

**FGTB contribution to the International Trade Union Confederation (ITUC) & Central Organisation of Trade Unions (COTU - Kenya)  
Side event @ COP 12 - MOP 2 Nairobi**

**Daniel Van Daele**

**Making Kyoto tools work for change: The CDM & Belgian unions & Government**

Dear Chair,

First of all I would like to thank you for giving me this opportunity to talk on the subject of the Belgian tender for the acquisition of greenhouse gas emissions quotas through Joint Implementation and Clean Development Mechanism projects under the Kyoto protocol.

More specifically I would like to talk to you about the sustainability criteria which are incorporated in this tendering.

Many of you are aware of the vast development potential CDM & JI projects hold. Only last month UNFCCC executive secretary Yvo De Boer emphasised that if the industrialised countries commit themselves to emission cuts between -60 and -80% by 2050, a 100 billion dollar green investment flow to developing countries could be created every year.

He also stated that "To date, none of the sources of finance available to developing countries have a potential of this scale"

In other words, the CDM mechanism provides the world an unprecedented tool for change in developing countries, a tool which enables these economies to evolve towards sustainable development.

**However, in order to really make the CDM a true tool for sustainable development, social issues and participation of civil society must be included.**

The Belgian Federal government is committed to acquire 12,3 million tons of emission reductions through the use of flexible mechanisms and in particular through JI and CDM.

In order to ensure the sustainability level of it's JI & CDM projects, the Belgian federal government created a technical committee including representatives from the trade unions, employers, environmental NGO's and the administration to assist them in setting up the tendering procedure.

Within the technical committee, representatives from the trade unions stressed the importance of social criteria which must be adhered to by the project, both during the approval and follow up procedures.

These social criteria and considerations include :

1. To be considered the project application must include a letter of social responsibility. In this letter, the promotor of this project must pledge himself to respect the principles of the OECD guidelines for multinationals, the 8 ILO basic conventions (basically the abolition of forced labour, child labour & discrimination as well as the freedom of association), the convention 155 on occupational health and safety and convention 169 on Indigenous and Tribal peoples.
2. The project evaluation should also include social sustainability criteria in such areas as employment, quality compliance, equality and access to essential services, such as water and energy.
3. The project must draw up a plan for monitoring the project

If the audit report reveals a discrepancy between any particular aspect and the content of the initial project or with the commitments made in the letter of social responsibility, the Belgian government will be entitled to cancel the contract.

If the promoter wishes to receive advance funding, the monitoring plan must be implemented with the involvement of all relevant organisations in order to ensure that it is implemented correctly. These organisations include the free and democratic local trade unions or failing this an international trade union organisation.

If no advance funding is required, the involvement of the relevant stakeholder is voluntary, not compulsory.

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Involving trade unions in CDM & JI-project development not only represents a tool for empowerment of workers in developing countries or countries with economies in transition.

It also represents a way to achieve public and community support for the planned project. Moreover, it constitutes a unique opportunity to use the extensive experience TU have in awareness rising and capacity building. One must never forget that TU are responsible for most adult education worldwide. Only yesterday we had a capacity building session on climate change with the elected trade union representatives from the local TU COTU Kenia.

To close of :

Eight projects have been selected from the initial tendering process, which is financed by an electricity consumption tax (to the tune of 9.3 M euro) and these are currently in a final phase of negotiation or validation. The experience shows that compliance with these more extensive criteria do **not pose significant hurdles** to the tendering process. A second tendering procedure with a much larger budget will soon be launched.

We hope this tendering procedure issued by the Belgian government could inspire trade unions from industrialised countries and governments alike to revisit their flexible mechanisms criteria and to go in the same direction.