

The Least Developed Countries Fund and the Special Climate Change Fund

EXPLORING THE GENDER DIMENSIONS OF CLIMATE FINANCE MECHANISMS



Background

In 2001, the United Nations Framework Convention on Climate Change (UNFCCC) established the first multilateral adaptation finance instruments: the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF). The LDCF focuses on the “urgent and immediate adaptation needs”¹ of the 48 UNFCCC-accredited least developed countries; the SCCF helps developing countries—particularly the most vulnerable countries and small island developing states—increase their national development sectors’ resilience to climate change impacts.

The Funds share a number of similarities, including origin, governance and operational structure. Both disperse grants only for those costs that are additional to a development baseline and are directed towards adaptation efforts. The funds diverge in their funding areas and target recipients (e.g. the LDCF provides financing for least developed countries only, whereas the SCCF is accessible to all non-Annex I countries).

LDCF-funded adaptation efforts are divided into two phases: preparation and implementation of national adaptation programmes of action (NAPAs). In the preparation phase, countries identify and prioritize their urgent and immediate adaptation needs. These activities are then designed, developed and effected during the implementation phase. Since its inception, the LDCF has contributed to the preparation of 48 NAPAs, of which 46 have been completed (the remaining two are in the final stages of preparation). As of November 2011, 51 LDCF projects have been CEO endorsed/approved, of which 34 have started implementation.²

SCCF funding windows include: 1) adaptation; 2) technology transfer; 3) energy, transport, industry, agriculture, forestry and waste management; and 4) economic diversification. However, only the adaptation and technology transfer areas are currently funded, with the bulk of funding committed to adaptation activities. SCCF activities are based primarily on NAPAs (in least developed countries) or national communications (reports by non-Annex I countries summarizing a country’s mitigation and adaptation needs). By November 2011, 49 SCCF projects had been approved, 17 had begun implementation and 2 had been completed.³ Demand for SCCF resources significantly outstrips supply.

Both the LDCF and SCCF are funded through Annex I countries’ voluntary contributions. As of November 2011, approximately \$450 million had been pledged to the LDCF and \$250 million had been pledged to the SCCF.⁴

To date, funding under the LDCF and SCCF has mostly been pilot in nature; promotion of a more programmatic approach is envisioned in

Box 1: LDCF and SCCF governance

Several agencies and bodies are involved in LDCF and SCCF governance. The Global Environment Facility (GEF), which serves as the UNFCCC financing mechanism, manages the funds (The World Bank acts as trustee). Spending decisions are made by the GEF Council, acting as LDCF/SCCF Council, and the GEF Chief Executive Officer.

The project cycle consists of a sequence of steps that includes submission of a project identification form, usually followed by a project preparation grant, then a full or medium-sized project proposal.

For both funds, recipient countries access funds through one of the GEF’s 10 multilateral implementing and executing agencies.⁵

Box 2: Examples of positive efforts to mainstream gender in NAPAs

Several countries—among them Bangladesh, Burkina Faso, Mali, Samoa, Senegal and Tanzania—have consulted women's groups, including indigenous women, in preparing their NAPAs. Women are among the beneficiaries (although not the sole beneficiary group) of projects prioritized in the NAPAs of Bangladesh, Eritrea, Mauritania, Niger and Senegal. The inclusion of women or of a gendered or gender-equality approach was used as a selection criterion for priority strategic actions in the NAPAs of Burundi, Guinea-Bissau, Lesotho, Niger, Samoa, the Solomon Islands and Zambia.

The Malawi NAPA, submitted to the UNFCCC in March 2006, identified gender equality as an area of equal importance to agriculture or water management, not just as a cross-cutting issue addressed to varying degrees within other sectors. It lists several interventions that target women in highly vulnerable situations, including empowering women through access to microfinance, diversifying their earning potential, and ensuring women's easier access to water and energy sources.⁶

future stages. While the second funding phase will continue to support adaptation activities on the ground, it is intended to include greater policy support in the areas of mainstreaming adaptation policies and planning; creating capacity to absorb and use new technologies; and achieving climate-resilient economies.⁷

The LDCF, the SCCF and poor women's and men's livelihoods

The LDCF priority funding areas (water; agriculture and food security; health; disaster risk management and prevention; and infrastructure), as well as the SCCF priority funding areas (water resource management; land management; agriculture; infrastructure development; and fragile ecosystems and integrated coastal zone management), are closely related to poor women's and men's livelihoods.

In developing countries, the poor are extremely vulnerable to loss of assets and livelihoods due to water and food shortages, increased human and animal diseases, natural disasters and other climate-related conditions and events. Whenever there is gender inequality related to land ownership, decision-making, and control over other resources, these losses will likely impact women more than men. Likewise, as water is essential to livestock and agriculture, its supply will affect the livelihoods of both women and men. However, in developing countries women are primarily responsible for securing potable water for their families and are thus important contributors to the sustainable management of freshwater resources. Women also comprise the majority of subsistence farmers in many poor countries, which means they anchor many countries' food security efforts by managing land, protecting fragile ecosystems, reforesting communal lands and saving seeds. In some contexts, however, gender inequalities could deter women from participating in or benefiting from livelihood initiatives, thus undermining a population base that is crucial for successful climate change adaptation.

The LDCF, SCCF and Gender: Status to Date

In recent years, the GEF has made demonstrable progress in mainstreaming gender in the LDCF and SCCF. According to the 2008 GEF self-assessment 'Mainstreaming Gender at the GEF', 68 out of 172 GEF projects reviewed contained examples of gender mainstreaming activities.⁸ However, it was deemed to be the result of "individual interest and efforts rather than ... a corporate approach backed by institutional systems and mechanisms" regarding gender.⁹ Similarly, the 2009 gender-mainstreaming evaluation of the GEF, prepared as part of the 'Fourth Overall Performance Study', noted that gender mainstreaming at the GEF was at an "embryonic stage," relying mostly on its two main implementing partners (The World Bank and UNDP) to mainstream gender in GEF-funded projects.¹⁰

By the end of 2010, however, the GEF had taken clear steps towards systematizing mainstreaming gender in its programmes in general and in the LDCF and SCCF in particular. The 'Updated Results-Based Management Framework' for the two funds, adopted at the November 2010 GEF Council meeting, contains indicators newly disaggregated by sex.¹¹ In addition, the '2010 Revised Programming Strategy' for the LDCF and SCCF 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 materials.¹²

Complementing this revised strategy, a new 'GEF Policy on Gender Mainstreaming' was approved by the GEF Council in May 2011, with the objective of achieving gender equity within GEF operations.¹³ As highlighted by the 'Revised Programming Strategy', the LDCF and SCCF benefit from this policy as it developed "specific operational guidance for strengthening socio-economic and gender analysis and identifying appropriate indicators," which inform and "become part of project design requirements and part of project review criteria."¹⁴ The new endorsement templates and review criteria for the LDCF and SCCF place a strong emphasis on gender equality issues, reflecting progress towards incorporating a gender perspective throughout the two Funds.

THE LDCF, SCCF and NAPAs

UNFCCC Conference of the Parties Decision 28/CP.7 identifies gender equality as a guiding principle for NAPAs. While the UNFCCC guidelines give countries the flexibility to address individual circumstances, they nevertheless state that "women are often the main repositories of vital local and traditional knowledge, and they need to be recognized as key stakeholders in consultations and in decision-making."¹⁵

Unfortunately, many of the proposed activities within NAPAs are not gender-responsive and/or did not directly involve women as stakeholders. Additionally, although a review conducted by the UN Office for the Coordination of Humanitarian Affairs in April 2009 revealed that over half of the then-completed 39 NAPAs "identified gender differentiated impacts from climate change, and most of these recognized women as a particularly vulnerable group," it also

demonstrated the need for NAPAs to further mainstream gender throughout their design, analysis and implementation.¹⁶ This gap reflects the lack of available knowledge and data on the gendered impacts of climate change at the national level. Nonetheless, some countries have made positive efforts to mainstream gender in their NAPAs (see Box 2).

Because NAPAs are flexible planning tools and part of an ongoing process, they represent a continuing opportunity to advance gender equality in LDCF and SCCF adaptation financing. The Least Developed Countries Expert Group advises least developed countries to consider regularly updating and re-structuring NAPAs in order to better align them with national budgeting processes.¹⁷ Gender concerns could thus be directly added, refined or improved during this updating process.

LDCF and SCCF recipient countries rely on NAPAs, national communications or other national vulnerability or adaptation assessments as the basis of their project proposals. While not financed under the LDCF or SCCF, national communications inform and guide national priorities and can influence decisions regarding projects submitted for funding. However, UNFCCC guidelines for national communications (which describe how a country's adaptation needs are to be reported to the Convention Secretariat) do not yet mandate the inclusion of gender issues.

Like the LDCF, SCCF projects have mixed results for addressing gender issues and ensuring both women's and men's roles as project participants, beneficiaries and actors. As an individual case, the proposal for the Kenya Adaptation to Climate Change in Arid Lands project stands out as an example of an SCCF project that explicitly focuses on gender equality and awareness of women's and men's differing roles, challenges and contributions (see Box 4).

Suggestions for moving forward

There have been many positive initiatives to integrate gender equality issues into the LDCF and SCCF. To further promote gender equality and women's empowerment through the design and implementation of LDCF and SCCF projects, there are a number of steps that should be taken.

Box 3: A gender-aware LDCF project in Bangladesh

An example of a gender-aware LDCF project is the four-year Community-Based Adaptation to Climate Change through Coastal Afforestation project in Bangladesh, which began in 2009. This project, funded with a \$3.3 million LDCF grant and \$7.1 million in co-financing from the Government of Bangladesh and UNDP, plans to "empower women through engagement in the planning and design of activities to build long-term adaptive capacity, such as the development of household- and community-level risk reduction plans, identifying climate-resilient livelihoods, and improving information flows regarding extreme events."¹⁸

The project includes a component on training 100 women in climate-risk reduction and ensuring their participation in livelihood diversification. The project plan lists specific gender indicators, including the number of women farmers to be trained in agricultural cultivation technologies suitable to coastal areas and the number of women to be reached in community-based training programmes on climate-risk reduction. Though additional indicators are needed to track the outcomes of these trainings, this is an important first step. Significantly, proven gender expertise is included among the criteria for selecting and hiring staff involved in project implementation (although not at the management or project-leader level). Gender expertise was also noted as a reason for selecting UNDP Bangladesh as the project's implementing agency.

THE CONFERENCE OF THE PARTIES TO THE UNFCCC SHOULD:

Make gender equality a guiding principle for national actions on climate change by requesting that groups involved in preparing and updating NAPAs and national communications incorporate gender considerations and women's roles into national adaptation assessments. The Conference of the Parties could mandate gender mainstreaming training for these groups to ensure their preparedness.

Facilitate direct access to LDCF and SCCF funding for a greater number of non-governmental and community-based organizations (including women's organizations), by requesting a civil society funding window in the GEF. Women's voices and needs are often most accessible and clear at the community level. Women are also more likely to be involved in project decision-making and implementation at this level. Allowing direct funding for civil society organizations would enhance the involvement of both women and men at the local level and broaden adaptation knowledge, innovation and efforts.

Box 4: A gender-aware SCCF project in Kenya

Focused on implementing key adaptation measures at the local, sub-national and national levels in order to reduce vulnerabilities to climate change, the Kenya Adaptation to Climate Change in Arid Lands project is an ongoing, four-year project. It began implementation in September 2009 after receiving a \$6.5 million SCCF grant and over \$44 million in co-financing from UNDP and The World Bank.

The project proposal included a thorough analysis of women's and men's roles in agriculture, resource management and conflict resolution, as well as analysis of women's and men's vulnerabilities as related to their economic status and their roles in affected communities. In response to this analysis, the project stated its intent to "give the gender issue a special focus, supporting efforts that will enable both men and women to be well represented in decision making at all areas pertaining to the project."¹⁹

Chief among the activities designed under the project are capacity-building measures in local communities and the development of community action plans, which are to "show gender concerns in design, implementation strategies, and most importantly the relationship between proposed activities and empowerment of both men and women."²⁰ Using a gender mainstreaming approach, the project also aims to address issues of gendered access to and control over natural resources, and proposes to focus on acquisition of sex-disaggregated data to guide interventions.

THE GEF SHOULD:

Report on gender dimensions related to outcomes across projects in a systemic manner, allowing stakeholders and observers to track progress on the integration of gender considerations into LDCF and SCCF projects.

Disaggregate all relevant outcome and output indicators by sex and add indicators related to strategic gender needs in its Results Based Management Framework (e.g. participation in agenda setting and decision making in LDCF and SCCF initiatives).

THE GEF COUNCIL AND DONORS SHOULD:

Attach gender equality requirements to all funding decisions. Furthermore, donor countries could earmark a portion of Fund resources for projects or project components that promote gender equality.

Ensure that implementing agencies are given the necessary time and have access to sufficient funds to appropriately support countries to conduct thorough gender analyses during the design and implementation of new and current LDCF and SCCF projects.

RECIPIENT COUNTRIES SHOULD:

Refine and strengthen existing NAPAs and national communications to include gender considerations in all stages of their preparation and updating, as well as in the design of funded adaptation projects.

Develop national strategies and baseline information on the gendered impacts of climate change at the national level to help identify gender-specific needs and perspectives and to feed into project identification and development processes.

Expand nascent gender initiatives within projects and integrate gender considerations into projects that lack gendered components. Because most LDCF and SCCF projects are now in the implementation phase, efforts to mainstream gender should extend beyond national strategies and into active initiatives.

IMPLEMENTING AGENCIES SHOULD:

Foster women's direct involvement in all stages of policy and project planning and implementation in order to ensure that both women's and men's perspectives are integrated into LDCF and SCCF-funded initiatives.

Develop gender-sensitive indicators to track progress toward gender equality within LDCF and SCCF projects. Implementing agencies should also develop measurable and verifiable quantitative and qualitative targets that demonstrate how projects address gender considerations and women's as well as men's needs and capabilities.

Use existing gender tools early and systematically. During project development and implementation, recipient countries and implementing agencies should employ social and gender analysis, gender indicators, sex-differentiated data-sets, gender monitoring, and gender auditing to 1) capture the adaptation needs of both men and women, 2) track the gender-differentiated impacts of LDCF and SCCF projects, and 3) hold themselves accountable for gender equality outcomes and make necessary adjustments to implementation. Experience with the use of these tools has been documented in the development context (e.g. gender-responsive budgeting) and should be adjusted or further developed for the needs of adaptation projects.

Notes

1. See Global Environment Facility Web site: <http://www.thegef.org/gef/LDCF>.

2. GEF Secretariat, personal communication, 20 November 2011.

3. Ibid.

4. Ibid.

5. These are: African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Food and Agriculture Organization of the United Nations, Inter-American Development Bank, International Fund for Agricultural Development, The World Bank, United Nations Development Programme, United Nations Environment Programme and United Nations Industrial Development Organization.

6. Heinrich Böll Foundation, 2009, 'The Missing Link: Bringing Gender Equality to Adaptation Financing'. Retrieved from: http://www.boell.de/downloads/HBF_LCDF_Gender_formatted.pdf.

7. Global Environment Facility Secretariat, 2010, 'Secretariat's Report on Actions Taken in Response to DANIDA's Evaluation of LDC', GEF/LDCF.SCCF.9/Inf.6, 20 October, p. 10.

8. Global Environment Facility, 2008, 'Mainstreaming Gender at the GEF', October, p. 20.

9. Ibid., 41.

10. Global Environment Facility, 2010, 'Fourth Overall Performance Study of the GEF (OPS4): Progress Toward Impact', April. Available at: http://www.thegef.org/gef/sites/thegef.org/files/documents/FULL%20REPORT OPS4%20Progress%20Toward%20Impact_0.pdf.

11. Global Environment Facility, 2010, 'Updated Results-Based Management Framework for the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) and Adaptation Monitoring and Assessment Tool', November.

12. Global Environment Facility Secretariat, 2010, 'Revised Programming Strategy on Adaptation to Climate Change for the Least Developed Countries Fund and the Special Climate Change Fund', GEF/LDCF.SCCF.9/4/Rev.1, 18 November, p. 15.

13. Global Environment Facility, 2011, 'GEF Policies on Environmental and Social Safeguards and Gender Mainstreaming', GEF/C.40/10, 26 April, p.iii.

14. Global Environment Facility Secretariat, 2010, 'Revised Programming Strategy on Adaptation to Climate Change for the Least Developed Countries Fund and the Special Climate Change Fund', GEF/LDCF.SCCF.9/4/Rev.1, 18 November, p. 15.

15. United Nations Framework Convention on Climate Change, 2002, 'Annotated Guidelines for the Preparation of National Adaptation Programmes of Action', Least

Developed Countries Expert Group, July, page 3. Available at: http://unfccc.int/files/cooperation_and_support/ldc/application/pdf/annguide.pdf.

16. United Nations Population Fund and Women's Environment and Development Organization, 2009, 'Climate Change Connections. A Resource Kit on Climate, Populations and Gender', p. 4.

17. UNFCCC Secretariat, 2009, 'The Least Developed Countries National Adaptation Programmes of Action: Overview of preparation, design of Implementation strategies and submission of revised project lists and profiles', LDC Expert Group.

18. Government of the Peoples Republic of Bangladesh and United Nations Development Programme, 2008, 'PIMS No. 3873 – Community-Based Adaptation to Climate Change through Coastal Afforestation in Bangladesh', Project appraisal document (for Chief Executive Officer endorsement), 29 July, p.10. Available at: www.gefonline.org/projectDetailsSQL.cfm?projID=3287 <<http://www.gefonline.org/projectDetailsSQL.cfm?projID=3287>> .

19. The World Bank and United Nations Development Programme, 2006, 'GEF Project Brief: KENYA – Adaptation to Climate Change in Arid Lands', Project document for WP (revised), 30 October, p. 29. Available at: www.gefonline.org/projectDetailsSQL.cfm?projID=3249.

20. Ibid.