



International
Labour
Organization

► **Concept Note/ToR Making Just Transition Work through stronger Workers' Organizations in chemical and pharmaceutical industries project – Vietnam**

- Impact assessment of the working conditions; review of the environmental challenges of the industry (with a focus on neighbouring areas), regulatory and compliance gaps, and market forces driving the industry towards sustainable business practices

April 2022

Background

Chemical and pharmaceutical industry has a relatively high environmental footprint, through its use of natural resources, the emission of greenhouse gases and the generation of contaminants, in particular through waste water. Exposure to chemical hazards and inadequate management of chemical substances have resulted in occupational diseases and accidents, as seen in many tragic cases, such as Bhopal disaster in India that killed thousands of people in 1984. Acknowledging the adverse impact on the quality of living conditions and the unsustainable level of emissions, the industry has begun making efforts to reduce emissions and control pollution, whilst at the same time protecting and promoting workers' health and improving its overall contribution to the quality of the living environment.

The chemical industry is growing worldwide¹. The revenue growth rates increased 3.8 per cent from 2015 to 2018. The main environmental impacts of the chemical industry are their i) energy use (greenhouse gas emissions), ii) water use, iii) emissions to air and water/waste management and iv) secondary environmental effects resulting from the use and disposal of their products (for example, plastic containers and used tires). The chemical industry uses a significant amount of coal, petroleum products and natural gas, both as a source of energy and as feedstock for many of its products.

Many large chemical companies have implemented programs to try to improve their health, safety and environmental performance and to communicate with stakeholders about their products and processes. Advanced technologies and digitalisation are presently used to reduce costs, which will re-enforce a race-to-the-bottom in the industry and have an adverse impact on employment.

The pharmaceutical industry employed approximately 5.1 million people worldwide in 2014; almost a 1.5 million increase from 2006. About two-third of global employment was in Asia, up from a 59% share in 2006. The global pharmaceutical market was predicted to reach nearly USD 1,485 billion by 2021, an increase of USD 350-380 billion (of 33%) from the USD 1,105 billion recorded in 2016. The annual revenue growth rate for the Asia/Pacific Region is expected to reach 6.1%² with companies in Asia rapidly building manufacturing capacity³

The main issues that the Asian pharmaceutical industry face are: energy efficiency, emissions, toxic waste, water usage, bio-diversity and product lifecycle. Pharmaceutical companies which do not comply with international standards on environment management face serious risks to their financial performance through enforcement of regulatory provisions as well as political and social mechanisms. Companies' employees are typically resident in local communities. In addition to adverse health outcomes attributable to exposure to chemicals, such as cancer, neurologic disorders, skin diseases and reproductive disorders, workers are also affected by the damage to their drinking water sources or air pollution.

The chemical and pharmaceutical industry in Vietnam is an important economic sector. The share in national output amounts to 9% in Vietnam and the industry employs 2% the workforce. The share of women employed in the chemical industry has decreased from 33% to 30.2% between 2010 to 2015. The share of women employed in the pharmaceutical industry is higher than in chemicals, around 50%, albeit with a declining trend.

Vietnam faces a continuous increase of occupational accidents since 2010. Recently the Government has initiated a three-year project to manage persistent organic pollutants (POPs), mercury and hazardous chemicals. It aims to reduce emissions of, and exposure to, these substances by: i) developing and implementing a policy framework to safely manage chemicals, ii) including POPs and persistent toxic substances (PTS) for monitoring and reporting on POPs and PTS; managing contaminated areas; and compiling an inventory of data on national emissions of mercury.

Vietnam has ratified C98 but not ratified C87. Viet Nam had the highest trade union density rate of 14.6 per cent (2011). No data was available regarding their collective bargaining rate. Viet Nam recently implemented a well-functioning tripartite national wage council and one of the country's main tripartite social dialogue bodies. The country is undergoing a labour law reform process to modernise its industrial relations framework while revising the labour legislation to bring the laws and practices close to international norms. Potential areas of legal and policy change include the formation of independent workers' organisations, a central trade union body, improved protection for workers' representatives and stronger dispute resolution and collective bargaining institutions.⁴ There are 20 national sector unions and 63 provincial or city-based ones, joint up in the Federation of Labour (FOL).⁵ The Vinachem union comes under the Viet Nam National

¹ European Chemical Industry Council (CEFIC), annual report 2017

² Statista, '2018' 'Projected revenue growth rates of the global pharmaceutical industry in the period 2015-2018, by region' available at: <https://www.statista.com/statistics/398223/prediction-of-pharmaceutical-industry-cagr-worldwide-by-region/>, accessed 19/4//2018.

³ Parida, Kamal, (2010), Pharma and healthcare in Asia: Issue for responsible investors. Responsible Research, Singapore, available at: http://www.sustainalytics.com/sites/default/files/pharma_and_healthcare_in_asia-issues_for_responsible_investors.pdf, accessed: 20/4/2018

⁴ *ibid.*

⁵ Email communication: 4/5/2018

Union of Industry and Trade Workers and covers state-owned and joint-stock companies in chemicals. Many other chemical companies located in provinces/cities and belong to FOLs are not part of the Vinachem union.

To step up the efforts towards a growth scenario that is economically viable, environmentally sustainable, and socially inclusive and responsible for safety and health of workers and communities, all stakeholders should be involved to design and implement pathways for sustainable development. For workers engaged in the industry, the challenge is how to ensure a Just Transition that creates more decent work whilst limiting the adverse impact on the environment. In this process, the ILO "[Guidelines for a just transition towards environmentally sustainable economies and societies for all](#)" provide a highly relevant policy framework and practical tool for structuring the discussions, actions and investments. The Guidelines also include mechanisms for social dialogue among governments, workers and employers' organizations throughout policy making processes at all levels.

The project is a response to the request for capacity building of worker's organizations at national and sector level. Their ability to translate current knowledge about environmental policies and employment challenges into effective strategies for a just transition based on social dialogue should be improved and expanded. The project aims to support the capacity building of worker's organizations on Just Transition to enhance their knowledge and ability in order to help initiate social dialogue, strengthen a network with community-based organisations for joint advocacy and campaign and negotiate with employers on Just Transition. The project eventually aims to secure a sustainable environment for safer workplaces, cleaner production, lower greenhouse gas emissions and decent work in chemical and pharmaceutical sectors.

Objectives of the project

This project has the following objectives:

- To make fully aware of ILO Just Transition Guidelines and adopt it as one of union priority actions, and advocate it to workers and community people;
- To promote decent work, environmentally sound conditions and enhanced corporate competitiveness in the targeted chemical and pharmaceutical enterprises in Vietnam;
- To promote safety and health preventative culture in workplaces and integrate management of chemical substances into occupational safety and health management system including training and education to workers;
- To strengthen social dialogue mechanisms in the targeted workplaces and targeted communities in order to take joint actions to secure environmentally sustainable, safe and healthy workplaces and communities; and
- To reach out/ organise workers at non-unionised enterprises to improve working conditions and rights of workers and make their workplace an environmentally sustainable enterprise.

Project activities:

This project focuses on providing support to trade unions, primarily, to develop **knowledge and communication products** for capacity building and promotional purposes, including:

- adopt a Just Transition as one of union priority actions in targeted workplaces and pharmaceutical and chemical industries,
- impact assessment of the working conditions, review of the environmental challenges of the industry (with a focus on neighbouring areas), regulatory and compliance gaps, and market forces driving the industry towards sustainable business practices,
- a Just Transition mini-Toolkit for the Chemical Sector, including recommended guiding principles and best practices for a just transition, with reference to ACTRAV manual on [Just Transition: User's manual to the ILO's Guidelines for a just transition towards environmentally sustainable economies and societies for all](#),
- advocacy for workers in workplaces and in the sector as well as at communities on a Just Transition to secure sustainable, safe and healthy environment, workplaces and society.

Secondly, it supports the establishment of an **institutional and capacity building mechanism of workers' organizations to engage in social dialogue at enterprise/factory level**, and take joint actions to promote cleaner and safer industry operations and finally **documentation** of the joint actions.

Thirdly, through this project intervention, the partner unions will take an opportunity to **outreach** to non-unionised workplaces through a new membership drive, the formation of bilateral dialogue mechanism and/or collective bargaining.

Through its implementation strategy, the project will develop an intervention model for a Just Transition based on the principles of social dialogue. Thus, at the end of the project, the partner unions will share lessons learned and endorse a validated approach for a Just Transition that will be disseminated for scaling-up and replication in other sectors and countries.

Objectives of the recruitment/assignment

A competent national expert will be recruited to support an impact assessment of the environmental conditions on workers at enterprise level and immediate surroundings, a review of the environmental challenges arising from the chemical and pharmaceutical industry (with a particular focus on contamination and pollution in neighbouring areas), the existing regulatory and compliance gaps, and market forces driving the industry towards sustainable business practices. The assignment will include desk review, data collection and analysis, consultation with stakeholders, and reporting. The assessment and review findings will also contribute to the development of relevant promotional and capacity building materials and a Just Transition mini-Toolkit for the Chemical Sector including recommended guiding principles and best practices for a just transition.

The role of the national consultant will be to:

1. **Assess the impact of the working conditions:** The assessment starts with a **desktop analysis** (also linking to activity 2) including:
 - a review of Environmental Impact Assessment (EIA) systems in the country as they relate to the sector including the scope, capacity of EIA participants, processes for scrutiny and follow-up monitoring of assessments as well as the degree and influence that relevant stakeholders can have in the EIA process and subsequent approval and operations licensing⁶,
 - a review of regulations on safe use of chemicals and sector-specific Occupational Safety and Health (OSH) requirements in the country,
 - bipartite and tripartite social dialogue mechanisms in Chemical and Pharmaceutical industries to monitor the safe work environment as well as the environmental impact from the use of chemical substances,
 - a review of relevant ILO Conventions/instruments⁷ and its application in the country, and
 - a mapping of KIBS (Knowledge Intensive Business Services) providing environmental services in the country.

A guided questionnaire is designed based on the desk review results (also linking to activity 2) and implemented either one-on-one or in focus group meetings involving tripartite partners (government, workers' and employers' organizations/representatives at enterprise level) and other related social and private sector stakeholders (including community representatives or local CBOs). Collate the findings into a research note.

2. **Review the environmental challenges** arising from the chemical and pharmaceutical industry (with a particular focus on contamination and pollution in neighbouring areas): The review starts with a desktop analysis of existing regulations and compliance gaps as well as market forces driving the industry towards sustainable business practices. Linking to activity 1, through stakeholders' consultations the desktop review findings are complemented with stakeholders' feedback/inputs on environmental challenges and their impacts in particular in the industrial "hot spots" (i.e. areas that are both highly reliant on the sector, but also highly vulnerable to its impacts), and how gaps and deficits can be addressed in policy recommendations and capacity building activities. Collate the findings into a research note.

Supervision and reporting lines

The national consultant will report to the Regional Specialist on Workers' Education, ILO ROAP, Bangkok and the Senior Specialist Environment and Decent Work for Asia and the Pacific, DWT. The consultant will work closely with the ILO ROAP project team (ACTRAV, ROAP Green Team, the ILO project coordinator/external collaborator and ILO-Hanoi), the Senior Specialist OSH DWT, MTUC and local trade unions, and the international technical consultant.

Key outputs/deliverables

This assignment has the following expected deliverables:

1. Research note on impact assessment of the working conditions (10-15 page word document);
2. Research note on environmental challenges arising from the chemical and pharmaceutical industry with a focus on neighbouring areas (10-15 page word document)
3. Summary of findings from stakeholders' consultations;
4. A draft synthesis report drawing on the key messages from the research notes with recommendations for addressing the capacity building needs identified (8-10 page word document + annexes);

⁶ https://ilo.org/asia/publications/WCMS_802429/lang--en/index.htm

⁷ https://www.ilo.org/global/topics/safety-and-health-at-work/resources-library/publications/WCMS_735655/lang--en/index.htm

5. Inputs to the development of relevant promotional and capacity building materials and the mini-toolkit on Just Transition for workers, drawing from the assessment, review and consultation results.
6. Participation in ILO ROAP Green Jobs team meetings, Asia Pacific Green Jobs Network meetings, inputs to documents, commentaries and PPP presentations as required.

Requirements

Education: Master's degree, or equivalent in labour economics, social science, environmental science or other related areas.

Experience:

- At least five years of proven work experience in designing and implementing development, environment and/or employment programmes; work experience on environmental impact assessment, OSH, green jobs and just transition with workers and employers is highly preferable.
- Experience in working with UN and/or other international organizations or in conducting research/working with the Government of Vietnam including local government is an asset.
- The consultant is expected to have high skills in drafting and synthesizing research findings in the English and Vietnamese languages. The consultant will participate in meetings and consultations in English and Vietnamese languages.
- Experience in research methods including literature reviews, interviewing and interview analysis (also in online format) is required.

Competencies:

- Strong analytical skills and ability to identify and address problems.
- Ability to communicate effectively both orally and in writing. Ability to clarify information.
- Demonstrate collaborative and teamwork experience and ability to work effectively with a multicultural and interdisciplinary team as well as work on his/her own initiative.
- Proficient in Microsoft Word, Power Point, Excel, web-browsers and database applications.

Budget and timeline

The assignment is expected to take a total of 50 workdays from April to July 2022:

	Deliverables	No. of Days
1.	Design the detailed research methodology in consultation with ILO	2
2	Desk review	12
3.	Develop and administer the questionnaire with stakeholders through interviews and/or focus group discussions	5
4.	Draft research reports and revise the reports based on ILO review and feedback	12
5.	Validate reports through stakeholder consultation including preparation of consultation meeting	3
6.	Revise reports based on stakeholders' consultation and ILO comments and prepare draft synthesis report	4
7.	Prepare inputs to relevant promotional / capacity building materials and mini-toolkit	5
8.	Revise inputs to promotional / capacity building materials and mini-toolkit based on ILO review and feedback	2
9.	Finalize synthesis draft report and inputs to promotional / capacity building materials and mini-toolkit incorporating all comments to the satisfaction of the ILO	5
	Total	50 Workdays

► Application

Interested candidates are requested to submit the following documents electronically:

- Cover letter explaining why S/he is a suitable candidate for this assignment
- Updated curriculum vitae and
- Technical and Financial Proposal: Technical Proposal should include information on how S/he plans to approach this assignment. Financial proposal should include the rate of consulting fee (daily rate) and other costs deemed necessary for carrying out this assignment.

Applicants are requested to send the documents to ahn@ilo.org with copy to trieu@ilo.org, kanokporn@ilo.org and pei@iloguest.org no later than 10 April 2022. Applications received after this will not be considered.

Please indicate "Application: Make Just Transition work through stronger workers' organizations – impact assessment of environmental conditions on workers and review of environmental challenges of the chemical and pharmaceutical industry in Vietnam.