WIEGO
Women in Informal Employment: Globalizing and Organizing

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At COP31, Parties Must Centre Workers in Informal Employment in Global Climate Action and Just Transition Pathways

Around the world, extreme heat, flooding, wildfires and other climate shocks are becoming a startling and ever-present reality for workers and their communities. Climate change is generating compounding and cascading impacts across health, food, energy, labour, care, social and economic systems, with the window of opportunity to avoid a potentially catastrophic future rapidly closing.

Workers in informal employment provide essential services that are integral to communities' responses to climate change. Waste pickers reduce waste emissions and the use of new materials. Street and market vendors sustain retail and food security systems. Domestic workers provide essential care services that strengthen household and community resilience. Home-based workers sustain supply chains for local and global firms. Informal transport workers connect people where formal systems fall short.

These workers — who represent over 2 billion working people worldwide and have contributed little to global emissions — are disproportionately impacted by climate change, facing increasing risks to their health, livelihoods, living and worker spaces and income. Climate risks operate along a gradient, compounding existing vulnerabilities so that some groups are hit far harder than others. For example, women in the informal economy often work in less-lucrative, higher-risk occupations, leaving them with fewer resources and savings to withstand shocks — while climate impacts further compound their unpaid work and care burdens.

COP31 provides a critical opportunity to affirm that climate justice is a labour issue, with important gender, age, sector and status of employment dimensions.

Workers in informal employment are central to achieving a just transition

At COP30, member states agreed to develop a just transition mechanism — the Belem-Antalya Mechanism or BAM. BAM aims to boost international cooperation, technical support, capacity building and knowledge sharing to drive fair, inclusive and just transitions. Importantly, the resulting decision recognizes workers in the informal economy, noting they "must meaningfully participate in the ***design and implementation*** of effective, inclusive, and participatory just transition pathways". Further, to support workers through economic and environmental transitions, parties are committed to sharing best practices and opportunities in education and skills development related to labour market needs, labour rights and social protection systems.

WIEGO welcomes this recognition of the informal economy by parties. As COP31 delegates further define BAM's purpose, functions, governance and operationalization, we urge parties to incorporate workers in informal employment and address their priorities.

Priorities for a worker-centred just transition

As an ally of the international trade union movement, we support the position of the International Trade Union Confederation (ITUC) for COP31, which emphasizes that:

- **A just transition must apply to all sectors and all workers:** Just transition, as defined by the International Labour Organization (ILO), applies to workers of all ages and genders, in all sectors, whether they work in the formal or informal economy.
- **The ILO's Guidelines on Just Transition should inform priorities:** The guidelines recognize that governments should establish targeted programmes for workers in the informal economy who are affected by climate change and structural transitions.

- **Collective bargaining and social dialogue are central to achieving a just transition:** Informal economy workers' organizations should be included, alongside trade unions, in accordance with the ILO's 2015 Recommendation 204 concerning the transition from the informal to the formal economy.
- **Climate finance to secure and promote labour rights is essential to deliver a just transition:** We support ITUC's call for quality public finance that reaches impacted communities and is used for social and other protections and to create decent work. Parties should also ensure that just transition financing arrangements, needs assessments and resource mobilization efforts explicitly include workers in the informal economy.
- **The Gender Action Plans (GAP) should be fully implemented:** We support ITUC's call for a GAP that delivers tangible and positive outcomes for a just transition, addressing women in informal employment and related gender issues through support for the care sector, the formalization of informal work and universal social protection.
- **BAM governance should include worker organizations:** We advocate that, along with trade unions, workers' organizations in the informal economy be included in BAM's governance and modalities structures.

Zero waste and circular economy solutions must be worker-centred

Waste management and circularity are prominent priorities under the COP31 Climate High-Level Champions' Action Agenda. Scaling circular economy solutions — including waste-related methane reduction targets in Nationally Determined Contributions (NDCs) and proposing practical solutions to address food waste — are priorities.

Waste pickers are central to waste management solutions. Research by WIEGO and the International Alliance of Waste Pickers shows that waste pickers recover more than 100 million tonnes of waste worldwide every year (around 40% of all recyclable material). They divert waste from disposal sites, return valuable resources to production, contributing to the reduction of an estimated 3-4% of global greenhouse gas emissions annually. Circularity extends beyond waste management; workers across the informal economy have long practised circularity through repair, reuse, upcycling, resource recovery and extending the life of goods and materials.

Circular economy and waste-related methane-reduction policies often prioritize capital-intensive infrastructure, incineration, or waste-to-energy projects. They frequently fail to recognize the contributions of workers in informal employment, safeguard workers' rights and livelihoods or ensure their meaningful participation. The transition to more sustainable waste systems must not come at the expense of the people whose work has historically delivered environmental benefits and continues to do so.

Recommendations for worker-centred circular economy solutions

WIEGO calls for parties to:

- Recognize the contributions of waste pickers and other workers in the informal economy to reducing emissions and delivering circular economy outcomes.
- Integrate workers and their organizations across the informal economy into zero-waste and circular economy policies, programmes and investments.
- Implement worker-led zero-waste pilots in urban settings that enable workers to co-design and implement zero-waste initiatives.
- Provide public financing to strengthen inclusive waste-management systems, provide worker-centred infrastructure and incentives and include workers and their organizations in planning, implementation and monitoring.

Building workers' resilience in the informal economy is key to building climate-resilient cities

Climate-resilient cities are on the COP31 Action Agenda and will be a focus within UNFCCC processes during 2027 and beyond. Sustainable finance for cities and resilient infrastructure and standards are highlighted as COP31 priorities. Workers in the informal economy play a central role in critical urban systems (care, food, retail, transport and waste), so their resilience needs to be foregrounded in these plans.

Recommendations for building climate-resilient cities

WIEGO calls for parties to:

- **Develop new forms of collective bargaining that includes workers in informal employment for a just transition:** Review labour laws to enable collective bargaining by own account workers such as home-based workers, street vendors and waste pickers so they can meaningfully participate in just transition negotiations with the state and capital.
- **Invest in climate-resilient infrastructure for those living and working informally:** Mobilize direct, quality public finance to upgrade basic services, housing and sites of work — including markets, waste-sorting hubs and shade structures — to protect those living and working informally from extreme weather and long-term climate risks.
- **Expand and adapt occupational health, safety and care infrastructure to climate risks:** Invest in essential community infrastructure — such as hydration, shade and cooling stations, as well as community day-care centres — and reform occupational health and safety norms to protect workers in the informal economy effectively.
- **Prioritize direct income support and social protection to cushion climate shocks:** Implement targeted cash transfers, microinsurance schemes and adaptive social protection measures to cushion workers against income losses driven by severe weather events and structural economic shifts; while looking to reform and expand social protection systems.
- **Redirect global public climate finance toward the urban poor and workers in the informal economy:** Address the critical gap where only 3.5% of global climate funds currently target the urban poor. To shift the financial burden away from individuals and households, public climate finance and donor support must be directed toward urban mitigation and adaptation initiatives that reach low-income urban communities in general, and workers in informal employment in particular.

Transformative adaptation must address the root causes of vulnerability, challenge structural inequalities and reshape the systems and institutions that determine whose lives and livelihoods are protected.

COP31 provides an opportunity to reframe workers in informal employment as central to global climate action and just transition pathways. We look forward to engaging with allies to achieve the inclusion and integration of workers in the various items on the climate action agenda and collectively work towards influencing the agenda of COP32.

About WIEGO

Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network supporting the movement of workers in informal employment, especially women and people living in poverty. We believe all workers should have equal economic opportunities, rights and protections. WIEGO works to expand research and statistics on the informal economy, promote change through policy advocacy, and build collective voice by supporting, strengthening and connecting organizations of workers in informal employment. Visit www.wiego.org