**OECD DAC NETWORK ON GENDER EQUALITY (GENDERNET) • NOVEMBER 2015** 

# Making climate finance work for women: Overview of the integration of gender equality in aid to climate change



his brief is a contribution to the 21<sup>st</sup> Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21). It provides an overview of how well members of the OECD Development Assistance Committee (DAC)<sup>1</sup> are integrating gender equality into their bilateral aid to climate change.<sup>2</sup>

#### **KEY FINDINGS**

- In 2013, 29% of DAC members' bilateral aid to climate change targeted gender equality –
  representing a total of USD 6.9 billion. Just 3% of aid to climate change targeted gender equality as
  a principal objective, while 26% targeted gender equality as a secondary objective.
- Aid to climate change adaptation has a stronger focus on gender equality than aid to mitigation.
   In 2013, of total climate-related ODA focused on gender equality, 46% targeted climate change adaptation only and 19% targeted climate change mitigation only.
- Gender-responsive approaches are needed across all climate-related sectors. While gender
  equality is quite well integrated in climate-related aid to agriculture and water, it is poorly addressed
  in economic infrastructure sectors. In 2012-13, only 11% of climate-related aid to energy and 12% to
  transport targeted gender equality. Almost no climate aid to these sectors targeted gender equality as a
  principal objective.
- More needs to be done to improve women's opportunities to participate in the green economy, notably through ensuring that women benefit equally from development projects focusing on clean technology and renewable energy. The COP21 is a critical opportunity for DAC members to step-up their commitment to integrate gender equality in all aspects of climate action.

#### Why gender equality and climate change?

Women and girls are disproportionately affected by the impacts of climate change. In many developing contexts, women's livelihoods are dependent on climate-sensitive sectors such as subsistence agriculture, forestry and water.<sup>3</sup> Women and girls also typically have less capacity and resources than men and boys to prepare for and adapt to climate change. For example, restrictions on women's land ownership mean that many women do not have access to productive land to farm, while a lack of financial capital and access to technologies means they cannot easily diversify their livelihoods.<sup>4</sup> At the same time, women and girls who experience the consequences of climate change are often leaders in developing effective coping strategies and building resilience, for example by adapting their farming practices. Both women and men have important insights to contribute to designing and implementing effective climate responses and should be fully included in decision-making relating to climate change at all levels.



<sup>1.</sup> The DAC has 29 members as of October 2015. The statistics in this paper are based on data reported by all DAC members except for Slovenia which is among the newest DAC members and did not report aid targeting gender equality and climate change from 2010 to 2013.

<sup>2.</sup> This brief is a collaboration between the OECD-DAC Network on Gender Equality (GENDERNET), the DAC Network on Environment and Development Co-operation (ENVIRONET), and the DAC Working Party on Development Finance Statistics (WP-STAT). Data and statistics contained in the brief are based on bilateral sector-allocable aid that has been screened both with the DAC Rio markers on climate change mitigation and adaptation and with the DAC gender equality policy marker.

<sup>3.</sup> BRIDGE (2011), Gender and Climate Change Overview Report.

<sup>4.</sup> Ibid.

The Beijing Declaration and Platform for Action (1995) was the first international declaration to recognise the links between gender equality and climate change by identifying women and the environment as one of twelve critical areas of concern. In recent years, progress has been made in integrating gender equality in international agreements on climate change and sustainable development, particularly in the decisions and conclusions of the United Nations Framework Convention on Climate Change (UNFCCC) (Box 1).

The 2030 Agenda for Sustainable Development, adopted by World Leaders in September 2015, also acknowledges the critical importance of advancing gender equality and empowering women and girls to realise sustainable development. Sustainable Development Goal (SDG) 13 on combating climate change and its impact calls specifically for the promotion of "mechanisms for raising capacity for effective climate change-related planning and management in least developed countries, including focusing on women". Many of the climate-related SDGs include gender-specific targets, for instance on ownership and control over land and access to new technology (SDG1), women small-scale food producers (SDG2), and water and sanitation (SDG6). Taken together, these agreements provide a mandate for advancing gender equality and women's empowerment across all areas of climate change action (Box 1).

# Box 1: Gender equality and climate change in decisions and conclusions of the United Nations Framework Convention on Climate Change

- **COP7, decision 36/CP.7 (2001):** affirms for the first time the need to improve women's equal participation and representation in bodies established under the UNFCCC or Kyoto Protocol.
- **COP16, decision 1/CP.16 (2010):** recognises that gender equality and the effective participation of women are important for effective action on all aspects of climate change.
- COP18, decision 23/CP.18 (2012): calls for improving the participation of women in UNFCCC negotiations
  and their equal representation in bodies established pursuant to the Convention or the Kyoto Protocol "in order
  to inform more effective climate change policy that addresses the needs of women and men equally".
- COP20, decision 18/CP.20, "Lima work programme on gender" (2014): invites Parties to enhance their efforts to improve the participation of women in the Convention process, promote gender-sensitivity in developing and implementing climate policies, and engage in the development of a two-year work programme on gender. It also decides to clarify the meaning of the term "gender-responsive climate policy" to improve its effective implementation.

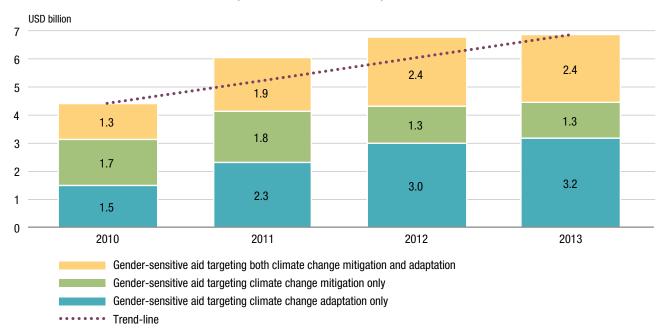
#### How well is gender equality integrated in DAC members' aid to climate change?

**Support for gender equality in climate change interventions has increased rapidly in recent years** from USD 4.4 billion in 2010 to USD 6.9 billion in 2013 (Chart 1). Of the USD 23.7 billion of official development assistance (ODA) provided by members of the OECD-DAC to address climate change in 2013, 29% was reported as targeting gender equality. Only 3% targeted gender equality as a principal objective,<sup>5</sup> while 26% targeted gender equality as a secondary objective.<sup>6</sup>

<sup>5. &</sup>quot;Principal objective" means that gender equality is the main objective of the activity and that the activity would not have been undertaken without this objective.

<sup>6. &</sup>quot;Significant objective" means that gender equality is an important objective, but not the principal reason for undertaking the activity.

Chart 1: Trends in DAC members' climate-related aid targeting gender equality 2010-2013, USD billion commitments, sector allocable aid



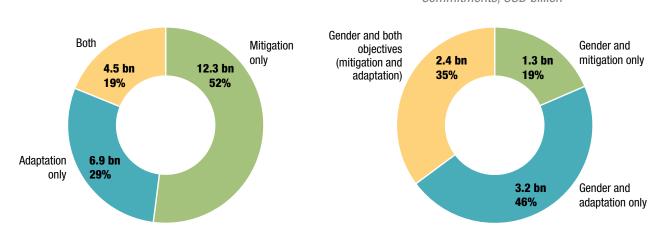
Meeting the challenges posed by climate change requires mitigation measures to address the causes of climate change and adaptation measures to address its impacts. Bilateral climate-related ODA is heavily weighted towards mitigation activities, with 52% targeting mitigation only, 29% targeting adaptation only, and 19% targeting both objectives in 2013 (Chart 2). This pattern is reversed for climate-related ODA focused on gender equality, where gender-responsive approaches<sup>7</sup> to climate change have been mainly concentrated in climate change adaptation. In 2013, the breakdown of climate-related aid focussing on gender equality was 46% for adaptation only, 19% for mitigation only, and 35% for both objectives (Chart 3).

Chart 2: Bilateral climate-related aid in 2013

Commitments, USD billion

Chart 3: Gender-responsive bilateral climate-related aid in 2013

Commitments, USD billion



<sup>7.</sup> Gender-responsive in this context refers to programmes that have been screened using the DAC gender marker and have been found to target gender equality as a principal or significant objective. These are programmes where gender norms, roles and inequalities have been analysed and measures have been taken to actively address them.



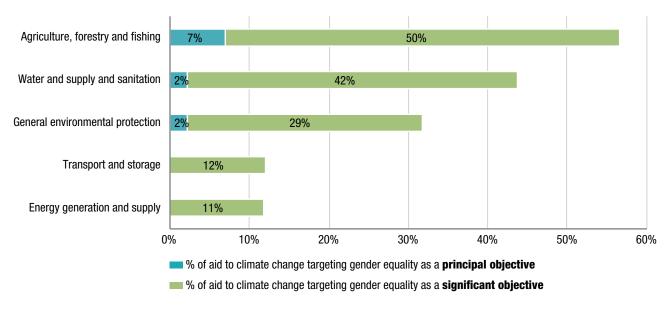
The focus on gender equality in adaptation programmes is welcome given that women are particularly impacted by the negative effects of climate change and play a crucial role in adaptation efforts. Integrating a gender perspective in adaptation activities is critical to ensure that interventions respond to the needs of women and girls, do not exacerbate inequalities, and contribute to empowering women to drive change at all levels of the adaptation process.<sup>8</sup> **Despite this, over half of the aid to climate change adaptation fails to take account of women's specific needs and contributions.** 

Mitigation activities, which aim to decrease greenhouse gas emissions including through support for technology development and capacity building, provide important opportunities to improve women's health and livelihoods while **creating new possibilities for women's economic participation and empowerment**, particularly in the renewable energy sector. More efforts are needed to ensure that mitigation and technology development activities are designed for the benefit of both women and men and contribute to the advancement of gender equality.

## Which sectors are targeted for gender-responsive climate finance?

**Five sectors receive most of the gender-responsive aid to climate change** (Chart 4). There is a strong focus on gender equality in climate-related aid to agriculture<sup>10</sup> (57%) and water (44%). In the agricultural sector, this is driven primarily by large rural development and food security projects. Accelerated efforts are needed to ensure that gender equality is mainstreamed throughout all climate change programmes in these sectors, given the primary role that women play in many developing country contexts in natural resource management, raising small livestock, and collecting fuel and water.





<sup>8.</sup> BRIDGE (2008), Gender and climate change: mapping the linkages. A scoping study on knowledge and gaps.
9. UNDP (2013), Powerful synergies. Gender equality, economic development, and environmental sustainability.
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<sup>10.</sup> The agricultural sector includes: agriculture, rural development, forestry, and fishing.

**Gender equality is poorly addressed in climate aid to the economic infrastructure sectors** – a financing gap which mirrors the underinvestment in gender equality in the economic and productive sectors in general.<sup>11</sup> While the transport and energy sectors receive the largest amounts of bilateral aid to climate change overall (Chart 5), only a very small proportion of this targets gender equality (Chart 6). In 2012-13, 11% of bilateral climate-related aid to energy and 12% to transport mainstreamed gender equality. Almost no climate aid to the transport and energy sectors was reported as targeting gender equality as a principal objective.<sup>12</sup>

Chart 5: Distribution of bilateral aid to climate change (top five recipient sectors)

2012-2013 average commitments, 2013 prices

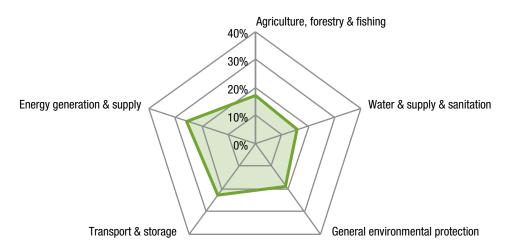
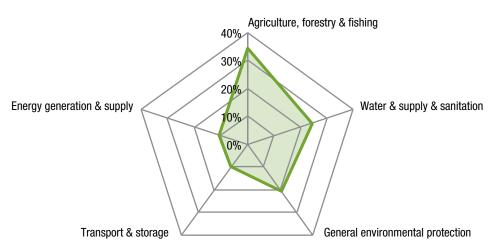


Chart 6: Distribution of gender-responsive bilateral aid to climate change (top five recipient sectors)

2012-2013 average commitments, 2013 prices



To reverse the underinvestment in gender equality in the economic infrastructure sectors, **more needs to be done to improve opportunities for women to participate in the green economy**,<sup>13</sup> notably through ensuring that women benefit equally from development projects focusing on clean technology and renewable energy.

<sup>11.</sup> OECD (2015), From commitment to action: Financing gender equality and women's rights in the implementation of the Sustainable Development Goals.

12. In 2012-13, 0.41% of bilateral climate-related aid to energy and 0.45% of bilateral climate-related aid to transport and storage was reported as targeting gender equality as a principal objective.

13. The green economy can be defined as one whose growth in income and employment is driven by investments that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystem services. See for instance the work of UNEP on this topic: <a href="http://www.unep.org/greeneconomy/AboutGEI/WhatisGEI/tabid/29784/Default.aspx">http://www.unep.org/greeneconomy/AboutGEI/WhatisGEI/tabid/29784/Default.aspx</a>

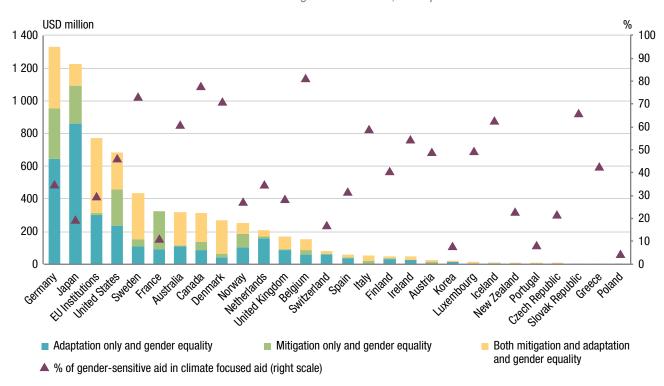


Currently only 20-24% of jobs in the renewable energy sector are held by women,<sup>14</sup> yet projections show that "green jobs" could lead to millions of new employment opportunities in the next few years.<sup>15</sup>

A number of promising examples can be built upon. Development programmes that support the distribution of clean cookstoves<sup>16</sup> have had a significant impact on reducing emissions and limiting premature deaths and illness linked to indoor air pollution, particularly benefiting women and children. The Grameen Shakti mitigation programme in Bangladesh is a well-known initiative that trains women as solar technicians to install and maintain solar home systems in rural households not connected to electricity. This programme has proven effective in enabling women to gain access to new skills and employment opportunities, while improving the lives of local communities.<sup>17</sup> In another programme, supported by the Multilateral Investment Fund in Mexico, women have been trained in plumbing techniques to exchange old, inefficient water devices in more than 15,000 households in low-income areas of the city that suffer from water shortages. As well as delivering mitigation and adaptation benefits, this programme has improved women's access to jobs, while also enabling each family to save the equivalent of USD 300 per year due to water and energy savings.<sup>18</sup> In Colombia, gender equality was successfully incorporated in the planning and design of the **TransMilenio**, a transport project to establish a low-emission rapid bus transit system in Bogotá. Greater attention to gender differentiated needs increased women customers' use of the bus system, which not only reduced greenhouse emissions due to less use of private vehicles, but also created new job opportunities for women. 19 Such initiatives show that ample opportunities exist to promote the early engagement of women in the design and delivery of locally appropriate solutions to climate change, with social, economic and environmental benefits.

## Who are the leading donors?

Chart 7: Aid to climate change targeting gender equality, by donor 2012-2013 average commitments, 2013 prices



<sup>14.</sup> IRENA (2013), Renewable Energy and Jobs.

<sup>15.</sup> ILO. Green jobs: improving the climate for gender equality too!

<sup>16.</sup> See for instance the Global Alliance for Clean Cookstoves: <a href="http://cleancookstoves.org/">http://cleancookstoves.org/</a>

<sup>17.</sup> http://www.gshakti.org/index.php?option=com\_content&view=article&id=79&ltemid=68

<sup>18.</sup> http://www.fomin.org/en-us/Home/Projects/ProjectDatabase/ProjectProfile/tabid/85/prj/ME-M1080/language/en-US/Default.aspx

<sup>19.</sup> GGCA & WEDO (2015), Exposing the gender gaps in financing climate change mitigation – and proposing solutions.

In 2013, **Germany**, **Japan** and the **EU institutions** reported the **largest volumes** of gender-responsive bilateral aid to climate change (USD 1.3 billion, USD 1.2 billion and USD 771 million respectively). In percentage terms, **Belgium** (81%), **Canada** (78%), and **Sweden** (73%) reported the **strongest focus** on gender equality in their climate change activities in 2013. This compares to an average of 30% in 2012-13 among DAC members.

#### Who are the main recipients?

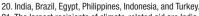
Chart 8: Top ten recipients of gender-responsive climate-related ODA in volume USD million, 2012-2013 average commitments, constant 2013 prices

		Gender-responsive climate-related ODA (USD million)	Percentage of aid to climate change targeting gender equality
1	India	546	17%
2	Afghanistan	293	63%
3	Ethiopia	261	73%
4	Brazil	242	29%
5	Egypt	177	37%
6	Philippines	175	30%
7	Tanzania	166	65%
8	Indonesia	158	26%
9	Bangladesh	157	24%
10	Turkey	147	47%

In 2013, **India** received the **largest amounts** of climate-related aid targeting gender equality, followed by **Afghanistan** and **Ethiopia**. It is notable that six of the 10 biggest recipients of climate-related ODA targeting gender equality are **middle-income countries**.<sup>20</sup> To a large extent, the countries that receive the largest volumes of climate-related ODA targeting gender equality are also the biggest recipients of aid to climate change overall.<sup>21</sup>

# The COP21 – a critical opportunity to raise ambition for climate action that delivers for all

Integrating gender equality into climate policies and programmes is widely regarded as best practice that is essential for ensuring that climate responses have a positive impact on the lives of both women and men. This requires prioritising gender equality in sectors such as agriculture and water, but also in energy and transport projects which are more mitigation-focused and where gender equality is typically poorly addressed. Failing to incorporate gender equality into these sectors constitutes a missed opportunity, not least of all given the large amounts of climate finance that are being invested there. The COP21 provides a critical opportunity for DAC members to step-up their commitment to integrate gender equality in all aspects of climate action as a prerequisite for achieving sustainable development for all.



<sup>21.</sup> The largest recipients of climate-related aid are India (USD 3.879 billion), followed by Turkey (USD 2.267 billion), Bangladesh (USD 1.791 billion) and China (USD 1.691 billion).



# The OECD-DAC policy markers

This brief is based on data collected using the OECD-DAC Rio markers on climate change mitigation and climate change adaptation, and the OECD-DAC gender equality policy marker.

#### The Rio markers

Since 1998, the DAC has monitored development finance targeting the objectives of the Rio Conventions using the "Rio markers", where providers are requested to indicate for each development finance activity whether or not it targets environmental objectives. There are four Rio markers, covering: climate change mitigation, climate change adaptation, biodiversity, and desertification. The information contained in this brief is based on the first two markers (mitigation and adaptation). The adaption marker was introduced in 2010. The Rio markers indicate the degree to which environmental considerations are mainstreamed into development co-operation.

For more information about the Rio markers, see:

http://www.oecd.org/dac/stats/rioconventions.htm

#### The gender equality policy marker

The DAC gender equality policy marker is used to track aid activities that target gender equality as a policy objective. Aid activities can be classified as targeting gender equality as a "principal" or "significant" objective, or as "not targeted". Principal means that gender equality is a primary objective of the activity. Significant means that gender equality is an important but secondary objective. Not targeted means that the activity has been screened using the policy marker but was found not to be targeting gender equality. The marker contributes to strengthening transparency and accountability in donor financing for gender equality and women's rights.

For more information about the gender equality policy marker, see:

http://www.oecd.org/dac/gender-development/dac-gender-equality-marker.htm

#### Other recent publications

OECD (2015), From commitment to action: Priorities for financing gender equality and women's rights in the implementation of the Sustainable Development Goals.

OECD (2015), Financing UN Security Council Resolution 1325: Aid in support of gender equality and women's rights in fragile contexts.

OECD (2015), Aid in Support of Gender Equality and Women's Empowerment - Donor Charts.

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