United Nations Commission on the Status of Women Fifty-sixth session



## **EXECUTIVE SUMMARY – Climate Change Financing for Gender Equality and Women's Empowerment**

Climate change – and climate change financing – is not gender-neutral

Women, who form the majority of the world's more than one billion poorest people, are often disproportionally affected by climate change impacts, largely due to persisting gender norms and discriminations. Women and men also contribute to climate change responses in different ways and have different capabilities to mitigate and adapt. Recent UNFCCC decisions in Cancun and Durban acknowledge that gender equality and the effective participation of women are important for all aspects of climate change, but especially for adaptation. Gender-responsive climate financing instruments and funding allocations are urgently





Women form the majority of the world's more than one billion people still living in abject poverty.<sup>1</sup> They are often disproportionally affected by climate change impacts.<sup>2</sup> The Intergovernmental Panel on Climate Change (IPCC) in its 4<sup>th</sup> Assessment report of 2007 specifically acknowledges the role of gender in contributing to increased vulnerability to climate change, but is silent – reflecting a worrisome scientific knowledge gap – on women's differentiated contributions toward combating climate change by reducing emissions. Women's increased vulnerability is largely due to persisting gender norms and widespread gender discriminations that deny women income, legal rights, access to resources or political participation, while assigning them the primary role in caring for their families and providing for their livelihoods. This contributes to women's marginalization in many societies and communities as well as the feminization of poverty. Suffering from gender-based vulnerabilities to severe climate change impacts, women are more often victims of climate change impacts than men. However, women also possess knowledge of and experiences in capacities to reduce emissions as well as strategies to cope and adapt. This makes women important agents of change in the fight against global warming – a fact that policy-makers, scientists and technocrats still fail to acknowledge sufficiently, particularly with respect to mitigation efforts.

Gender-differentiated vulnerabilities and capabilities in the context of climate change thus necessity gender-responsive climate financing instruments and funding allocation and disbursement. Gender considerations up-to-now have not been systematically addressed in existing climate financing instruments and funds and in climate-related development expenditures. However, the new Green Climate Fund (GCF) has the opportunity and the mandate to integrate a gender perspective from the outset in its governance and operational modalities. It provides an opportunity not to be missed for creating new best practice – and the challenge to existing climate funding instruments and climate-relevant development expenditures to integrate gender equality considerations better.

Why integrate gender equality considerations in climate change financing? This is on the one hand a question of efficiency and effectiveness of funding for climate action -- ignoring women as a most relevant stakeholder group in climate finance will lead to sub-optimal results. It is on the other hand also a matter of existing obligations under international environmental and human rights law and thus one of equity. Climate finance decisions are not made within a normative vacuum. A human rights based approach to climate change action and financing acknowledges that without consideration of the impacts of funding adaptation and mitigation actions, human rights violations are likely. Human rights and women's rights are indivisible. Climate change actions and financing women are against women.

<sup>1</sup> '' #!\$%&!' () \*+&, -\$-&.!(/!0' ' 120\$&!\* (3&2\$4!/-512&.6!0#7!\$%&!+0\$&.\$!8 (2+7!90#:!70\$0!.&\$6!.&&;!

<sup>%\$\$\*;&</sup>lt;<=&>?=(2+7>0#:?(25<89@ABC<CDBCEFGH<FC8@<166'(#\$&#\$JKL;MIINIOPQR) &#1SL;TNNUIR\*05&SL;PNMVWINTR\* -SL;NTWTWPR\$%&@-\$&SL;NPIW611?%\$) +!!

<sup>&</sup>lt;sup>M</sup>!XFKS<YZZG![MIQI\?!Z+) 0\$&!A#3&.\$) &#\$!]1#7.?!C,\*+(2-#5!\$%&!Y&#7&2!7-) &#.-(#.!(/!Z+) 0\$&!]-#0#'&!J&'%0#-.) .6! F&=!



The experience of development aid and the necessity to consider gender equality in development actions in order to improve their outcomes has to be instructive for climate finance. Several recent World Bank reports, including one by the World Bank's Independent Evaluation Group<sup>3</sup> as well as the recent World Development Report on Gender Equality and Development<sup>4</sup>, have pointed out that integrating gender awareness in development project design and implementation improves results. Both, the MDG Summit Process and the global aid effectiveness discourse acknowledge the centrality of gender equality. At the recent High Level Forum on Aid Effectiveness in Busan in parallel to the Durban Climate Summit, countries agreed on a joint action plan for gender equality and development.<sup>5</sup> It focuses on increasing the evidence base for action by focusing on the generation of sex-disaggregated data and the necessary comprehensive gender accounting of public development expenditure. Public climate finance expenditure needs no less.

The example of adaptation financing for Africa illustrates this. The Secretariat of the UN Framework Convention on Climate Change (UNFCCC) estimated that it would cost between US\$ 7-9 billion per year by 2030 in additional investments (on top of normal development assistance)



development in Rio Principle 20. Fortunately, since 2008 steady progress has been made in introducing gender language in climate negotiations, largely due to the efforts of engaged gender and women's networks, as well as the recently confirmed UNFCCC women and gender constituency. The number of submissions with gender language by Parties to the COP has also increased, as has the willingness of delegates to refer to gender-differentiated climate actions in their interventions. The Cancun Agreements at COP 16 in 2010 saw a number of important gender equity references, including most importantly Article 7 of UNFCCC Decision 1/CP.16, which acknowledged that gender equality and the meaningful participation of women are important for effective action on all aspects of climate change. In the Durban Package negotiated at COP17, a number of gender equality references can be found in several decision texts. These focus on capacity-building and the composition of several implementation bodies (including some relevant for climate finance, such as the new Adaptation Committee or Standing Committee) and urge the utilization of gender considerations and gender-sensitive approaches in planning and participatory processes.<sup>7</sup>

The Durban climate summit confirmed important short- and long-term climate finance goals, namely US\$ 30 billion as fast-start-financing over three years (until the end of 2012) to reach US\$100 billion per year by 2020 from public, private and alternative sources. However, it left open how to scale up climate financing post-2012 and the share of the US\$100 billion to come from public sources. These financing goals have to be considered more than aspirations: they constitute finance obligations of Annex II countries under the UNFCCC and its guiding principles, and should be provided in the form of "new and additional" funding to developing countries to help them with their urgent climate actions in mitigation, adaptation and forest conservation (REDD+).

Probably the most important decision at COP17, the first "African COP", was the approval of the governing instrument for the future Green Climate Fund (GCF), defining its form and function and



gender-focused organizations and women's groups. At the CIFs, civil society representatives can participate as active observers in board meetings with the right to take the floor, add agenda items and recommend outside experts for consideration by a fund board. At REDD+ focused climate funds such as the UN REDD Programme or the World Bank's Forest Invest Program, special representation is accorded to indigenous peoples with a separate seat that is not counted toward the overall civil society quota. This should be replicated for women's representation.

Some key principles and actions to operationalize such an approach include:

- Gender equality should be a guiding principle and a cross-cutting issue for all climate finance instruments. This would ensure that within a fund's governance, operational guidelines, as well as accountability, monitoring and evaluation and stakeholder participation mechanisms need to take gender equality aspects into account.
- Gender-responsive funding guidelines and criteria should be developed for each thematic funding instrument or window. It is not enough to think of gender only in terms of adaptation; bringing gender-sensitivity to mitigation and REDD+ financing is equally



Looking at the reality of climate change financing, the significant gap between financing needs of developing countries and financing provided by developed countries becomes quite apparent. A variety of cost estimates exist with differing numbers. According to numbers from the 2010 World Bank's World Development Report on Climate Change and Development<sup>11</sup>, adaptation efforts in developing countries might cost up to US\$100 billion per year in 2030, with mitigation efforts estimated to cost up to an additional US\$175 billion per year. Sums such as these will have to come from a variety of sources, including public, private and innovative ones (such as levies on transportation fuel or transaction taxes for currency or finance trades).

Already, the private sector and carbon markets are playing an important role – a recent report estimates that as much as of current climate-relevant funding comes in form of investments and ownership interests.<sup>12</sup> However, these loan and equity instruments – predominantly spend on mitigation with a narrow emissions reduction focus – will have to be paid back and are thus taken with a view to profit-maximizing and financial returns. Such cost-benefit calculations with a narrowly defined results framework ("CO2-emission reduction per dollar spent") rarely take into account intangible and intrinsic normative values and co-benefits, such as social equity, poverty reduction goals or gender equality, and non-climate related environmental considerations such as biodiversity or livelihood protection. Thus, in the global climate finance discourse an honest appreciation of the role the private sector can play and the climate funding priorities where public sector financing is irreplace() -70. Tf() 2 (nc) 0.2 (i) 0.2(ng i) 0 -0 0.2 (rre).2 (y) o 0.TJ ET Qrrey h iab.34<sup>2</sup>



No less than a shift in the way we think about climate change and solutions to address climate change is needed. Currently, climate change is treated as a mainly as a scientific-technological challenge that can only be addressed with technology-centered solutions. Most climate financing is targeted this way. Yet, climate change is caused by human behavior, and it will need significant changes in human behavior – including the way in which gender norms and roles are set and genders interact – to address climate change and to halt a further deterioration of the global climate. That makes addressing gender equality a fundamental part of the answer to climate change. Climate finance instruments therefore have to actively target and promote social, gender and environmental co-



Today,



Annex I: The Global Climate Finance Architecture and Relevant Actors (Source: www.climatefundsupdate.org)

