# Call to Action for Gender-Just Climate Finance



November 2022

This call to action provides concrete recommendations to policy makers and government officials from UNFCCC developed country Parties, to enhance and ensure gender just climate finance.

#### Climate finance is only effective when it is gender just

The key role of women in climate action and the relationship between achieving gender equality and climate outcomes is widely recognised and documented. Still, effectiveness of climate finance is often reduced to the measurement of tonnes of carbon mitigated and the amount of private sector finance leveraged, and innovation is narrowed down to creating top-down, high-risk, market-based financial mechanisms to generate money. True innovation is addressing the needed change directly, through bottom-up approaches that centre gender equality and grapple with root causes and complexities of intersecting challenges, and by scaling the proven and context-specific actions of communities worldwide. These rights-based, people-centred, local approaches enable communities and marginalised groups to build long-term capacities and lead to effective and lasting transformation.

### Gender just climate finance means that

- Women in all their diversity have access to climate finance, especially those from marginalised groups (indigenous, rural, youth) that are most impacted by climate change and are leading climate action
- 2 They have decision-making power in the allocation of climate finance.
- 3 Climate finance projects actively challenge and address gender inequalities while promoting and protecting human rights and achieving climate impact



Photo credit: Lissette Lemus - FCAM

## Gender just climate solutions are widely available

There are many successful and inspiring gender just climate solutions all over the world. Various examples are available through the Women and Gender Constituency's Gender Just Climate Solutions Directory, in case studies and campaign stories by the Global Alliance of Green and Gender Action, and case studies documented by Global Greengrants Fund and Prospera international Network of Women's Funds. However, these solutions are grossly underfunded, and climate finance decision-making continues to be exclusive. Relevant and recent data are hard to come by, but the available data below clearly indicate climate finance is currently far from being gender just.

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## **Climate Finance Facts**

#### Climate finance reaching the local level

The <u>most recent estimate, from 2017</u>, concluded that less than 10% of climate finance between 2003 and 2016 was directed to the local level.

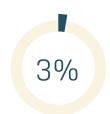
Within the Green Climate Fund (GCF), 79% of financing is currently distributed via international institutions, and 21% via so-called direct access entities (DAEs). Of the more than 200 projects, only 13% are implemented by national DAEs and 11% by regional ones (as of October 2022). Two-fifths (40%) of GCF funding is consolidated into five international actors (UNDP, EBRD, the World Bank, ABD, and IDB) that tend to focus on large-scale projects and are considered by civil society to have a poor track record in reaching the local level.

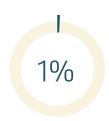




#### Climate finance focusing on gender equality and reaching women's groups







31% of bilateral ODA earmarked for climate in 2014 also supported the achievement of gender equality. Of this, only 3% had gender equality as a principal objective, and 28% integrated gender equality as a secondary objective.

Of these percentages (28% and 3%) it is unclear how much of the project support was directly allocated to women's rights organisations. Other data by OECD shows only 1% of "gender equality" funding is

flowing to women's rights organizations. Most of this funding is directed to multilateral agencies, international and donor country based NGOs, and private sector institutions.

#### Inclusive climate finance decision-making



4,3%

Women comprised only 39% of members of decision-making bodies under the UN Framework Convention on Climate Change (UNFCCC) in 2022. Four of the seventeen constituted bodies reported achieving gender balance, and eight had a woman serving as chair or co-chair.

A 2021 review by the Green Climate Fund (GCF) presents vast challenges in the engagement of non-state (notably civil society), actors in national GCF decision-making processes. Meaningful stakeholder engagement is the responsibility of the

National Designated Authorities (NDAs). Only 4.3% of the respondents to the GCF review survey indicated that NDAs have enough resources and capacity to meet GCF stakeholder requirements.

## **Recommendations for developed country Parties**

- Publicly commit to your fair share of climate finance. This starts with the delivery of the - in the UNFCCC Copenhagen Accord agreed - \$100bn of climate finance per year by 2020, using grantbased finance with at least 50% allocated to adaptation. This overdue amount must immediately be paid in full by Parties, recognizing the failure to fulfil the pledge has exacerbated the impacts of climate change.
  - Set specific and mandatory gender performance targets in climate finance programmes and funds you implement or influence. Move beyond gender policies and ambitions on paper and ensure a significant part of the funding is flowing to diverse women's rights groups and organisations.
- Contribute to an ambitious, transformative New Collective Quantified Goal. The UNFCCC post-2025 goal-setting process must reflect the needs of developing countries and significantly scale the amount of finance. It should address climate finance within the larger system of financial flows by including debt cancellation and divestment from fossil fuels, and ensure quality of finance through transparent, grant-based delivery mechanisms that protect and promote human rights and gender equality, and are accessible to diverse women's rights groups and organisations.
- Conduct ex-ante gender analyses. Ex-ante gender analyses, the collection of sex and gender-disaggregated data and inclusive engagement with envisaged beneficiaries, are crucial to inform the design and implementation of gender just climate projects or programmes. Leveraging local expertise to understand gender dynamics and ensure locally-adapted design is necessary for partnering with communities.
- Stop all public funds, subsidies and insurances to oil, gas and coal (related) projects. These projects not only fuel the climate crisis, but also have disproportional, negative impacts on women around the world, and exacerbate pre-existing inequalities that exclude and ignore women's climate leadership. Ensure that the <u>Declaration launched at COP26</u> to stop international public support for fossil fuels by 2022 is implemented with integrity, without delay and without exceptions, and secure additional signatories to the Declaration to increase its impact. Also, follow the lead by Vanuatu and the call of the European Parliament to develop a Fossil Fuel Non-Proliferation Treaty.
- Monitor and evaluate results. Ensure funds and programmes monitor, evaluate and transparently report on how gender performance targets are met and how climate funding has directly improved the lives and rights of women and girls in their full diversity in areas receiving climate finance. This type of analysis is rarely conducted, and yet it is crucial both in terms of accountability and for learning purposes. This qualitative research should assess any negative impacts, and show whether and how gender inequalities have been successfully addressed, as defined by the communities themselves.
- Join the Generation Equality Forum Commitment Campaign (see box below) with Global Greengrants Fund (GGF) and the Global Alliance for Green and Gender Action (GAGGA), by making a multi-year financial commitment to support women and girls in the Global South leading gender just climate action. This is a simple way to ensure that your government's climate finance is gender just.
- Support meaningful engagement and movement building. Climate finance should not only support concrete climate mitigation and adaptation projects, but also ensure the engagement of women's rights groups and civil society at large as rightsholders, experts, and partners. Building their capacities to engage in national dialogues and contribute to design, implementation, and monitoring processes through their vast expertise enhances the equity, legitimacy, effectiveness, and sustainability of climate finance projects. (See box page 5)

#### The Generation Equality Forum Commitment Campaign

Global Greengrants Fund (GGF) and the Global Alliance for Green and Gender Action (GAGGA) have made a collective and transformative commitment to mobilize more and equitable funding (USD100M by 2026) to feminist action for climate justice, prioritizing the full diversity of women and girl-led, grassroots organizations in the Global South leading environmental and climate action. This campaign will run alongside UN Women Generation Equality initiative that aims to achieve immediate and irreversible progress towards gender equality by 2026. By making a multiyear financial commitment to this campaign, governments can ensure climate finance flows are gender just. For more information, contact Ursula Miniszewski at Ursula@greengrants.org



Photo credit: Lissette Lemus - FCAM

To ensure Parties support gender just climate finance, such as in their Guidance to the Green Climate Fund (GCF), they should promote the following:

- Support an ambitious second replenishment of the GCF. Pledge to enable scale up substantively beyond the initial resource mobilisation and first replenishment, in line with the increased need and urgency for transformative climate impact. With grant-finance well beyond these first rounds of pledges, recognize the GCF's role as the largest multilateral climate fund and most transparent mechanism for Paris implementation, which also promotes climate finance readiness, ensures direct access, and operates through shared governance.
- Increase capacity and resources of climate funds to implement gender policies. Many public climate funds including the Green Climate Fund, show ambition in relation to gender and inclusive decision-making, but moving from paper to effective implementation is key. As the GCF grows, ensuring its small Gender Team is fully supported and scaled to monitor and hold projects accountable to deliver on their Gender Action Plans is vital to the integrity of gender commitments and the effectiveness of climate finance. The Independent Technical Advisory Panel's capacity to assess funding proposals from a gender perspective should also increase.
- Increase in-country capacity and resources to implement gender policies and commitments. Sufficient budget and gender expertise is often absent in climate finance infrastructure. GCF Readiness support can be used to build capacities of governments in integrating a gender perspective in climate projects and programmes, and in engaging with women's rights organisations and gender experts. As nearly half of GCF accredited entities reported having limited capacity to fulfil gender-related requirements in 2019, such support can leverage expertise, resources, and lessons learned for more effective design and implementation.
- Ensure inclusive, transparent and evidence-based monitoring of Gender Action Plans of supported projects, and set specific gender related performance targets for the GCF. A thorough analysis of the 'quality-at-entry' gender integration efforts of 30 approved GCF projects and programmes show significant weaknesses. Meanwhile, evidence-based monitoring of these efforts in the implementation phase is lacking altogether.
- Ensure grievance and accountability systems offer low threshold access to affected local stakeholders at all levels to ensure redress is available to women and girls in particular. The <a href="Gender Strategy Note of GCF's Independent Redress Mechanism">GENDESTRATEGY NOTE OF GCF'S Independent Redress Mechanism</a> (IRM) suggests concrete ways to improve its gender responsiveness, through gender-disaggregated data collection; gender assessments after complaints are made; ensuring accessible outreach activities such as announcements in local languages and non-written communication forms such as radio; and soliciting the help of the CSOs at project regions. A strong and gender responsive IRM is paramount in guaranteeing accountability and access to remedy.

- Provide mandatory guidelines and direct support for National Designated Authorities (NDAs) of the GCF to facilitate institutionalised stakeholder engagement, with specific attention to the inclusion of women and girls. Civil society at large currently experiences huge challenges in engaging with their NDA. Over 71% respondents in the 2021 GCF review on country ownership indicated that NDAs do not have a stakeholder engagement policy and recommended GCF to provide one.
- Ensure funding supports meaningful stakeholder engagement. Financially support the time and expenses of Southern GCF Active Civil Society Observers, as is common practice for other international funds. Directly support women's rights, indigenous and environmental justice groups and NGOs to build their capacity and engage in national dialogue and monitoring processes towards their own governments in order to ensure gender just climate finance (See box page 5).
- Promote the accreditation of national and regional grants funds to the Adaptation Fund and Green Climate Fund to enhance access to climate finance for grassroots organisations engaged in gender just climate action. Local women's rights and environmental justice funds are in direct contact with, and successfully provide flexible small scale funding support to grassroots organisations. These funds are perfect intermediaries between international funds and the grassroots level because they are able to absorb large amounts of funding and strategically redistribute to frontline communities and organisations that governments and funds can not reach.
- Provide real 'fit-for-purpose' accreditation and differentiate accreditation categories, by providing flexibility and direct support to smaller entities in the accreditation process. Smaller entities like subnational and non-state actors, including women's rights organizations, have less capacity than large international institutions to engage in the complex and time-consuming accreditation process of the GCF.
- Prioritize accreditation of national Direct Access Entities (DAEs) to tackle the enormous funding gap between these and International Access Entities. The 'jump the queue' principle should apply for national DAEs such as grants funds. The accreditation pipeline of the GCF is over 200 applicants, of which only 15-20 new entities are approved each year.
- Ensure the GCF's re-accreditation process promotes alignment with <u>Article 2.1c of the Paris Agreement</u> ('Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate- resilient development'). Expect and demand accredited entities reduce emissions and invest in low-emission, climate-resilient development pathways across their portfolios.

#### Ensuring gender just climate finance at national levels

GAGGA is supporting various movements, women-led community-based organizations and NGOs working on gender, environmental and climate justice, to influence their national governments to ensure inclusive and gender- just climate financing. For example, in Nepal, environmental justice NGO Prakriti Resources Centre and women's fund Tewa have joined forces to build the capacity of local women's groups to successfully advocate towards their municipalities to provide local budget support to their gender just climate actions. In Indonesia, Aksi for gender, social and ecological justice, has established contact with their GCF National Designated Authority and provided a concrete proposal to a formal CSO engagement policy. which is currently not in place. In Mongolia, women's fund MONES, has been mapping all climate projects in their country and will assess their gender action plans and advise the NDA and Implementing Agencies based on this assessment. In Tanzania, women's group WATED has initiated the national Gender and Climate Coalition in which government officials, women's groups and NGOs discuss climate finance and ways to ensure gender just spending. Meanwhile, Climate Watch Thailand in Asia and Women Environmental Programme Burkina Faso and C21st Century in Africa, have acted as 'regional gender monitors' to provide a bridge between regional women's needs and perspectives and the international GCF policy level, while a regional gender group in Latin America engages with the GCF by reviewing regional projects and their gender action plans. Similarly, the Global South-led GCF-Watch - including AIDA in Latin-America and APMDD in Asia - operates as an online platform to connect Global South CSO engagement and monitoring of the GCF.

All these examples show the enormous commitment and efforts of women's rights groups and civil society at large in the Global South to make sure climate finance is accessible, inclusive and gender just. Their engagement and role in proposing and monitoring effective climate action is in the direct interest of receiving country governments, donors and climate funds. Still, recognition and sufficient resources and capacity to support their contributions are generally lacking.

@November 2022, Global Alliance For Green and Gender Action (GAGGA)

Launched in 2016, the Global Alliance for Green and Gender Action (GAGGA) rallies the collective power of women's rights, environmental and climate justice movements around the world. GAGGA's vision is a world where women's rights to water, food security, and a clean, healthy and safe environment are recognised and respected.

For more information visit our website www.gaggaalliance.org

You can also contact a.douma@bothends.org or gaggacoordination@fondocentroamericano.org









