



GENDER AND CLIMATE CHANGE
Capacity development series
ASIA AND THE PACIFIC Training module **5**

Gender and climate finance

© 2013 United Nations Development Programme
All rights reserved.

The views expressed in this publication are those of the author(s) and do not necessarily represent those of the United Nations, including its Member States and the United Nations Development Programme.

AUTHOR: Senay Habtezion

CONTRIBUTORS: Elizabeth Eggerts, Sophia Huyer, Hannah Strohmeier and Lucy Wanjiru

EDITOR: Jeffrey Stern (Suazion, Inc.)

DESIGN: Suazion, Inc. (suazion.com)

PHOTOGRAPHY: World Bank/Shehzad Noorani (cover) and Aleksandar Todorovic (p. 4)



I. Purpose of the training module	2
II. Learning objectives	4
III. Key messages	5
IV. Cost of climate change and the climate finance architecture	6
V. Gender aspects of climate finance	17
VI. Engendering climate finance	25
VII. Conclusions	31
Appendix A: Case studies	32
Appendix B: Learning tools	35
References	36

I Purpose of the training module

Box 1: Icon key



Activity or
exercise



Link to other
training modules



PowerPoint or
video presentation



Readings



Important
information



Timing
indication



Internet
link

IA *Rationale*

The lack of international, regional and national gender-specific expertise on climate change and sustainable development issues poses one of the most pressing challenges to addressing the gender dimensions of climate change in developing countries.

To respond to this challenge, the United Nations Development Programme (UNDP) has developed a series of gender and climate change training modules and policy briefs directed at practitioners and policymakers in the Asia-Pacific region. The covered themes are specifically relevant to the region and focus on climate change issues such as adaptation and mitigation, disaster risk reduction, energy and finance.

These materials draw on the capacity development work being undertaken in partnership with other members of the Global Gender and Climate Alliance and complement the Alliance's existing training modules, resource guides and related knowledge products. They are designed to facilitate the work of the regional cadre of national experts and other partners in the Asia-Pacific region to mainstream gender into climate change efforts. The materials' preparation has been made possible by contributions from the Government of Finland and the Government of Denmark.

The materials target a range of practitioners and policy makers. The materials are designed to be used by those with experience in gender and development or by those with backgrounds in climate change, the environment and sustainable development. Readers will gain a greater and shared understanding of how gender and climate change intersect. The learning goals of this module are outlined in Part II.

This fifth module in the series focuses on gender issues in climate finance.

IB *Module structure and method*

This module provides basic information and learning tools needed to understand, advocate and influence the gender aspects of climate finance. It focuses on different climate finance funds, mechanisms and sources as they pertain to gender and covers the following major themes:

- The economic and human cost of climate change;
- Gender aspects of climate finance; and
- Strategies for guiding climate funds and mechanisms towards increased sensitivity to gender-based vulnerabilities and the gendered aspects of climate change responses.

Part II of this module outlines learning objectives and presents what users can expect to know when the training concludes. Part III spells out the key take-away messages, followed by parts IV and V, which provide background and core information on the representative climate finance mechanisms, funds and instruments, as well as gender analysis of their design and operation. Part VI presents options for ensuring the gender-responsiveness of climate finance.

The module also presents case studies and other learning tools (e.g. handouts and group activities) to help facilitate the use of the module and think through issues to consider when designing and implementing gender-responsive climate finance mechanisms. In addition, the module employs seven icons to help make it user-friendly (see Box 1). The module also includes several cross-references in order to encourage facilitators and participants to consult the other modules in this series.

Training based on this module can be delivered in three sessions:

- Session 1: Parts II and IV (1 hour)
- Session 2: Part V (1 hour)
- Session 3: Part VI (1 hour)

See Appendix B, Learning Tools, for a breakdown of time for different activities.

II Learning objectives

- Understand the economic and human costs of climate change impacts in the Asia-Pacific region.
- Discuss the major climate change finance mechanisms, institutions and funds, the challenges of access to and effective of climate finance mechanisms as well as their gender implications.
- Identify options for gender-sensitive approaches to climate finance.



III Key messages



- Climate change impacts and responses have a high cost. In addition to taking a heavy toll on the economy, climate change impacts will worsen poverty and progress made towards achieving the Millennium Development Goals (MDGs), including MDG-3 (promoting gender equality and women empowerment). The economic and social costs of climate change will most likely continue to be severe within the Asia-Pacific region.
- Gender-based discrimination, poverty and traditional and historical productive and reproductive roles in society put women in a position of vulnerability. Climate finance should be designed to address these vulnerabilities. Gender perspectives need to be integrated into the planning, implementation, monitoring and evaluation of climate finance at all levels.
- At present, climate finance funds and mechanisms display varying levels of gender sensitivity. While some progress has been made in reflecting gender concerns in climate finance mechanisms (multilateral funds in particular), much effort is still needed to ensure that all sources of climate finance systematically take gender issues into account and benefit the most vulnerable groups of society, including women.
- At a minimum, financing for adaptation and mitigation projects should require social and gender impact analyses.
- Women bring unique knowledge, skills and experiences that contribute to the sustainability and effectiveness of mitigation and adaptation programs and activities. These aspects need to be factored into the design and operationalization of climate financing in governance, policies and programming.
- Most developing countries have difficulties attracting climate finance. All available tools, including national climate funds, should be used to help improve access to technological and financial resources for adaptation and mitigation. Gender-responsive budgeting can also help in this respect by ensuring that public resources are used more effectively and equitably.
- Resources allocated for climate change response need to reach the targeted projects and beneficiaries. It is important that climate finance regimes have built-in systems for ensuring equity, accountability and transparency.

IV Cost of climate change and the climate finance architecture

Learning objective: Understand the role of climate finance in meeting the costs of climate change impacts globally and in the Asia-Pacific region

1. Although cost estimates of climate change impacts and responses vary, they are consistently agreed to be very high. This is particularly true in developing countries, including many in the Asia-Pacific region.

1A. Climate change has the potential to threaten the livelihoods of millions across the global south. Over the next decades, climate change-related damage will be increasingly noticeable across many sectors and scales, endangering human security and reversing gains made in poverty reduction and the achievement of the MDGs (UNDP 2007, 2011d). In addition, certain groups of society, especially the poor, are particularly vulnerable to climate change since they are less likely to have the resources to withstand its impacts (IPCC 2007). Similarly, climate change may amplify existing social inequalities, including gender-based inequalities (UNDP 2007).



Module 1: Climate change – general overview
Module 2: Adaptation

1B. In general, the Asia-Pacific region provides a mixed picture on climate change. On the one hand, it is a region that continues to witness and experience some of the harshest impacts of climate change on local, national and regional scales. To illustrate, a 2011 scientific report found that 6 of the top 10 countries at “extreme risk” for negative climate change impacts (as measured by on the Climate Change Vulnerability Index) are in the Asia-Pacific region (Maplecroft 2010). Similarly, countries in the Asia-Pacific region are 4 times more likely than those in Africa and 25 times more likely than those in Europe or North America to experience natural disasters (UNESCAP and UNISDR 2010, UNESCAP 2011a). The region’s emission of greenhouse gases is among the fastest growing in the world. Overall, between 2000 and 2008, emissions in the Asia-Pacific region have been increasing almost twice as fast as the global average (5.4 percent per annum as compared to the global average of 2.8 percent (UNESCAP 2011a). Such emissions transcend national boundaries and are felt on a global scale, necessitating appropriate mitigation action (e.g. emissions trading, low emission development, green growth).

The Asia-Pacific region’s diverse characteristics are susceptible to a wide range of climate-related threats (see Asia-Pacific Training Module 1 for description of the

region's economic and geographic diversity). Expected impacts in the Asia-Pacific region include declines in crop yield, loss of coastal ecosystems as a result of sea-level rise and marked increases in the intensity of extreme weather incidents (e.g. prolonged dry spells, intense downpours, tropical cyclones and heat waves) (Cruz et al. 2007, Mimura et al. 2007).

The costs of these impacts are projected to be substantial. Global cost estimates for adaptation and mitigation efforts vary widely, with annual costs ranging from \$249 billion to \$1,371 billion by 2030 (UNDP 2011c) (see Tables 1 and 2). The large differences in estimates are due in part to the difficulty in distinguishing adaptation efforts from related development efforts, the fact that not all estimates account for the cost of adapting to the impact of climate change on ecosystems and that the costs of integrating new renewable energies are context- and site-specific and thus difficult

Table 1: Global cost estimates for mitigation

Source	Cost	Remarks
UNDP (2011a)	0.2% to 1.2% of annual world gross domestic product	Investments needed to reduce the concentration of greenhouse gases
World Bank (2011)	\$140 billion to \$175 billion/year	Annual net cost by 2030 of developing country mitigation measures to stay on a 2°C trajectory.
UNFCCC (2008)	\$200 billion to \$210 billion/year	Global additional* investment needed by 2030 to reduce global greenhouse gas emissions by 25 percent below 2000 levels
Stern (2006)	-1% to +3.5 % of global gross domestic product	The cost of stabilizing the greenhouse gas concentration in the atmosphere at a maximum of 550 ppm C02e** by 2050

* 'Additional' means that the resources expected exceed expected future increases in funding under existing official development assistance programmes.

** CO₂e (carbon dioxide equivalent) is the unit used to report greenhouse gas emissions or reductions. Greenhouse gases are converted to CO₂e by multiplying their respective global warming potential, which allows for reporting of greenhouse gas emissions in a standardized value.

Sources: UNDP 2011a, World Bank 2010, 2011; Parry et al. 2009; UNFCCC 2008.

Table 2: Global cost estimates for adaptation

Source	Cost	Remarks
UNDP (2011d)	\$105 billion/year	New additional* adaptation finance needed by 2030
World Bank (2010)	\$70 billion to \$100 billion/year	Annual cost by 2050 of developing-country adaptation measures to a 2°C warmer world.
UNFCCC (2008)		
Agriculture, forestry & human health	\$14 billion/year	Estimated overall additional investment and financial flows needed for adaptation in 2030 by sector. This translates to a \$49 billion to \$171 billion range in total adaptation cost.
Fisheries	\$11 billion/year	
Water supply	\$5 billion/year	
Coastal zones	\$11 billion/year	
Infrastructure	\$8 billion to \$130 billion/year	
* 'Additional' means that the resources expected are over and above expected future increases in funding under existing official development assistance (ODA) programs.		

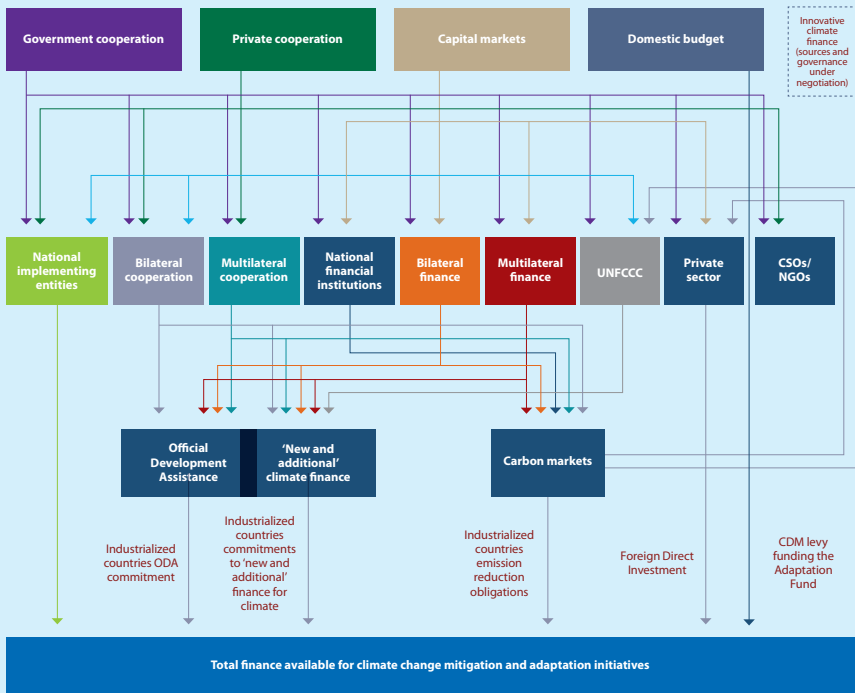
Sources: Parry et al. 2009,2011; UNDP 2011d; UNFCCC 2008; World Bank 2010.

to estimate globally. According to the World Bank, using the average of the two net sum cost estimates under the wettest and driest scenarios, the costs of adaptation from 2010 to 2050 will be \$22.25 billion for East Asia and the Pacific and \$14.05 billion for South Asia (World Bank 2010; see figures below). Similarly, modelling work done by the Asian Development Bank covering four countries in Southeast Asia (Indonesia, Philippines, Thailand and Viet Nam) shows that the cost of the changing climate to these countries each year could equal a loss of 6.7 percent of their combined gross domestic product by 2100, more than twice the world average (ADB 2009).

- Although the flow of climate finance has been steadily increasing, it continues to lag behind the magnitude of climate change costs. Such increases notwithstanding, critical issues of access, transparency, accountability and equity will need to be addressed if the evolving climate finance regime is to meaningfully address climate challenge and not undermine equally important social development goals, including gender equality.

2A. What is climate finance? There is no internationally agreed definition of what constitutes climate finance. Climate finance flows in many directions, including international and domestic flows. Although domestic resources are often used to address climate change, national climate funds are still in their infancy. Hence, climate finance usually refers to financial flows from industrialized countries to developing countries to help them transition to a low-carbon development path and to adapt to climate change. Further, climate finance includes public and private sources of funding and is channelled into the broad areas of mitigation and adaptation. Climate finance is used in reference to an assortment of types and forms of financing for climate change. Table 4 provides a description and characteristics of the most common usages of climate finance. See Table 5 for concrete examples of such finance mechanisms and their gender aspects.

Figure 1: Climate change finance: Sources, agents and channels



Source: Adapted by Yannick Glemarec from Atteridge et al. 2009.

Table 3: Climate finance categories and characteristics

Category of finance	Description	Characteristics / Remarks
Public finance	Public-sector financing redistributes the flow of funds through bilateral and multilateral processes (e.g. dedicated climate funds) and specialized market-oriented mechanisms.	Various actors manage public financing, including the United Nations, the World Bank, other multilateral finance and development institutions and a host of bilateral donors.
Private-sector finance	Private-sector finance employs instruments similar to those in conventional financial markets. It is estimated that private climate finance in developing countries is three times greater than public finance (Buchner et al. 2011).	The private-sector network includes companies and financial intermediaries, foundations, venture capital funds, private carbon funds and a network of exchanges (UNDP 2011c).
Public-private finance	Public-private finance is usually a public sector initiative involving other international public-private investments on adaptation and mitigation efforts.	The Clean Development Mechanism is an example of public-private finance.
National climate finance	In addition to external support, developing countries are making domestic investments in climate efforts that are likely to increase (Bapna and McGray 2008). Such investments constitute national climate finance. These finance instruments are “nationally-driven and nationally-owned funds that help countries to collect climate finance from a variety of sources, coordinate them, blend them together and account for them.” (Flynn 2011).	National climate finance is undertaken by national governments. International assistance is available to help countries with creating and implementing national climate finance strategies.
South-South climate finance	South-South climate finance envisages a situation where developing countries assist one another with resources to address climate change. This may entail knowledge sharing, lessons learned and good practices in accessing, managing and delivering various external and domestic climate financing strategies.	As of 2013, no significant South-South transfer of resources for climate change-related efforts have occurred. Emerging economies (e.g. Brazil, China, India) may provide future adaptation funding to low-income countries to help them cope with climate change (Bapna and McGray 2008).

Table 3 (cont-d): Climate finance categories and characteristics

Category of finance	Description	Characteristics / Remarks
Mitigation finance	Mitigation finance involves funding aimed at reducing and minimizing the effects of climate change. There is some criticism that mitigation activities receive the most funding from global climate change financial mechanisms and that funding for adaptation projects is less readily available than funding for mitigation projects.	In 2009/2010, most climate finance (\$93 billion of \$97 billion) was used for mitigation in contrast to that \$5 billion which went to adaptation efforts.
Adaptation finance	Adaptation finance funds help countries and communities cope with and respond to climate change impacts.	Attention to adaptation efforts has increased in recent years, but it is still not financed as heavily as mitigation efforts.
Market-based finance	Market-based mechanisms involve private actors for climate change-related investments. (e.g. Clean Development Mechanism, Joint Implementation and emissions trading under the United Nations Framework Convention on Climate Change). Public actors are becoming more involved in market-based climate finance (e.g. the World Bank).	\$ The World Bank manages over \$2 billion across 12 funds and facilities. It sources its funds from 16 states and 66 private companies. Its two new market-based carbon facilities are the Forest Carbon Partnership Facility and the Carbon Partnership Facility (Aguilar et al. 2009).
Non-market-based finance	Climate finance can be delivered through non-market-based financial forms (e.g. through direct transfers to recipient countries), including public sector funds and project subsidies.	\$105 billion/year
* 'Additional' means that the resources expected are over and above expected future increases in funding under existing official development assistance (ODA) programs.		

Sources: Parry et al. 2009,2011; UNDP 2011d; UNFCCC 2008; World Bank 2010.

2B. The current climate finance architecture is remarkably complex. There are currently over 50 international public funds, 45 carbon markets and 6,000 private equity funds providing climate change finance (UNDP 2011a). These actors include governments, international quasi-governmental institutions (e.g. UN agencies and multilateral development banks) and private-sector actors such as investors, corporations and hedge funds. The mechanisms include a mix of market- and non-market-based mechanisms and they have complex governance structures (see Figure 1) (Flynn 2011, UNDP 2011c).

2C. Given the growing severity of climate change effects, ensuring that there is adequate and equitable financing available to help countries and communities respond to climate change will be critical in moving forward. Parties to the United Nations Framework Convention on Climate Change have taken steps to bolster multilateral sources of climate finance over the past several years, including:

- ‘Fast-start finance’ of \$30 billion per year from 2010 to 2012 and ‘long-term finance’ of \$100 billion by 2020 through various finance mechanisms, including through the newly formed Green Climate Fund. This fund is prioritized for the most vulnerable developing countries, which includes least developed countries and small island developing states.
- As of November 2011, the total amount of individual fast-start finance pledges by developed countries was \$28.22 billion (WRI 2011). Review of a 2010 fast-start finance report shows that industrialized countries had collectively generated \$10 billion of the \$30 billion fast-start finance pledge. However, this is contested by some developing countries who claim that only as little as \$2.4 billion of the amount pledged has actually been made available (Nakhouda et al. 2012).
- Meeting the long-term goal of mobilizing \$100 billion annually for climate actions in developing countries by 2020 will be difficult, but the Secretary General’s High-level Advisory Group on Climate Financing set up by the UN Secretary General concludes “it is challenging but feasible” (United Nations 2010).

2D. Although sources and flow of climate finance are increasing, the need to ensure efficient, effective, transparent and equitable access and use of such finance continues to be a significant challenge.

‘Access’ is a testing issue in any discourse on climate finance. All developing countries, especially the least developed countries, continue to be challenged by this issue. In fact, countries that receive the least amount of public climate finance are often the most vulnerable to climate change effects, wherein they have low capacity (e.g. social, educational, technological constraints, etc.) that prevent them from applying for, accessing and utilizing sources of climate finance (UNDP 2011a). Experience

Box 2: Grameen Shakti: microfinance provides solar home systems for rural households

Nearly 70 percent of households in Bangladesh are not connected to the electricity grid and depend on kerosene for lighting. This includes most rural areas and extends as far as the fringes of Dhaka. Grameen Shakti was established in 1996 to promote, develop and supply renewable energy technologies to rural households in Bangladesh. It seeks to improve the livelihoods of people who cannot access grid electricity.

Providing energy: Grameen Shakti has sold and installed over 65,000 solar home systems in rural Bangladesh, and brought major benefits to its users. By selling solar home systems, Grameen Shakti has provided lighting, communications (especially mobile phone charging) and television, and increased employment opportunities. It is the largest single installer of solar home systems in Bangladesh.

The technology: Solar home systems are small, stand-alone electrical systems. They consist of a photovoltaic module, which generates electricity from sunlight; a rechargeable battery, which stores electricity so that it can be used during both day and night; a charge controller, which prevents the battery from being over-charged or deep-discharged; four to six fluorescent lamps; and wiring and fixtures.

Microfinance: This is realized by providing microfinance with support from Infrastructure Development Company Limited and the World Bank. This generates a cash pool which is 'recycled' to make further loans. Users pay an initial deposit followed by monthly instalments lasting two to three years. The cost of a 50 WP system is about Taka 24,000, which is equivalent to about half the average annual income of a rural household. The customer pays a deposit of between 15 to 25 percent and the rest of the amount is given as a loan after signing a contract. Contracts are signed by either men or women. Grameen Shakti seeks to sign women where possible, since they are in the home more than men and therefore use the solar home systems more.

Training women: Grameen Shakti has started a network of technology centres throughout the country to manage the installation and maintenance of solar home-systems locally. It emphasizes the importance of technicians who know local customs working through local branches and has trained 2,000 (mainly female) technicians. It aims to install 100,000 systems by 2006 and 1,000,000 systems by 2015.

Source: UNDP 2006 (originally adapted from Grameen Shakti and Ashden Awards for Sustainable Development, UK).

with the Clean Development Mechanism (CDM) provides a good insight to the access challenge. Although 84 percent of all registered CDM projects are in the Asia-Pacific region, only a few countries within the region are actually using the CDM (Figure 2 details CDM project disbursement within Asia). 68 percent of investments in renewable energies went to China, 10 percent to Brazil and 5 percent to India (Buchner et al. 2011). While China and India are the largest recipients of climate finance globally, the most vulnerable countries in the region, particularly Pacific Island states, attract little climate finance: “(s)mall countries such as the Pacific Islands Countries have hardly benefited from the CDM with only two CDM projects registered to date with the UNFCCC Executive Board a geothermal and hydro project in Papua New Guinea and Fiji respectively” (Matakiviti 2011). The reasons for this imbalance include low level of development (and hence lower greenhouse gas emissions and less abatement potential), limited human and technical resources and lack of institutional capacity (Arens et al. 2011).

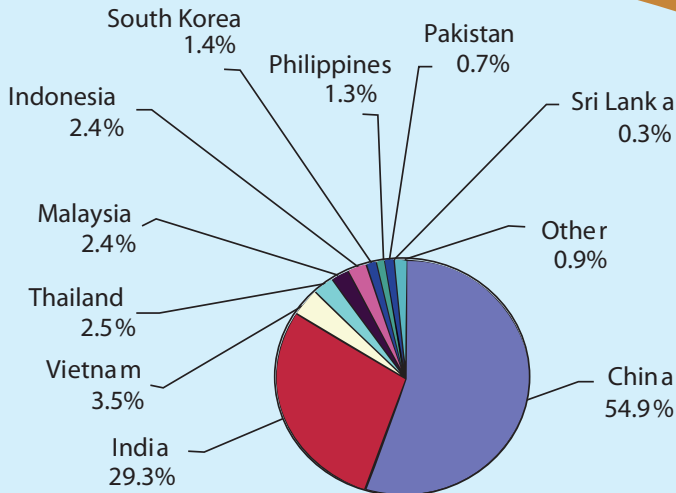
A large portion of finance mechanisms, particularly those focused on mitigation efforts, still fail to effectively address “the extent to which women are disproportionately impacted by climate change, the barriers they face in equal decision-making as well as limits to their ability to equally access financial resources” (Marston, 2013). Many rural financial programmes do not adequately account for women’s different and often restrictive legal, social and economic position within communities, particularly in terms of access to and control over assets. (Fletschner and Kenney 2011). Some prominent microfinance programmes are beginning to address such issues and are developing mechanisms to make financial resources more accessible to women (see Box 2).

2E. While access is an important discussion point on climate finance, the existence of barriers to the effective, transparent and equitable use of climate change-related funding in many developing countries also highlights other challenges:

Transparency and accountability: Effective and efficient use of climate change-related resources presupposes that these resources are used properly and that the communities whose livelihoods are most affected by climatic stresses be included in resource management. To maximize the effectiveness of available climate finance opportunities, more transparency, accountability and equity are necessary, because large inflows of resources and the imperative to spend may lead to misuse of resources (Transparency International 2011, UNDP 2011e).

Equity: Climate change impacts will have detrimental effect on the lives and livelihoods of the poorest and those in rural areas. Women are often disproportionately vulnerable to the effects of climate change, due in part to sociocultural barriers, historical economic, political and social discrimination and gender-defined productive and reproductive roles that render them more dependent on climate-sensitive livelihoods and resources. Climate change will exacerbate these social and gender disparities, particularly within many developing countries (see Asia-Pacific region Training Modules 1 and 2 for details).

Figure 2: CDM distribution in Asia



Source: <http://www.cdmpipeline.org/cdm-projects-region.htm>.

Box 3: Small island developing states and climate finance

"22 small islands Developing States are located in the Asia-Pacific region. Their low lying coastlines, remoteness, and vulnerability to natural disasters make them particularly exposed to climate change risk, although they contribute less than 1 percent of global greenhouse gas emissions. Furthermore, there are 15 least developed countries in the region, which are seriously affected by natural disasters, food insecurity and water scarcity. Climate change will aggravate existing poverty, inequality and vulnerability. Both these country groups are dependent on external funding for adaptation for their survival. So far, however, they have only received \$35 million from dedicated climate funds between 2004 and 2011."

Source: Nakhlooda et al. 2011.

2F. In addition, many developing countries lack “the financial resources necessary or the institutional, policy, and skills systems” needed to use climate finance effectively; these countries are not climate-finance ready (UNDP 2012). Climate change finance readiness relates to the capacity of a country to “plan for, access, deliver, and monitor and report on climate finance, both international and domestic, in ways that are catalytic and fully integrated with national development priorities and achievement of the MDGs” (UNDP 2012). These capacities need to be strengthened across scales so that countries and local governments are better-equipped to access, absorb and properly use the resources they receive for climate change response. Mainstreaming gender equality concepts within these efforts is essential to ensuring the support that is made available will advance climate-resilient development that corresponds to women and men’s mitigation and adaptation needs.

The scale of the financial challenge to address the climate challenge is in the order of hundreds of billions, far beyond the capabilities of most in the global south. National climate funds are a mechanism that supports countries’ management of climate finance by facilitating the collection, blending, coordination of and the accounting for climate finance. Carefully designed, national climate funds would allow countries to make more prudent and effective use of the climate finance and funds they receive (see Table 5).

2G. Climate finance offers enormous opportunities for addressing the economic damage associated with climate change. Climate-related funds and mechanisms can also be leveraged to help address poverty reduction, advance sustainable development, promote gender equality and catalyse social development by contributing to the achievement of the MDGs (UNDP 2011c, Government of Finland 2010).

Many existing climate financing mechanisms do not consistently provide marginalized groups or the poor, including women, with easy and sufficient access to funds covering weather-related losses or to service adaptation and mitigation technologies. Part V provides analysis of the existing climate finance funds, mechanisms and sources from the vantage point of gender-sensitivity, followed by section VI, which proposes solutions for engendering the evolving climate finance regime.

Summary questions

- **Provide the highs and lows of the estimated annual costs of adaptation and mitigation. What accounts for the differences in the estimates?**
- **What are some of the issues around access, accountability and equity with climate finance?**
- **What is the difference between private and public finance? Market-based and non-market based finance?**

V Gender aspects of climate finance

Learning objective: Understand the gender aspects of the existing climate finance architecture

3. Women are agents of positive change. Recognizing their concerns, needs, unique experiences and contributions in the design and operationalization of climate finance mechanisms would increase both the value of and return on adaptation and mitigation investments.

3A. Women bring unique perspectives and skills to natural resources management that are useful for effective climate change response. Research indicates that increasing women's participation at the national scale also leads to environmental gains with multiplier effects across all MDGs (UNDP 2011d).

3B. Climate finance could be leveraged to influence institutional and policy changes that advance gender equality. Doing so would help ensure that the returns on investments in adaptation and mitigation efforts are greater and would also promote poverty alleviation and sustainable development. Currently, more effort is needed to ensure that climate finance mitigation and adaptation efforts are gender-responsive. Integrating gender perspectives and gender criteria into climate financing mechanisms and strategies would enhance the sustainability of climate efforts (Dankelman 2010, Schalatek 2009, UNDP 2011a, World Bank 2010). Accordingly, gender-sensitive and gender-inclusive criteria need to be prioritized within financing mechanisms for climate change (see Part VI for more recommendations in this regard).

3C. There have been notable efforts, especially with multilateral funds, to integrate gender considerations into climate change responses. However, the existing climate finance architecture has gender gaps that need to be overcome. Table 5 provides a catalogue of climate finance funds and mechanisms along with their governance structures and briefly analyses their gender-responsiveness.

Table 5: Gender aspects of key sources of climate finance available to Asia-Pacific countries

Funds / mechanisms	Governance	Gender aspects
Adaptation fund	<ul style="list-style-type: none"> ➤ Operationalized in 2009 ➤ Finances concrete adaptation projects and programmes in developing countries that are Parties to the Kyoto Protocol and particularly vulnerable to the adverse effects of climate change ➤ Financed by a levy on CDM projects and by voluntary donor and other contributions ➤ Managed by the Adaptation Fund Board consisting of 16 members and 16 alternates. The Global Environment Facility provides secretariat services to the Board and the World Bank serves as trustee of the Adaptation Fund (both on an interim basis) 	<ul style="list-style-type: none"> ➤ While no specific gender references were included in the original operational guidelines, accreditation procedure and project review criteria of the Adaptation Fund, the Fund's Operational Policies and Guidelines were revised in June 2011 to reference gender considerations. Specifically, gender considerations are now incorporated into its project and programme review criteria and template for project/programme proposals. In addition, the Guidelines' instructions for preparing a request for project or programme funding instruct programme countries to include gender considerations when consulting with stakeholders (e.g. specify how marginalized groups, such as women, will be involved in and benefit from the project/programme; use sex-disaggregated targets and indicators within their monitoring and evaluation arrangements). ➤ The new Guidelines need to be enforced in order to address gender aspects in the development and implementation projects on the ground (UNDP 2010a, UNDP 2011c).

Table 5: (cont-d) Gender aspects of key sources of climate finance available to Asia-Pacific countries

Funds / mechanisms	Governance	Gender aspects
Least developed countries fund	<ul style="list-style-type: none"> ➤ Operationalized in 2002 ➤ Assists least developed countries in national adaptation programme of action preparation and implementation; main sectors targeted include food security and agriculture, coastal management, and water resources* ➤ Managed by the Global Environment Facility 	<ul style="list-style-type: none"> ➤ The Global Environment Facility has made progress towards incorporating a gender perspective into the Least Developed Country Fund and Special Climate Change Fund operations. For example, the 2010 Revised Programming Strategy of the Global Environment Facility for the Least Developed Country Fund and Special Climate Change Fund states that the funds will “(1) encourage implementing agencies to conduct gender analyses; (2) require vulnerability analyses to take gender into account; and (3) integrate gender as appropriate in all results frameworks and in updated operational guidance” (UNDP 2011c).
Special climate change fund	<ul style="list-style-type: none"> ➤ Operationalized in 2002 ➤ Established to support adaptation and technology transfer in all developing country parties to the UNFCCC; supports long-term and short-term adaptation activities ➤ Managed by the GEF 	<ul style="list-style-type: none"> ➤ The Cancún Adaptation Framework** affirms that enhanced action on adaptation should follow a “country-driven, gender-sensitive, participatory and fully transparent approach” (UNFCCC 2011). The ongoing implementation of national adaptation programmes of action and future implementation of the Cancún Adaptation Framework should fully integrate gender considerations. ➤ In May 2011, the Global Environment Facility approved a Policy on Gender Mainstreaming, which will inform Least Developed Country Fund and Special Climate Change Fund operations.

*Of the 50 least developed countries, the following 13 are located in the Asian and the Pacific region: Afghanistan, Bangladesh, Bhutan, Cambodia, Kiribati, Lao People's Democratic Republic, Myanmar, Nepal, Samoa, Solomon Islands, Timor-Leste, Tuvalu and Vanuatu.

**A product of three years of negotiations on adaptation, the Cancun Adaptation Framework (CAF) was adopted as part of the Cancun Agreements at the 2010 Climate Change Conference held in Cancun at the 16th Conference of Parties (COP-16) / and 6th Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) 6. As part of the Cancun Agreements, Parties agreed that adaptation must be addressed with the same level of priority as mitigation. See http://unfccc.int/adaptation/cancun_adaptation_framework/items/5852.php for additional information.

Table 5: (cont-d) Gender aspects of key sources of climate finance available to Asia-Pacific countries

Funds / mechanisms	Governance	Gender aspects
Forest carbon partnership facility	<ul style="list-style-type: none"> ➤ Operationalized in 2008 ➤ Helps developing countries to reduce emissions from deforestation and degradation (REDD) ➤ Consists of Readiness Fund and Carbon Fund ➤ Governed by Participants Assembly and Participants Committee (14 REDD+ countries, 14 financial contributors plus observers); World Bank assumes functions as Trustee, Secretariat and Delivery Partner 	<ul style="list-style-type: none"> ➤ The World Bank's Environmental and Social Safeguard Policies address the question of gender only within the context of benefit-sharing of social and economic benefits by indigenous groups and other forest dependent communities (World Bank 2008). ➤ The Environmental and Social Safeguard Policies are under revision and there is hope that gender aspects will be featured more prominently in the revised version.
Climate investment funds	<ul style="list-style-type: none"> ➤ Created and formally approved in 2008, started to roll out piloting programs in 2009 ➤ Pair of funds to help developing countries pilot low-emission and climate-resilient development ➤ Climate Investment Funds consist of distinct funds: the Clean Technology Fund finances transfer of clean technologies in countries or regions that have the potential for mitigation; the Strategic Climate Fund finances programmes that pilot new climate change approaches including the Forest Investment Programme, Pilot Programme for Climate Resilience and Scaling Up Renewable Energy Programme in Low Income Countries 	<ul style="list-style-type: none"> ➤ While most Climate Investment Funds programmes did not meaningfully incorporate gender perspectives when they started off, significant progress continues to be made in incorporating gender issues (UNDP 2011a). For example: <ul style="list-style-type: none"> ▪ While the Clean Technology Fund has not integrated gender considerations into any of its operations, there are attempts to incorporate some sex-disaggregated indicators into its results framework (UNDP, 2011c).

Table 5: (cont-d) Gender aspects of key sources of climate finance available to Asia-Pacific countries

Funds / mechanisms	Governance	Gender aspects
Climate investment funds (cont-d)	<p>➤ Channelled through the Asian Development Bank, African Development Bank, European Bank of Reconstruction and Development, Inter-American Development Bank and the World Bank Group</p> <p>➤ The World Bank is the Trustee of the Climate Investment Funds. The organizational structure includes separate Trust Fund Committees for the Clean Technology Fund and Strategic Climate Fund and separate sub-committees for the Pilot Programme for Climate Resilience, the Forest Investment Programme and Scaling Up Renewable Energy Programme in Low Income Countries</p>	<ul style="list-style-type: none"> ▪ The Pilot Programme for Climate Resilience's guidelines for joint missions for Phase 1 note the need for consultations with key stakeholders that identify and consult vulnerable groups, including women. In addition, its Roster of Experts is now more gender-balanced, including an increased number of women (34 men, 13 women, status: May 2012). ▪ Programming Modalities and Operational Guidelines of the Scaling Up Renewable Energy Programme note "investments should seek to strengthen the capacity of women to be active participants in the economic sector and avoid negative impacts on women" (UNDP 2011c). <p>➤ Overall, Climate Investment Funds Trust Fund Committees and Subcommittees are increasingly recognizing the importance of gender and are consistently requesting that gender dimensions be taken into account in investment plans and project proposals (UNDP 2011c).</p> <p>➤ Additional measures pursued by the Climate Investment Funds include conducting a gender impact assessment in November 2012 to identify where further progress is needed on gender and to develop recommendations and tools for pilot countries and project teams to integrate gender considerations into their operations.</p>

Table 5: (cont-d) Gender aspects of key sources of climate finance available to Asia-Pacific countries

Funds / mechanisms	Governance	Gender aspects
UN-REDD	<ul style="list-style-type: none"> ➤ Operationalized in 2009 ➤ United Nations Collaborative initiative (UNDP, FAO and UNEP), on Reducing Emissions from Deforestation and Forest Degradation in developing countries ➤ The UN-REDD Programme is a Multi-Donor Trust Fund. UNDP has been appointed as the Administrative Agent 	<p>➤ Given that REDD activities, without having proper social or gender safeguards in place, can potentially lead to poor women and men losing access to traditionally used lands or be bypassed in receiving benefits from REDD programmes (UNDP 2011c), efforts have been made to integrate gender equality considerations into the UN-REDD programme. Thus far, UN-REDD has achieved the following:</p> <ul style="list-style-type: none"> ▪ An interagency gender working group in the UN-REDD Programme has been set up to coordinate the cross-cutting work on gender equality; ▪ Gender considerations have been integrated into the UN-REDD and Forest Carbon Partnership Facility Stakeholder Engagement Guidelines; and ▪ The 2011 to 2015 UN-REDD Programme Strategy has made gender equality one of its guiding principles (UN-REDD 2011).
Clean development mechanism	<ul style="list-style-type: none"> ➤ Established through the Kyoto Protocol in 2007 ➤ Allows emission-reduction projects in developing countries to earn certified emission reduction credits (each credit is equivalent to one ton of CO₂). These credits can be traded and used by industrialized countries to meet part of their emission reduction targets under the Kyoto Protocol 	<p>➤ Most CDM projects tend to overlook small-scale mitigation projects, in which the poor—women in particular—are likely to engage (UNDP 2010b, Schalatek 2009). For example, typical women's activities that could count as adaptation and mitigation (such as tree planting) could get overlooked.</p>

Table 5: (cont-d) Gender aspects of key sources of climate finance available to Asia-Pacific countries

Funds / mechanisms	Governance	Gender aspects
Clean development mechanism (cont-d)	<ul style="list-style-type: none"> ➤ One of the sources of income for the Adaptation Fund ➤ As of September 2012, 4,389 CDM projects (84 percent of total projects) are registered in Asia-Pacific countries (UNEP 2012) 	<ul style="list-style-type: none"> ➤ While CDM rules dictate that project developers must consult with local stakeholders before a project can be registered, in reality, certain groups, including women, can be excluded from consultations and gender aspects of the projects can easily be overlooked (UNDP 2010b). ➤ As of 2007, the CDM Executive Board has approved programmatic CDM (pCDM) that allows the bundling of otherwise distinct projects under a Programme of Activities and ensuing registry. Although it has its own limitations, pCDM could help leverage needed financing for small local-level projects that tend to benefit poor and marginalized groups in society, including women.
Green climate fund	<ul style="list-style-type: none"> ➤ Established at the 16th Conference of the Parties to the UNFCCC in 2010 ➤ Designed by a Transitional Committee comprised of 40 members (15 from developed countries, 25 from developing countries); the Transitional Committee was also open to observers ➤ Governed the Green Climate Fund Board comprising 24 members (as well as alternate members) with equal number of members from developing and developed country Parties ➤ The World Bank serves as interim trustee 	<ul style="list-style-type: none"> ➤ As the Green Climate Fund is being designed, opportunities arise for integrating gender considerations. Successes in this regard include: ➤ Per the governance instrument of the Green Climate Fund approved at the 17th Conference of the Parties, explicit gender considerations have been built into the Funds' objectives and guiding principles, operational modalities, stakeholder input and participation and governance and institutional arrangements. This is a historic achievement that will mark the Green Climate Fund as the first fund to integrate gender considerations from the onset, although much remains to be done to ensure that these policy options are sustained and integrated within climate change efforts on the ground.

Table 5: (cont-d) Gender aspects of key sources of climate finance available to Asia-Pacific countries

Funds / mechanisms	Governance	Gender aspects
Green climate fund (cont-d)	➤ Will support adaptation and mitigation projects and programmes	➤ Only five out of the 24 principal members of the Green Climate Fund board are women. Therefore, as the Board continues to operationalize the Green Climate Fund, it needs to make concrete efforts to ensure the gender commitments within the governing instrument are upheld.

Source: UNDP 2010b, UNDP 2010a, , UNDP 2011c, UNFCCC 2011, UN-REDD 2011, Schalatek 2009, UNESCAP 2011b <http://www.unescap.org/LDCCU/LDC.asp>.

Figures for funds are based on <http://www.climatefundsupdate.org/projects> (as of November 2011)

Figures for CDM are based on <http://cdm.unfccc.int/Statistics/index.html> (as of May 2012)

Figures for CIFs are based on <http://www.climateinvestmentfunds.org/cif/> (as of November 2011)

Figures for LDCF and SCCF are based on <http://www.thegef.org/gef/sites/thegef.org/files/documents/Status%20report%208%20May.pdf> (as of May 2012)

<http://www.thegef.org/gef/LDCF> (as of June 2012).

Summary questions

- **Select one of the funds/mechanisms listed under the first column in Table 5 and explain what has been done regarding the integration of gender considerations.**
- **Per Table 5, how might CDMs help promote gender considerations in climate finance?**
- **Discuss five different ways in which gender considerations have been integrated into the various climate finance mechanisms discussed in Table 5 above.**

VI Engendering climate finance

Learning objective: Explore ways and means of integrating gender perspectives into climate financing and increasing its accessibility and transparency

4. The enormity of the challenges posed by climate change justifies the need for a robust, sustained and concerted response at all scales of governance. Engendering climate finance would go a long way toward making the existing climate finance architecture more equitable. This would also increase the climate finance regime's sustainability and efficiency.

Box 4: Gender-sensitizing financing procedures and mechanisms

- *Integrate gender equality as a guiding principle and goal into funds' design and operation;*
- *Develop gender-responsive funding guidelines and criteria for each thematic funding window or instrument;*
- *Achieve a gender-balance on all decision-making governing bodies and secretariats;*
- *Incorporate gender analytical tools (including gender indicators and sex-disaggregated data collection and analysis) into all phases of programme design, implementation, guidelines, monitoring and evaluation;*
- *Assess gender patterns and resources in targeted project and financing sectors;*
- *Compile sex-disaggregated data on how climate policy and economic mechanisms incentivize individuals, households and businesses;*
- *Ensure women and women's organizations' input and participation as stakeholders and beneficiaries during all stages of implementation and ensure funding and capacity building to support this participation;*
- *Develop principles and procedures to protect and encourage women's access to national adaptation and mitigation programmes and projects;*
- *Develop best practices with social, gender and environmental safeguards that comply with existing human and women's rights conventions, labour standards and environmental laws;*
- *Establish gender-based criteria in fund allocation, project selection and other aspects of decision-making; and*
- *Build climate finance staffs' capacity and awareness of gender mainstreaming and equality principles*

Sources: Schalatek 2012, UNDP 2011c

4A. Climate change responses require resources for a diversity of adaptation and mitigation programmes, initiatives and entities; climate finance is therefore a key ingredient. Its centrality to the climate effort is an even more compelling reason to ensure that it is equitable. Ensuring that climate finance equitably impacts women and men entails seeking opportunities to engender all scales of governance and all phases of any project development and execution (see Box 4).

4B. Climate change finance has goals that are compatible with gender equality and women's empowerment. Focusing climate finance on activities, projects and programmes that are typically reserved for women would help contribute to gender equality and the empowerment of women and girls. Such actions would improve and increase the reach of adaptation and mitigation activities at all levels, which in turn would also aid broader sustainable development goals. It is therefore important to mainstream gender in the gamut of climate change responses (see Box 5).

4C. The nature and scope of economic and social empowerment processes must be broadened to address the social and economic costs of climate change. A better understanding of the relationships among the various forms of finance and their actual impact on social policy, gender equality and ease of access is imperative (See Box 6).

4D. Gender principles must be infused into programmes and activities across sectors and scales. On the international scale, there are some strategic opportunities

Box 5: Mainstreaming gender and empowering women

- *Ensure that projects' and programmes' broader social implications are factored into decision-making processes;*
- *Maximize synergies among mitigation, adaptation, poverty eradication, gender equality and women's empowerment;*
- *Streamline application processes and support women and small-scale initiatives' participation in adaptation and mitigation activities;*
- *Improve infrastructure, public health and disaster preparedness;*
- *Ease women's and girls' care burdens;*
- *Promote women's economic empowerment; and*
- *Embed adaptation and mitigation strategies into gender equality projects.*

Source: UNDP 2011c.

Box 6: Market and non-market mechanisms

- *Use a mixed system of market- and non-market mechanisms;*
- *Focus on positive incentives in policy-making;*
- *Integrate gender priorities into private sector regulations and policy frameworks;*
- *Ensure that information and analysis for decision makers accounts for gendered differences; and*
- *Expand gender sensitization efforts to the business and philanthropic communities.*

Source: UNDP 2011c.

and openings for informing, modifying and/or reforming existing frameworks in institutions, instruments and mechanisms (such as the United Nations Framework Convention on Climate Change (UNFCCC), World Bank and the Global Environment Facility) so as to make them more gender-sensitive. Below are some examples:

- REDD+ will likely be a big part of the post-2012 climate change response regime, particularly within the Asia-Pacific region. As such, effectively capturing the views, experiences and priorities of men and women of all ages in REDD+ activities can create project ownership as well as help contribute to the success and sustainability of programming;
- Private capital flows to climate efforts, especially mitigation, are on the increase. However, women are still often under-represented and a high degree of gender biases and asymmetries inhibit their full participation. Policy frameworks and public financial mechanisms that highlight the benefits of projects with traditionally non-monetized or social outcomes can leverage and channel private sector activities into desirable pathways of climate change activities. Governments can further reduce or eliminate market barriers through a combination of public financing mechanisms (e.g. credit lines, guarantees, grants and technical assistance) and complementary national policy instruments (e.g. regulation, taxes and market mechanisms) (UNDP 2011c);
- The Green Climate Fund is a new, noteworthy development with the potential to develop and implement innovative climate finance opportunities and programming. In this context, as the Green Climate Fund Board moves forward in operationalizing the gender commitments made within its Governing Instrument, it will need to explicitly integrate a gender-sensitive approach in its business model

Box 7: REDD finance as a catalyzing element for gender equality

"As it currently stands, women and community activities stand to benefit more from REDD funds with an explicit focus on forest conservation and restoration. However, it has been estimated that carbon markets might provide up to 10 times more in funding for REDD initiatives than public donor funds. To compensate for this financing gap, scarce public funding for future REDD projects that target community based activities should preferentially invest in women's associations. There are many examples of the benefits for the whole community in forest conservation projects targeting women ... If women as a group were to benefit from market based REDD financing schemes, the question of gender and tenure will have to be addressed upfront. For example, REDD participation by national governments could be contingent upon fair land ownership laws and the reform of existing, often gender biased land legislation, with some of the initial REDD funds being used for statutory reform efforts. Additionally, mandatory gender inclusive sustainability standards should be required for any market ready REDD project as fiduciary duty. Such standards need to be worked out under strong participation of women and indigenous groups at every level of standard setting and development. While currently the CCBA standards, a principal tool for verifying a REDD project's socioeconomic impacts, require projects to provide community information (including on gender) and ask for gender inclusive consultation, they do not ask for gender equity in ownership and access opportunities. It would behoove standards such as the CCBA to include a specific gender criterion in its community section or as a requirement for projects aspiring to a gold level status."

Source: Schalatek 2009.

framework and operational policies. It is such activities that can help promote the paradigm shift toward low-emission and climate-resilient development; and

- Most of the prioritized national adaptation programme of action (NAPA) projects that were proposed by least developed countries (13 of which are in Asia-Pacific region) have yet to be implemented (See Module 2- Adaptation). Building upon least developed countries' experience with NAPAs, COP-16 launched a new process, the Cancún Adaptation Framework, to help least developed countries plan and implement national adaptation plans, which in turn could serve as a tool for developing medium- and long-term adaptation needs and planning and implementing strategies to respond to those needs. Moving this work forward into 2012 and onward, the UNFCCC has called upon country parties to mobilize bilateral and multilateral financial support for least developed countries in the national adaptation plan process (UNFCCC 2012). Crucial to this process is ensuring that national adaptation plans are gender sensitive, participatory and reflect needs of vulnerable communities and are formulated from gender-sensitive climate, economic and social data and information.

Box 8: Good practices – Cambodia national climate fund supports gender mainstreaming initiatives

The Cambodia

Climate Change Alliance Trust Fund (CCCA

TF) was launched in 2010 as the funding arm of the Cambodia Climate Change Alliance (CCCA), a national programme to support capacity development and institutional strengthening to prepare for and mitigate climate change risks. The Alliance aims to directly help vulnerable communities by enhancing their resilience to climate change and other natural hazards. The CCCA TF is financed by bilateral donors, including Denmark, the European Union, Sweden and UNDP.

UNDP and other donors and implementing partners are working hard to mainstream gender into the CCCA programme and its activities. The Cambodian government's adoption of the Cambodia Climate Change Strategic Plan in 2012 under the support from the CCCA programme is a great opportunity to achieve this. Including gender dimensions in the Strategic Plan is key because this plan will be implemented at the policy-making level of the government and engages various partners at the decision-making level. Furthermore, the Ministry of Women's Affairs has received a \$15,000 grant under the CCCA policy development component to conduct a technical review of the key sectoral climate change mainstreaming roadmaps that the priority sectoral ministries will develop to ensure that gender aspects are being considered in these respective roadmaps. These will also provide inputs to the overall development of the Cambodia Climate Change Strategic Plan.

Source: Flynn 2011, UNDP nd.

These initiatives provide examples of initial opportunities to engender climate finance, where lessons learned and good practices from the other funds and mechanisms can be applied. Given its expansive and potentially critical role to adaptation and mitigation, the Green Climate Fund in particular must fully and meaningfully integrate gender considerations.

It is important that these initiatives and their corresponding finance sources integrate gender analysis and gender-sensitive tools (e.g. baseline assessments, engagement with women and women's groups as stakeholders, gender indicators and sex-disaggregated data) into their mechanisms in order to ensure equitable fund allocation and distribution. The task of accessing resources should be made as accessible as possible by streamlining processes such as application, registration, approval, implementation, evaluation and monitoring of funds. In addition, programmes that encourage small projects—particularly those operated by women—should be designed and encouraged (see Box 7) (UNDP 2011c).

Box 9: Khadija and climate finance

"Khadija Begum lost her home in cyclone Aila, which barreled through southern Bangladesh in 2009. Two years later she was selected for one of 2000 new houses, paid for by the national climate fund at a cost of US \$1400 each. The result: a floor, four pillars and a roof. Khadija's 'home' has no walls, no running water and no toilet. Khadija told Transparency International Bangladesh how the builders sold some of the iron and cement they were given. They weren't officially accountable to anyone, so their work went unmonitored. And the money they were entrusted with slipped off the radar."

Source: http://www.transparency.org/news/feature/rio20_the_future_we_want_is_corruption_free.

5. Increasing the access to and transparency in existing climate finance mechanisms would also promote the efficiency and effectiveness of climate change responses.

5A. Most developing countries have difficulties in accessing the different forms of climate finance. All available tools should be used to help improve access to technological and financial resources for adaptation and mitigation. National Climate Funds and gender-responsive budgeting can also help in this respect by ensuring that public resources are used more effectively and equitably (see Box 8).

5B. Finances for adaptation and mitigation programmes and activities need to be used fairly and transparently and promote accountability and good governance (see Box 9).



Khadija and climate finance

<http://www.youtube.com/watch?v=A6gRKGKTDco>



Group exercise (see Appendix B: Learning tools)

Summary questions

- Discuss what actions and instruments could be undertaken to more fully engender REDD+ programmes.
- How does gender mainstreaming into climate financing mechanisms and strategies enhance the value and sustainability of climate efforts?
- How do we ensure that climate funds are more accessible to poor countries? In this context, how do we ensure that climate funds ultimately benefit those who need it the most—such as the Khadija?

VII Conclusions

Climate change is costly, its adverse impacts are consequential and it will continue to victimise millions of people across the developing world. There is, therefore, a need to mobilize significant and sustainable financial resources. It is critical to ensure that these resources are accessible, equitable and transparent.

Climate change could worsen social inequities by deepening poverty and derailing the achievement of MDGs, including MDG-3. Climate change-related funds and mechanisms that do not take into consideration gender inequities could inadvertently exacerbate discrimination. By making climate finance gender-responsive, it is possible to address aspects of social and economic inequality while simultaneously addressing the climate challenge. It is thus important to incorporate gender perspectives into the various climate financing instruments, mechanisms and processes and thereby avert unintended harm to sustainable development, poverty eradication and gender equality.

In addition, many developing countries often have readiness problems regarding climate finance. This presents difficulties in accessing the different sources of climate finance as well as delivering such finances equitably and effectively, particularly to vulnerable populations, including women and the poor. Access to finance (especially for adaptation) needs to be improved, particularly in many countries in the Asia-Pacific region (e.g. poor islands and least developed countries). All efforts need to be expended to assist countries in climate-finance readiness, including through capacity building on use of national climate funds. Similarly, devices that guard against misuse and ensure transparency and accountability need to be supported in order to maximize the returns on investments on climate change response.

Appendix A. Case studies

Case study 1

Climate finance and gender—the Philippines

Source: WEDO 2008.

“What do women’s rights have to do with climate finance? Investing in women is one of the most effective ways to advance sustainable development and fight climate change devastation. Taking an in-depth look at the Philippines, WEDO [Womens’ Environment and Development Organization] explores the gender dimensions of climate finance at the national level in our latest publication *Gender and Climate Change Finance: A Case Study from the Philippines*.

Existing conditions and discrimination determine who is most impacted by ‘natural’ disasters. Women are the majority of the 1.3 billion people living in the deepest poverty worldwide, and people in poverty bear the brunt of climate change impacts. They are most dependent on the environment for livelihoods, food, fuel and medicine. Women often lead communities in conserving natural resources, adapting crops to changing soil and climatic conditions and rebuilding following natural disasters. The feminization of poverty and gendered divisions of labour present clear differences in how climate change impacts women and men, and their respective capacities for coping with and adapting to climate’s changes. And while women tend to bear a disproportionate burden of adjustment to climate change, they contribute less than men to greenhouse gas emissions.

Investing in women is one of the most effective ways to advance sustainable development and fight climate change devastation. WEDO and Heinrich Boell Foundation partnered with Athena Peralta—a Manila-based advocate on ecology, economy and gender — to document the gender impacts of climate change on women in the Philippines and assess how decision-makers at the national-level are addressing gender roles and women’s rights, lives and livelihoods in climate finance policy.

The study concludes with proposals to ensure that women and gender are adequately addressed in national climate financing policies, programs and frameworks. These include:

- Create mechanisms that guarantee women’s equal access to negotiating, developing managing and implementing adaptation and mitigation financing
- Include disaggregated indicators on mitigation and adaptation funds for targeting and monitoring benefits to women

- Develop principles and procedures to protect and encourage women's access to national adaptation programs and projects
- Conduct gender impact assessments of adaptation and mitigation strategies
- Implement the 'polluter pays' and 'shared but differentiated' principles
- Ensure mitigation strategies include both financing new, green technologies and development and enforcement of necessary regulations of greenhouse gas emissions"

Case study 2

Direct access to forest resources—Nepal

Source: UNDESA 2009, p. 48.

"The Hill Leasehold Forest and Forage Development Project in Nepal targeted resource-poor households and disadvantaged tribal groups, giving special attention to women and women-headed households. The project has given 1,800 households 40-year usufruct leases to degraded forest lands for restoring the forests. Restored forests provided rich sources of fodder, timber and fuel, as well as trees and plants for use and sale. Ownership of goats increased from an average of two to five per household, and revenue from goat sales also grew. Women participants identified time savings in collecting grass, fodder and fuelwood as one of the biggest benefits. The technical assistance and credit provided by the project allowed them to cultivate mulberries and vegetables for sale. Women also felt that men had become more accepting of their right to land and around 20 per cent of leases were now registered in women's names."

Case study 3

Bangladesh climate change trust fund

Source: CDKN 2013.

"The Bangladesh Climate Change Trust Fund (BCCTF) was established in 2010 as a national response to the immediate need for funds to address climate change. It is funded entirely with national resources. However, it can receive funds from international sources such as the [Green Climate Fund] once it is functional.

The BCCTF is made up of a board of trustees, which is responsible for policy formulation, project approval and overall management of the Trust. The Board is chaired by the Minister for Environment and Forests and has members two of which are from [civil society organizations].

The Fund has two windows for finance, one for proposals from government ministries and agencies, for which 90 percent of the funds are earmarked and a window for [non-governmental organization] and civil society organizations for which 10 percent of the funds are earmarked. A technical committee is responsible for reviewing and approving the government proposals and a select number of NGO proposals. A sub-technical committee is in charge of reviewing and assessment of the NGO proposals.

Lessons

- The BCCTF has established capacity building as a key issue. As a result, most projects have an element of capacity building for the implementing ministry. There are also a few stand-alone capacity building projects being financed.
- One of the greatest challenges of the BCCTF is that it operates on a first come, first serve basis and not all ministries have equal capacity for developing proposals and projects for the fund. As a result, more resourced ministries have dominated the BCCTF while ministries such as the ministry of local governments, responsible for channeling funds to the local level have not had the capacity to sufficiently access resources.
- Current civil society efforts are under way to ensure that the BCCTF increasingly dedicates funds to the local level. These efforts are inspired by examples of good practice and commitments made elsewhere such as the Nepali government's commitment to devolve 80 percent of adaptation funds to the local level."

Appendix B. Learning tools

Activity 1: 'Khedija and climate finance'



Discussion based on 'Khedija and climate finance' video



5 minutes (video presentation)

20 minutes (group discussion and reflections)

Notes to the facilitator

Encourage a general discussion on governance aspects of climate finance and, specifically, transparency and accountability.

Activity 2: Group discussion based on case studies



Group discussion based on Case Study 1: Climate finance and Gender (the Philippines) and Case Study 2: Direct access to forest resources (Nepal)



40 minutes

Notes to the facilitator

Divide the participants into two groups and facilitate a discussion along the lines of the following questions:

Group one – the Philippines

- What did you learn from this project?
- How does this case study relate to your national context?

Group two – Nepal

- What should be done to ensure that country-level national finance, such as the one discussed, are gender-responsive?
- How does this case study relate to your national climate finance context? What 'finance'-related national policies need to be more gender responsive?

References

- ActionAid, 'Equitable Adaptation Finance: The Case for an Enhanced Funding Mechanism Under the UN Framework Convention on Climate Change', 2009.
- Aguilar, L. et al, 'Training Manual on Gender and Climate Change', published by the International Union for Conservation of Nature (IUCN), United Nations Development Programme (UNDP) and Global Gender and Climate Alliance (GGCA), San Jose, Costa Rica, 2009.
- Arens, C., M. Burian, W. Sterk, J. Schnurr, C. Beuermann, D. Blank, Z. Kapor, N. Kreibich, F. Mersmann, A. Burtscher and S. Schwan, 'The CDM Project Potential in Sub-Saharan Africa with Focus on Selected Least Developed Countries', Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), Berlin, 2011.
- Asian Development Bank (ADB), *The Economics of Climate Change in Southeast Asia: A Regional Review*, Manila, Philippines, 2009.
- Atteridge, A., C. Kehler Siebert, R. J. T. Klein, C. Butler and P. Tella, 'Bilateral Finance Institutions and Climate Change: A Mapping of Climate Portfolios', Stockholm Environment Institute, 2009.
- Bapna, M., and H. McGray, 'Financing Adaptation: Opportunities for Innovation and Experimentation', World Resources Institute (WRI) Conference Paper, 2008.
- Buchner, B., A. Falconer, M. Hervé-Mignucci, C. Trabacchi and M. Brinkman, 'The Landscape of Climate Finance - A CPI Report', Climate Policy Initiative, Venice, 2011.
- Climate and Development Knowledge Network (CDKN) 'Researching Local Actors in Climate Finance: Lessons on Direct Access for the Green Climate Finance', 2013.
- Climate Investment Funds, 'Annual Report 2010', available at: http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/images/ClimateInvFunds_ENG_LowRes_2.pdf
- Cruz, R.V., H. Harasawa, M. Lal, S. Wu, Y. Anokhin, B. Punsalma, Y. Honda, M. Jafari, C. Li and N. Huu Ninh, 'Asia', in Parry M.L., O.F. Canziani, J.P. Palutikof, P.J. van der Linden and C.E. Hanson (Eds), *Climate Change 2007: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change*, Cambridge: Cambridge University Press, 2007, pp. 469–506.
- Dankelman, I. (Ed.), *Gender and Climate Change: An Introduction*. London: Earthscan, 2010.
- Elson, D., 'Gender Responsive Budget Initiatives: Some Key Dimensions and Practical Examples', Paper presented at the conference on Gender Budgets, Financial Markets, Financing for Development, 19–20 February 2002, Heinrich Böll Foundation, Berlin, 2002, available at: http://www.glow-boell.de/media/en/txt_rubrik_3/Elson.pdf.
- Fletschner, D., and L. Kenney, 'Rural Women's Access to Financial Services: Credit, Savings and Insurance', ESA Working Paper No.11-07, March, Food and Agriculture Organization of the United Nations, Agricultural Development Economics Division, 2011, available at: <http://www.fao.org/docrep/013/am312e/am312e00.pdf> (retrieved 29 April 2013).
- Flynn, C., 'Blending Climate Finance through National Climate Funds: A Guidebook for the Design and Establishment of National Funds to Achieve Climate Change Priorities', UNDP, New York, 2011.
- Food and Agriculture Organization of the United Nations (FAO), *The State of Food and Agriculture 2011*, Rome, 2011b.
- Fransen, T., K. Stasio and S. Nakhooda, 'The U.S. Fast-start Finance Contribution', Working Paper No 1, World Resources Institute and Overseas Development Institute, May 2012, available at: http://pdf.wri.org/working_papers/ocn_us_fast-start_finance_contribution.pdf.
- German Technical Cooperation Agency (GTZ), 'Climate Change and Gender: Economic Empowerment of Women through Climate Mitigation and Adaptation?', Working paper, Eschborn, Germany, 2010.
- Global Environment Facility (GEF), 'Mainstreaming Gender at the GEF', 2008, available at: <http://www.thegef.org/gef/sites/thegef.org/files/publication/mainstreaming-gender-at-the-GEF.pdf>
- Government of Finland, 'Gender and the Clean Development Mechanism (CDM), Opportunities for CDM to Promote Local Positive Gender Impacts', Final Report, Ministry for Foreign Affairs, 29 November 2010.

- Intergovernmental Panel on Climate Change (IPCC), *Climate Change 2007: Working Group II: Impacts, Adaptation and Vulnerability*, 2007, available at: http://www.ipcc.ch/publications_and_data/ar4/wg2/en/spmssp-c-7-africa.html.
- Maplecroft, *Climate Change Risk Atlas 2011*, Bath, UK: Maplecroft, 2010.
- Marston, A., 'Reaching Local Actors in Climate Finance: Lessons on Direct Access for the Green Climate Fund', 2013, available at: http://www.bothends.nl/uploaded_files/document/130307_Reaching_local_actors_in_climate_finance_Bot.pdf.
- Matakiviti, A., 'Clean Development Mechanisms – the Reality in Pacific Countries', Commentary, 2011, available at: <http://www.iucn.org/about/union/secretariat/offices/oceania/?8014/Clean-Development-Mechanisms--the-reality-in-ACP-Pacific-Countries>.
- Mimura N., L. Nurse, R.F. McLean, J. Agard, L. Briguglio, P. Lefale, R. Payet and G. Sem, 'Small islands', in Parry M.L., O.F. Canziani, J.P. Palutikof, P.J. van der Linden and C.E. Hanson (Eds), *Climate Change 2007: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change*, Cambridge: Cambridge University Press, 2007, pp. 687–716.
- Nakhooda, S., A. Caravani, N. Bird and L. Schalatek, 'Regional Briefing: Asia and the Pacific', Brief 8, Overseas Development Institute and Heinrich Böll Stiftung North America, November 2011, available at: <http://www.odi.org.uk/resources/docs/7475.pdf>.
- Nakhooda, S., and T. Fransen with A. Wenzel, A. Caravani and K. Stasio, 'The UK Fast-Start Finance Contribution', 2009, available at: http://pdf.wri.org/working_papers/ocn_uk_fast-start_finance_contribution.pdf.
- Parry, M., N. Arnell, P. Berry, D. Dodman, S. Fankhauser, C. Hope, S. Kovats and R. Nicholls, 'Assessing the costs of adaptation to climate change. A review of the UNFCCC and other recent estimates', London: International Institute for Environment and Development, 2009.
- Schalatek, L., 'Democratizing Financing for Sustainable Development: Gender Equality is Key', in Cela, B., I. Dankelman and J. Stern, *Powerful Synergies: Gender Equality, Economic Development and Environmental Sustainability*, UNDP, New York, 2012.
- Schalatek, L., 'Gender and Climate Finance: Double Mainstreaming for Sustainable Development', Heinrich Böll Foundation, Washington DC, 2009.
- Stern, N., 'The Stern Review on the Economics of Climate Change', 2006, available at: http://webarchive.nationalarchives.gov.uk/+/http://www.hm-treasury.gov.uk/stern_review_report.htm.
- Transparency International, 'Global Corruption Report: Climate Change', 2011.
- United Nations, 'Report of the Secretary-General's High-Level Advisory Group on Climate Change Financing', 2010.
- United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD), 'The UN-REDD Programme Strategy 2011-2015', 2011.
- United Nations Department of Economic and Social Affairs (UNDESA), *World Survey on the Role of Women in Development: Women's Control over Economic Resources and Access to Financial Resources, including Microfinance*, 2009.
- United Nations Development Programme (UNDP), 'Readiness for Climate Finance: A framework for understanding what it means to be ready to use climate finance', 2012.
- UNDP, 'Catalyzing Climate Finance – A Guidebook on Policy and Financing Options to Support Green, Low-Emission and Climate-Resilient Development', Version 1.0, New York, 2011a.
- UNDP, 'Direct Access to Climate Finance: Experiences and Lessons Learned', Discussion paper, November 2011b, available at: <http://www.odi.org.uk/resources/docs/7479.pdf> (retrieved 25 July 2012).
- UNDP, 'Ensuring Gender Equity in Climate Change Financing', New York, 2011c.
- UNDP, *Human Development Report 2011 – Sustainability and Equity: A Better Future for All*, New York, 2011d.

- UNDP, 'Staying on Track: Tackling Corruption Risks in Climate Change', 2011e.
- UNDP, 'Adaptation Fund: Exploring the gender dimensions of climate finance mechanisms', New York, 2010a.
- UNDP, 'Clean Development Mechanism: Exploring the Gender Dimensions of Climate Finance Mechanisms', New York, 2010b.
- UNDP, *Human Development Report 2007/8 – Fighting Climate Change: Human Solidarity in a Divided World*, New York, 2007.
- UNDP, 'Will Tomorrow Be Brighter than Today? Addressing gender concerns in energy for poverty reduction in the Asia-Pacific region' Regional Energy Programme for Poverty Reduction, Bangkok Regional Centre, 2006.
- UNDP, Cambodia Climate Change Alliance project information, no date, available at: <http://www.un.org.kh/undp/what-we-do/projects/cambodia-climate-change-alliance>.
- United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), *Statistical Yearbook for Asia and the Pacific 2011*, 2011a.
- UNESCAP, Least Developed Countries. Retrieved from <http://www.unescap.org/LDCCU/LDC.asp>, updated 14 September 2011, 2011b.
- UNESCAP and United Nations Office for Disaster Risk Reduction (UNISDR), *Asia-Pacific Disaster Report 2010: Protecting Development Gains – Reducing Disaster Vulnerability and Building Resilience in Asia and the Pacific*, 2010.
- United Nations Environment Programme (UNEP), CDM/JI Pipeline Analysis and Database, 2012, available at: <http://www.cdmpipeline.org/cdm-projects-region.htm#2>.
- United Nations Framework Convention on Climate Change (UNFCCC), National adaptation plans for 2012, available at: http://unfccc.int/adaptation/cancun_adaptation_framework/national_adaptation_plans/items/6057.php (retrieved 31 July 2012).
- UNFCCC, *Best Practices and Lessons Learned in Addressing Adaptation in the Least Developed Countries Through the National Adaptation Programme of Action Process*, Volume 1, LDC [Least Developed Countries] Expert Group, 2011.
- UNFCCC, 'Investment and Financial Flows to Address Climate Change', Bonn, 2008.
- UN Women, Gender Responsive Budgeting, website, 2012, available at: http://www.gender-budgets.org/index.php?option=com_content&view=article&id=13&Itemid=214.
- Wanjiru, L., 'Designing and Implementing Gender-Responsive REDD+ Strategies in UN-REDD', UN-REDD Programme Newsletter, Features and Commentary Issue, No 21, August 2011.
- Women's Environment and Development Organization (WEDO), 'Gender and Climate Change Finance: A case study of the Philippines', New York, 2008, available at: <http://www.wedo.org/prototype/wp-content/uploads/genderandclimatechangefinance.pdf>.
- World Bank, *World Development Report 2011: Conflict, Security and Development*, Washington DC, 2011.
- World Bank, *World Development Report 2010: Development and Climate Change*, Washington DC, 2010.
- World Bank, 'The Costs to Developing Countries of Adapting to Climate Change: The Global Report of the Economics of Adaptation to Climate Change Study', Washington DC, 2009.
- World Bank, 'Forest Carbon Partnership Facility – Information Memorandum', New York, 2008.
- World Resources Institute (WRI), 'Summary of Developed Country Fast-Start Climate Finance Pledges', Washington DC, 2011.

Resources for further reading

- The Heinrich Böll Foundation, Climate finance publications: <http://boell.org/web/140.html>
- World Bank Climate Finance Options: www.climatefinanceoptions.org
- Climate Funds Update: www.climatefundsupdate.org

Notes



Notes



*Empowered lives.
Resilient nations.*



United Nations Development Programme
304 East 45th Street, New York, NY 10017, USA
www.undp.org/gender