

Of Promise, Progress, Perils & Prioritization Gender in the Green Climate Fund

An Update on Efforts to Operationalize a Fund-wide Gender-Sensitive Approach after the 7th GCF Board Meeting

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Preamble

Climate Change is not gender-neutral. The Intergovernmental Panel Climate Change in its latest 2014 working group II report on climate change impacts, adaptation and vulnerability stressed that people who are socially, economically, culturally, politically, institutionally, or otherwise marginalized are especially vulnerable to climate change and also to some adaptation and mitigation responses. This is the case for many women in developing countries already severely affected by climate change. Persistent discrimination and inequality on the basis of gender, along with other factors such as class, ethnicity, age and (dis)ability, heightens vulnerability and affects men and women's differently in their capacity to adapt to and address climate change challenges.¹ The UN Framework Convention on Climate Change (UNFCCC) in several decisions by its Conference of Parties (COP) over the years likewise acknowledged and affirmed that gender equality and the full participation of women are important for effective action on all aspects of climate change with gender-responsive climate policy needed in national and local contexts.²

Promise

The Green Climate Fund (GCF) was established by a UNFCCC decision in 2010 as part of the convention's financing mechanism to "promote the paradigm shift towards low-carbon and climate resilient development pathways" in developing countries in the context of sustainable development. Its Governing Instrument (GI) or charter explicitly recognizes the importance of mainstreaming gender into climate financing efforts and makes it part of the overall Fund mission and vision. Anchored in its introductory section on the GCF objectives and guiding principles, the GI mandates the new multilateral climate fund to

maximize the impact of GCF funding for mitigation and adaptation while "taking a gender-sensitive approach". Several other gender considerations – the GI contains five key references to gender, including striving for gender balance in GCF governance bodies and engaging women as key stakeholders in the design, development and implementation of the strategies and activities to be financed by the Fund – are prominently integrated in the GCF charter, which serves as the blueprint and instruction manual for the full operationalization of the GCF by its governing Board of 24 members (12 from developed and 12 from developing countries).³

Since December 2011, when the COP approved the GI and requested that the Fund starts its work as quickly as possible, the Fund's Board, the primary decision-making body of the GCF (the GCF is also receiving guidance from and is ultimately accountable to the COP) has met seven times. At its last meeting in Songdo, South Korea in May 2014, the GCF Board completed a set of important decisions required for the GCF to receive, manage, program and disburse financial resources. These decisions were seen as the pre-conditions for starting the process of mobilizing an initial capital infusion into the GCF and were set by the Board at its 5th meeting in Paris in October 2013. While it is not clear how much in initial pledges can be secured in this first GCF resource mobilization effort, which is to start in June and run at least until the end of November 2014, some US\$ 10 to 15 billion are hoped for. This would be the bare minimum to fulfill the GCF's implicit *raison d'être* that it will become the main multilateral channel through which the 2009 Copenhagen political commitment of developed country parties to the UNFCCC of US\$ 100 billion in new and additional climate finance annually by 2020, including a significant share of new multilateral adaptation funding, is to be met. It would also make the GCF the biggest multilateral climate fund to date.

With the GCF getting close to full operationalization – and presumably ready to start funding projects and programs in 2015 – it is timely to take stock of the advances by the GCF Board and the Fund’s independent Secretariat toward fulfilling the promise of the GCF charter of a gender-sensitive approach to its funding. What progress has been made in integrating gender considerations into initial operational policies and modalities, what perils and challenges remain – both in fine-tuning and detailing these initial decisions and in implementing them? What gender-relevant provisions must be prioritized in the next few Board meetings to ensure that gender equality considerations are self-evident in the first and all future projects and programs the GCF will soon fund and permeate the working culture of both the GCF Board and Secretariat?

Progress and Perils....

Already at the GCF’s inaugural Board meeting in August 2012, the Board member representing the Danish/Dutch seat had asked to include gender into the Board’s work plan and offered analytical support in form of a paper exploring how a gender-sensitive approach in the GCF could be operationalized. Although several Board members in the Board meetings that followed made some references to gender in Board discussions, the topic was not formally included in the Board’s 2013 work plan. It was only at the 4th meeting in June 2013 in Songdo, South Korea, that an informational non-paper on “Operationalizing a Gender-Sensitive Approach in the Green Climate Fund” commissioned by the Dutch government was presented.⁴ At the urging of the Danish/Dutch Board member the issue was addressed impromptu under “other business”, soliciting a promise by the Co-Chairs to put it formally on the agenda of the 5th GCF Board meeting. In the 5th Board meeting in Paris, the gender-sensitive approach to GCF funding found itself again under “other business”; however, strong support of Board members for more immediate focused work on integrating gender into the GCF’s business model led to the adoption of decision B.05/22 mandating the GCF Secretariat to prepare a working document, including through consultations with observers, on options for a Fund-wide gender-sensitive approach to be considered at the next GCF Board meeting⁵. This mandate also resulted in a revision of the Board’s work plan for 2014 and the inclusion of the gender discourse into the list of Board action priorities for the ongoing year.⁶

At the 6th Board meeting in Bali in February 2014, the Board then considered the Secretariat’s paper on a Fund-wide gender-sensitive approach⁷ and in deci-

sion B.06/07 requested the Secretariat to draft a gender policy and gender action plan.⁸ Those were to be discussed at the 7th Board meeting in May and then revised and represented for adoption at the 8th Board meeting in October 2014. The Board also requested the Secretariat to integrate gender considerations in draft policy documents and operational modalities, including those to be considered for the 7th Board meeting, stipulating thereby an explicit mainstreaming approach and rejecting any attempts to confine gender in the GCF to an largely afterthought “add-on”. This proved especially farsighted in light of the decision of the Board Co-Chairs in advance of the 7th Board meeting in May to focus the Board’s attention on the six outstanding operational policies and modalities considered essential requirements for the start of GCF resource mobilization, which had bumped the discussion of a draft gender policy and action plan off the Board’s agenda for that meeting.⁹

Indeed, references to gendered approaches or to Bali decision B.06/07 which mandates the development of a GCF gender policy and gender action plan are included in several of the preparatory Board documents for the Sondo meeting that were the basis for Board decisions on six of the eight essential operational modalities and policies for resource mobilization taken there. These provide crucial textual anchors in Board decisions and related instructional annexes for a further elaboration and refinement of what in many cases were only the most basic building blocks of operational modalities and policies to gain Board consensus. While those decision anchors and textual references are crucially important, they in themselves will not be sufficient if not taken comprehensively into account in the operationalization of some of these decisions, for example in the development of guidelines or toolkits to inform the preparation of proposals for public and private sector projects and programs for Board approval and their implementation and monitoring and evaluation by the implementing entities (such as MDBs and UN agencies, but also national organizations) and intermediaries (like public and commercial banks) through which the GCF will initially operate. The Board thus must guard against the peril of referencing a gender-sensitive approach in the GCF only rhetorically in its decisions without overseeing its follow-through. Equally important, since most of the frameworks and policies approved at this stage are considered “initial” only, improvements in the integration of gender considerations across GCF operations must be part of scheduled revisions and reconsiderations to be done within no more than three years. Those improvements would be in line with the

mandate in the Fund’s charter that the GCF should be a “continuously learning institution”.

A look at some of the specific decisions taken at the 7th GCF Board meeting in Songdo in May¹⁰ illustrates these recommendations further.

Initial Guiding Accreditation Framework with Fiduciary Principles and Environmental and Social safeguards

While Songdo decision B.07/02 on an initial guiding framework for the Fund’s accreditation process for implementing entities and intermediaries, including the GCF’s fiduciary standards and environmental and social safeguards does not explicitly mention gender, it is considered to varying degrees in some relevant annexes to the decision. For example, coherence with the Fund’s future gender policy is elaborated to be a guiding principle for the Fund’s accreditation process. The Fund’s still to be developed environmental and social management system (ESMS) with its own environmental and social policy will also be cross-referenced with the Fund’s planned gender policy.

In Songdo, the Board approved the use of a set of eight Performance Standards (PS) of the World Bank’s private sector arm, the International Finance Corporation (IFC)¹¹ as the GCF’s interim safeguards until the Fund can develop its own set of safeguards by building on evolving best practices within a three year period guided by the broad and inclusive participation of multiple stakeholders, including women and gender groups. The IFC PS guidance notes (more than 250 pages)¹², which are to guide the use and implementation of the GCF interim safeguards, do devote one note (guidance note 50) to gender exclusively, and address gender considerations related to PS 1 (on assessment and management of environmental and social risks), PS2 (on labor and working conditions), PS4 (on community health and safety), PS5 (on land acquisition and involuntary resettlement) and PS7 (on indigenous people). However, gender equality and women’s empowerment is not mentioned as a guiding principle in the text of the PS themselves and human rights are only explicitly mentioned in PS7 on Indigenous Peoples, not as an overarching approach. This needs to be improved in developing the GCF’s own environmental and social safeguards (ESS) in order to be in line with best practices. For example, a principle-based environmental and social policy the Adaptation Fund employs already does so.¹³

The Board also decided to apply a scaled risk approach to the application of GCF ESS with presumably lower risk projects (which are self-categorized by

the implementing entities and intermediaries in what could constitute a conflict of interest) needing fewer safeguards applied. A commensurate fit-for-purpose accreditation approach, which the Board also agreed upon, would match accreditation requirements for implementing entities and intermediaries to the nature, scale and risk of the projects and programs they would be allowed to implement. While meant to not slow down or overburden low- or no-risk projects and help with the accreditation of national entities, such an approach must not be allowed to undermine the prerequisite that all GCF-funded projects have to support gender equality and women’s empowerment, irrespective of potential risk categorization and that gender assessments, effective engagement with women stakeholders, especially in local communities, and gender-responsive benefit-sharing are integral to each GCF project (including for individual projects aggregated in programmatic approaches). Therefore, a comprehensive readiness and preparatory support program, which the Board will consider at its 8th meeting in October, must provide support to applicants for accreditation to the GCF, and help particularly national entities to comply with a fit-for-purpose accreditation approach that includes the capacity to implement a gender-sensitive funding approach as a non-negotiable core requirement.

Lastly, the accreditation decision from Songdo also establishes an accreditation panel which will be in charge of conducting the accreditation process of prospective national, regional and international implementing partners for the Fund. The 6-member independent technical panel, whose members will be recommended by the Board’s Adaptation Committee, are to have an “appropriate range of expertise”, which must include relevant social and gender expertise in order to be able to judge an applicant entity’s capability to implement GCF projects and programs in accordance with GCF ESS and fiduciary standards and addressing gender considerations. The same does apply to individual members of a proposed future roster of technical experts on which the accreditation panel can draw for that task.

Initial Proposal Approval Process

In Songdo, the GCF Board agreed on an initial proposal approval process explained in an annex to decision B.07/03. It details key stages in the project and program activity cycle and explicitly references the still to be developed GCF gender policy as one of the policies, in addition to the Fund’s interim environmental and social safeguards, which would have to be considered

by the Secretariat as part of its due diligence in assessing whether a project or program proposal complies with GCF requirements and should be recommended to the GCF Board for decision. However, the initial approval process as approved is weak in its reference to inclusive multi-stakeholder input and participation throughout the activity cycle, a key requirement for the implementation of a gender-sensitive funding approach in the GCF. It mentions multi-stakeholder input only in a footnote, and only in connection with the application of environmental and social safeguards by the implementing entity and intermediary and thus presumably after a project or program proposal has already been developed and submitted. This does neither address the need for gender-responsive consultation before concept and proposal development, nor for gender-sensitive participatory monitoring of project and program implementation and results by proposed beneficiary or affected groups and communities in the stages of the activity cycle post approval.

It is therefore even more critical that in the further development of the activity cycle, including the post-approval steps (which are to be further considered in 2015), the input and participation of stakeholders groups and communities, including women as key stakeholders, is strengthened. One key opportunity here is the development of an operational manual and an appraisal toolkit for the initial proposal approval process. The toolkit specifically will include guidelines for multi-stakeholder consultations and engagement. Those must clarify that in the GCF stakeholder involvement has to be comprehensive throughout the activity cycle; they must also address the gender dimensions of such processes and propose ways to strengthen the role of women as key stakeholders.

The Secretariat will also develop methodologies that are to guide the competitive selection of proposals for endorsement by the Board. In Songdo, the Board in decided on an initial set of criteria for program and project funding, to be further refined and elaborated. It will be crucial that such selection methodologies put substantial weight on the gender-sensitivity of a proposal, clearly indicating that the GCF considers gender integration a must for any GCF-funded project or program.

Lastly, the Board decided to establish an independent technical advisory panel (TAG) composed of experts who are supposed to provide assessment and advice on funding proposals to the Board. The Board will consider the terms of reference for the TAG at its next Board meeting in October. The TAG should not only aspire to gender and geographical balance to reflect

varying backgrounds and experiences, but the credentials of candidates for the TAG must include gender and social expertise in order to be considered for service on this GCF advisory panel.

Initial Investment Framework

Intimately related to the initial proposal approval process is the initial investment framework, which the GCF Board adopted with decision B.07/06 at its May meeting. An important part of the Fund's initial investment framework are its investment guidelines composed of a set of investment criteria with relevant sub-criteria and indicators which will be used in assessing funding proposals and recommending them for Board approval. The inclusion of a clear reference to the Bali gender decision in the decision text on the initial investment framework signifies progress towards operationalizing a gender-sensitive approach to GCF funding. Specifically, the gender mandate from Bali is to be taken into account in ongoing work by the Board's Investment Committee on defining specific sub-criteria and indicators to guide GCF investment decisions. These are to be discussed by the Board at its next meeting in October.

The initial investment guidelines (see Table below), which the Board approved in Songdo, contain six overarching criteria (impact potential, paradigm shift potential, sustainable development potential, needs of the recipient, country ownership, and efficiency and effectiveness) and 25 sub-criteria or coverage areas. Currently, gender-specific language is included as part of two sub-criteria, namely "gender-sensitive development impact" (under the criterion on sustainable development potential) and "vulnerable groups and gender aspects" (under the criterion on needs of the recipient). While it is disappointing that gender aspects weren't explicitly recognized under the criteria of GCF impact potential and paradigm shift potential – although arguably a truly gender-sensitive approach in GCF funding with gender-equitable multiple benefits for people most in need does signify a paradigm shift over climate funding "business-as-usual", – there is room for further improvement. Specifically, existing sub-criteria under the category of paradigm shift potential looking at the contributions of the proposed projects and programs to an enabling environment and to a regulatory framework and policies can be defined to encompass national gender plans and policies and their implementation in developing countries in conjunction with national climate and development plans and policies. Also, sub-criteria listed in the initial investment guidelines

under the category of country ownership can be further clarified in ways that address important gender aspects. For example, the sub-criteria on coherence with existing policies should be defined to include national climate, development and gender equality plans and commitments and involve for example gender machineries in the determination of climate-relevant policies. Likewise, the sub-criteria on engagement with civil society organizations and other relevant stakeholders should be defined in line with the GCF charter para.71, which explicitly lists women as a stakeholder group with input and participation in the design, development and implementation of the strategies and activities to be financed by the Fund.

Anchoring gender aspects in multiple criteria and sub-criteria of the GCF investment guidelines and ensuring that indicators that are defined for these sub-criteria reflect the gender dimension will ensure that the gender impacts of GCF investments are accorded

substantial importance in an investment decision approach that will likely assign differing weights to different criteria and sub-criteria in order to encourage competition, innovation and quality among similar projects. This must be secured even if different individual investment criteria and sub-criteria might be weighted differently for defined country categories or for adaptation and mitigation investments respectively.

To illustrate, the integration of gender aspects into large-scale mitigation investments in middle-income developing countries should be considered by the Board as favorably (even if weighted somewhat differently, but in both cases substantially) as those integrated in community-based adaptation projects in the poorest countries, namely as a crucial testament to the relative quality and innovativeness of investment proposals that the Board will look for in making its funding decisions.

Table: Initial criteria for assessing program/project proposals

Criterion	Definition	Sub-criteria or coverage area
Impact potential	Potential of the program/project to contribute to the achievement of the Fund's objectives and results areas	<ul style="list-style-type: none"> • Mitigation impact • Adaptation impact
Paradigm shift potential	Degree to which the proposed activity can catalyze impact beyond a one-off project or program investment	<ul style="list-style-type: none"> • Potential for scaling-up and replication and its overall contribution to global low-carbon development pathways, consistent with a temperature increase of less than 2 degrees • Potential for knowledge and learning • Contribution to the creation of an enabling environment • Contribution to the regulatory framework and policies • Overall contribution to climate-resilient development pathways consistent with a country's climate change adaptation strategies and plans
Sustainable development potential	Wider benefits and priorities	<ul style="list-style-type: none"> • Environmental co-benefits • Social co-benefits • Economic co-benefits • Gender-sensitive development impact
Needs of the recipient	Vulnerability and financing needs of the beneficiary country and population	<ul style="list-style-type: none"> • Vulnerability of the country • Vulnerable groups and gender aspects • Economic and social development level of the country and the affected population • Absence of alternative sources of financing • Need for strengthening institutions and implementation capacity
Country ownership	Beneficiary country ownership of and capacity to implement a funded project or program (policies, climate strategies and institutions)	<ul style="list-style-type: none"> • Existence of a national climate strategy • Coherence with existing policies • Capacities of implementing entities, intermediaries or executing entities to deliver • Engagement with civil society organizations and other relevant stakeholders
Efficiency and effectiveness	Economic and, if appropriate, financial soundness of the program/project	<ul style="list-style-type: none"> • Cost-effectiveness and efficiency regarding financial and non-financial aspects • Amount of co-financing • Program/project financial viability and other financial indicators • Industry best practices

Initial Results Management Framework

Like the decision on the initial investment framework, Songdo decision B.07/04 on the initial results management framework of the Fund includes explicit references to gender. It confirms that the results management framework should take a gender-sensitive approach and that results should be disaggregated by gender where relevant. The decision also requests the Secretariat to further develop for the next Board meeting in October performance measurements approaches for mitigation and adaptation which look at how gender can be better integrated into performance measurement frameworks (beyond the current too narrow focus on primarily sex-disaggregated data), specifically also in indicators and methodologies for reporting on results. Such approaches could include an elaboration of qualitative indicators and narrative progress reports in addition to quantitative data collection. The former could be more reflective of addressing improvement over time in the societal, cultural, economic or legal obstacles that translate into differing vulnerability of men and women to climate change impacts and affect their respective capabilities to address climate change.

The decision confirms the logic model the Fund will employ from inputs at the lowest via activities, project/program outputs and outcome to Fund-level impacts and paradigm shift objective at the highest level. It also defines the core objectives for fund level impacts and project/program level outcomes for the initial mitigation and adaptation GCF logic models respectively. Unfortunately, none of these paradigm shift, fund level impact or project/program level outcome objectives directly acknowledge gender-sensitivity as crucial to their achievement. For example, the Fund-level impact for mitigation focusing on reduced emissions through increased access to low-emission transport could have qualified that such access should be gender-equitable, thus elevating results measurement of gender-sensitivity to the Fund aggregate level. Likewise, a fund level impact objective for mitigation speaks of reduced emissions through increased low emission energy access, but does not stipulate that such access has to be gender-equitable. A related adopted project/program level outcome for this objective looks only at increases in the number of small, medium and large low-emission power suppliers, but not whether an increased number of both men and women, and particularly those in the lowest income quintile, have gained access to and utilize these clean additional clean energy resources (which would involve questions of for example affordability and usage on the demand side and not just the look at

the supply side). Likewise for adaptation, the Fund-level impact objective talks only about increasing the resilience and enhancing the livelihoods of the most vulnerable people, but does not specify that this need to include a specific focus on women.

Without some improvement, for example in further developing gender-sensitive quantitative and qualitative indicators for these higher level objectives, there is a danger that the measurement of gender equality benefits will be relegated only to a mere project or program-focused output approach, and then considered only as one of several possible reporting options on co-benefits, but not as a mandatory performance measurement requirement. This would undermine a gender-sensitive approach to GCF funding, which is not a separate co-benefit, but a cross-cutting issue and therefore part of the paradigm shift that the GCF wants to achieve in the context of sustainable development. The Fund would thereby be deprived of a crucial accountability tool in evaluating and measuring the overall gender equality impact and the gender-sensitivity of its total portfolio.

The Songdo decision establishes three core (=Fund aggregate) indicators for mitigation, namely the quantity of emissions reductions, the cost of these reductions per ton and the volume of public and private finance leveraged by the Fund. These core indicators are too narrow to reflect mitigation efforts which should be made in the context of sustainable development while taking a gender-sensitive approach. For example, a focus on costs of GHG reductions favors economies of scale and is thus biased in favor of large-scale mitigation projects and could exclude smaller-scale mitigation projects, such as distributive off-grid renewable energy projects from which communities and women (as consumers, care-givers and entrepreneurs) specifically benefit, but for which individual transactions costs are higher. Likewise the volume of direct mitigation finance leveraged by the Fund is not an indicator for a paradigm shift in GCF action as financing is a means to the end, but not indicative of how much progress toward this end – namely low-emission and climate resilient development – has been made. It will therefore be crucial to temper and complement these mitigation core indicators with additional ones that focus more on policy changes and men and women as equal beneficiaries of GCF mitigation investments. The core indicator for adaptation adopted in Songdo takes such a beneficiary-centric approach but without specifying disaggregation by gender, class, age or income.

Lastly, the Songdo decision also asks the Secretariat

to develop a logic model and performance framework for the next GCF Board meeting for ex-post results based payments under REDD+ in accordance with the methodologies of the Warsaw UNFCCC REDD+ framework, with also calls for reporting on the implementation of safeguards, including related to stakeholder participation, and the provision of non-carbon benefits.¹⁴ In order to establish such a framework for REDD+ (serving possibly also as reference for future results-based payment approaches in the GCF outside of the forest sector), the GCF Secretariat should build on the existing body of quality analytical work done by many GCF observer organizations on gender-sensitive REDD+ mechanisms and project and program implementation in preparing a draft decision for October.

Initial Financial Risk Management Framework

While the Songdo decision B.07/05 on financial risk management on the surface does not seem to have any relevance for the operationalization of a gender-sensitive approach in the GCF, a second look reveals that some aspects of the adopted initial framework will contribute to advancing gender-sensitive GCF financing. Specifically, the Board's decision to forbid cross-subsidization (by which grant inputs into the Fund would help defray the costs of non-performing loan outputs in order to maintain the Fund's ability to pay back loan inputs by contributor countries) and the provision in the initial financial risk management framework that asks for the maximization of grant contributions to the Fund, should contribute to ensuring that the GCF can provide a substantial part, if not ideally the vast majority of its financing in form of grants. This is especially relevant for activities (particularly in adaptation, but also in more broadly contextualized mitigation efforts) that focus on the provision of non-financial intangible multiple benefits to the most severely affected men and women in communities, but which do not generate revenues. The provision of climate loans to address climate change challenges to the poorer developing countries would also undermine those countries' ability to provide crucial social services for example such as health care, on which women particularly depend, who are traditionally carrying most of the care burden in families and communities. Not coincidentally, in many developing countries those care burdens for women often increase due to climate change impacts.

Future work of the Board's Risk Management Committee will also have to focus on expanding its analysis

of risks for the Fund beyond financial risks to include other risks. For example, the reputational risk to the GCF could be substantial if it fails to fulfill its mandate for a gender-sensitive approach to its funding or interprets that mandate too narrowly or reductionist. Likewise, should the Fund choose to fund fossil-fuel based energy approaches, it would prove unworthy of calling itself a transformational Fund seeking to support the paradigm shift toward low-emission (read: clean energy-based) and climate-resilient gender-equitable development in recipient countries.

Initial Structure of the Fund, Including the Structure of its Private Sector Facility

The Songdo decision on the structure of the Fund and its private sector facility reaffirms earlier decisions and relevant provisions of the GCF Governing Instrument and recognizes that the Fund's structure is evolving and needs to be reviewed no later than three years after the initial resource mobilization of the Fund (presumably in early 2018). Two of the GI gender provisions focus on striving toward gender and geographical balance in the composition of both the GCF Board (and by extension its committees and panels) and the Secretariat. Especially the Board and its committees and panels currently fall woefully short of this commitment. While gender-balanced representation in Board bodies and the Secretariat is obviously not a gender qualification in itself, it contributes to the diversity of experiences and perspectives that are conducive to facilitating the operationalization of a gender-sensitive GCF while at the same time sending a powerful message to the public. For this reason, particularly those countries represented on the GCF Board with a principal member and alternate member each (namely the United States, the United Kingdom, Germany, France and Japan) should commit to ensuring that one of their two representatives on the GCF Board is a woman.

In order to operationalize the gender provisions in the GI and the mandates resulting from the Bali gender decision, significant gender expertise must be included in the Secretariat and in all GCF Board committees, panels and advisory bodies, as well as in the Fund's operationally independent evaluation and accountability units (such as its Independent Redress Mechanism). In the Secretariat, which is in the process of hiring its key staff, the indicative staffing plan approved at the 5th GCF Board meeting foresees about 40 staff people, but does not explicitly list gender-expertise or a designated gender expert among them.

However, the Fund Secretariat's Executive Director in filling these staff positions should look at candidates possessing some social and gender expertise in addition to other technical credentials, especially to fill the positions of the directors of the five initial main divisions of the Secretariat divisions as approved in decision B.05/10. Gender expertise is particularly relevant for the country programming division (with respect to M&E, country operational dialogue, including readiness assessment, accreditation and safeguards); the mitigation and adaptation windows division (for identifying a pipeline of programmatic approaches and sector interventions and preparing templates, toolkits and guidelines for the proposal review cycle); the Private Sector Facility division (for identifying and helping to support the readiness of potential intermediaries and work on innovative financial instruments); and the external affairs division (with a focus on resource mobilization, media & public relations and the implementation of the Fund's communication strategy and information disclosure policy).

In its October meeting, the GCF Board is scheduled to decide on a GCF gender policy and gender action plan. While the responsibility for the implementation of both ultimately rests with the Fund's Executive Director and the GCF Board, in the Secretariat a high-level staff person serving as a gender anchor, ideally a division director, should oversee necessary day-to-day activities and lead a GCF Secretariat gender task force comprising representatives from all initial divisions of the GCF Secretariat. Deliverables from the GCF Secretariat in such a gender action plan should include the provision of regular gender training and capacity building for GCF staff as well as gender policy-related technical support and capacity building for Implementing Entities (IEs), Executing Entities (EEs), Intermediaries and government partners, especially National Designated authorities (NDAs) and focal points as a recipient country's main liaison with the Fund. It should also focus on mainstreaming gender into operational guidelines and tool kits for results management, monitoring & evaluation, safeguards and project and program cycles as well as on providing specific gender guidelines and templates (for example for gender assessments or on gender-disaggregated data sources and data collection) as needed.

Initial Modalities for the Operation of the Fund's Mitigation and Adaptation Window and its Private Sector Facility

Decision B.07/08 on initial modalities for the Fund's windows and its private sector facility (PSF) takes

note of an overview document which details how GCF resources will be channeled and tracked and how earlier GCF Board decisions on operational policies and modalities interact with the relevant provisions of the Governing Instrument and guidance provided by the UNFCCC COP to make the Fund operational. Crucially, the Bali gender decision (B.06/07) is referenced in an annex to the decision from Songdo, thereby confirming gender mainstreaming into operational policies and modalities as well as the future gender policy and gender action plan as important constituents of the Fund's funding operations.

Future decisions by the Board during its next Board meeting are to focus on modalities to promote the participation of particularly local small and medium-sized private sector enterprises and local financial intermediaries, including in the most vulnerable countries. These modalities need to address especially the needs and concerns of majority women-owned micro, small and medium sized local enterprises (MSMEs), including by increasing their access to affordable and tailored financial services by local financial intermediaries.

A further refinement of the initial modalities should also establish a small grants facility as a direct access modality for non-state and subnational actors, particularly from civil society groups and communities, that would allow for example women's groups to implement small-scale projects financed by full grants themselves under simplified approval processes (in line with para. 53 of the Governing Instrument).

Prioritizing Gender-Relevant Provisions in Future Board Meetings

By focusing in the recent GCF Board meeting in May solely on the operational policies and modalities considered essential requirements for the start of the initial resource mobilization efforts of the Fund, the Board decided to post-pone the consideration of a number of policies, strategies and modalities that are likewise important for the full operationalization of a gender-sensitive approach in the GCF. For example, the Board still has to decide on additional result areas and indicators for adaptation activities; adopt a revised work program on readiness and preparatory support; consider additional modalities that further enhance direct access; decide on the GCF's communication strategy and finalize its information disclosure policy; and importantly tackle the complex set of decisions related to securing the country-ownership of GCF funded mitigation and adaptation investments,

including by formalizing a no-objection procedure and setting best practice guidelines for country coordination and domestic multi-stakeholder engagement. Obviously the consideration of a draft gender policy and gender action plan, originally scheduled for the May meeting, has also to be re-scheduled.

Added to these agenda items already postponed from May – enough to occupy the Board throughout its three-day October meeting – are the numerous mandates resulting from the Songdo decisions to further refine and elaborate on some of the agreed modalities as well as a variety of issue still outstanding from the original work plan of the Board for 2014. All in all, the necessary preparatory documents for the October meeting could add up to more than 30 – a mission impossible both for the Secretariat to prepare and the Board to digest and decide on. Mindful of this,

in Songdo the Board with decision B.07/10 requested the Co-Chairs to determine the priorities for the 8th GCF Board meeting in October.

It will be important, in line with the mandate of the Board's gender decision B.06/07 from Bali, to integrate gender considerations into the preparation of the draft policy documents and draft operational modalities that the Board will discuss at its 8th meeting in October. By the same token, the Co-Chairs and the Board should not allow the consideration of a draft gender policy and gender action plan for the GCF to be bumped again from the agenda of the next Board meeting. Doing so would send the unfortunate signal by the Board that it does not consider the full operationalization of a Fund-wide gender-sensitive approach to be a priority.

Endnotes

1 IPCC (2014). *Climate Change 2014: Impacts, Adaptation and Vulnerability. Summary for Policymakers*. WBII AR5 Summary for Policy makers, available at: http://ipcc-wg2.gov/AR5/images/uploads/IPCC_WG2AR5_SPM_Approved.pdf.

2 Note in particular Cancun decision 1/CP.16 (article 7) and Doha decision 23/CP.18.

3 Explicit gender reference in the GCF Governing Instrument are included under I. Objectives and Guiding Principles, Paragraph 3; II. Governance and Institutional Arrangements, Paragraphs 11 and 21; V. Operational Modalities, Paragraphs 31; XII. Stakeholder Input and Participation, Paragraphs 71. The text of the GCF Governing Instrument is available at: http://www.gcfund.org/fileadmin/00_customer/documents/pdf/GCF-governing_instrument-120521-block-LY.pdf.

4 Liane Schalatek and Katya Burns (2013). *Operationalizing a Gender-Sensitive Approach in the Green Climate Fund*, Washington, DC. Available at: http://www.boell.org/downloads/Schalatek_Burns_GCF_Gender-Sensitive-Approach.pdf.

5 Listed in GCF Document GCF/B.05/23, “Decisions of the Board – Fifth Meeting of the Board, 8-10 October 2013”; available at: http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF_B05_23_Decisions_5th_Meeting_of_the_Board_20131108.pdf.

6 GCF Document B.BM-2013/04, “Work Plan of the Board for 2014”; available at: http://www.gcfund.org/fileadmin/00_customer/documents/pdf/B.BM-2013_04_Work_plan_of_the_Board_final_18Nov2013.pdf.

7 GCF Document B.06/13, “Options for a Fund-wide Gender-sensitive Approach”; available at: http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF_B06_Gender_Options_fin_20140209.pdf.

8 Listed in GCF Document GCF/B.06/18, “Decisions of the Board – Sixth Meeting of the Board, 19-21 February 2014”, available at: http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF_B06_Decisions_Sixth_Meeting_final.pdf.

- 9 Agenda and cover note by the Co-Chairs for the 7th GCF Board meeting; available at: <http://www.gcfund.org/documents/board-meeting-documents.html#c717>.
- 10 At the time of the publishing of this analysis in early June 2014, the GCF document summarizing the decisions of the Board taken at the 7th GCF meeting was not yet publicly available on the GCF website. The author was drawing on an advance copy available only in limited distribution for the writing of this analysis.
- 11 The IFC Performance Standards on Environmental and Social Sustainable are available at: http://www.ifc.org/wps/wcm/connect/115482804a0255db96fbffd1a5d13d27/PS_English_2012_Full-Document.pdf?MOD=AJPERES.
- 12 The IFC PS guidance notes are available at: http://www.ifc.org/wps/wcm/connect/e280ef-804a0256609709ffd1a5d13d27/GN_English_2012_Full-Document.pdf?MOD=AJPERES.
- 13 The approved Adaptation Fund Environmental and Social Policy from November 2013 is available at: [https://www.adaptation-fund.org/sites/default/files/Environmental%20&%20Social%20Policy%20\(approved%20Nov2013\).pdf](https://www.adaptation-fund.org/sites/default/files/Environmental%20&%20Social%20Policy%20(approved%20Nov2013).pdf).
- 14 For information on the Warsaw REDD+ framework, including relevant COP decisions, see <http://unfccc.int/methods/redd/items/8180.php>.