GGCA
Global Gender and Climate Alliance

UNDP

Climate Investment Funds

EXPLORING THE GENDER DIMENSIONS OF CLIMATE FINANCE MECHANISMS

Background

The evolving family of Climate Investment Funds (CIF) comprises international investment instruments designed to offer interim funding to support developing countries' mitigation and adaptation efforts. Jointly established by The World Bank and regional multilateral development banks, the Funds were designed by a range of stakeholders, including developed and developing countries, United Nations agencies, the Global Environment Facility, non-governmental organizations, indigenous peoples and the private sector.

An objective of the CIF is to bolster efforts for sustainable development and poverty reduction by scaling-up projects and increasing the speed of their implementation. The CIF also aim to show that strategic financing can have positive impacts on both climate and development. Thus, a key feature of the CIF is providing funding that allows developing nations to incorporate low-carbon programmes into their national development plans.

Currently, the CIF consist of two main funds: the Clean Technology Fund and the Strategic Climate Fund. To date, donor countries have pledged approximately $4.5 billion and $1.9 billion, respectively, to the funds.[1]

The **Clean Technology Fund** (CTF) is expected to support between 15 and 20 country or regional investment plans that meet the criteria of significant greenhouse gas emissions savings and demonstrable potential for scale, fast-track implementation and development impact. The CTF invests in low-carbon development programmes that reduce greenhouse gas emissions, mainly in the energy and transportation sectors. In addition to the pledged funding, the Clean Technology Fund is expected to generate an additional eight dollars in co-financing for every one dollar pledged.[2]

The **Strategic Climate Fund** (SCF) pilots new development approaches. It is built around low-income country programmes that provide experience and lessons acquired through learning-by-doing. It channels additional financing for climate change; provides incentives for scaled-up and transformational mitigation and adaptation actions in the context of poverty reduction; extends incentives to maintain, restore or enhance carbon-rich natural ecosystems; and maximizes the co-benefits of sustainable development.

To date, the SCF consists of three programmes: the Pilot Programme for Climate Resilience (PPCR), which helps countries integrate climate resilience into national development planning; the Forest Investment Programme (FIP), which provides financial and knowledge support to reduce greenhouse gas emissions from deforestation and forest degradation; and Scaling-Up Renewable Energy in Low-Income Countries (SREP), which helps low-income countries adopt renewable energy solutions.

Box 1: CIF Operational Structure

The CTF and SCF each has its own governance committee. While the CTF Trust Fund Committee approves financing for programmes and projects, the SCF Trust Fund Committee's primary responsibility is the approval of new programmes; approval of project financing is delegated to the subcommittee of the relevant programme. Representation on the Trust Fund Committees is split between contributor and recipient countries. Representatives of regional development banks participate in the Committees' proceedings (including closed sessions) but do not have voting power. Additional "active observer" slots are allocated on each Trust Fund Committee and Subcommittee for representatives of UN agencies, civil society organizations, the private sector and indigenous peoples — though these observers are not able to participate in closed executive sessions.

While the Trust Fund Committees and Subcommittees have consistently noted the importance of having gender balance within the group of observers, this commitment to gender parity has not, thus far, carried over into the committees themselves. As of November 2010, the gender distribution of CIF committees is as follows:

– CTF Trust Fund Committee: 13 men, 3 women
– SCF Trust Fund Committee: 12 men, 6 women
– PPCR subcommittee: 10 men, 6 women
– FIP subcommittee: 9 men, 2 women
– SREP Subcommittee: 7 men, 5 women

The CIF and Poor Women's and Men's Livelihoods

All funds under the CIF have strong linkages to poor women's and men's livelihoods. However, the current commitment to invest 70 percent of pledged CIF funding in large-scale CTF energy and transportation programmes and projects — traditionally male-dominated working sectors of the formal economy — risks perpetuating existing gender imbalances in climate change funding.

Gendered patterns of energy use have significant, but often overlooked, implications for programme design and implementation. CTF would be more likely to reach its full potential by taking into account men's and women's different energy consumption and lifestyle patterns, and how these patterns relate to mitigation efforts. Yet discussions regarding the framework of the CTF overlooked these linkages and have not addressed the gender dimensions of CTF interventions, nor women's capacity to make contributions to strategy design and implementation of climate change mitigation initiatives.

By contrast, the connection between SCF programmes, which receive about 30 percent of pledged CIF funding, and the local livelihoods of poor women and men is more obvious and immediate.

The **PPCR**, for instance, with approximately $1 billion pledged to date, has a mandate to provide incentives for integrating climate resilience into national planning that is consistent with poverty reduction and sustainable development goals. It is also meant to provide resources to those with the least adaptive capacity, in order to facilitate adaptation strategy design. For example, the PPCR could also be called upon for initiatives such as transitioning to flood- and drought-resistant crops, helping farmers and pastoralists maintain national food security in the face of a drying climate, or constructing homes that meet specific disaster-resilient criteria – all activities which have strong implications for women.

The **FIP**, with $587 million pledged to date, has a mandate to support projects that promote sustainable forest management. Forests are typically areas of significant value to poor women and men, as rural populations in many developing countries depend on forest biodiversity for their livelihoods, sustenance and cultural survival. Women, in particular, often depend on forests for food, fuel, medicine, and income (e.g., through the collection and sale of non-timber forest products).

Finally, the **SREP**, with $318 million pledged to date, aims to increase access to energy by scaling up renewable energy use. As evidence has shown, increasing access to modern energy services for the basic development needs of poor households produces positive multiplier effects on development and achievement of the Millennium Development Goals, including empowering women, improving health conditions – particularly for women and children – increasing school enrolment and attendance rates, reducing poverty by sparking income-generating and entrepreneurial opportunities, and supporting environmental sustainability.

Gender and the CIF: status to date

Since the CIF are still in early stages of development – and constantly evolving – the degree to which they incorporate gender considerations will be determined largely by their final operational programme and project guidelines. To date, the CTF has not integrated gender considerations into any of its operations, though there may be a move to incorporate some sex-disaggregated indicators into its emerging results framework. However, there has been some progress in integrating gender considerations within SCF programmes, as detailed below.

PPCR: As the first programme to be operationalized under the SCF, the PPCR did not include any gender considerations in its original design or operational principles. Nonetheless, as pilot countries' phase I proposals have been developed, many of them have demonstrated attention to the gender dimensions of their plans – and the Subcommittee has increasingly requested countries that have not sufficiently considered these dimensions to revise their proposals to take gender considerations into greater account.

FIP: The second programme to be operationalized under the SCF, the FIP includes a Social Development and Gender Specialist as part of its expert group, and notes that "for the purpose of the FIP 'indigenous peoples and local communities' includes tribal communities and implies equal emphasis on the rights of men and women." [3] Furthermore, the FIP Operational Guidelines state that investment strategies should identify co-benefits, including gender equality, by "prioritizing activities that... help reduce poverty by enhancing economic growth or by improving services to the poor, taking into account the gender dimension of poverty." These guidelines also note that monitoring will allow for independent assessment of gender dimensions of forest governance; that the national steering committee for monitoring and evaluation should take gender considerations into account; and that monitoring and evaluation results should be sex-disaggregated where appropriate. Project and programme review criteria also include "identification of co-benefits from FIP investments," and "stakeholder involvement and consultation plans," both of which explicitly recognize gender dimensions.

SREP: the most recent programme operationalized under the SCF, the SREP design principles include a provision to "seek wider economic, social and environmental co-benefits...particularly greater involvement and empowerment of women and other vulnerable groups." The expert group includes an expert in Social and Gender development, and the SREP Programming Modalities and Operational Guidelines note that "SREP investments should seek to strengthen the capacity of women to be active participants in the economic sector and avoid negative impacts on women." Furthermore, the suggested structure of the Investment Plan requests information about "environmental, social and gender co-benefits," and the current draft of the SREP results framework includes a number of sex-disaggregated indicators and results that specifically reference both women and men.

Lastly, the CIF recently conducted a Strategic Environment, Social and Gender Assessment, which looked at social, environmental and gender considerations within the funds' operations and provided suggestions for how co-benefits in these areas could be maximized. The development of this assessment was a positive step, demonstrating the CIF's recognition of existing gender challenges and an active interest in ensuring positive development impacts for both women and men. Moving forward, it will be necessary for the CIF both to build upon the recommendations identified in the assessment and to ensure that these recommendations are also carried through in the design and implementation of CIF projects and programmes.

Suggestions for Moving Forward

There are a number of actions that can be taken to further ensure that the CIF respond to the needs of poor women and men equitably.

The CIF Trust Fund Committees and Subcommittees and multilateral development banks should:

Use existing gender tools early and systematically: CIF projects should take the differentiated impacts on and contributions of men and women into account in project development and implementation by utilizing tools such as gender indicators, social and gender analysis, sex-differentiated data-sets, gender monitoring and gender auditing. Experience with the use of these tools has been documented in the development context (e.g., gender-responsive budgeting) and could be adjusted or further developed for the needs of the CIF.

Strengthen the gender considerations within monitoring and evaluation frameworks: While the reflection of gender within the CIF results frameworks has greatly improved over earlier versions, there are still additional areas that could be improved, including through additional use of sex-disaggregated indicators and through the incorporation of specific indicators that measure the funds' impacts on gender equality and women's empowerment.

Include social and gender experts in the joint missions: Joint missions are organized to assist pilot countries in formulating strategic plans for addressing climate change. These missions are country-led and include broad participation from the government, multilateral development banks, and other development partners. Including social and gender experts in these missions can help ensure that these dimensions are fully incorporated into the resultant investment plans.

Generate lessons learned and best practices for mainstreaming gender into climate change programming: Best practices related to gender continue to be based on small projects; little documentation currently exists on how to mainstream gender in large-scale projects and when scaling-up energy interventions. As one of the primary goals of the CIF is to generate lessons learned, these funds provide a strong opportunity to research and document best practices in these areas.

Create gender balance on the funds' Trust Fund Committees and Subcommittees: To achieve balanced representation of women and men on the Fund's Trust Fund Committees and Subcommittees, quotas could be integrated into CIF governance and funding structures. While merely including women is not sufficient to ensure that the CIF respond to the needs of both women and men, achieving gender parity within the decision-making structure is an important step.

Further engage gender experts and/or women's organizations as active observers: The Trust Fund Committees and Subcommittees made provisions for engaging civil society organizations as active observers that 1) intervene at committee meetings 2) request co-chairs to add agenda items to the provisional agenda and 3) recommend experts to speak on specific agenda items. These provisions present an opportunity to systematically raise awareness of the gender implications of the CIF and their operations. An observer space on each committee could also be reserved specifically for a women's civil society organization or gender expert.

Civil society organizations should:

Advocate with CIF expert groups and MDBs: Gender considerations can be furthered by actively advocating with the Funds' expert groups responsible for making recommendations on country selections and pilot programmes, and by offering MDBs substantive inputs in the formulation of projects and programs.

Utilize the Partnership Forum to influence CIF design: The annual Partnership Forum, the primary forum for providing and receiving advice on issues related to the concept, management and implementation of the Funds and integrating them into the wider international development agenda, presents a clear opportunity to advocate for gender to be incorporated into the focus and design of the CIF and their strategic directions.

Engage relevant CIF units within The World Bank and regional multilateral development banks: These institutions' strategic documents repeatedly state that poverty reduction and development can be achieved only on the basis of gender equality and women's empowerment. Their work and record in sector programmes dealing with key gender concerns provide points of entry for expanding gender considerations within the CIF.

References

[1] Climate Investment Funds. Home page. http://www.climateinvestmentfunds.org/cif/. Accessed November 16, 2010.

[2] ibid.

[3] Climate Investment Funds. 2009. Design Document for the Forest Investment Program, A Targeted Program under the SCF Trust Fund. http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP_Final_Design_Document_July_7.pdf

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