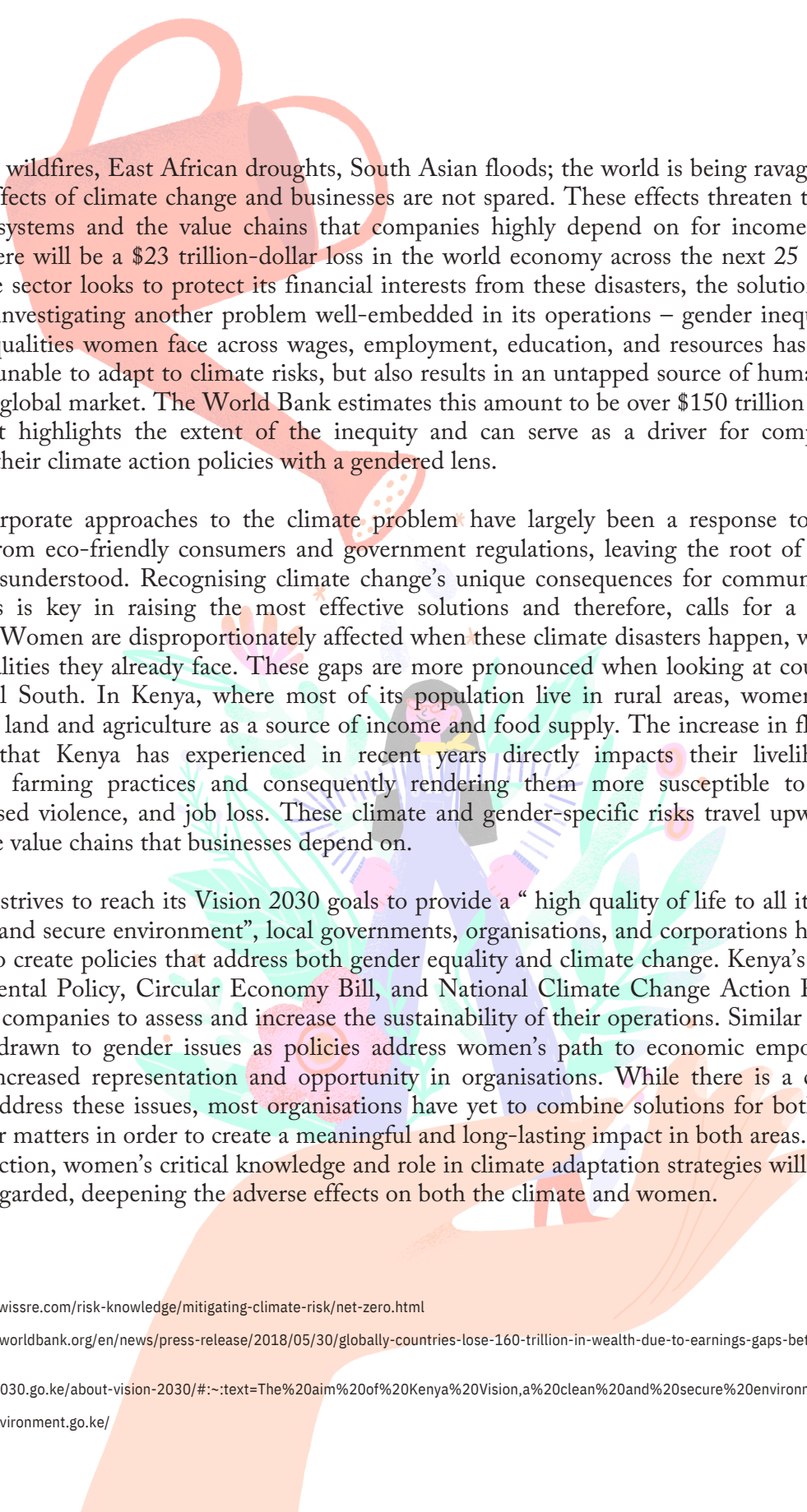




Why Should Companies Focus on Climate and Gender Justice?

By Natalia Niño
MARCH 2022



Australian wildfires, East African droughts, South Asian floods; the world is being ravaged by the extreme effects of climate change and businesses are not spared. These effects threaten to destroy entire ecosystems and the value chains that companies highly depend on for income. Experts predict there will be a \$23 trillion-dollar loss in the world economy across the next 25 years. As the private sector looks to protect its financial interests from these disasters, the solution may be found by investigating another problem well-embedded in its operations – gender inequity. The many inequalities women face across wages, employment, education, and resources has not only left them unable to adapt to climate risks, but also results in an untapped source of human capital across the global market. The World Bank estimates this amount to be over \$150 trillion dollars, a figure that highlights the extent of the inequity and can serve as a driver for companies to approach their climate action policies with a gendered lens.

So far, corporate approaches to the climate problem have largely been a response to external pressure from eco-friendly consumers and government regulations, leaving the root of the issue grossly misunderstood. Recognising climate change's unique consequences for communities and individuals is key in raising the most effective solutions and therefore, calls for a gendered approach. Women are disproportionately affected when these climate disasters happen, worsening the inequalities they already face. These gaps are more pronounced when looking at countries in the Global South. In Kenya, where most of its population live in rural areas, women depend heavily on land and agriculture as a source of income and food supply. The increase in floods and droughts that Kenya has experienced in recent years directly impacts their livelihoods by disrupting farming practices and consequently rendering them more susceptible to poverty, gender-based violence, and job loss. These climate and gender-specific risks travel upwards and disrupt the value chains that businesses depend on.

As Kenya strives to reach its Vision 2030 goals to provide a “high quality of life to all its citizens in a clean and secure environment”, local governments, organisations, and corporations have come together to create policies that address both gender equality and climate change. Kenya's National Environmental Policy, Circular Economy Bill, and National Climate Change Action Plan have motivated companies to assess and increase the sustainability of their operations. Similar attention has been drawn to gender issues as policies address women's path to economic empowerment through increased representation and opportunity in organisations. While there is a concerted effort to address these issues, most organisations have yet to combine solutions for both climate and gender matters in order to create a meaningful and long-lasting impact in both areas. Without this connection, women's critical knowledge and role in climate adaptation strategies will continue to be disregarded, deepening the adverse effects on both the climate and women.

1 <https://www.swissre.com/risk-knowledge/mitigating-climate-risk/net-zero.html>

2 <https://www.worldbank.org/en/news/press-release/2018/05/30/globally-countries-lose-160-trillion-in-wealth-due-to-earnings-gaps-between-women-and-men>

3 <https://vision2030.go.ke/about-vision-2030/#:~:text=The%20aim%20of%20Kenya%20Vision,a%20clean%20and%20secure%20environment%22.>

4 <http://www.environment.go.ke/>

A Collaborative Approach for Businesses

The adverse effects of climate change are multi-fold when discussing the specific attributes that make up the Kenyan economy. Agriculture contributes a significant portion of the nation's GDP and with women making up 75% of the labour force behind it, the country relies heavily on the industry as well as the women who support it. Natural disasters and unpredictable weather patterns result in wasted farm inputs, decreased crop yield, and livestock diseases, creating adversity for the vulnerable communities depending on the land. Ebenezer Amadi, Programme Manager at Sustainable Inclusive Business (A member of the Kenya Private Sector Alliance), warns that businesses will only “begin to pay attention to these areas if they see how it will impact their growth strategy.” The sectors beginning to address these issues are the ones already witnessing the impact of climate change on their operations.

The link to these risks in raw materials and human capital is particularly visible in what Kenya's Association of Manufacturers (KAM) classifies as agro-processes. Innocent Onserio, Manager at the Centre for Green Growth and Climate Change within KAM, indicates industries such as farming, floriculture, and fishing, are a good starting point to implement a gender-centric approach to climate action. Onserio explains how a successful climate and gender strategy in one sector can cause a ripple effect in other sectors that have similar characteristics. Here, he urges related sectors to learn from each other as issues in the sugar sector will inevitably happen in the coffee sector, allowing these land-dependent, women-backed value chains to grow alongside each other and ensure the future of their business.

Despite the first-hand experiences women face with climate change, they are still largely excluded from discussions that address these climate-related challenges. This means a wealth of knowledge, experience, and ideas remain unused. Corporations can play a key role in bridging the connection between climate, gender, and sustainable business growth by ensuring women are included in leadership circles to represent the risks they face in the field, in creating climate-smart practices, and in assessing business strategy with a gender and climate lens. There is a real urgency, and a huge opportunity, to include multiple stakeholder's positions and simultaneously prioritise both climate and gender in developing sustainable business strategies. Ann Makena, Partnerships and Outreach Manager at Pan Africa Climate Justice, urges companies to take on a more collaborative approach within the private and public sector. Companies can partner with experts on a variety of critical factors such as women's rights organisations, sustainability consultants, and importantly, the women involved in the day-to-day work that support their enormous supply chains.



⁵ <https://www.somo.nl/wp-content/uploads/2008/03/Report-on-Small-Scale-Tea-Sector-in-Kenya.pdf>

Spotlight on Kenyan Tea Sector

Kenya's tea sector is an excellent example that demonstrates the importance that both climate and gender play in the long-term sustainability of businesses. Responsible for the largest production of black tea in the world, the country's economy is highly reliant on the agricultural commodity as a major export year-round. In return, the demand for tea has created over 600,000 jobs for smallholder farmers, the majority of which are women. It is Kenya's steady rainfall and constant average temperatures that are the distinctive conditions which allow tea leaves to flourish across so many regions in Kenya. These same climate-sensitive characteristics are the reason why the sector is undergoing severe threats to its value chain as unpredictable patterns of weather leave their land and workforce unable to produce at full-capacity.

Elizabeth Njenga, Project Coordinator at the Kenya Tea Development Agency, describes the snowball effect climate change has in the tea industry. She explains how droughts and unpredicted rainfall lead to lower crop yields and decreased quality of tea leaves. This results in farmers earning less money per amount of tea harvested, placing strain on the income they rely on to feed their families. On top of this, women already face economic restraints imposed by gender norms that expect women to take charge of care-taking duties and domestic work in addition to their professional work. Other opportunities for women to sustain their livelihoods is limited by the country's socio-economic factors that make it difficult for women to own land, access financing options, or receive higher education. This lack of economic empowerment places women in a vulnerable position that increases their risk for gender-based violence, poverty, and homelessness.

Companies must investigate these issues more adequately to tackle the problem effectively. Jane Nyambura, Stakeholder and Partnerships Manager at Ethical Tea Partnership, explains how the problem lies within the approach tea producers take to solving these problems. She states how "the current solutions being targeted are more reactive than proactive" which in turn focus on short-term solutions that leave businesses unprepared for more climate and gender problems in the future. These band-aid approaches are a direct result of discussions that only involve higher-level management and land-owning individuals who are predominantly men and are far removed from the actual issues. The result is businesses pouring time and resources into addressing incorrect problems with incorrect solutions.

Instead, Nyambura explains why it is crucial for the tea sector to bring women into the decision-making processes. As women are the backbone of the tea sector, they can best represent the issues that they encounter as well as provide the unique knowledge needed to create practical solutions. From a private sector approach, Onserio also pushes for the representation of women on boards of companies and committees in order to discover the gendered risks that are at the centre of the climate issues. Whilst understanding the socio-economic factors that are embedded into companies' supply chains may feel like a daunting task, Nyambura suggests companies use collaborative partnerships to assist them. Local grassroots organisations, member organisations and women's rights organisations already understand the diverse roles women play when it comes to climate change, supply chains, and households and can therefore help businesses incorporate best practices to tackle these problems and achieve profitable results.

6 <https://www.bloombergquint.com/business/producers-in-biggest-black-tea-exporter-seek-solar-developers>

7 <https://www.somo.nl/wp-content/uploads/2008/03/Report-on-Small-Scale-Tea-Sector-in-Kenya.pdf>

Conclusion

Whether you are a tea supplier, textile manufacturer or flower exporter, every industry in Kenya is currently dealing with the negative impacts from women's inequality and, if not already, will experience the direct and indirect effects of the climate crisis. Trillions of dollars will be lost in the forthcoming years if businesses do not take immediate action. In order to mitigate these risks, the next steps Kenya's private sector should take are:

- Increase the representation of women at the leadership level: The aim of this is to ensure women's voices are heard. This can be a direct approach where women have access to higher-level positions or a bottom-up approach that captures and utilises the knowledge lower-level workers have to offer.
- Partnering with gender experts and (grassroots) women's rights organisations: This will strengthen the communities that build their value chain and companies with extensive value chains can best benefit from partnerships that understand the complex socio-economic issues their operations rely on.
- Advocate for national policies that protect vulnerable communities against gender and climate issues: Kenya's private sector holds an important influence over policies introduced at the national level. Through membership organisations like KAM, they can lobby for policies that increase the economic empowerment of women and decrease environmental impacts.

It is time for companies to acknowledge the responsibility and power they have to induce systemic change by creating sustainable value chains that promote gender equality and help combat climate change.



