

## Decision 23/CP.18

### ***Submission by the Heinrich Böll Foundation on Options and Ways to Advance the Goal of Gender Balance in Bodies***

#### **Introduction**

Decision 23/CP.18 on ***Promoting gender balance and improving the participation of women in UNFCCC negotiations and in the representation of Parties in bodies established pursuant to the Convention or the Kyoto Protocol*** is a crucial reaffirmation of the importance of advancing gender equality and women's empowerment in international climate change policy. It is also building on and acknowledging a need to accelerate the implementation of a number of key gender equality provisions agreed by UNFCCC Parties since two first gender-relevant decisions adopted at the 7<sup>th</sup> Conference of Parties (COP) 2001 in Marrakesh.

In 2010, Decision 1/CP.16, paragraph 7 expressed the consensus of Parties "that gender equality and the effective participation of women and indigenous peoples are important for effective action on all aspects of climate change." Since 2010, owing to a successful collaboration with civil society groups and UN agencies, UNFCCC Parties have incorporated gender equality considerations in a series of UNFCCC decisions covering nearly every UNFCCC thematic area, including the areas of adaptation and mitigation and related national planning documents, the means of implementation of finance, technology and capacity-building, and the establishment, composition and mandate of several UNFCCC bodies, such as the Technology Executive Committee, the Standing Committee on Finance (SCF) and the Green Climate Fund (GCF).<sup>1</sup> This is in response to experience and growing evidence from the worst affected developing countries and population groups that climate change aggravates existing gender inequalities and that effective international climate policy needs to address, not reinforce those inequalities, including women's unequal access to political power, economic and financial resources, legal rights, land ownership, or capacity-building and technical training.

Decision 23/CP.18, paragraph 11 requests Parties and observer organizations to submit to the secretariat their views on option and ways to ***advance "a goal of gender balance in bodies established pursuant to the Convention and the Kyoto Protocol, in order to improve women's participation and inform effective climate change policy that addresses the needs of women and men equally"*** [emphasis added] as referred to in paragraph 2.

This submission by the Heinrich Böll Foundation North America Office responds to this request. It focuses specifically on **finance as means of implementation** of international climate policy and as key to a new global climate agreement post-Kyoto. It looks at the **practice** of current actions, **challenges** in implementation and **needs** in tools, resources and capacity-building – and political will by Parties as a crucial component – in existing climate finance bodies under the Convention and the Kyoto Protocol in order to **address gender equality concerns in climate financing efforts and commitments under the UNFCCC** and suggests some key actions Parties individually and the COP collectively could and should take to implement Decision 23/CP.18.

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<sup>1</sup> UNFCCC, WEDO, GGCA (2013). *Gender Equality and the United Nations Framework Convention on Climate Change: A Compilation of Decision Text*; available at: [http://www.gender-climate.org/Content/Docs/Publications/WEDO\\_UNFCCC\\_CompilationDecisionText.pdf](http://www.gender-climate.org/Content/Docs/Publications/WEDO_UNFCCC_CompilationDecisionText.pdf).

## The Convention's Financial Mechanism and Finance as Means of Implementation

Under UNFCCC Article 4.3., developed country Parties included in Annex II committed to provide new and additional financial resources to support developing countries in concrete climate actions. Article 11 of the UNFCCC defined a mechanism for the provision of financial resources on a grant or concessional basis to function “under the guidance of and be accountable to the Conference of Parties, which shall decide on its policies, programme priorities and eligibility criteria related to this Convention.” Currently, there are two operating entities under the UNFCCC financial mechanism, namely the **Global Environment Facility (GEF)**, which hosts with the Least Developed Country Fund (LDCF) and the Special Climate Change Fund (SCCF) two adaptation funds under the Convention and channels incremental cost funding for mitigation actions to developing countries, and the **Green Climate Fund (GCF)**. The GCF was launched by Decision 3/C.17 and is currently being operationalized. One of the stated objectives under this decision is it for the GCF to “maximize the impact of its funding for adaptation and mitigation, and seek a balance between the two, while promoting environmental, social, economic and development co-benefits and *taking a gender-sensitive approach* [emphasis added]”.<sup>2</sup> Additionally, the **Kyoto Protocol Adaptation Fund (AF)** with a Secretariat hosted by the GEF has been funding adaptation measures in non-Annex I countries since 2010. Acting as a coordinating body for UNFCCC climate funds and climate financing goals and policies, COP 16 set up a **Standing Committee on Finance (SCF)**, which is tasked with assisting the COP in exercising its functions in relation to the UNFCCC financial mechanism. Decision 23/CP.18 applies to these bodies established pursuant to the Convention or the Kyoto Protocol. Implementation of Decision 23/CP.18 will therefore be incomplete without significant progress towards gender balance and gender-responsive climate finance policies and action in these bodies.

## Gender Balance in Finance Bodies under the Convention and the Kyoto Protocol

Gender balance in international climate policy bodies, including climate funds, is an important indicator of advances and a necessary step towards gender equality in international climate policy, but it is in itself not sufficient for nor equivalent to implementing gender equality. Gender balance alone does not address the social, political, legal and institutional disparities that are the root cause of gender inequality. Nevertheless, gender balance in the governance of climate finance bodies under the UNFCCC, particularly when coupled with the implementation of inclusive and participatory processes that improve the involvement of women as important stakeholders from recipient countries in those bodies, will advance gender equality in climate financing. Evidence from national parliaments and communities suggests that increasing the participation of women in decision-making affects climate-related policy choices by making bodies more representative of a diversity of voices, viewpoints, knowledge and experience, but also that a critical mass of one-quarter to one-third of women in decision-making bodies is needed for their presence to make a difference in outcome.<sup>3</sup>

A consideration of gender balance is mandated for the composition of the Standing Committee of Finance and the selection of board members for the Green Climate Fund under two separate decisions by COP17 (in Decision 2/CP.17 Annex VI for the SCF and Annex of Decision 3/CP.17 for the GCF). Currently, both climate finance bodies

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<sup>2</sup> Paragraph 3 of the Governing Instrument of the Green Climate Fund (GCF); available at: [http://gcfund.net/fileadmin/00\\_customer/documents/pdf/GCF-governing\\_instrument-120521-block-LY.pdf](http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF-governing_instrument-120521-block-LY.pdf).

<sup>3</sup> Schalatek, L and Burns, K. (2013). *Operationalizing a Gender-Sensitive Approach in the Green Climate Fund*, p. 6; available at: [http://www.boell.org/downloads/Schalatek\\_Burns\\_GCF\\_Gender-Sensitive-Approach.pdf](http://www.boell.org/downloads/Schalatek_Burns_GCF_Gender-Sensitive-Approach.pdf).

fail to achieve this goal. Among the 20 members of the SCF, only five are women<sup>4</sup>; among the 24 members of the Board of the GCF, only two are women (with another three among the 24 alternate GCF Board members).<sup>5</sup> Especially the GCF Board is thus missing the critical mass of women in decision-making necessary to affect a difference in outcome by a wide margin. This is particularly worrisome since the Governing Instrument of the GCF in paragraph 3 stipulates a gender-sensitive approach to GCF funding as an objective and guiding principle for the GCF, making it the first international climate fund to incorporate a mandate for gender sensitivity from the outset in its operations.

The composition of both the Adaptation Fund Board and the GEF Council is not gender-balanced either. In the AF, five of its current 16 Board members are women, with three women among the 16 current alternate Board members.<sup>6</sup> In the GEF Council, of the current 31 Council members, only seven are women (with nine women among the 30 alternate Council members currently serving).<sup>7</sup>

UNFCCC Parties must therefore pay particular attention to improving the gender balance in these bodies relevant for climate financing by giving preference to nominating qualified women as representatives for the respective regional and country constituencies in these fora in cases where the “critical mass” of at least one-third of women representatives is not yet reached. Especially important is hereby the role of those Parties (for example the United States, the UK, Germany, France and Japan) who hold both a principal and alternate member position and can nominate two representatives to serve in the governing bodies of the GEF or the GCF. These countries should commit themselves to nominating at all times one man and one woman to serve jointly to fill those positions, paying particular attention to the need to nominate women as principal members.

**TABLE: Gender Composition of UNFCCC and Kyoto Protocol Climate Finance Bodies as of 8/31/13**

<i>Climate Finance Body</i>	<i>Members (M)/ Alternate Members (AM)</i>	<i>Women Members/ Women Alternate Members</i>	<i>Percentage</i>	<i>Gender Balance mandated by COP Decision</i>
<b>Standing Committee on Finance (SCF)</b>	20 M	5 M	<b>Total: 25%</b>	Decision 2/CP.17 Annex VI
<b>Green Climate Fund (GCF)</b>	24 M 24 AM	2 M 3 AM	8.3 % 12.5% <b>Total: 10.4 %</b>	Decision 3/CP.17 Annex
<b>Global Environment Facility (GEF)</b>	32 M 32 AM	7 M 9 AM	21.9 % 28.1 % <b>Total: 25 %</b>	No
<b>Kyoto Protocol Adaptation Fund (AF)</b>	16 M 16 AM	5 M 3 AM	31.25% 18.8% <b>Total: 25 %</b>	No

<sup>4</sup> See [http://unfccc.int/cooperation\\_and\\_support/financial\\_mechanism/standing\\_committee/items/6879.php](http://unfccc.int/cooperation_and_support/financial_mechanism/standing_committee/items/6879.php); accessed on 8/31/2013.

<sup>5</sup> See <http://gcfund.net/board/members-of-the-board.html>; accessed on 8/31/2013.

<sup>6</sup> See <https://www.adaptation-fund.org/about/the-board>; accessed on 8/31/2013.

<sup>7</sup> See [http://www.thegef.org/gef/Council\\_Members\\_Alternates](http://www.thegef.org/gef/Council_Members_Alternates); accessed on 8/31/2013.

## From Gender Balance to Gender Responsiveness

While there is still improvement needed to achieve gender balance in the governing fora of UNFCCC-related bodies for climate finance, it is encouraging that the administration of several of these bodies is now headed by women, with the CEO of the GEF as well as the Executive Director of the GCF's and the manager of the AF's secretariat a woman. However, having a female in the leadership position in climate finance administrative bodies will only make a lasting difference if that leadership is coupled with an understanding of and commitment to implementing a gender mainstreaming approach in a fund's administration, for example by including gender and social experts among the technical staff, for striving towards gender and regional balance among a fund's administration staff, and by making gender training mandatory for all staff experts, including for those focused on financial instruments, private sector involvement and project and programme development. Of course, men in climate finance leadership positions can and must be gender-champions, too. This is a matter of acknowledging that climate finance decisions are not made within a normative vacuum and that the UNFCCC as a UN body has to protect women's rights as human rights in accordance with global and individual Parties' obligations. It is also an imperative for using scarce funding more effectively and smartly.

Even more important than progress towards gender balance in the governing fora of climate finance entities established pursuant to the Convention or the Kyoto Protocol is it therefore for those boards and councils to decide on gender-responsive operational policies and guidelines for the respective funds. They are needed to guide funding decisions by those bodies and monitor and evaluate the implementation of their projects and programmes in a way that improves women's participation and addresses the needs of women and men equally, i.e. in a gender-responsive way. This is in line with the goal of Decision 23/CP.18 as elaborated in paragraph 2.

While operations in the GEF and the AF have not started out in a gender-responsive way, the last few years have seen some important improvements in the way both institutions acknowledge and address gender disparities in vulnerability to climate change impacts as well as men and women's capabilities to reduce emissions, although more work remains to be done. In 2011, the GEF adopted a Policy on Gender Mainstreaming. It applies environmental, social and gender safeguards at the accreditation stage for GEF implementing agencies (mostly multilateral development banks and UN agencies) and mandates them to incorporate GEF guidance on gender mainstreaming into their project and programme proposals and apply own "equivalent" policies in GEF project implementation. The GEF is also working to improve its own gender expertise.<sup>8</sup> At the AF, the inclusion of gender considerations in project and programme planning, as well as in project consultation processes, is one important review criterion, although it is (not yet) a mandatory one. The AF Secretariat is currently seeking public input on a proposed new Environmental and Social Policy which would make gender equality and women's empowerment an explicit part of the set of core principles which projects and programmes supported by the AF would need to meet in design and implementation.<sup>9</sup>

While the strengthening of these policies and accreditation procedures for implementing partners is welcome, it needs to be accompanied by both an internal and external evaluation process of how well GEF and AF projects and programmes have succeeded in addressing gender equality concerns. Here the role of the COP in reviewing

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<sup>8</sup> Schalatek, L. and Nakhooda, S. (2012). *Gender and Climate Finance*. Climate Finance Fundamentals, Brief 10, November 2012; available at [http://www.boell.org/downloads/CFF10\\_Gender-CC.pdf](http://www.boell.org/downloads/CFF10_Gender-CC.pdf).

<sup>9</sup> See <https://www.adaptation-fund.org/page/call-public-comments-proposed-environmental-and-social-policy>.

annual progress reports by both bodies and in giving guidance to them is fundamental. The COP – in accordance with Decision 23/CP.18, paragraph 4 – should start at COP19 to review on an annual basis in both bodies progress towards more effective climate change financing approaches that address the needs of women and men equally, with a comprehensive review at COP22 as suggested.

### **The Potential of the Green Climate Fund as a Gender-Responsive Fund**

Where the GEF and the AF, ideally with guidance received by the COP, are working towards steady improvement in the way their operations address gender considerations, the GCF has the potential to start out as a gender-responsive fund. The GCF's Governing Instrument contained as Annex in Decision 3/CP.17 sets the key parameters for the operationalization of the new fund and the decision-making of its 24-member Board. In contrast to other climate financing instruments established pursuant to the UNFCCC and the Kyoto Protocol, the GCF's Governing Instrument already includes several key references to gender and women, thus making the GCF the first UNFCCC-related international climate financing mechanism with a mandate to be gender-responsive from the very beginning. The GCF's Governing Instrument mandates a gender-sensitive approach to GCF funding (paragraph 3) and the consideration of gender-balance in the composition of its Board (paragraph 11) and the staffing of the GCF Independent Secretariat (paragraph 21). It tasks the GCF to "encourage the involvement of relevant stakeholders, including vulnerable groups and addressing gender aspects" (paragraph 31) and to develop mechanisms "to promote the input and participation of stakeholders, including private-sector actors, civil society organizations, vulnerable groups, women and indigenous peoples, in the design, development and implementation of the strategies and activities to be financed by the Fund" (paragraph 71).

The GCF Board is currently discussing and deciding important policies setting the Fund's Business Model Framework. Gender-responsiveness needs to be integrated into each of the building blocks of the GCF Business Model Framework.<sup>10</sup> For example, a GCF Private Sector Facility should focus its possible future advisory services and its work with national and local financial intermediaries on reducing formal and informal barriers to women as economic actors by addressing the needs and concerns of micro, small and medium enterprises (MSMEs) in developing countries, in which women are predominantly engaged, and by increasing their access to financial services for climate-related investments. The GCF should also establish a small grants facility, including for women-specific projects, with a fit-for-purpose simplified approval procedure to support mitigation and adaptation interventions at the community level. Gender-responsiveness of project and program proposals must become a standard part of the GCF funding approval criteria with the GCF Secretariat developing gender-guidance for recipient countries on gender-sensitive and gender-specific reporting, including through qualitative and quantitative indicators. GCF standard and safeguard policies need to include separately articulated gender equality standards for a comprehensive set of environmental, social and gender safeguards that GCF implementing partners be they international, regional, national or sub-national, have to adhere to.

As the funding approach in the GCF will be country-driven one and country-ownership is one of the core operating principles of the GCF with recipient countries having the possibility to access GCF funding directly,

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<sup>10</sup> For a detailed elaboration of the steps necessary to mainstream gender in the GCF Business Model Framework and other related operational policies and guidelines, see Schalatek, L. and Burns, K. (2013). *Operationalizing a Gender-Sensitive Approach in the Green Climate Fund*.

developing country Parties' role in making the GCF a gender-responsive operating entity of the UNFCCC financial mechanism is both an opportunity and an obligation. A recipient country's funding priorities for proposals for the GCF could be based on national climate or development plans, including those requested by the Convention such as National Adaptation Programmes of Action (NAPAs) for the least developed countries, National Adaptation Plans (NAPs) for all developing countries highlighting medium-term adaptation priorities, and Nationally Appropriate Mitigation Actions (NAMAs). It is therefore paramount that developing country Parties allow for the early and comprehensive participation of women as an often neglected and marginalized stakeholder group in the elaboration of these funding priorities. Gender experts and national women's machineries must likewise be included. To ensure that the concerns and needs of men and women in recipient countries are equally addressed in GCF projects and programmes, women in recipient countries must be involved through all stages of the GCF programme or project cycle from conceptualization and design, to implementation and ongoing monitoring and evaluation, including through participatory monitoring efforts at the community level.

### **An Opportunity for the COP**

With the GCF designated as an operating entity of the UNFCCC financial mechanism under Article 11 of the Convention and accountable to the COP, at COP19 in Warsaw, Parties should include in their guidance to the GCF Board and Secretariat the mandate to operationalize the GCF as swiftly as possible as a fully gender-responsive climate fund. The progress of the GCF towards gender mainstreaming its funding operations must form a mandatory part of every annual report that the GCF Board and Secretariat submit to the COP for its consideration and to receive further guidance from Parties. Parties should seize this important opportunity for the UNFCCC to showcase early action and lasting success in implementing Decision 23/CP.18 in a transformative and paradigm-shifting way by focusing on the Convention's financial mechanism and the role of finance as a means of implementation for more effective climate change policy that addresses the needs of men and women equally.

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