

# Gender in Climate Finance Frameworks and NDCs

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# Gender and Climate Finance in the context of the NDCs

**97 updated NDCs** from Climate Promise countries included gender equality considerations compared to 49 in the first generation of NDCs.

**21 countries** referred to gender in **climate finance** strategies compared to 1 in 2015.

**21 countries** highlighted the importance of women's **access to finance**. No NDCs recognized this in the first generation of the plans.

**17 countries** agreed to apply **gender-responsive budgeting** in climate action. No NDCs made reference to this in the first round.

# Focus areas in Gender and Climate Finance

## WOMEN`S ECONOMIC EMPOWERMENT

- Support the emergence of local businesses and promote economic opportunities for women in **Renewable Energy (Antigua and Barbuda, Cabo Verde, Honduras)**
- Support **agricultural financing and credit program** for women to promote circular agricultural systems (the Gambia, Pakistan)
- Support access to **finance in the private sector** including in **start ups** to build climate change resilience for women (Sri Lanka, Kenya)
- Support **technology** related inventions to foster women`s **economic empowerment** in **Technology (Moldova, Namibia)**

# Enabling environment for addressing gender and climate finance

<b>Gender analysis</b>	<ul style="list-style-type: none"><li>• Done prior to the implementation phase of projects</li><li>• Men and women's perspectives need to be integrated into the projects' frameworks through sex-disaggregated data</li></ul>
<b>Inclusive governance structures</b>	<ul style="list-style-type: none"><li>• Need for national development policies and strategic plans to consider gender into climate finance.</li><li>• Strengthening institutional structures, e.g. gender, climate and poverty focal points</li><li>• Enhancing coordination and participation</li></ul>
<b>Capacity-building</b>	<ul style="list-style-type: none"><li>• Tailored capacity needs assessment: ministries of finance; sectoral ministries, gender machineries, CSOs, bureaus of statistics</li><li>• Building skills to support gender mainstreaming</li><li>• Knowledge of climate finance fundamentals</li></ul>
<b>Resource Planning</b>	<ul style="list-style-type: none"><li>• Advancing climate finance allocation tools with a gender lens</li></ul>

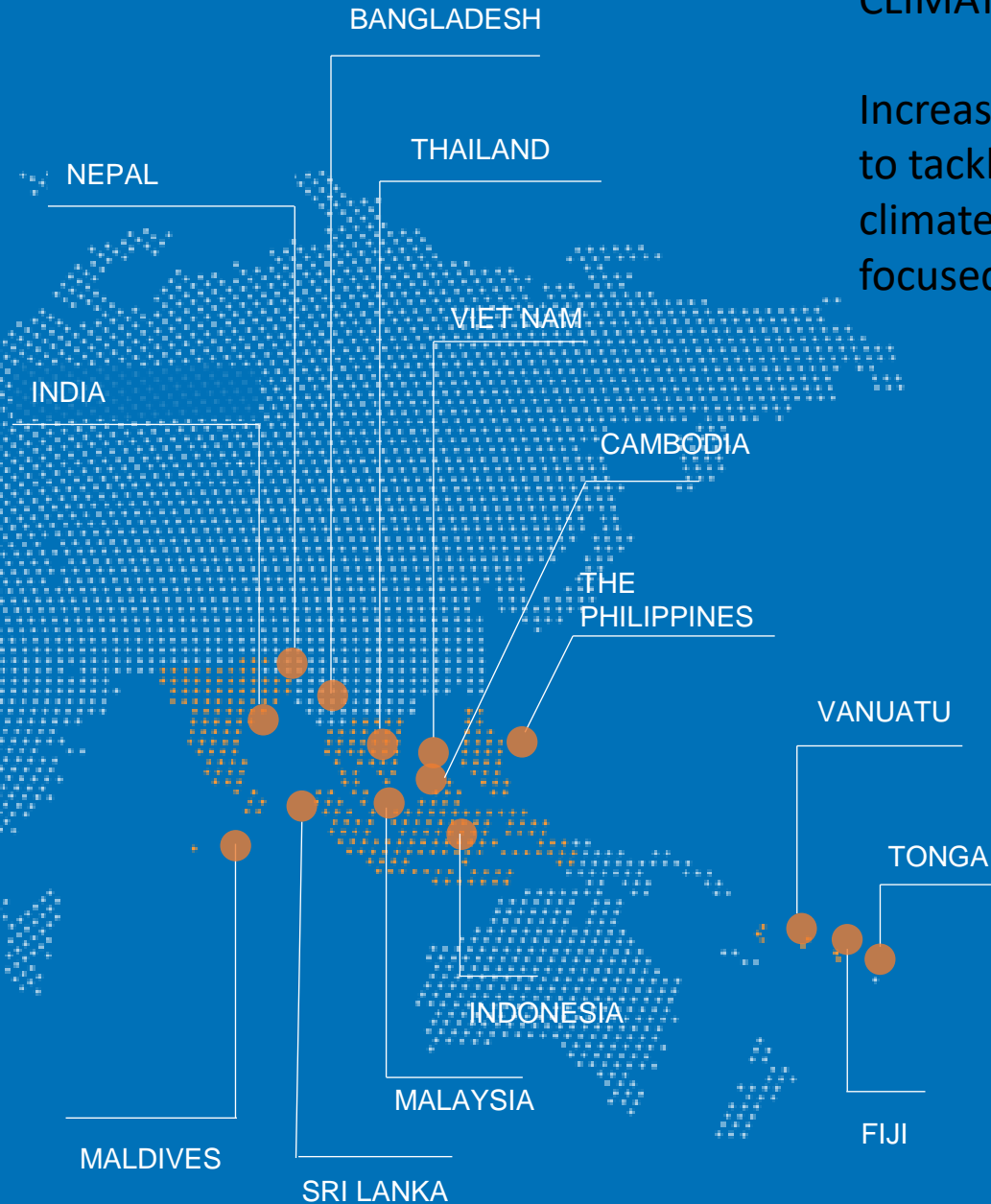


# Gender-Responsive and Socially Inclusive Climate Change Planning and Budgeting



# COUNTRIES IN THE CFN

- Implementation Period: 1<sup>st</sup> of January 2022 until 31 December 2028
- Pledged resources from FCDO: **GBP 20 million**



## CLIMATE FINANCE NETWORK

Increasing ambition to tackle the climate crisis through climate finance solutions, focused on six areas of transformation

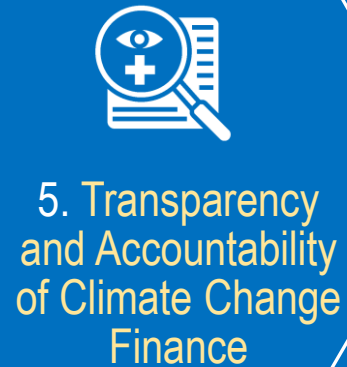


# CLIMATE FINANCE NETWORK - workstreams

- Macro economic impact of climate change on economic growth, sectors & distribution
- Sector studies on climate vulnerability for informed response on climate change
- Influencing development plans and policies based on increased evidence

- Climate expenditure data for strengthened accountability
- Climate performance audits
- Analytical capacity of government, private sector, CSOs on climate investments
- Parliamentary and civil society engagement for accountability

- Action research for increased evidence
- Enabling environment for gender and socially inclusive climate investments
- Support in design and implementation of GSI inclusive private and public investments



- Climate integration in fiscal policy and frameworks
- Systemic and process reforms with MoF
- Sector budgeting and risk integration
- Climate Change Cost Benefit Analysis

- Aligning international finance to bring transformative change
- Improve accessibility of International Finance for projects
- Institutional architectures supported for ease of access

- Leveraging blended and private finance
- Incentivizing mitigation actions through taxation, carbon pricing mechanisms
- Greening the financial systems



A Framework for  
Enhancing Gender and  
Poverty Integration in  
Climate Finance

UNDP NDC Support Programme and Strengthening Governance of  
Climate Change Finance Programme

## RATIONALE FOR THE FRAMEWORK

Fragmentated knowledge on the integration of gender and poverty issues within climate finance systems

- lack of data coverage and definitions
- insufficiently conceptualised climate finance systems and processes to support the integration of poverty and gender issues
- Most of the knowledge exists at the project level

Absence of systemic approaches for allocating and M&E of climate finance in a pro-gender and poor manner

- Limited integration of gender and poverty issues within allocation and accountability processes within various climate finance systems

Lack of synergies across climate finance systems

- Inconsistent definitions
- Inconsistent gender and poverty mainstreaming practices
- Inefficient allocation and inconsistent tracking of climate finance

[Link :  
Framework for  
Enhancing Gender  
and Poverty  
Integration in  
Climate Finance |  
United Nations  
Development  
Programme  
\(undp.org\)](https://undp.org/framework-for-enhancing-gender-and-poverty-integration-in-climate-finance)





# METHODOLOGY

## Background Note

- Success stories
- Lessons learnt
- Challenges



## Desk Research

- Country climate policies
- Multilateral investment and lending policies and frameworks
- Private sector regulatory regimes and practices

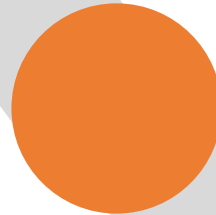


## Semi-structured interviews

- Ministries of Environment
- Ministries of Finance
- Gender related entities
- Central Banks
- Bond issuers
- CSOs

## Sources of Finance

- Public
- Innovative
- Multilateral





# THE FRAMEWORK TO SUPPORT THE INTEGRATION OF GENDER AND POVERTY ISSUES IN CLIMATE FINANCE

Governance and Institutional Pillar



Resource Planning and Allocation Pillar



Accountability Pillar



Capacity Building



# PILLAR STRATEGY

## Governance and Institutional Pillar

Mainstreaming into development and sector policies

Enabling environment- legal and regulatory regime

Strengthening coordination and defining roles

## Resource Planning and Allocation Pillar

Gender and socially inclusive system and process reforms

Research and evidence based planning

Participatory approach in allocation

## Accountability Pillar

Sensitizing accountability mechanisms

Data collection and impact reporting

Monitoring and Evaluation

# Relevant frameworks and tools

Rationale : as climate change vulnerability tends to exacerbate existing inequality and social exclusion, *decisions on allocating climate funds must reflect a need to reach communities that are already poor and unequal*

Quantifying *social dimensions and impacts of climate risk* in economic terms provides a basis for setting priorities and targets in each sector, further guiding the budget process

→To address the possible **distributional effects** in climate-responsive planning and budgeting, tools such as **Climate Public Expenditure and Institutional Reviews (CPEIRs)**, **vulnerability, loss and damage assessments**, and **fiscal incidence analysis** can be deployed.

- **Climate Change Financing Frameworks (CCFF)** and **climate budget tagging (CBT)** can support **budget and proposal prioritization of climate and long-term development goals** in parallel , such as *reducing social inequality*
- **Climate Change Cost-benefit analysis (CCBA)** for climate investments can also **disentangle** social distributional effects

# Regional examples from Asia

Indonesia

**a Gender Budget Statement (GBS)** for sector Ministries

**Climate-budget tagging (CBT)** with gender and climate co-benefit tagging

**Poverty- and gender-sensitive CPEIRs** conducted at the subnational level

Bangladesh

**Climate Change Fiscal Framework & Social audit**

**Adaptive social protection**

**Recurrent, Capital, Gender and Poverty database**

Thailand

**Climate Change Cost-Benefit Analysis (CCBA)** with GSI

**Gender in CC investment guidelines**

Cambodia

**Ministry of Environment Gender Technical Working Group & gender focal points**

**Innovative financing from payments of environmental services and carbon credits for improved livelihoods**



# CAPACITY BUILDING



**Capacity needs assessments oriented towards gender and poverty knowledge, data, skills, institutional and operational deficits**

Investing in skills and knowledge to support the development of pro poor and gender responsive resource allocation and accountability tools

Targeting various institutions and actors especially grassroots organizations and CSOs

Advancing industry standards

Developing knowledge management and learning systems (peer-to-peer exchanges)





FISCAL POLICY AGENCY  
MINISTRY OF FINANCE  
REPUBLIC OF INDONESIA



SUSTAINABLE  
DEVELOPMENT  
FINANCING  
PHASE 2

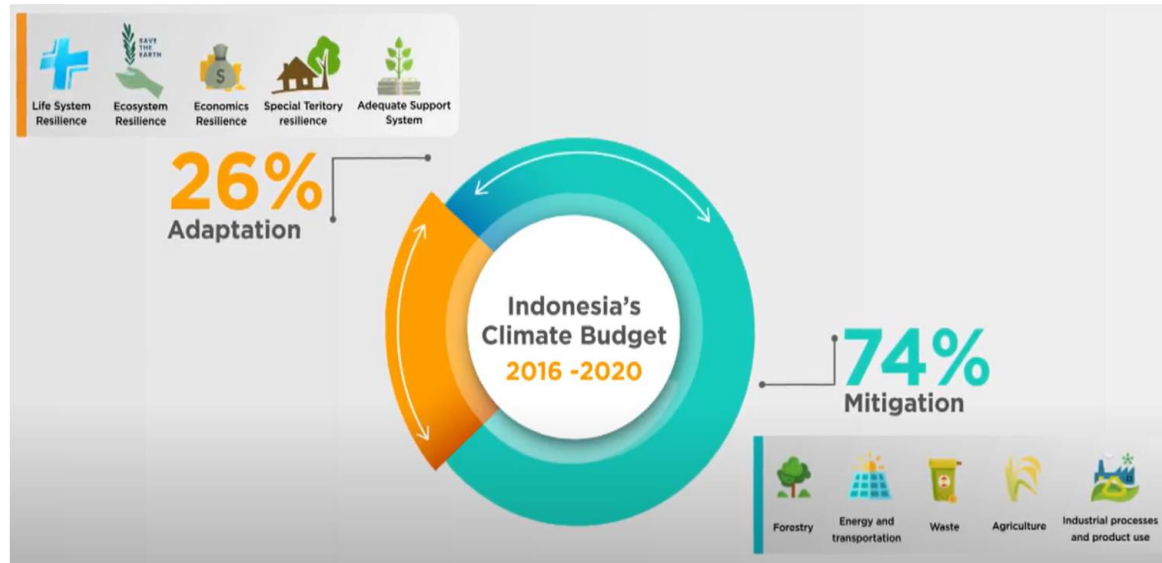
Mobilizing Green Finance Through Fiscal Policies



**INDONESIA Country experience :**  
**Gender-Responsive Climate Budgeting**  
**&**  
**Synchronizing budgeting planning**  
**through co-benefit tagging**  
**(climate change and gender)**

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# Indonesia's National Climate Budget Tagging



The Climate Budget Tagging Initiative began in 2014

- Identifying **outputs and activities** of Ministries/Institutions related to climate change mitigation and adaptation efforts
- Mapping the need for climate change budgets to explore potential financing other than the state budget.
- Support budget transparency with performance-based budgeting efforts



Guidance for Climate Budget Tagging developed by MOF, Bappenas in collaboration with UNDP

# Indonesia: Gender Responsive Climate Budgeting

## National Frameworks for Gender Responsive Climate Budgeting:

- Presidential Instruction No. 9 Year 2000 regarding the **Mainstreaming of Gender in National Development**
- Minister of Home Affairs Regulation No. 67 Year 2011 concerning General Guidelines for the Implementation of **Gender Mainstreaming at the Sub-National Level**
- Government Regulation for No. 17 Year 2017 regarding **synchronization of Planning, Budgeting, and Development Process on the National Level**
- National Mid-term Development Plan 2020-2024 (**Gender and Climate Change as one of the mainstreaming strategy**)

## Gender Responsive Climate Budgeting

- Mechanism to identify outputs regarding mitigation and adaptation climate change efforts
- Is implemented in the form of **Gender Responsive Climate Budget Tagging**

## Gender Responsive Climate Budget Tagging

- The process of tagging state budget on output details relating to **climate change mitigation and adaptation as well as support gender mainstreaming**
- Ministries and Institutions can tag more than 1 thematic in the KRISNA system to show accountability and effectiveness of budget use, such as double tagging or co-benefit tagging between climate change and gender.



## Government Key Stakeholders



Ministry of Finance



Kementerian PPN/  
Bappenas



Ministry of Women Empowerment and  
Child Protection

# Milestones in Gender Responsive Climate Budgeting

2010

The starting point of a **Gender Responsive Budget (GRB)**. As a part of the Ministry of Finance Regulations No. 119/PMK. 02/2009 regarding the need for **Gender Budget Statements** in ministry work plan and budgeting (**RKA-KL**).



2016

**Anugerah Pratama Ekapraya (APE) Awards** were established by the Ministry of Women Empowerment and Child Protection for line ministries and agencies that have implemented 7 gender mainstreaming prerequisites (commitments, policies, data, analytical tool, human resources, budgets, community participation).

2014

Issuing of the Ministry of Finance Regulation No. 136/PMK.02/2014 concerning instructions for State Ministries/Institutions to develop work plans and budgets that categorize their outputs into the thematic state budget (**APBN**). The thematic APBN includes **Gender Responsive Budget with code 011** and **Climate Change Mitigation with code 012**.

2017

The **Climate Change Adaptation (API) thematic code (007)**, was first introduced in the 2017 budget thematic. The 2017 budget was the first to have Climate and Gender thematic codes. Gender Responsive Budget (003), Climate Change Mitigation (004), and Climate Change Adaptation.

By 2017, the implementation of combined thematic taggi was supported by three factors: (i) supporting regulati and tools (KRISNA, application of RKA-KL), (ii) the existence of institutions that can facilitate, (i the existence of a reward syste for implementation of Gender Responsive Budgeting.





## 2019

### **A Study on Gender Responsive Climate Change Budgeting**

was conducted by BKF-Ministry of Finance, Ministry of Women Empowerment and Child Protection, as well as Pattiro with the support of UNDP. The study itself is an analysis regarding the co-benefit tagging situation in piloting ministries, *KLHK* and *KESDM*, between gender and climate change thematics.

**Outputs tagged as both thematics (gender and climate change) were found in three ministries, throughout the 2017-2018 fiscal year, in:**

- Ministry of Energy and Mineral Resources (*KESDM*)
- Ministry of Transportation
- Ministry of Environment and Forestry (*KLHK*)



## 2020

Issuing of **The National Mid-Term Development Plan (RPJMN) IV 2020-2024** which included Gender Mainstreaming, Climate Change Mitigation and Adaptation agendas in the 6 mainstreaming strategies to be prioritized in Indonesia.

Continuing from previous study findings, UNDP with the help of the Center for International Forestry Research (CIFOR) developed a study on **Leveraging Climate Finance for Gender Equality and Poverty Reduction**. The study was done by assessing different climate finance mechanisms and climate project implementation at sub-national levels.

## 2021

In collaboration between the Ministry of Finance, Ministry of Women Empowerment and Child Protection, as well as support from the UNDP, **a study regarding Gender Responsive Climate Budget Tagging** was conducted. Subsequently, the development of a **Gender Responsive Climate Budget Tagging Technical Guidance Document** was also conducted.

Issuing of the regulation of the Ministry of National Development Planning No. 1/2021 on Procedures for Compiling and Reviewing M/I Work Plans. It regulated the procedures of drafting M/I work plans by **tagging outputs into the thematic state budget (APBN), including Gender Responsive Budget (GRB)**



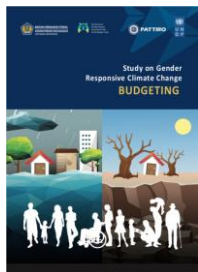


MINISTRY  
OF WOMEN'S EMPOWERMENT AND CHILD PROTECTION  
REPUBLIC OF INDONESIA

# Milestones of Gender Responsive Climate Budgeting



Below are Gender Responsive Climate Budgeting activities carried out in collaboration between the Ministry of Finance, Ministry of Women Empowerment and Child Protection of the Republic of Indonesia, with support from UNDP, Indonesia



**Initial study related to Gender Responsive Climate Change Budgeting** to see the potential for co-benefit tagging (Climate Change and Gender)



**Preparation of "Technical Guidance Document for Gender Responsive Climate Change Budget Tagging"**, including basic indicators to help identify gender responsive climate change outputs.



**Gender Responsive Climate Change Budgeting Communication Products** for public use



**Introductory training of gender aspects within climate change at the sub-national level**

2019

2020

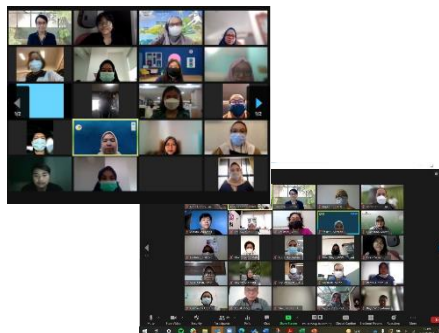
2021

2022

**Climate Finance for Gender Equality and Poverty Reduction study** was prepared to look at the gender aspects in 5 climate finance mechanisms



**Piloting of the Technical Guidance Document for the Ministry of Environment and Forestry**



**Preliminary Assessment of Gender and Poverty Responsive Climate Finance Instruments**

**Gender Responsive Climate Change Budgeting Training for Ministries/Institutions and relevant Stakeholders**



**Implementation of the South-South Exchange regarding Gender Responsive Climate Budgeting**





## Future priorities and opportunities for the Gender & social inclusion workstream of the CFN

- Institutionalizing a comprehensive **framework** and **process** to ensure GESI is integrated in the ***entirety of the planning and budgeting cycle***
- **Contextualizing** GESI according to countries (based on **research**)
- Proposing ***structural reforms*** in Government line departments and Ministries
- Enhance ***data collection & analysis*** capacities
- **Focus on rigorous impact-tracking** - role of performance-based budgeting

### Further financial mechanisms :

- Climate / social /SDG / gender bonds
- Voluntary Carbon Markets
- Direct access funding (grants) and support for women's organizations, CSOs, bottom-up approach
- Grant funding / Technical Assistance for Women Climate Entrepreneurs
- Blended financial mechanisms that can provide both debt and grants
- Private sector / impact investing
- Climate modelling with GESI lens



**THANK YOU FOR YOUR  
ATTENTION!** |