

Just Transition: From Fossil Fuels to Green Energy Indonesia - Workers, Charlotte Edwards

Policies have been and continue to be put in place for countries to commit to the necessary transition from fossil fuels to green energy as outlined in the Paris Agreement on Climate Change. For emerging economies, it is far more difficult to ensure a just transition, especially since each country's needs are different [1]. In Indonesia, labor unions are well informed about the need for a just transition, especially since coal and other fossil fuels are a major source of energy: oil is a third of Indonesia's energy mix, coal 18%, and natural gas 17% [2]. Indonesia has one of the largest coal exports, and in order for the shift towards renewable energy to be a smooth transition, the solution is not so simple as to stop investing in coal [3]. The decline of the fossil fuel industry in Indonesia has the potential to be devastating in terms of job losses and economic hardship. In terms of coordination, informal workers - 57% of Indonesia's workforce - are often left out of conversation due to lack of communication channels. While it is necessary to move away from fossil fuels, we need to enable a smooth transition for workers in the affected sectors as well.

The six Indonesian Trade Unions listed several challenges and proposed solutions for skills development surrounding skills development to address employment challenges from a worker's perspective. Some of the proposed recommendations included the development of a training programme to respond to labor market needs through the Vocational Training Centre (BLK), foreign language and soft skills training also through the BLK, to ensure budget allocation and investment into quality skills training, and to establish training centers and profession certification centers in line with each trade union's competencies and sector [4]. These clear action items provide clear steps towards promotion of public goods that will facilitate just transitions for workers and allow them to gain skills relevant to new jobs that may be provided through green energy initiatives. Additionally, the Unemployment Protection in Indonesia - Quality Assistance for Workers Affected by Labour Adjustments (UNIQLO) is a unique partnership endorsed by the ILO, the purpose of which is to design an effective employment insurance system, expand skills training, and improve public employment services. This project, taking place from August 2019-July 2022, is expected to develop and provide social protection schemes, pilot digital training courses, and design capacity building materials for public employment services [5].

The achievement of a just transition in Indonesia requires the active participation and willingness to communicate between workers, government, and employees. Emissions targets emphasize the importance of phasing out coal, which raises concerns about the livelihoods of workers in the industry. It is necessary to advocate for the shift to a sustainable economy without harming workers. Governmental policies need to be aligned, financial investments need to be redirected from fossil fuels to renewable energy, and incentives towards green energy must be provided - if not by the government then by the ILO.

References:

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