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# Core Steps to Increase Quality and Quantity of Gender-Responsive Climate Finance

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*The views expressed in this paper are those of the authors and do not necessarily represent those of the United Nations.

# Core Steps to Increase Quality and Quantity of Gender-Responsive Climate Finance

**By Liane Schalatek, Heinrich Böll Stiftung Washington, DC**

## Introduction

The worsening climate crisis threatens and affects all humanity, although not uniformly. As it intersects with multiple other ongoing crises (biodiversity, health, poverty, social exclusion)[1] , existing gender inequalities, resulting from persistent gender discrimination, aggravate climate change impacts. Marginalized gender groups, especially women and lesbian, gay, bisexual, transgender and queer or questioning (LGBTQ) people, will continue to be disproportionately impacted. The Intergovernmental Panel on Climate Change (IPCC) in its Fifth Assessment Report (AR5) (IPCC, 2014) underscored that climate change hazards increase existing gender inequalities (such as unequal burden due to reproductive and un-paid/underpaid care work, lack of access to financial services and information and lack of legal- and property-rights and decision-making), and thereby contribute to the greater climate change vulnerability of many women.

Different gender groups also contribute to climate change responses in different ways and have different capabilities based on their respective knowledge, experiences and expertise to mitigate and adapt. In many cases, women are already engaged in strategies to cope with and adapt to climate change, for example by switching to drought-resistant seeds, employing low impact or organic soil management techniques, or leading community-based reforestation and restoration efforts. And, as farmers, entrepreneurs, producers, consumers and household managers, women are powerful stakeholders in implementing low-carbon pathways in developing countries. This makes the agency of women and other marginalized gender groups important change factors in the fight against global warming.

Even if one could leave aside larger moral and specific human rights' obligations of delivering and implementing 100% of public climate finance in a gender-responsive way (obligations taken on by parties under both the UNFCCC and CEDAW), the persistent scarcity of public climate financing demands it as a matter of effectiveness, efficiency, and yes, equity and justice. Ignoring the experiences, capacities and adaptation and mitigation contributions of women and other marginalized gender groups

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[1] Women form the majority of the world's 1.9 billion people still living in poverty – increasingly understood as multidimensional – and of the expected 729 million living in abject poverty in 2020, mostly in South Asia and sub-Saharan Africa, on less than USD 2 a day (World Bank, 2020). The numbers of those in extreme poverty have grown for the first time in 20 years as the Covid-19 pandemic compounds the forces of climate change and conflict. Women are also the majority of the 770 million people without access to electricity and the 2.6 billion without clean cooking facilities (IEA, 2020), with past gains also being reversed through the impact of the Covid-19 pandemic. multidimensional – and of the expected 729 million living in abject poverty in 2020, mostly in South Asia and sub-Saharan Africa, on less than USD 2 a day (World Bank, 2020). The numbers of those in extreme poverty have grown for the first time in 20 years as the Covid-19 pandemic compounds the forces of climate change and conflict. Women are also the majority of the 770 million people without access to electricity and the 2.6 billion without clean cooking facilities (IEA, 2020), with past gains also being reversed as part of the fall-out from Covid-19.

undermines focus, implementation and sustainability of financed actions. The need for gendered, intersectional and transformative financing approaches and related action commitments is particularly relevant for countries' mid- and long-term strategic planning and programming efforts, such as National Adaptation Plans (NAPs), Nationally Determined Contributions (NDCs) or country level climate plans, including a focus on the development of pipelines of locally-led adaptation and mitigation projects/programs to be supported by climate funds.

***This paper will therefore focus on addressing two interrelated challenges, and the transparency and accountability shortcomings they both have in common, with the goal to highlight core steps to increase the quantity and quality of gender responsive climate finance by:***

1) ***Increasing the quantity and quality of public climate finance provision as a core gender equality issue***
2) ***Improve the gender-responsiveness of multilateral climate funds' operations***

# Increase in quantity and quality of climate finance provision as a core gender equality issue

## Improving inadequate public climate finance provision by developed countries

First off, the provision of public climate finance is wholly in sufficient in quantity and inadequate in quality. Going into COP26 in Glasgow, collective efforts by developed countries, as most recently calculated by the OECD, continue to fall short of reaching the US$100 billion by year by 2020, set already in 2009 at COP15 in Copenhagen as a goal considered political feasible, but without recognition of either the need[2] nor the responsibility of developed countries under the polluter-pays principle to compensate for climate harm caused. According to a 2020 OECD report on trends in developed countries' climate finance provision from 2013-2018[3], in 2018 only US$79 billion were provided and mobilized by developed countries for developing countries. The goal of a balanced allocation between mitigation and adaptation remains also illusive, with US$55 billion (70%) provided as mitigation and $17 billion (or only 21%) for adaptation and the rest for cross-cutting activities.

Beyond insufficient quantity of developed country finance provided, the overall quality of finance provision is declining, with finance increasingly provided as loans (74%), not grants (only 20%). The use of loans has especially increased for adaptation (now 24% of all funding), including for the most vulnerable country groups of LDCs and SIDS, and is a worrying financing trend at a time when many developing countries are facing unsustainable debt levels in the wake of the COVID-19 pandemic. What is worse, an increasing share of loans is not even provided on concessional terms, but on market rates, with MDBs playing a particular role here, especially given that their weight in international climate finance provision is increasing. In fact, the vast majority (76%) of MDB climate-related finance is

[2] Just for Africa, the African NDC Hub has calculated cumulative adaptation costs for African countries between US$259- 407 billion between 2020 and 2030; with mitigation needs in the same time-frame of US$715 billion. And with climate financing delayed, the cost for loss and damage are increasing, for Africa alone projected to reach US$290-440 billion between 2020 and 2030, depending on warming scenario (AfDB, African NDC Hub, 2021)

[3] https://www.oecd-ilibrary.org/docserver/f0773d55-en.pdf?expires=1633229414&id=id&accname=guest&checksum=314D69DE1686A0F540533ACCDD37AFF5.

provided in the form of non-concessional loans. However, in contrast to other multilateral climate funds such as the GCF, the GEF with LDCF and SCCF and the Adaptation Fund, the MDBs do not receive direct guidance from and are not accountable to the Conference of the Parties (COP) of the UNFCCC. Instead of the equal representation in the governing bodies of public climate funds under the UNFCCC, the Board's of MDB's remain dominated by developed country representatives.[4] Not the least for these reasons, it is imperative to increase the share of public climate finance channeled through multilateral climate funds under the UNFCCC, and to substantially increase the concessionality of financing provided, with providing loans only on highly concessional terms and prioritizing grants for adaptation.

Whether climate finance is provided as grant, concessional or market-rate loan is fundamentally an issue of gender equality and gender justice, as with the increasing indebtedness of developing countries, their fiscal space to fund social support systems in times of crises is severely curtailed. Yet, effective and inclusive social safety nets are needed to reduce severe vulnerabilities to and build the resilience to address climate change and the intersecting impacts of other simultaneously occurring and mutually reinforcing crises among the most vulnerable and marginalized population groups, including women, Indigenous Peoples, LGBTQ and people living with disabilities. Where public social protection and service provision is reduced or abolished due to lack of resources, more often than not it is women who act as the social defense of last resort by taking on even more care and support tasks (health, child and elder care, food security).

***Correspondingly, from a gender equality perspective, one core political action demand must be to increase the overall provision of public finance for adaptation, and to do so in the form of grants, especially as many investments in adaptation are for local public goods with no expected financial return on investments***.

## Increasing transparency and accountability for gender-responsive climate finance provision by developed countries

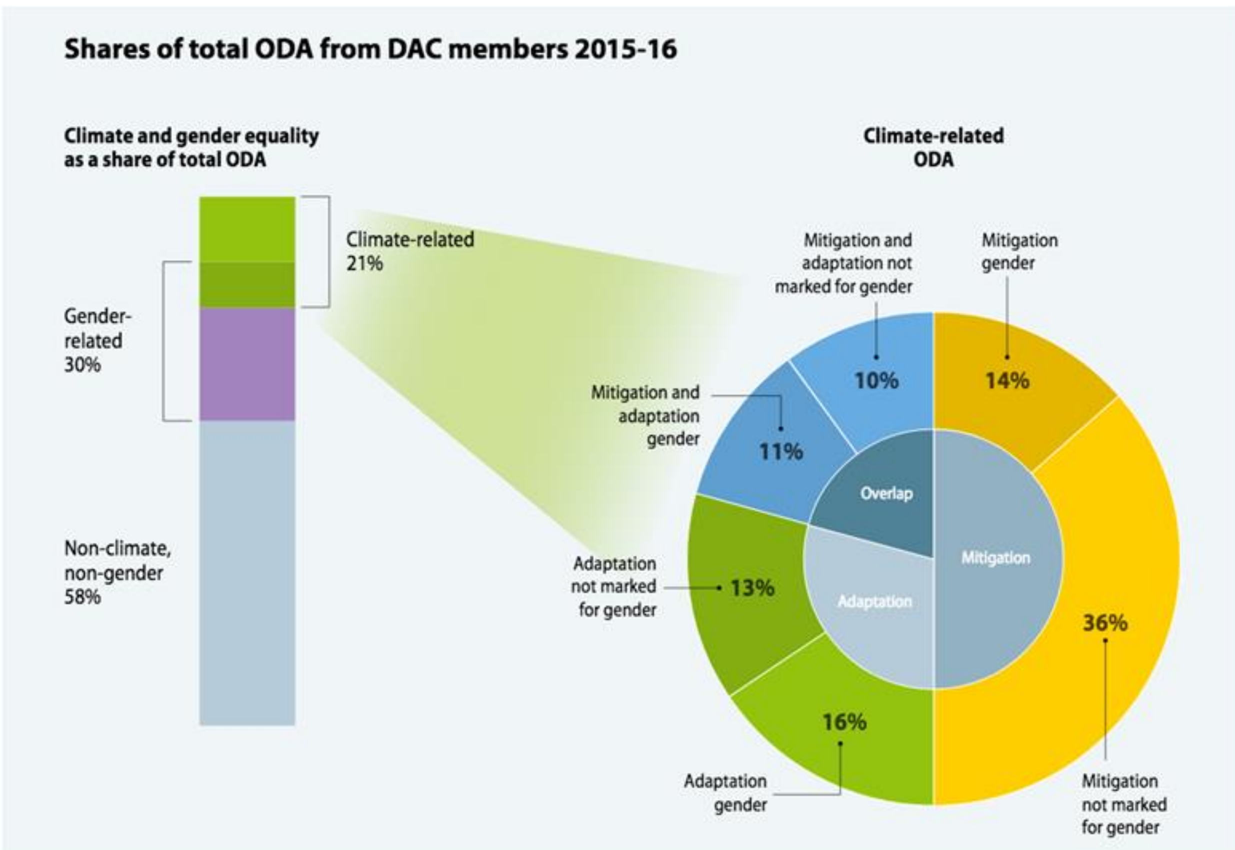
Not only is the quantity and quality of overall climate finance provided by developed countries in support of climate actions in developing countries inadequate, there is also a lack of uniform accounting generally and with respect to the gender-responsiveness of climate finance provided specifically. For example the biennial reports of developed country parties to the UNFCCC do not include data on gender; the gender reporting of climate-relevant official development assistance (ODA) via the OECD-DAC Gender Marker[5], which accounts for most of .the developed country climate finance, is weak and lacks transparency and comparability. Developed country members of the OECD self-report on how much of their development finance provides either a "significant" or "principal" or "no" contribution to address gender equality by tagging ODA flows accordingly. However, the criteria by which a country decides a measure makes a "significant" versus a "principal" contribution are set by the developed countries themselves and may thus differ substantially between countries, as well as invite "overmarking" and thus inflating numbers, specifically for expenditures tagged "significant", which could just provide a minor percentage of the total project/program related expenditure to address gender equality. The same self-reporting and tagging according to country-specific, not uniformly applied categorization criteria applies for the Rio Markers for mitigation and adaptation focused development

[4] For an overview over the main multilateral climate funds and their contributions, governance structure and financing policies, see https://climatefundsupdate.org/the-funds/ as well as https://climatefundsupdate.org/wp-content/uploads/2021/03/CFF2-ENG-2020-Digital.pdf.

[5] https://www.oecd.org/dac/gender-development/dac-gender-equalitymarker.htm

spending as well.[6] Although the OECD-DAC Gender Marker and Rio Markers can be cross-referenced and correlated, the resulting number for "climate-related development assistance with a gender equality focus" can provide at best a rough trend, but by no means an accurate accounting of gender-responsive climate finance provision by developed countries.

Undoubtedly, there is an upward trend, although overall numbers are still too low. In 2018, the OECD reported on its climate-related development assistance for 2015-2016[7], noting that 58% of the total ODA from DAC members was not marked for climate change adaptation, mitigation or gender equality, while 21.3% was marked for gender equality only, 7.7% for mitigation only and 2.7% for adaptation only. The chart below shows the overlaps between the Rio Markers and the Gender Marker in various configurations. According to this **8.6% of total ODA** was market as climate-related and in support of gender equality (with 3.4% for adaptation; 2.9% for mitigation and 2.3% for cross-cutting climate project/program expenditures). However, the chart did not differentiate between gender equality tagging marked as "significant" vs. "principal".




Source: https://www.oecd.org/dac/financing-sustainable-development/development-finance-topics/Climate-related-development-finance-in-2018.pdf

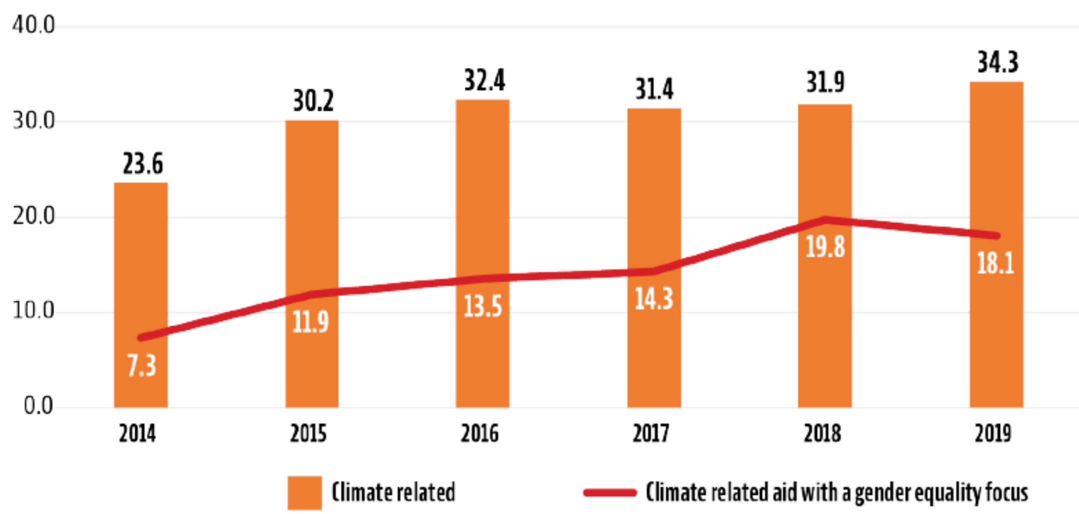
[6] https://www.oecd.org/dac/environment-development/Revised%20climate%20marker%20handbook_FINAL.pdf.

[7] http://www.oecd.org/dac/financing-sustainable-development/development-finance-topics/Climate-related-development-finance-in-2018.pdf

The same year, 2018, the UNFCCC Standing Committee on Finance (SCF)'s Biennial Assessment and Overview of Climate Finance Flows[8] for the first time addressed the gender dimension of climate finance and recommended to "Encourage climate finance providers to improve tracking and reporting on gender-related aspects of climate finance, impact measuring and mainstreaming."

For the Gender Equality Forum (GEF) Action Coalitions, the OECD-DAC Network on Gender Equality (GenderNet)[9] recently calculated the total climate-related development assistance by DAC members – addressing either climate mitigation or adaptation according to the Rio Markers – as amounting to an average of US$ 33.1 billion per year (as calculated over the past several years). Out of this climate-related assistance, 57% either integrates or is dedicated to gender equality and women's empowerment, adding up to US$ 18.9 billion per year in 2018-19.[10]

A graph submitted by the OECD for the GEF Actions Coalitions illustrates this as growth trend over the past five years:




Source: Authors based on OECD DAC Creditor Reporting System. Full dataset available here: https://stats.oecd.org/Index.aspx?ThemeTreeId=3

However, the quantity – the aggregate absolute number – only tells half the story; as in the earlier OECD example from 2015-2016, it does not take into account the differentiation between climate-related assistance marked "significant" versus "principle" for gender equality focus.

Using the OECD's latest climate finance numbers for climate finance provision from 2017-2018, Oxfam in their 2020 Climate Finance Shadow Report[11] in looking at climate-related ODA marked for gender equality under the OECD-DAC marker system, painted a much more detailed and differentiated, and less rosy picture. While there were notable differences in the levels of climate-related ODA provided that also claims to address gender equality between various financing channels (with dedicated multilateral climate funds and bilateral providers doing much better than MDBs and other multilateral institutions some of which, such as the GEF and IFAD, provide and implement climate finance), nevertheless overall

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[8] https://unfccc.int/BA-2018

[9] : https://www.oecd.org/development/genderdevelopment/about-gendernet.htm

[10] https://www.oecd.org/dac/financing-sustainable-development/financing-for-the-gef-action-coalitions-web-june.pdf

[11] https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621066/bp-climate-finance-shadow-report-2020-201020-en.pdf

only roughly on third  of climate finance projects/programs according to this self-reporting were designed to respond to gender-differentiated needs in some form (often as a minor focus).  Only 1.5% of climate-related ODA identified gender equality as primary objective. This correspondingly means that still two thirds of expenditure of climate-related ODA was for projects/programs that either didn't screen for or didn't see gender equality as an objective (significant or principal) of climate interventions.

| | Not significant (0) | Significant (1) | Principal (2) | Not marked |
|---|---|---|---|---|
| Bilateral donors (DAC members) | 47% | 47% | 2.5% | 4% |
| MDBs | 23% | 23% | 1% | 53% |
| Multilateral climate funds (GCF, CIF, AF) | 0% | 55% | 0% | 45.5% |
| Other multilateral institutions (GEF, GGGI, IFAD, NDF) | 0.1% | 5.5% | 0.7% | 94% |
| Total | 32.5% | 34% | 1.5% | 32% |

Source: https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621066/bp-climate-finance-shadow-report-2020-201020-en.pdf

***Developed countries need to increase the share of climate-related ODA with identifies gender equality outcomes, and in particular as a "principal" objective of related climate investments. Additionally, in order to allow for the comparability of climate finance provided and gender-tagged by developed countries, uniformly applied criteria (for example, setting a minimum percentage threshold of overall climate expenditure to be related to gender equality activities tagged as "significant") should be set. As this takes time, in the meantime developed countries must increase the detail in reporting ODA expenditure, including by disclosing the specific criteria they use for tagging.***

## Addressing technical funding barriers to adequate adaptation grant finance provision

While the climate finance provision in the form of grants for adaptation has direct impacts on the ability to support gender equality outcomes, unfortunately not all climate finance grant provision for adaptation measures is equally beneficial to address the needs and concerns of particular local communities and grassroots women at the frontlines of climate change. Currently a number of climate funds, including the GEF and the GCF, provide their adaptation grants on the basis of incremental cost calculations, with focuses on financing only the cost differential between an activity considered to be a development measure and the additional financing needed to address climate-relevant activities on top of that financing baseline. In order to calculate that difference, too often complicated technical calculations are required to provide the "climate rationale", and more often than not they are based on scientific data frequently not available in many developing countries and particularly not for local adaptation contexts. What is more, the incremental cost approach based on a climate rationality justification reinforces an artificial dividing line between development and adaptation for many of the investment activities on the community level benefitting local women the most. For example, to address the water needs of women subsistence farmers in times of more frequently occurring and longer droughts and thus the food security of their communities, it is less important whether the observed increasing frequency of droughts is caused by normal weather variability (an incremental cost approach would argue that this is development-focused) over can be scientifically and causally linked to climate change depending on hydrology data (in which case under an incremental cost approach the additional costs to make water access more secure would be considered climate-focused). Such differentiation can be counterproductive, especially if it hinders and prevents access to urgently needed climate financing support for locally-led gender-responsive adaptation efforts.[12]

***Consequently, feminist groups and gender advocates should call for the safeguarding and expanded provision of full cost grant financing, as for example the Adaptation Fund already does routinely.***

## Enhancing and increasing access for women and gender groups to climate finance

Currently, according to the OECD-DAC GenderNet assessment for the GEF Action Coalitions Out of the climate-related development assistance that also addressed gender equality in 2018-19, a significant portion with US$ 2.4 billion per year was channeled through non-governmental organizations. However, only US$ 43 million, and thus only 1.8% of that amount, went to "feminist, women-led and women's rights organisations and movements and institutions" according to OECD-DAC creditor purpose coding.[13]

Multilateral climate funds remain largely inaccessible for women's organizations and gender groups, as opportunities to directly access climate funds largely do not exit, with few notable exceptions (such as the Small Grants Programme under the GEF[14], or the Dedicated Grant Mechanism for local communities and Indigenous People under the Forest Investment Program of the MDB-administered Climate Investment Funds[15]). Access is generally conditioned on accreditation of implementing agencies to a fund. Most accreditation requirements are geared toward financial institutions and impossible to fulfill for most civil society and community groups (with the exception of some large international NGOs). Unfortunately, the "trickle down" approach of channeling climate financing through much larger accredited actors that then should consider and allow financial access to feminist groups and women's organizations is not working; by some estimates less than 10% of dedicated climate financing channeled through multilateral funds reaches the local level[16], and it is unclear how much of this small percentage would directly benefit women's groups.

Several solutions are technically feasible, have been proven to be workable and effective, and could be easily replicated on a grand scale, but remain politically difficult, not the least owing to the self-interest of the established players in the system (including the MDBs and UN agencies profiting from the current multilateral climate finance system as implementers of choice).

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[12] For a more detailed articulation of some of the harmful consequences of the artificial dividing line between development and adaptation in climate finance provision, see Singh/Bose (2021); available at: https://eu.boell.org/sites/default/files/2021-07/Shaping%20the%20Future%20of%20Multilateralism%20-%20Singh%20and%20Bose_FINAL_0.pdf

[13] https://www.oecd.org/dac/financing-sustainable-development/financing-for-the-gef-action-coalitions-web-june.pdf

[14] https://sgp.undp.org/

[15] https://www.dgmglobal.org/

[16] See for example research by IIED, available at: https://www.iied.org/climate-finance-not-reaching-local-level, including https://pubs.iied.org/10178iied. While there have been individual case studies, it is almost impossible to access the level of climate financing reaching the local level, as this information is not adequately tagged and tracked.

**Applying the principle of subsidiarity** to public climate finance provisions means climate actions should be financed and implemented at the most local level possible. Devolving financial decision-making on climate actions to the local level could for example be accomplished by expanding Enhanced Direct Access (EDA) modalities**,** such as already applied under the Adaptation Fund and currently implemented as a pilot program under the GCF. EDA allows implementation arrangements focused on setting up national or sub-national small-grants facilities with provision of small grants at sub-national and local levels with conditions and reporting requirements cognizant of the realities and capacity constrained of women's groups. There is also no reason why international implementing agencies (including MDBS and UN agencies), with their often multi-component larger projects, could not routinely include such facilities as one project component in their proposals submitted for support to multilateral climate funds; this could for example be a mandatory component of every adaptation project that claims to support local adaptation efforts. In addition, the funds could establish such financing schemes also at the fund level (meaning under the control of the fund secretariats and not dependent on country endorsement) to allow local groups and women organizational facilitated access irrespective of national government support and approval.

With the increasing focus on using public climate finance to leverage private sector finance for climate actions, the principle of subsidiarity and a gender-responsive implementation would require a strong focus on local private sector engagement, especially on support for micro-, small- and medium-sized enterprises (MSMEs). This would counteract the persistent financial exclusion of many women-led or owned MSMEs, as women globally only get around 10% of credits given by financial institutions, but only if such approaches intentionally focus on the micro and small sub-segments, including in the informal sector, where women-led and women-owned businesses are disproportionally concentrated (IFC) and operate often with a focus on service provision to local communities instead of broader integration into national or export-oriented supply chains. Climate finance provided as loans and risk guarantees to local financial institutions in developing countries could directly support women entrepreneurs' their climate investments by reducing the need for or the size of collaterals that many women lack and through patient, highly concessional and easily accessible small-scale loans (for example through credit lines for renewable energy, energy efficiency or climate-resilient agricultural inputs and production support. Such investments have direct climate benefits for the broader community in which many micro- and small scale women-owned or women-led businesses operate. Approaches like the GCF's MSME pilot program should be expanded. Thus, climate finance provision to local financial institutions such as commercial banks must ensure that the concessionality of public climate finance is passed through to women entrepreneurs and not captured by financial intermediaries. In addition, public grant finance could be used for targeted capacity building of loan officers and the provision of non-financial services to address gender-specific climate finance knowledge gaps in local financial institutions.

***Support for locally-led action on climate change, especially led by local women's and gender groups needs to be significantly expanded and transparent reporting on how much climate finance is spent gender-responsive on the local level must be improved and incorporated in the biennial reports provided by developed countries to the UNFCCC, as well as under the OEDC-DAC system***

***In addition, existing climate funds need to increase direct access of women's and gender groups to finance, including via the enhanced direct access modality and by increasing the involvements of these groups as implementing partners. Climate funds should set a progressively increasing target how much of their climate finance should be so devolved and implemented following the principle of subsidiarity on the most local level, using and supporting local gender expertise***.

# Improving the gender responsiveness of multilateral climate funds' funding operations

## Growing recognition of the importance of gender-responsive climate finance

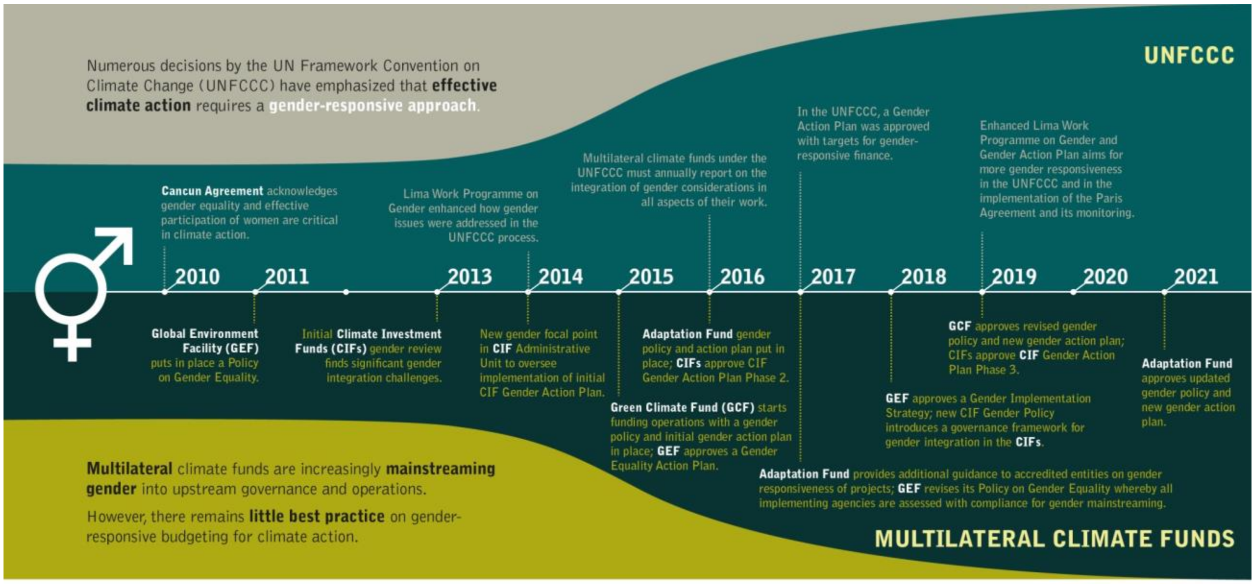
In the international climate regime, over the past decade the recognition of the importance of gender-responsive climate finance has drastically grown. All multilateral climate funds have now gender policies, gender action plans and require their fund recipients to pay attention to gender. Improving the gender-focus of climate finance provision is also part of the UNFCCC's Gender Action Plan under the Lima Work Programme on Gender.

Gender considerations were not integrated from the start into the design and operationalisation of most dedicated climate financing mechanisms, which exist both under and outside of the UNFCCC. Sustained outside pressure and internal recognition of sub-optimal outcomes of gender-blind projects and programs has led to substantial efforts in recent years across several multilateral climate funds to incorporate gender considerations retroactively into fund programming guidelines and structures, consider gender from the start in new funds such as the Green Climate Fund (GCF) and the expand the focus and reach of gender equality mandates. .[17]

Over the past few years, climate funds have also improved collaborative efforts and expert exchange on helping each other to improve the gender-responsiveness of their operations. But much more could be done. Dedicated climate funds under the UNFCCC in particular have an important signaling function for the entire global climate finance architecture because of the large number of accredited entities and implementing agencies they work with. These range from multilateral development banks (MDBs), UN agencies, a number of commercial banks as well as most regional and bilateral development banks, and (sub-)national and regional institutions. For example, the GCF and GEF, as well as the Adaptation Fund, could enhance their existing collaboration on gender issues – this may include working towards some coordinated gender indicators and gender tagging systems in budget allocations to allow for joint tracking efforts to aggregate gender-related expenditures, as well as gender impact measurements across these funds, which sit at the core of the international climate finance support to developing countries.

The graph below highlights some of the key milestones of gender mainstreaming efforts in multilateral climate funds and the UNFCCC.

[17] For a detailed elaboration on the status of gender integration efforts in key multilateral climate funds and the UNFCCC, Schalatek (2020), Gender and Climate Finance. Climate Finance Fundamentals 10, available at: https://climatefundsupdate.org/wp-content/uploads/2021/03/CFF10-ENG-2020-Digital.pdf




The gender-responsiveness of climate finance

Source: Schalatek (2020)

## Addressing core challenges in implementing gender mandates in existing climate funds

Undoubtedly, significant gender integration improvements have been made within existing multilateral climate funds over the past years. All major multilateral climate funds have now gender policies and institutional gender action plans and require gender assessment with commensurate targeted action to support gender-responsive climate action at the project and program level of funded activities.

However, on its own, a formal gender policy or gender action plan for a climate financing instrument is rarely enough. The systematic integration of gender equality considerations – including with attention to gender balance and gender expertise – in a fund's governance, operational procedures, technical expert advisory bodies and decision-making structures, as well as into a fund's management and staff culture (for example with a zero tolerance approach toward sexual and gendered exploitation, abuse or harassment), is equally important.

In addition, there are persistent challenges to true gender-responsiveness in funding climate actions with a transformative focus on addressing gender-biased power relations, equal access to resources and joint decision-making. What is needed is a systematic gender integration beyond a gender 'add-on'. Central to this is also the understanding that gender dimensions exist beyond a binary focus on men and women and that gender intersects with factors such as race, ethnicity, ability, age, religion and caste. Neither diverse gender identities nor the intersectionality of gender with other factors are at the moment sufficiently acknowledged in existing climate financing mechanisms, let alone operationalised in their funding approaches. A first encouraging step to address this shortcoming is however taken by the Adaptation Fund in its recently approved updated gender policy[18], which explicitly integrates references to intersectionality and which is aiming to provide its implementation partners with updated guidance and good practice experiences on how to better consider the intersectionality of gender with

[18] https://www.adaptation-fund.org/wp-content/uploads/2016/04/OPG-Annex-4_GP-and-GAP_approved-March2021pdf-1.pdf

other exclusions in adaptation measures. Ultimately, a truly gender-responsive approach to funding climate actions will not only address how funding decisions are made and implemented, but it will fundamentally alter the focus of funding operations to be more human rights-centered and inclusive. This could mean, for example, prioritizing those climate investment approaches which disproportionally benefit women because of their specific needs, capabilities or experiences in addressing climate change. Such funding may be devolved to community groups for local service provision in the form of small grants, or for addressing rural communities' persistent energy poverty in many developing countries. These types of measures empower women economically and socially, as they lessen their traditional care and time burden, while supporting lasting climate outcomes.

Undoubtedly, policy and operational mandates in the multilateral climate funds have lead to improvements in the formal integration of gender in funding proposals by requiring for example gender assessments and commensurate gender-focused activities or even a specific gender action plan for project or program implementation. However, the "quality-at-entry" of gender integration efforts at the funding proposal stage varies widely and thus impacts the resulting gender-responsive "quality-at-implementation". Of all multilateral climate funds, only the Adaptation Fund in its gender policy has elaborated very clearly that funding proposals without adequate gender consideration will not be considered by its Board, but this is the exception rather than the rule; even in cases of weak or inadequate gender efforts, funding proposals are generally approved.

An analysis conducted by hbs Washington, DC and Gender Action on gender-integration quality of a sample of 30 GCF projects and programs summarized in a forthcoming report revealed persistent weaknesses, with even the best performer in the sample only achieving a rating of adequate. It found for example that in many cases the findings and recommendations of good gender assessments were ignored in the design of projects and programs, and often not even integrated in required project-level gender action plans. The projects' narrative did not mention gender-equality as part of the intended outcomes of the climate intervention; in many cases, no gender-disaggregated baseline data, nor gender-disaggregated beneficiary targets were provided. And while there was often at least some participation of local women and other gender groups as stakeholders in project planning and design, such engagement of local women's groups, but also of national gender machineries was largely missing in project implementation as well as in project management and oversight. The assessment also found that at the project or program level, required gender expertise if often outsourced to mostly international consultants, instead of systematically building "gender and climate change" expertise within the implementing institutions and within recipient countries and drawing on local gender experts.

***These findings highlights the need for climate funds to better ensure through improved oversight and capacity building that proponents and implementers of climate projects/programs receiving public support see the gender-responsiveness of interventions as a core climate outcome, and that their continued access to multilateral climate finance is dependent on their full compliance with required gender policies and operational mandates.***

## Improving monitoring and reporting of gender equality results in multilateral climate funds

Some of the most persistent challenges in implementing climate funds' gender mandates remain with transparent monitoring, reporting on and verification (MRV) of gender equality results in financing climate actions. While all multilateral climate funds have now integrated gender considerations to varying degrees into their implementing partner engagement, project development and project approval processes (focusing on procedural quality-at-entry), widespread weaknesses remain in monitoring and reporting of quantitative and qualitative gender results in implementation (focusing on outcome-oriented quality-in-implementation). Such details, important for the accountability of climate funds with respect to gender, are largely missing from the required results reporting, such as annual performance reports or fund score cards submitted to funds' own governing bodies.

At both project-level and aggregated at portfolio-level the comprehensive and accurate quantitative and qualitative accounting of gendered results is lacking, such as the sex-disaggregated number of verified (not just intended) beneficiaries or the share of a fund's resources spent in support of gender equality outcomes. At the Global Environment Facility (GEF), the GEF-7 Corporate Scorecard for 2020 only tracks the gender quality of project concepts and intended beneficiaries, but not actual results.[19] A GEF progress report on the gender implementation strategy details that only about 55% of GEF projects under implementation report on gender, and the ones that do often provide limited details and weak analysis of gender results.[20] The Green Climate Fund (GCF) annual portfolio performance report for 2019 for projects under implementation also notes failures of implementing partners to report against their submitted gender action plans, and, in some cases, they are missing entirely. The reports also suggest that projects several years into implementation are insufficiently treating the GCF-required gender assessments and mandatory action plans as 'living documents' in need of updating and review by refining targets and indicators and tracking sex-disaggregated data consistently.[21]

Likewise, the annual reports that climate funds under the UNFCCC have to submit to the COP are also missing sufficient granularity and comprehensiveness in accounting for gender equality and climate impacts through fund-supported actions. This is despite the mandate under Decision 21/CP.22 for UNFCCC climate funds to include information on the integration of gender considerations in all aspects of their work. The 9th report of the GCF to the COP in 2020, for example, provided mainly a narrative on the procedural aspects of applying the gender policy in project preparation, but no qualitative or quantitative information on gender equality outcomes, no aggregate sex-differentiated beneficiary numbers of its portfolio, nor an accounting of approved or disbursed funding in support of intended gender equality and climate impacts.[22]

***Significant efforts are needed to further improve the quality, scope and accuracy of MRV of gender equality outcomes of funded climate actions. And increased transparency is crucial. This includes the public disclosure of project-level annual implementation reports against improved reporting templates which demand that fund implementing partners increase their reporting on gender. Strengthened guidance by funds on monitoring and reporting, coupled with increased and iterative capacity-***

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[19] https://www.thegef.org/publications/gef-7-corporate-scorecard-june-2020.

[20] https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.58_Inf.05_Progress%20Report%20on%20the%20Gender%20Equality%20Implementation%20Strategy.pdf

[21] https://www.greenclimate.fund/sites/default/files/document/gcf-b27-inf04.pdf

[22] https://www.greenclimate.fund/sites/default/files/document/gcf-b27-17.pdf

***building support for implementation partners, should be seen as important strategies in addressing and closing reporting gaps.***

# Conclusion

This paper has attempted to highlight some core steps to increase the quality and quantity of gender-responsive climate finance by focusing on public climate finance provision. It highlighted in particular the role of developed countries in fulfilling their climate finance commitments under the UNFCCC and as a matter of climate and gender justice in channel climate finance in a way that: 1) increases overall (public) finance provision for adaptation by addressing existing underfunding for local public goods provision under adaptation; increases the share of climate-related assistance that also supports gender equality outcomes, including expenditures that focus on gender equality as a principal outcome of climate investments;  3) protects and expands eligibility for and the provision of grant financing, including full cost grant financing; 4) eliminates the perpetuation of a false dividing line between development and adaptation in local implementation; and 5) expands direct access to climate finance for local gender and women's group through devolved climate financing modalities, in particular through nationally/sub-nationally implemented small grants facility approaches and by implementing the principle of subsidiarity as a guiding principle for locally-led gender-responsive climate action.

Multilateral climate funds, especially those operating under the UNFCCC and serving the Paris Agreement, have a special responsibility to increase the transparency and accountability of gender-responsive climate finance provision and implementation due to their special signaling role – through partnerships with a large number of climate finance implementing agencies – for the wider climate finance architecture. They need to significantly improve the improve the quality, scope and accuracy of monitoring, reporting and verification (MRV) of gender equality outcomes of funded climate actions including through increased transparency and public disclosure of project-level implementation reports and by increasing capacity-building support for implementation partners. In the UN climate regime, the Conference of Parties (COP) must improve their guidance to climate funds to facilitate local gender-responsive access and demand more detail in reporting on gender integration and accountability for gender-responsive funding in general and devolved locally accessible funding in particular.