Photo: UN Women/Satu Bumi Jaya

UN WOMEN SUBMISSION TO THE UNFCCC STANDING COMMITTEE ON FINANCE

The climate crisis is not gender-neutral. Women and girls experience the greatest climate change impacts, which amplify existing gender inequalities and pose unique threats to their livelihoods, health, and safety. Climate change and biodiversity loss have particularly severe impacts on women and girls in poor, rural households since they depend on natural resources for food, water, and fuel. Women and girls become 'shock absorbers' of systemic failures in times of crisis, and in fragile contexts are 7.7 times more likely to live in extreme poverty and face heightened food insecurity and increased risks of violence. UN Women's projections indicate that in a worst-case climate path scenario, by 2050, close to 160 million more women and girls globally may be pushed into poverty as a direct result of climate change, and 240 million more women and girls, compared to 131 million more men and boys, will face food insecurity.

Yet, the latest available data indicates that only 3% of climate-related development finance identified gender equality as a principal objective, based on OECD DAC analysis. Just USD 20 of 600 billion invested in climate-related projects aimed to combat gender inequalities and promote women-led solutions.

Thus, the **Standing Committee on Finance Forum** is both timely and opportune. The Agreed Conclusions of the sixty-eighth session of the UN Commission on the Status of Women (CSW68) reaffirmed the need to integrate a gender perspective into financing to urgently address the challenges posed by the impacts of climate change, biodiversity loss, environmental degradation and disasters. At UNFCCC COP29, the negotiations on the New Collective Quantified Goal on climate finance (NCQG) will have to address both the quantity and quality of climate finance needed, including its gender responsiveness.

FOR CONSIDERATION AT THE FORUM:

Define gender-responsive climate finance and build consensus on the principles and/or framework to be used, including review of bilateral, multilateral, philanthropic and private sector financing, as well as domestic financing, for climate action and resilience.

Increase climate finance through ODA with gender equality as a principal objective, as well as its quality and monitoring. Parties should commit to financing implementation of the Lima Work Programme on Gender and its Gender Action Plan, under review in 2024.

Emphasize climate financing through grants to avoid reinforcing indebtedness. The debt crisis, particularly in developing countries most vulnerable to the climate emergency, stymies sustainability and gender equality. Thirty-eight of the 63 most climate-vulnerable countries are prioritizing debt servicing, thereby restricting investments in sustainable development and gender-responsive climate action.

Strengthen transparency and accountability mechanisms to monitor and understand the impact of investments, including applying gender-responsive impact assessments to identify critical gender gaps and target resources to close them, with the full, equal, and meaningful participation of women, youth, Indigenous Peoples, and marginalized communities in decision-making processes.

Promote reforms of the climate finance architecture to meet the needs of all countries and peoples and ensure that women, girls and gender-diverse people are not left behind. Reforms should reduce the vulnerability of developing countries to financial shocks and increase their ability to meet climate, development and gender equality goals. The governance structures of multilateral development banks and international finance institutions that provide climate financing should include meaningful representation from vulnerable countries and affected communities; avoid reinforcing indebtedness; and shift capital away from extractive activities towards gender-responsive just transitions.

Identify innovative climate financing models to achieve gender equality outcomes to amplify good practices and accelerate progress, including dedicated schemes to mobilize financing for grassroots, indigenous women and women's organizations in the most climate-affected countries and regions. Critically important is applying both intersectional and intergenerational lenses to designing financing models that are gender responsive and leave no one behind.

Improve gender and climate finance data, which are critical to assess impact, improve transparency of climate flows and point to where the needs are, and make data available to policy and decision makers.

Recognize care as a public good and invest in the climate/care nexus to increase women's and girls' resilience and reduce their poverty. Investing in the care economy can reduce women's time and income poverty and expand decent work opportunities, including as part of gender-responsive just transitions.

Promote the Loss and Damage Fund as a key instrument for gender-responsive climate finance, underscoring the Fund's underlying human rights and gender equality principles and ensuring women's full, equal and meaningful participation in decision-making and access to climate finance.

EXAMPLES OF GENDER-RESPONSIVE CLIMATE FINANCING:

EmPower: Women for Climate Resilient Societies in the Asia-Pacific region (Bangladesh, Cambodia, Indonesia, the Philippines and Viet Nam), implemented by UN Women and UNEP, mobilizes investment for gender-responsive renewable energy entrepreneurship and skills development for women and marginalized groups (USD 20 million in 2023-2027), promotes their leadership in just energy transitions and strengthens commitments to gender-responsive climate policies and actions.

Mobilizing public finance to support women's climate resilience in Hunan province, China, in the amount of USD 173 million (1/3 from IFAD loan and 2/3 from domestic matching fund) for a five-year UN joint programme by UN Women and IFAD in partnership with sub-national Agricultural Department and Women's Federation. Gender-responsive investment channels USD 950,000 to support 43 women-led climate-resilient agricultural businesses, benefiting 153,736 rural people, including 68,932 women, as well as public climate adaption and disaster risk reduction services and climate-resilient infrastructure.

Gender and Green Finance in West and Central Africa project pilots and scales up solutions to improve grassroot women's access to climate finance, including financing mechanisms and capacity development for women's cooperatives in renewable energy and climate-resilient agricultural value chains in Senegal, as well as technical support to the government of Senegal for the development of a gender and green finance taxonomy, policy dialogue and capacity building with policymakers from Member States of the West Africa Economic Commission (ECOWAS) and advocacy through a high-level dialogue with African Ministers of Gender during CSW68 and the adoption of a declaration on gender and green finance.

To integrate a gender lens into private climate and green finance, UN Women collaborates with policy makers and market standard-setting organizations channeling capital towards sustainable economic activities in a credible and transparent manner, including as a member of the Climate Bond Initiative's Climate Resilience Taxonomy working group In China, UN Women facilitated a landscape analysis of the gender finance market, leading to the first high-level policy working group focused on financing women's sustainability within the China Green Finance Committee, an advisory body of Central Bank of China. In Pakistan, the Securities and Exchange Commission convened an Environmental, Social, and Governance (ESG) Symposium focused on ESG-based investing and climate change. UN Women supported the Commission in creating a centralized repository for ESG regulatory requirements and enhanced gender-inclusive interventions to assess sectoral ESG-based performance.