

THREE INSIGHTS

HOW CAN A COMPANY'S CLIMATE CHANGE COMMITMENTS BE BETTER INFORMED BY THOSE MOST IMPACTED?

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We would like to thank the following panellists and members of the **Business Fights Poverty** community for their participation:

Damilola Ahmed, Senior Marketing Officer, Practical Action; Caroline Downey, Executive Director, Women Working WorldWide; Liz Foggitt, Communications and Events Manager, Bonsucro; Shreya KC, Advisor for Nepalese Youth for Climate Action and UNICEF Youth Climate Change Champion for South Asia; Japheth Muli, Programme Manager, East Africa, Hand in Hand; Jevanic Henry, Next Generation Fellow, St Lucia, UN Foundation; Lalit Guglani, Manager, Business Innovation and Entrepreneurship, Centennial College; Gladys Habu, Climate Advocate and UNICEF Ambassador, Solomon Islands; Manav Khanna, PhD Candidate on circular economy and World Bank and IMF Youth Climate Ambassador

Moderator: Alice Allan, Collaboration Director, Business Fights Poverty

In this online <u>forum discussion</u>, our panellists discussed why it is so crucial to give voice to the most impacted and vulnerable communities. They discussed why and how businesses must build trust by creating a safe space for raising concerns and taking action in a transparent and accountable way. Finally, the panel discussed how companies can leverage their own resources, put them to good use, and co-create solutions with the knowledge and experience from the local communities which are most affected by the climate crisis.

INSIGHT 1: START BY CLARIFYING THE 'WHY'— WHY IS IT SO CRUCIAL TO CENTRE THE VOICES OF THE MOST IMPACTED PEOPLE?

The climate crisis is impacting groups differently. It is therefore essential that companies committed to climate action use their power and platform to give voice to the communities who are impacted most by the climate crisis and seek to address the power imbalances. 'The idea that we are "all in this together" is a myth - some are more "in this" than others,' said Caroline. A new trade model is required to recognise this. 'The business model has been one of an exploitative, extractive model which sucks natural resources out of countries for a pittance and left and still leaves the

local communities to cope with the local ecological destruction,' Caroline added.

A new business model must recognise these <u>power imbalances</u> by 'being very transparent, really listening and not extracting views,' Alice said. It's also about rethinking who these groups are. 'Many market programmes focus on private companies and <u>see farmers as recipients</u>, not actors capable of driving change,' said Damilola.

Rethinking the trade model will benefit businesses too. Businesses are responsible for a large proportion of emissions and equally have enormous potential to be leaders in tackling the climate crisis. 'Prioritising decarbonisation is a win-win for companies to build their reputation and reduce their own economic loss' Shreya said. 'Supporting communities most



People who have directly experienced a problem have a much different outlook on their needs and priorities. That's why it is crucial to engage and listen to the most impacted communities.

Shreya KC, Advisor for Nepalese Youth for Climate Action and UNICEF Youth Climate Change Champion for South Asia

impacted by climate change and prioritising decarbonisation is a win-win for companies.'

What's more, farmers can in turn aid with knowledge. 'Farmers are the holders of the regenerative agricultural knowledge and skills that the private sector needs to meet their new lofty targets. Their active involvement in the process of market systems development will bring benefits for all,' Damilola said. 'Listen to the people and put them in the heart of all planning and decision-making,' Shreya summarised.

INSIGHT 2: WE NEED TO BUILD TRUST BY DEMONSTRATING GENUINE LISTENING THAT RESULTS IN ACTION

Building trust with these impacted communities and focusing on changing image is of critical importance. Businesses are often seen as untrustworthy and illegitimate. 'A challenge for global businesses is that they are far away from the most impacted communities and therefore may not be seen as legitimate partners in climate solutions. I think that developing carefully considered partnerships with trust and transparency is critical' said Liz. 'Businesses should provide a safe space for community members to raise their concerns and contribute to developing solutions in an equitable manner,' she added.

Businesses should engage with communities which are being directly or indirectly

impacted by their core business or supply chains—not providing grants to unrelated groups. 'It's about knowing who to work with,' Alice said. 'This is often where NGOs are helpful as brokers or facilitators.' This involves overcoming barriers with local communities to increase participation, but businesses will find difficulties in this. Shreya noted that <u>low levels of participation</u> may come from lack of transport or obstacles that prevent involvement (e.g. lack of childcare). Communities might not participate as they may have felt ignored in the past and therefore are less likely to get involved again. The complexity of processes can intimidate people and prevent them from getting involved. People may be scared to speak up because they might not understand what is going on. Finally, people are busy and may not have time to listen to businesses.

This can all be overcome, however. 'Access to information, project plans, and engagement of local people in the businesses can improve transparency, accountability, as well as participation.' Liz provided the example of the relationship between farmers and mills with indigenous communities in sugarcane countries. 'Regular engagement through structured dialogue is helpful, ensuring that there is free, prior informed consent (FPIC) for natural resources.' Another problem is that engagement doesn't come until it's too late. 'From a local Caribbean context, such instances are quite rare, as the consultations with communities—particularly indigenous groups—is usually triggered after the firm has commenced operations, which often leaves such communities in a more vulnerable state.' Jevanic said.

Measuring processes must be in place across businesses. They must ensure that dialogue is having an impact on business behaviour, identify the impact on the differing communities, use data sharing tools and share data collection. Japheth gave an example of how they are measuring their impact. 'At Hand in Hand Eastern Africa, while seeking to do a second intervention for an Eco-Farming project at Njabini in Nyandarua County in Kenya, we sought the views of the community by conducting a value chains analysis to understand what value chains serves the community best.'



INSIGHT 3: COMPANIES CAN LEVERAGE THEIR OWN RESOURCES TO EMPOWER COMMUNITIES

Businesses are in a great position to empower communities, with a wealth of resources at their disposal. The focus must be on teaching others how to use technology, spreading public awareness on climate change, tackling misinformation, and providing access to information. 'With proper penetration of technology, target communities can access market information and thus fetch better prices for their produce,' said Japheth.

Education is another way companies can empower. 'Education is the best place to start, especially because many people still do not understand how best to use technology for good and tend to misuse the platforms or opportunities it brings,' said Gladys. Lalit brought up the example of the Deloitte Global's 2021 Climate Check report: Executives cited education and the promotion of science-backed climate research as the environmental actions that are critical to spurring action. The report pointed to collaboration as an important way to advance progress and inform public policy solutions.

The private sector plays a leading role in cross-sector collaboration in two significant ways. First, companies can provide the technologies to make solutions more accessible and affordable to all. Second, through their communications expertise specifically in running campaigns and outreach projects—businesses can lead in boosting public awareness and engagement. When companies lead and when their entire workforces are engaged, the public's mindset, behaviour, and lifestyles can also change.' According to Lalit, 'technology, specifically social technology, uses all available knowledge and the digital tools at hand to transform society. We often downplay its enormous potential for transforming the world into a fairer, more equal, sustainable, and prosperous place for everyone. It provides a cross-sector approach to identifying and tackling the foremost challenges facing humanity: inequality, poverty, and education.

Gladys remarked on the use of social media and gave an example of the platform's growth in the Solomon Islands. 'Young people under Building resilience is not just a humanitarian imperative instability and violence are bad for business. The private sector can harness its vast potential to mitigate fragility

Lalit Guglani, Manager, Business Innovation and Entrepreneurship, Centennial College

the age of 35 make up around 70% of the country's population, and therefore having more of them utilising social technology provides an avenue of good reach. By reach, it is not just to get many young people, but importantly a large number of people who are better educated and able to engage as well as influence various levels of decision-making in their communities.' In this way, action should involve using social media to inform, engage, and influence decision-making, local institutions should be strengthened, and businesses should lobby for favourable policies and support activists (e.g. Patogonia, a self-proclaimed activist company).

In the context of violence and conflict, it is important for businesses to build resilience with impacted communities not just as a humanitarian imperative but because it is bad for business. 'The private sector can harness its vast potential to mitigate fragility' Lalit stated. Building on this, Manav reflected on the importance of engaging in policy advocacy given the fact that <u>institutions</u> are normally weaker in lower-income countries and thus have weaker regulations in comparison to countries in the Global North. 'Transparency and accountability can only be improved by <u>regulations</u>'. On the other hand, Japheth believed that this can be achieved not only through favourable policies (e.g. taxation), but also by strengthening co-ownership models, such as farmer and communityowned institutions (e.g. cooperatives).



RESOURCES SHARED:

- Practical Action: Market interest groups
- Practical Action: <u>Participatory Market</u>
 <u>Systems Development</u>
- Bonsucro: Sourcing rum responsibly: Nordic Alcohol Monopolies sign joint statement
- Bonsucro: Projeto de reflorestamento da Usina São Luiz - Strategy Map -Climate Justice | Greenpeace
- ISeeChange: https://www.iseechange.org
- Patagonia: <u>Action Works Platform</u>
 (a self-proclaimed 'activist company')
- Deloitte Global: 2021 Climate Check report

- Natura: The 2020 Commitment to Life
- Natura: Natura joins Dow's Project Ybá to support the Amazon rainforest
- Asheville: The Climate Justice Initiative
- Asheville: <u>Climate Resilience Assessment</u>