



► Equitable value chains in the context of just transition pathways for the industry sector: some perspectives

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Value chains associated with low carbon economies can create opportunities

Growth, economic diversification, employment creation

Technological and product upgrading for higher productivity and lower emissions



Value chains associated with low carbon economies also present risks

Local environmental degradation

**Adverse impacts on local communities,
indigenous peoples**

Decent work deficits



The benefits of value chains to a low carbon economy are not automatic. Equity is crucial.



Whether, where, for whom

WHETHER

Do the benefits materialise? To what extent?

WHERE

Which countries and regions host them?

FOR WHOM

Can workers, local, firms and different groups access them?

Benefits for local growth and employment depend on the structure of value chains and linkages with and within the local economy

Some key factors

Local value addition

Depth and strength of linkages with local firms and among local firms

Productive capabilities





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MSMEs face distinct barriers to participating in and benefit from low-carbon value chains



Constraints in connecting with lead firms, & accessing finance, technology and skills

Challenges in meeting environmental compliance requirements due to constraints and capacity gaps

Job creation advances social justice and sustainable development when it provides decent work



Fundamental principles and rights at work, including OSH



Social and labour protection



Good working conditions



Social dialogue





Addressing structural barriers and access to opportunities for gender equality and social inclusion

Meaningful stakeholder engagement

Attention to specific needs and constraints of different groups, including women, indigenous people, youth

Examples of ILO technical assistance

- | | | |
|---|------------------------------------|--|
| 1 | Circular manufacturing | Circular economy approaches for SMEs and decent work outcomes – garment sector |
| | Industrial policy + skills | Aligning industrial policies with responsive skill strategies |
| 3 | Productivity ecosystems | Programmes spanning renewable energy, automotive |
| | Global supply chains | Decent work in critical minerals, automotive and electronics |
| 5 | Coal-region diversification | Economic diversification and decent work creation in transitioning regions |

Just Transition Policy Gateway



SUPPORT PACKAGES

Tailored to country and sector needs

Diagnostics & assessments • Capacity development • Assistance on legislation, policies, programmes • Social dialogue

Labour rights, OSH and skills • Sustainable enterprises and job-rich transformation • Responsible business conduct, supplier and SME support

Equitable outcomes by design

Promising
experiences exist
that can be
brought to scale

Integration and coherence, responsiveness to
national circumstances

Enabling environment

Infrastructure, climate plans, investment, finance and trade

Linkages and capabilities

Policies and programs that strengthen productive linkages, access to technology, skills, support systems for enterprises, particularly MSMEs

Decent work and social dialogue

Policies, legislation and programs to promote decent work, processes of social dialogue

Inclusion and stakeholder participation

Deliberate focus on gender equality and social inclusion and stakeholder participation

International cooperation

International cooperation and partnerships to support equitable value chains, especially in light of constraints faced by developing countries