companies involved. Such a roadmap will enable these companies to cooperate with the countries whose economies depend on coal and metals mining and ensure their alignment with OECD and UN due diligence obligations.

A roadmap to guarantee a just transition for workers

The roadmap for a just transition will serve as a guide for implementing and monitoring due diligence principles in the mining sector. It will guarantee that the increased demand for metals needed for the energy transition will help create decent jobs and mitigate negative impacts on workers' rights. The roadmap will also provide help for the stakeholders regarding their interactions in the supply chains. An integral approach will be used in order to recognize and include each facet of the energy transition. This approach can be seen as a "green engine" for stimulating fair jobs in mining and managing natural resources in sustainable ways. Free Trade Agreements should include a package focused on green industry development.

A roadmap for a fair transition must include information and plans regarding:

1. Transparency in the supply chains

The supply chains must become transparent. Respecting labour rights means giving the public access to supply chain information and practices. Such transparency is fundamental to being able to identify and address wrongdoing in the chains and implement improvements.

2. Monitoring of labour risks in the mining sector

Setting up specific labour observatories is important for obtaining information on labour risks in the mining sector. The information gathered in the data portals should be validated and verified by trade unions and (subcontracted) workers. Unions should be able to actively collect and monitor information and make it available to the public.



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3. Mandatory due diligence

Respect for labour rights must be made mandatory. The European Commission and member states, like the Dutch government, should keep companies accountable for their engagement and practices throughout the entire supply chain, including the beginning. Companies need to be up-to-date and informed regarding trade union freedom, outsourcing, and in the case of coal mining, mine closures.

4. Social dialogue, labour rights, and freedom of association

Governments in the mining countries should support unions and employers in establishing social dialogue on topics of social and economic policy to ensure decent work in the sector. Decent work is an important condition for a just transition. Miners must be able to work safely and in a decent environment. Outsourcing needs to be subject to strict regulations and all workers must be guaranteed trade union freedom

5. Multi-stakeholder and sectoral cooperation

Engagement and cooperation among various partners in the metal chain, such as unions, CSOs, and companies (local, European, and Dutch) is crucial when it comes to improving practices in the supply chain. Systemic change on important issues, such as living wages, occupational health and safety, and outsourcing, can only be achieved when all stakeholders in the supply chain come together. Joint research and training will be an important aspect of these multi-stakeholder initiatives.

Transition plans for the coal mining sector

In some regions, coal mines are going to shut down completely. It is important that those affected by the closures are supported. We need to make sure they are treated justly and included in a fair and sustainable transition. Therefore, these mine closures must be regulated, taking into account consequences for both the environment AND the workers. Moreover, during the transition, workers should be included in any decision making regarding the timetable, planning, and execution of the closures. A sustainable transition must include, at a minimum, four elements: Social dialogue, a social safety net, economic diversification, and re-training/vocational education.



Additional 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 economic and social crises.

- **Just Transition Centre of the international union organistaion, ITUC**

The Just Transition Centre brings together unions, companies, and governments to engage in social dialogue about working with communities and social organisations, in order to create a fair and sustainable energy transition.

CNV Internationaal & just transition

- Landing page on just transition in mining: Just transition in mining (cnvinternationaal.nl)
- Labour observatory of a just transition in Colombia: <https://justtransition.cnvinternationaal.nl/>
- Colombia, labour prospects of energy transition in coal mining: CNVI-0350 Colombia Labour Prospects of Energy Transition def.pdf (cnvinternationaal.nl)
- Link to specific recommendations on outsourcing: https://www.cnvinternationaal.nl/_Resources/Persistent/5/4/6/9/546989e5220a1e2cfc0c5d6a540d258dfd098a8f/CNVI-0291%2020210421%20-OECD_position_paper_miningv4%20.pdf
- General information on CNV internationaal: CNVI-0359 - CNV_internationaal_100__FairWork funding.pdf (cnvinternationaal.nl)

CNV Internationaal, for 100% fair work

100% fair work. This is what CNV Internationaal works for every day in places like Africa, Asia, and Latin America. We do this by creating effective partnerships in supply chains. Our partners include local trade unions, companies, and governments. To us, fair work means work that is safe for all the employees, that they all earn a living wage and have access to basic freedoms, such as freedom of association (FoA) and social dialogue. These are the foundational building blocks for ensuring fair work for all. Furthermore, 100% fair work entails investigating and monitoring businesses and organisations to ensure and maintain this safety, health, and freedom for all workers. CNV Internationaal and their partner trade unions do this through the use of innovative tools, such as accessible, digital surveys. Knowing exactly what is going on with workers, strengthens our position at the negotiating tables.





Three cases

The shifts of death

Workers at the open Cerrejón coal mines in Colombia now work longer shifts than in the past. They refer to these shifts as “turnos de la muerte,” or “the shifts of death.” They work 12 hours at a time, for seven consecutive days. Then they get three days to rest before they have to begin the cycle all over again. This schedule impacts their health and their ability to work safely. Moreover, it negatively affects their family life; such a schedule makes it nearly impossible to maintain a balance between family and work. Our research indicates that more than 70 % of mine workers take micro naps during their work day. This also affects health and safety issues in the sector.

Fatal accidents

In Peru, we see fatal accidents happening each year in their metal mines deep under the ground. In 2017, 41 mine workers were killed in such accidents. In addition, many of the mine workers suffer from the lung disease, silicosis, due to their exposure to dust, toxic chemicals, and poor ventilation. Most miners only have temporary contracts through employment agencies, even though they are the workers who are exposed to the highest risks. A mere 30% of miners have permanent, direct contracts.

Many Injuries and deaths

The mines in Indonesia are predominantly owned by companies from overseas, such as China. Unfortunately, they are horrible environments with unsafe working conditions, causing many, often fatal, accidents. In Sulawesi and Maluku Island, 68 workplace incidents in 15 smelters have been reported. Between 2015 and 2020, 76 workers were injured and 57 workers died from causes related to the operation of the smelters. Labour unions are often ineffective in these situations, because while many Indonesian workers are hired by Indonesian investment agencies, they work in factories which are actually Chinese owned, and not held accountable to (Indonesian) workplace standards.

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Who we are and what we do

CNV Internationaal, for 100% fair work

100% Fair work, that is what CNV Internationaal is working for every day in Africa, Asia and Latin America. We do this by working together closely with local partner trade unions and by investing in good cooperation with other partners, such as companies and governments. Fair work means that people can work safely and in all freedom, earning a living wage. Freedom of association (FoA) and social dialogue are important conditions for achieving this.

100% Fair Work means that women and young people have the same opportunities on the labour market as everyone else: no discrimination in working conditions (e.g. wages, holidays, etc.)

100% Fair Work also entails that we investigate the safety, health and freedom of workers. For this, CNV Internationaal and its partner trade unions make use of innovative tools such as accessible, digital surveys. To know exactly what is going on with workers strengthens our position at the negotiating tables. Moreover, it enables us to measure improvements and the impact of our work.



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