

Powering Better Work

How climate action
creates better work
for the world's
marginalised people

Foreword: a better green recovery?

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Coronavirus has thrown the world into chaos. People's lives and livelihoods have been lost and endangered. Efforts to halt climate change, and the pursuit of better work, are both in danger. As in every moment of crisis, the worst off are at greatest risk. On 1 May UN Secretary General António Guterres announced: "I am particularly worried about the lack of sufficient solidarity with developing countries – both in equipping them to respond to the COVID-19 pandemic, which risks spreading like wildfire, and to address the dramatic economic and social impacts."

Faced with this turmoil, can the innovators in this report survive and thrive? We believe that, with the right support, they can.

In recent months grassroots climate enterprises and organisations, including many listed in this report, have been challenged like never before. Supply chains are disrupted, finance has dried up, and customers simply cannot pay. However, innovators have adapted with breathtaking speed – often pivoting their operations or taking on new roles, such as delivering health care supplies, always driven by the values at their core.

To give just one example, SOLshare of Bangladesh has secured a grant to provide free energy for existing customers and discounted rates for new ones. The need for their service is huge: 11 million people left the country's cities at the start of the pandemic to go back to rural areas. As a result, the average household size has doubled in weeks and the demand for electricity has shot up.

As the world rebuilds in the wake of coronavirus, we must put justice at the heart of our efforts. We need a fair green recovery – one powered by green solutions, but in particular by green solutions that benefit the worst off. Solutions that close society's divides, rather than widening them.

There is no time to lose – innovators need urgent support. Financiers must offer patient capital and patient long tenure debt, while authorities at all levels should apply policies that boost the survival chances of such enterprises. Failure to do so will only lead to higher financial and social costs in future, as efforts to ease poverty are undermined.

The coronavirus pandemic is the most immediate threat facing our world. But the climate emergency looms behind it. Better work can address both challenges, and lay the foundations for a radically different future. The time for action is now.



Electric rickshaw business SMV Green is bringing radical change to India's streets

We all deserve decent work

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HARRIET LAMB ASHDEN CEO

We all deserve decent work. But for too many, that's little more than a dream. Globally, 731 million people live on an income below the World Bank's poverty line of \$1.90 a day. Many of these people, particularly those in rural areas, are entrepreneurs. The incomes of the poorest are hard-earned but unstable, often putting people at risk of illness and exploitation. They rarely offer security, let alone a route out of from poverty, while conflict and natural disasters too often exacerbate inequalities and injustices.

But progress is possible. In this report, we show how frontline innovators – enterprises, co-operatives, NGOs and others – are simultaneously delivering action on the climate and better work. We have explored the common qualities that drive their success, in order to guide funders, investors and policymakers looking to create a positive impact both for livelihoods and the climate. Our insights are complementary to a wealth of existing research and thinking on work in the developing world – and should only reinforce the urgent need for action in global trade mechanisms, labour rights, and other crucial areas on which trades unions and labour organisations are fighting every day.

Today, the need for better work is made even more urgent by the coronavirus pandemic. Snaking columns of people, city dwellers walking hundreds of miles back to their home villages, have become a defining image of the crisis – one that betrays the desperate fragility of work for billions of people. That is why Ashden is joining our voice to those arguing for steps towards a green recovery from the pandemic, one which takes the world towards a fairer low-carbon-future. Better work will be fundamental to this effort.

But what does Ashden mean by better work? We mean work that gives a fair income. Enough to survive, save, and invest in a brighter future. We mean work that's stable, safe and dignified. We mean work that brings people new skills and opportunities and is open to all.

Our insights into the key ingredients of better work draw on research carried out for the 2020 Ashden Awards, a global hunt for the best proven climate solutions – as well as the experiences of climate leaders over the years. Analysing enterprises and organisations from around the world has shown us that better work has four key qualities – it is holistic, co-operative, inclusive, and resilient.

This report will discuss each quality in turn, but none truly stand alone – they are all elements in a winning approach. So while we have used case studies to illustrate specific qualities, every organisation we mention is addressing the full set to a greater or lesser degree. In fact, the blending of them is sometime an organisation's greatest strength.

This report addresses opportunities to generate an income. But that is just one of the demands faced by marginalised people. Billions of women also shoulder the burden of unpaid work – such as cooking, childcare and fetching water. Access to better paid work will not erase this problem, but can be part of the solution. First, it eases the poverty that exacerbates gender inequality. Second, better paid work gives women new roles and higher status, challenging the social forces that leave them disadvantaged. This wider change is crucial – new technologies or business models will not benefit women without broader social progress towards equality, as our 2020 research into energy access in rural Tanzania illustrates.

This report confirms that the best social innovators are united by a deep understanding of poor people's lives. They have developed their solutions in response to specific local challenges, involving the communities they serve as much as possible. So despite the common threads we've identified, context is crucial.

People in less developed countries are often self-employed. The International Labor Organization reports that in low income countries, 82% of employed people fall into this category – compared to 12% in rich countries. As a result, the innovators profiled here largely support such entrepreneurs – helping smallholder farmers, silk weavers, rickshaw drivers and others earn a better living.

Finally, what stops these solutions scaling up? Lack of investment, and lack of political will. But we also know how many policymakers, funders and investors share the ambition for a world powered by better work, and the vision of a green recovery from coronavirus. This report shows how such enterprises and organisations can help the world build back better – and convince any doubters about the enormous potential of climate action to deliver better work.

We've shown what better work looks like. We've shown it can flourish in some of the toughest environments on earth. We've shown the benefits it brings. It's time to make better work the rule, not the exception.

Across the developing world, entrepreneurship is fundamental to making a living. What do entrepreneurs need to undertake better work? Affordable tools, technology and raw materials, skills and information, and buyers for the product or service they create. Some people, particularly women, may need permission from their family and wider community (and time away from unpaid work) to generate an income.

Once these varied challenges are met, entrepreneurs can add value to products – a key step towards greater earnings. But tackling even one of the issues above can be enormously difficult. Innovative livelihood solutions are emerging all the time. However, progress in one narrow area is fatally undermined if other factors are not addressed.

As a result, organisations that work with entrepreneurs should look to maximise their impact by offering packages of materials and support that address multiple issues. Some are already doing so. Kenyan food processing firm Mucho Mangos offers smallholder farmers access to technology using a subscription payment model. But it also provides organic pesticides and delivers training in topics as varied as soil science and computing. The business model developed by CEO Didas Mzirai has been shaped by his own experiences working on mango farms as a boy.

Market linkages are another crucial factor, one addressed in a difficult environment by Cameroon Gender and Environment Watch (CAMGEW). CAMGEW prevents deforestation (and so defends a global climate resource) in the country's Kilumlijm region, by helping forest communities earn a living through honey farming. As well as providing training and protecting local bees, CAMGEW acts as a guaranteed purchaser for farmed honey. And by ensuring women are represented on management committees, it tackles social inequalities that otherwise exclude women from this income opportunity.

The value of breaking down social and cultural barriers is highlighted by Indian enterprise SMV Green, which helps people from poor urban communities take up safer, better-paid work as electric rickshaw drivers. Founder Naveen Krishna draws his approach from his time living among poor urban communities, understanding their lives and aspirations. SMV Green's wide-ranging holistic support includes helping drivers with low literacy open up bank accounts and secure credit, and consulting with local families to address stigma around women and employment. As a result, it has recruited a team of female rickshaw drivers – something almost unknown in the industry.

Addressing the many factors affecting poor people's livelihoods is extremely difficult – particularly for small or grassroots enterprises. In donors, investors and policymakers can increase their impact by thinking broadly about the support they deliver. In particular, they should confront structural issues. These might include financial exclusion, lack of rights, and access to education and social care. Connecting organisations with training and commercial opportunities is enormously powerful, as is delivering a holistic package of support in partnership with agencies or funders offering complementary expertise.

Case study - S4S Technologies

'SMV Green's wide-ranging holistic support includes helping drivers with low literacy open up bank accounts and secure credit, and consulting with local families to address stigma around women and employment. As a result, it has recruited a team of female rickshaw drivers - something almost unknown in the industry.'

S4S Technologies designs and manufactures patented solar conduction dryers. These preserve a wide range of harvested crops which might otherwise go to waste. In India, the company supplies local women with training, driers (sold to them via a microfinance initiative) and crops for processing. S4S Technologies also buys the dried produce, processes it further and sells it - mostly to corporate customers such as Unilever and Indian Railways.

S4S Technologies works with NGOs and government officials to identify women it might work with. It also guarantees the loans they take out to buy the drier. Vaibhav Tidke co-founded S4S Technologies in 2014, with a group of fellow graduates concerned about food waste. He says: "We started thinking we would just supply the equipment, but realised this couldn't work, and that we had to ensure raw materials and training as well as machines were provided."

Entrepreneurs it has supported include Anita Kholte, from Bhavdi in Aurangabad. Anita comes from a farming family, but has struggled to find ways of earning money. She tried tailoring, but demand was low. Now she has a solar dryer, and earns about R4,000 to R5,000 a month. It's given her prestige in her village, and enabled her to fund her child's further education.

Co-operative is better

Coming together creates better work for marginalised people. Organised, formal co-operatives deliver huge benefits, including jobs for 100 million people worldwide. But some of their benefits can also be reached by communities or organisations employing a more informal co-operative spirit or approach – one that sees people come together in a relationship guided by mutual gain rather than exploitation. One that corrects power imbalances rather than worsening them.

People united by a co-operative – or by a co-operative approach – have better access to technology, raw materials and customers. Co-operatives help small-scale farmers and entrepreneurs bypass the middlemen that eat into the incomes of the world's poorest people.

As well as improved profits, co-operatives allow entrepreneurs to lower the personal risk they face – creating greater resilience. Crucially, their size means they are much more likely to attract finance and investment than individual smallscale entrepreneurs. They often allow members to access a bank account for the first time, unlocking further opportunities for growth or improved security.

The benefits of co-operatives are particularly important for marginalised people, including refugees. Ethiopian NGO Gaia Clean Energy has helped displaced people in three camps establish co-operatives that produce cleaner cookstoves and fuels – a rare income-earning opportunity for refugees. Most members are women, and the co-operatives are firmly embedded in their communities – buying locally sourced materials and delivering a product that helps female residents spend less time collecting fuel. As well as helping co-operative members unite for greater impact and reduced personal risk, Gaia offers them training across all aspects of manufacturing, distributing and marketing stoves, and business management.

Indian silk enterprise Resham Sutra supplies solar-powered silk weaving machines that are safer and more efficient than diesel alternatives. But it also helps silk reelers, poor rural women, form co-operatives to purchase silk cocoons with collective buying power. Crucially, this allows women to access credit and buy in bulk earlier in the season – when prices are lower.

One innovative enterprise addressing energy challenges with a co-operative approach is SOLshare of Bangladesh. The company's hardware and software helps poor rural households and small businesses trade surplus energy from the country's solar home systems. With five million such systems installed around Bangladesh, the solution has huge potential. In a country where geography and poverty stand in the way of grid expansion, peer-to-peer energy trading helps even the poorest buy some energy for essential tasks, while minimising the amount they spend on equipment. People left behind by the state and traditional market-based solutions have now become participants in the energy system. SOLshare has set its sights on technology upgrades that will support more productive tasks such as rice hulling. But in the meantime, thousands of villagers have found a new income stream as energy traders.

Funders, investors and policymakers should understand the enormous benefits co-operative structures bring to the world's poorest people, both in terms of income generation and increased resilience. But they should also look beyond formal co-operatives to see where organisations and enterprises are seizing on co-operative approaches to create change.



S4S Technologies supplies rural women with solar driers, training, raw materials and more

Case study – Self Employed Women’s Association



Silk reelers in India

With two million members, India’s Self-employed Women’s Association (SEWA) is the world’s largest union of informal-sector women workers. In the state of Gujarat, SEWA’s holistic approach has helped women use solar pumps to improve the efficiency of their salt-farming businesses. The pumps are cleaner, more efficient and cheaper to run than diesel alternatives and enable women to dramatically raise their net income.

SEWA has negotiated an 80% subsidy for the pumps from the government of Gujarat. The association also trains farmers, helps them order the pumps, and supports them to set up a bank account and take out the loan needed to make the purchase. SEWA’s own bank acts as final guarantor on these loans.

Finally, SEWA has helped farmers negotiate collectively and directly with corporate customers – securing better prices than those offered by local salt traders. For example, a deal with a global consumer goods company saw the price-per-tonne more than the double.



SEWA gives salt farmers the chance to dramatically grow their income

Resilient is better

"SEWA has helped farmers negotiate collectively and directly with corporate customers – securing better prices than those offered by local salt traders."

Poorer people are more vulnerable to sudden, serious disruption to their earnings. This might be triggered by extreme weather, conflict, disruption to markets, or illness affecting them or earners or their members. The coronavirus pandemic has dramatically highlighted the need for resilience, as a health crisis creates a global economic shock – which in turn threatens health and wellbeing around the world, particularly that of the very worst off.

Enterprises and organisations can build people's resilience by offering routes to steady and significant income, but also by pro-actively managing risk – for example by offering flexibility in repaying loans, or scheduling payments around the seasonal forces that impact livelihoods. The best business models also challenge the wider forces that undermine resilience in poor communities. An approach that builds end-user resilience has enormous resilience benefits for enterprises and organisations themselves, lowering the risk from payment defaults and sudden falls in demand.

Social enterprise Build Up Nepal helps people launch businesses manufacturing sustainable compressed earth bricks. Its support includes equipment, training and finance. Higher-quality housing improves community resilience in a country vulnerable to floods and earthquakes – but is only possible if construction businesses themselves are resilient.

Build Up Nepal lowers risk for entrepreneurs by allowing them to use the brickmaking machines they buy on credit as collateral. Build Up Nepal have ensure their solution is accepted and trusted by local officials – educating government engineers in the technology, and gaining authority approval for 12 standard house designs. Challenging male domination in the construction industry, 932 of the 3,200 jobs created so far have gone to women.

A pro-resilience approach can pave the way for social change. Kenyan cookstove company BURN Manufacturing offer flexible terms of employment for staff in manufacturing roles that are normally precarious. This is particularly attractive to women balancing paid work with care responsibilities. As a result BURN have a higher proportion of women working on the factory floor, and at all levels in the company. In many countries, work is made more dangerous by rising global temperatures – those affected include hundreds of sugar cane workers in Central America who have died after suffering kidney failure.

The global cooling challenge highlights the need for a strategic and forward-looking approach to resilience, one that designs for tomorrow's challenges as well as today's. Private and public sectors can both play a role in ensuring safer conditions for workers, by developing solutions to help those for whom mechanical cooling is impractical or unaffordable.

Egyptian design firm EConsult, are creators of a desert eco-village housing agricultural workers. The complex uses passive cooling solutions, such as shading and ventilation, to protect residents. Meanwhile, a coalition of partners in the Indian city of Ahmedabad have implemented a city-wide cooling plan that includes outdoor workers as a key target group. Features include early warnings of approaching heatwaves, delivered digitally and face-to-face. A peer-reviewed study reveals that the plan saves 1,100 lives a year.

Funders, investors and policymakers should recognise that a smart approach to resilience starts from the core principle of better work – a deep understanding of the lives and challenges of working people. And they should recognise that increased resilience is a virtuous circle, with benefits for stakeholders at every level.

It's Time For On The Ground Solutions



Case study - United Nations Development Programme, Yemen

War has destroyed Yemen's infrastructure and economy. But in this unforgiving environment, community-owned solar microgrids are providing reliable incomes and clean energy.

The United Nations Development Programme in Yemen supplied training and an initial grant to the grid owners. The grids typically serve about 50 businesses or households, halving the cost of electricity compared to diesel generators. Profits are high enough to allow owners to expand their grids – or launch new ones – without further grants. One grid is owned and managed by a group of woman entrepreneurs, something extremely rare in rural Yemen. The group have overcome huge challenges to win greater status in their community, changing perceptions of the role of women.

Profit from the grids improves the food security of families, and eases the pressure to adopt coping strategies such as selling off income-generating assets and permitting child marriage. Now the model is set to be taken to 320 new sites across Yemen, in a move that will see community-owned microgrids supply power to clinics, schools and waste and water facilities.



A microgrid owned and run by women is challenging gender norms

Rooted is better

The work of the rural poor is inevitably rooted in its local environment, shaped by climate and terrain as well as economic opportunities and challenges. Those doing the work are often similarly rooted, carrying a wealth of knowledge passed down through generations. Even when environments change suddenly, driven by factors such as global heating, poor communities are on the frontline – and so are forced to understand and respond quickly to new threats and risks.

However, the organisations that support them, sell to them or buy from them do not always enjoy this local knowledge – or allow poor workers to share it. 'Remote' organisations, even those striving to improve the lives of the most marginalised, are inevitably weakened. In contrast, strong organisations are likely to be rooted – participatory and democratic in their approach, drawing on local insights and data, and continually responding to local priorities and views.

Rooted organisations pro-actively ensure input from across communities, acknowledging factors such as gender and disability. They consider and respond to the immense impact of poverty and discrimination on the work people do, or their ability to work at all.

Indonesian NGO Aliansi Masyarakat Adat Nusantara (AMAN) works on behalf of 18 million indigenous people striving for greater economic opportunity, helping them obtain fairer prices for sustainable products. But it also negotiates fiercely for their rights at a local, regional and national level. This indigenous-led organisation recognises that better rights and better work are fundamentally linked. By mapping 10 million hectares of rainforest, for example, it has given local people a legal basis for defending and growing their livelihoods.

Rooted organisations draw their strength from local knowledge, but even the relatively small can have a global impact. Brazil's Xingu Seed Network is a co-operative of seed collectors from indigenous communities in three Amazonian regions. They earn a living by gathering seeds, which to date have reforested more than 6,600 hectares of degraded rainforest. The seeds are planted using the Muvuca technique, which involves spreading mixed seed species. This technique makes it possible to plant up to ten times more trees per hectare and at half the cost than the more mainstream method of planting with native seedlings.

The initiative has created dialogue between divided groups of indigenous people, farmers and rural producers. But the network has also engaged with contemporary global climate movements such as Fridays for Future, sharing its story of frontline climate action. Technology allows even remote communities to inform and inspire around the world.

Funders, investors and policymakers should prioritise support for rooted organisations, recognising their greater resilience and ability to meet local needs. In particular, they should examine whether organisations striving to support better work have created feedback loops, through which grassroots knowledge allows them to continually evolve, in a world of increasing climate shocks and other threats. By supporting rooted organisations, partners can complete a chain that allows power to flow from the most privileged to the most marginalised.



Brazil's Xingu Seed Network has reforested more than 6,600 hectares of degraded rainforest

Case study - New Energy Nexus, Uganda

New Energy Nexus Uganda helps community-based organisations – local social enterprises, already deeply embedded in rural communities – distribute clean energy products and services. NENU's support includes providing finance, training and mentorship, and a catalogue of goods its partners can sell to customers. It aims to develop an entrepreneurial spirit in its partner organisations, through methods including business bootcamps and peer learning groups.

NENU has supported 97 of these partners, which typically have fewer than 10 employees. Together, they have sold more than 15,000 clean energy products, and 70% of the jobs created have been taken up by women.

Elvis Kadhama, 26, is the founder of Pearl Entrepreneurs Academy, initially an agricultural training enterprise. But with support from NENU, he has grown his business by establishing a series of Village Savings and Loan Schemes, each with around 30 members, that distribute his clean energy products for commission. He says NENU allowed him to access capital that would otherwise have been out of reach.



New Energy Nexus helps entrepreneurs in Uganda bring solar products to rural communities



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