FOR GENDER-EQUAL CLIMATE ACTION
WITH GENDER EQUALITY
Climate finance with a gender perspective
CLIMATE FINANCING WITH GENDER PERSPECTIVE

MESSAGE

PARENTEL CHARLES JR
Minister of Industry, Urban Renewal, Environment & Climate Change of Jamaica

PRESENTERED BY

NINA KOLYBASHKINA
Senior Social Development Specialist, Climate Investment Funds

MODERATOR

MARINA CASAS
Climate Change and Gender Equity Advisor, Climate Change Unit, Sustainable Development and Human Settlements Division, UNEP

PANELISTS

MARIA ELENA HERRERA
National Forestry Financing Fund, Ministry of Environment & Forestry of Costa Rica

EMILIA REYES
Executive Program Director, Gender Equity: Citizenship, Work and Family
Objective of the session

- Exchange and discuss experiences in the international, public and private climate change financing sector aimed at integrating gender considerations and facilitating access to funds.

- Identification of opportunities to facilitate access to international climate funds according to type of beneficiaries.
Session Moderator:

Marina Casas

Gender Specialist, Economics of Climate Change Unit of the Sustainable Development and Human Settlements Division of the United Nations Economic Commission for Latin America and the Caribbean (ECLAC).
On climate finance

To address the three crises, the redesign of policies, technical, human and financial resources, as well as multilateral and inter-country cooperation, is necessary.

- Progress has been made by the operational entities of the UNFCCC Financial Mechanism and other climate funds to integrate gender considerations into the programming guidelines and structures of the funds.

- It is key to systematically integrate a gender approach so that climate finance favors gender equality and women's empowerment.

- It is important to achieve a fiscal transition that is in line with the ecological transition and that ensures women's access to the fiscal solutions of this transition even in contexts of fiscal consolidation and adjustment.
Gender transformative approaches in climate finance – experience of Climate Investment Funds (CIF)

Nina Kolybashkina
Senior Social Development Specialist
Climate investment funds
What is the CIF?

Established in 2008 with USD 8.5 billion as one of the largest fast-tracked multilateral climate funds in the world.

**Concessional finance** is a strategic tool to unlock capital - provides developing countries with a needed jump-start toward achieving low-carbon and climate-resilient development in partnership with six Multilateral Development Banks:
In numbers

74 INVESTMENT PLANS

322 TOTAL PROJECTS IN 2020:

39 APPROVED

29 COMPLETED
Results

- **CIF Co-financing**: $7.5 B approved funding, 1:8.1 leverage ratio on $61 B expected co-financing.
- **26.6 Gigawatts in Clean Power Capacity Worldwide and 11,037 Gigawatt-hours of Energy Saved**.
- **Broader Energy Access for 10 Million People**.
- **Strengthened capacity of 45 million people to cope with climate change**.
- **44.7 Million Hectares of Sustainable Forests**.
- **300+ Projects in 72 Countries**.
CIF’s comparative advantage resides in the unique features of its business model.
Worldwide investments

- Latin America and the Caribbean: 19%
- Africa: 23%
- Europe and Central Asia: 13%
- Middle East: 6%
- Asia: 31%

75% public sector investments
25% private sector investments
On-going programs

Benefit-sharing, tenure security and forest-based livelihoods, with focus on Indigenous People

Large-scale projects in RE, EE and Transport: distributional impacts beyond safeguards

Institutional development and community-level impacts

Focus on investments with local impact – off grid and RE small enterprises

$758 mln

$1.2 bln

$839 mln

$5.7 bln
CIF Financing and Portfolio in LAC

23% Overall CIF share of financing in LAC
77% Public sector
23% Private sector

$1.3 B CIF-Approved

97 Projects in 16 countries
96% Projects under implementation

CIF Approved funding by MDB in LAC Region

Co-Financing Breakdown

CIF Approved Funding in LAC

Co-Financing

IADB  IBRD  IFC

Funding (USD Million)

12,000M
10,000M
8,000M
6,000M
4,000M
2,000M
1,334.5M
2,996.2M
2,771.8M
2,428.4M
3,248.8M

Bilateral ad Others  MDB  Government  Private Sector
New action programs

Renewable Energy Integration

Climate Smart Urbanization

Industrial Decarbonization

Nature, People & Climate

Energy Storage

Accelerating Coal Transition

CIF COVID-19 Response Window
Climate finance learning laboratory

- Green Recovery
- Development Impacts
- Transformational Change
- Just Transitions

- Roles of traditional knowledge in mitigation and adaptation strategies, particularly the role of Indigenous Women
• **CIF Gender Policy (2018),** “Gender equality efforts are central to CIF’s goal of transformational change for reasons of efficiency, effectiveness, and for goals of development impact, gender equity, and social inclusion”

• **Gender Action Plan Phase 3 (FY21-24):** gender-transformational change as women’s improved asset position, voice, and livelihoods status, as well as increased participation of women in markets and institutions

• **Gender score card:** analysis, gender disaggregated indicators and women-targeted activities

• **Gender team upstream review** at project preparation stage
Gender-Transformative Impacts
...improved asset position, voice and livelihood status of women

Local and National Institutions
- Women’s leadership, skill and mobility opportunities
- Inclusive resource governance
- Participatory resilience planning
- National gender mainstreaming mechanisms (gender focal points, gender budgeting)

Green Growth and Sustainable Livelihoods
- Energy access
- Renewable Energy sector employment
- Inclusive transport
- Disaster risk reduction
- Agricultural productivity, water and food security
- Productive landscapes
- Tenure security
- Climate-health nexus

CLF-wide and Program Governance
- CLF policy requirements
- Gender-inclusive country ownership support
- Gender technical support
- Representation of women’s interests
- South-South learning on gender integration
- Gender-sensitive M&E
Transformational change

Gender-responsive policies and institutions, women’s leadership in formal institutions, shifting gender norms

Women’s effective participation in community-level decision-making mechanisms

Improved:
- **Asset position** (i.e. land use and rights, tenure, access to credit)
- **Access to services** (i.e. energy, transport, water, agriculture, hydrometeorological, social protection, child care)
- **Skills development and capacity building** (i.e. sector-specific, livelihood development, STEM specific, financial literacy)
- **Employment and income levels** (i.e. temporary/informal, formal/skilled)
## CIF Portfolio Performance on Gender

<table>
<thead>
<tr>
<th>Category</th>
<th>Gender Action Plan (GAP) Baseline 2014 % (n)</th>
<th>From inception – to December 2020 % (n)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. (and %) of CIF projects, with gender analysis</td>
<td>54% (71)</td>
<td>61% (187)</td>
</tr>
<tr>
<td>No. (and %) of CIF projects, with women-targeted activities</td>
<td>54% (71)</td>
<td>69% (212)</td>
</tr>
<tr>
<td>No. (and %) of CIF projects with sex-disaggregated M&amp;E indicators</td>
<td>46% (61)</td>
<td>54% (166)</td>
</tr>
<tr>
<td><strong>Total no. of projects approved</strong></td>
<td><strong>132</strong></td>
<td><strong>309</strong></td>
</tr>
</tbody>
</table>
Best practices on gender from LAC

CIF’s investments in forestry sector in Mexico

$ 687.02 mln (total); 66.0 (CIF), 4 projects since 2011, IDB and WB,

- Coordinated, multi-level efforts to strengthen policy, institutional, social, and market capacities
- Support value chains through smaller-scale investments in climate goods and services

Gender dimensions:

- **Training and capacity building** on gender CONAFOR (Comisión Nacional Forestal), dedicated funding window for productive activities by women
- **Behaviorally-informed communication** on women’s role in natural resource management
- **Training women** as local community promoters
- **New jobs**, including leadership positions for women in male-dominated forestry sector
- **Gender-sensitive evaluation** criteria for grant projects under DGM to ensure funding for (47 of 55 sub-projects women-led)
FIP Dedicated Grant Mechanism (DGM)

- Indigenous Peoples and Local Communities (IPLCs) are the most effective guardians of the world's forests.
- DGM is a unique program designed and led directly by IPLCs. It provides dedicated resources to build IPLCs' capacity and elevate their voices in local, national, and global climate action.

$80 million invested

Projects in 9 countries + 3 pending approval

Over 580+ subprojects benefitting 237,848 community members across seven countries.
167,881 ha of land covered
DGM support in LAC

Gender inclusion in DGM Peru:
- strategy and training module focused on gender and the environment
- $500,000 allocated for subprojects proposed or managed mainly by women
- 28 subgrants allocated for women-led projects
New action programs

- Renewable Energy Integration
- Climate Smart Urbanization
- Industrial Decarbonization
- Nature, People & Climate
- Energy Storage
- Accelerating Coal Transition
- CIF COVID-19 Response Window
Climate finance learning laboratory

- Green Recovery
- Development Impacts
- Transformational Change
- Just Transitions

Recent reports on the role of traditional knowledge in mitigation and adaptation strategies, and particularly the role of Indigenous Women.
Questions from the audience
Experiences in the region
Jamaica

Pearnel Charles Jr.

Minister of Housing, Urban Renewal, Environment and Climate Change of Jamaica.

Readiness proposal design process
Costa Rica

María Elena Herrera

Technical Coordinator of the National REDD+ Strategy.

Development of Projects for the Commercialization of Environmental Services, Safeguards, Gender and Indigenous Peoples.

FONAFIFO - MINAE
Gender Analysis

Institutional strengthening and sensitization to promote gender equality

Design of a gender-sensitive benefit-sharing mechanism for the REDD+ Strategy.

Time Line


Reducing gender gaps in the biodiversity sector - water, protected areas and forests - to ensure the equality and contribution of women in this sector.

Strengthening access to financing and women’s empowerment.
Objective experience

1. Develop the national policy framework
2. Reducing institutional gender gaps
3. Strengthening access to finance and women’s empowerment.
4. Develop a strategy for knowledge management and communication.
5. Consolidate alliances and mobilize resources
Results

Forestry Harvesting Plantation Program (PPAF)

Conditions

- Financing 5 million/project
- Trust guarantee
- Fixed rate of 5%.
- Annual interest payment
- Full amortization with performance-based PSA.
- Thinning and final cut.
- 10-year term

<table>
<thead>
<tr>
<th>Financing</th>
<th>$1,500 por árbol</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrangement</td>
<td>Plantations with 3 x 4 and 4 x 4 meter spacing between trees.</td>
</tr>
</tbody>
</table>
Results

Forestry Harvesting Plantation Program (PPAF)

En hileras con cultivos

<table>
<thead>
<tr>
<th>Financing</th>
<th>$2.000 por árbol</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrangement</td>
<td>Trees in s-rows, fences, crops, recalles. Up to 3 rows</td>
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</table>

En franjas con ganado

<table>
<thead>
<tr>
<th>Financing</th>
<th>$3.500 por árbol</th>
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<tbody>
<tr>
<td>Arrangement</td>
<td>Trees in strips on land with livestock - up to 3 rows recommended</td>
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Results

Target
To favor economic democratization in order to promote economic development and improve the quality of life of rural women.

Financing Conditions
- Term up to 10 years
- Up to 5 million with fiduciary guarantee
- Fixed rate 4%
- Customized form of payment
- Sensible requirements

Lines of Financing
- Product promotion
- Working Capital
- Infrastructure
- Equipment
- Innovative Projects
Results

What does PSA consist of?
The Payment for Environmental Service PES consists of a financial recognition by the State for the services of:
- Carbon sequestration
- Biodiversity and water protection
- As well as the scenic beauty service provided by forests.

Target

Objective: to strengthen women's participation in the Payment for Environmental Services Program.

Target Group

Grupo Meta: FONAFIFO will prioritize PSA for women owners of forests and forest plantations

How?

Prioritization of PSA Women + 25 points to applications submitted by female owners.
Results

PAFT
18 créditos
US$ 99,000

FONAFIFO a tu Lado
20 créditos
US$ 107,000

PSA Mujer
82 contratos
3,959 has
US$ 2,543,625

2020
### INDER-CRÉDITO RURAL-CRÉDITO MUJERES - INDER

<table>
<thead>
<tr>
<th>YEAR</th>
<th>CREDITS GRANTED</th>
<th>AMOUNT</th>
<th>LESS THAN 1 MILLION Aprox US$1670</th>
<th>1.5 A 5 MILLIONS Aprox US$ 2500 - 8300</th>
<th>5.5 A 10 MILLIONS 1/ Aprox US$ 8300 - 16600</th>
<th>20.5 A 25 MILLONS Aprox US$ 34160</th>
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<td>QTy</td>
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<tr>
<td>2019</td>
<td>18</td>
<td>0</td>
<td>0,00</td>
<td>17</td>
<td>58.891.195</td>
<td>1</td>
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<tr>
<td>2020</td>
<td>1464</td>
<td>5</td>
<td>4.099.975</td>
<td>25</td>
<td>98.368.504</td>
<td>1433</td>
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<tr>
<td>TOTAL</td>
<td>1509</td>
<td>11</td>
<td>7.614.425,00</td>
<td>59</td>
<td>211.258.549</td>
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Lessons learned

- Rural women face major obstacles in accessing land titles and ownership.

- Gaps - coincide with rural women's needs to find financing.

- Sensitize governments - Financing, structural gaps limiting women's participation.

- Programs are promoting jobs, few rural economies.
Challenges

- Promote policies, initiatives, investments and incentives that benefit family productive units. GIGUP

- Promote diverse actions that respond to the activities prioritized by women.
Challenges

- Address priority gender considerations in the agroforestry sector and establish strategic alliances between different government institutions, NGOs and women's groups for their implementation.

- Promote access to fresh financial resources, including affirmative actions to enable participation. FOINDES - PAG REDD+.

- Collect baseline data to improve accountability - international and national commitments.

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México

Emilia Reyes

Director of Budgeting for Equality and Sustainable Development

NGO Gender, Labor, Citizenship and Family Equity
UNPAID WORK

domestic & care work

paid work

domestic & care workers

volunteer work

The environmental emergency requires a comprehensive approach, including when it comes to its linkages with gender equality.

The environmental emergency has gender-differentiated impacts on women and men due to the sexual division of labor.

Women subsidize the entire economy due to the generation of unmonetized value through unpaid domestic and care work. All crises rest on this unpaid work of women, which increases structural gender inequality.

No micro, national or regional action can solve the environmental emergency or gender inequality. Global and macro actions are required.

There are measures that must be implemented urgently in order to make progress at the national and regional levels: the strengthening of the state, a radical commitment to the generation of social protection infrastructure and national care systems, as well as the consolidation of the public sector and the provision of quality public services guaranteeing human rights without discrimination of any kind.

This implies guaranteeing fiscal space, implementing progressive tariff measures, and ensuring gender-sensitive spending. Moreover, it is necessary to cancel the debt of developing countries and reject the austerity measures that come with it.
## Financing and equality

### Conditions

- Sexual division of labor
- Geographic division of labor.
- Micro proposals only reproduce women's exploitation.
- Reconceptualizing the global trade framework.

### Measurements

- Strategic interests. Eradicate the sexual division of labor
- Progressive tariff measures. Regional fiscal body to avoid "race to the bottom".
- Cancel the debt of developing countries.
- Micro proposals only reproduce the exploitation of women.
- Where is the money and macro production? Gender must be mainstreamed there.
- Intellectual property exemption, vaccines. WTO.
Gender proposals

- Gender budgets are the most effective expenditure instrument to promote gender mainstreaming in the programmatic and budgetary pathways.
- They institutionalize differentiated measures and temporary special measures to reduce sectoral and structural gender gaps.
- In Mexico, an institutional infrastructure has been set up for the development of gender budgets, with different reference instruments that guarantee progress in fiscal matters.

- Development of methodologies for gender analysis and budgeting since 2000.
- Trained the three levels of government and the three branches of government.
- The Gender into Urban Climate Change Initiative (GUCCI) promoted training in programmatic modification and budget analysis in two cities in Mexico: Tlaxcala and CDMX.
Equidad de Género joins GUCCI in 2016.

Equidad de Género was the only organization that promoted gender budgets in the initiative.

In 2016 Equidad analyzed regulatory and budgetary instruments at the federal, state and municipal levels concerning gender equality and climate change agendas.

From 2017-2019, members of the sectors of gender equality, environment, civil protection, water and sanitation, finance, planning, among others, as well as civil society and academia, were trained.
Results

- Through methodologies for the analysis and development of programs and budgets with a gender perspective, we trained civil servants in two cities: Tlaxcala and CDMX.

- Advocacy in environmental programs and sectoral plans have integrated gender equality and non-discrimination language, also promoting differentiated actions.

Challenges

- In 2020 the modification of Annual Operational Programs was to be carried out, but the pandemic prevented this.
- Progress in training has been slower in 2020 and 2021, but we have made progress in specific revisions of programmatic instruments.
Lessons Learned

- The fiscal agenda always requires medium and long-term work. At the sub-state level there is no perception that their powers and mandate are directly articulated with international environmental or gender equality instruments.

- Therefore, in addition to the programmatic and budgetary work, it is imperative to work on regulatory harmonization, both in the Legislative and within the institutions of the Executive.
Questions from the audience
In order to advance in climate actions with gender equality, it is necessary to recognize the diversity of needs, interests and knowledge of Latin American and Caribbean women, especially those who live in more vulnerable conditions.