



**GREEN
CLIMATE
FUND**

Meeting of the Board
30 September – 2 October 2017
Cairo, Arab Republic of Egypt

GCF/2017/Inf.03

28 September 2017

Report on the response to queries in the Board – approved Terms of Reference for updating of GCF's Gender Policy and Action Plan

Summary

The GCF Board approved the Terms of Reference (TOR) for updating of GCF's Gender Policy and Action Plan, as a decision between meetings (B.BM – 2016/12). The TOR contains questions in relation to the quality of the existing policy. How has the policy been implemented in design of projects so far? How has the policy been implemented in GCF stakeholder dialogue so far? What amendments should be made to the gender policy and action plan?

This background note attempts to answer these questions in the context of the Secretariat's endeavor to update the Gender Policy and Action Plan. Therefore, this background report must be read in conjunction with the proposed Gender Equality and Social Inclusion Policy and Action Plan.

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I. Introduction

1. The Board, by decision B.09/11, asked the GCF Secretariat to prepare an updated gender policy and action plan and, as a decision between meetings (B.BM – 2016/12), approved the Terms of Reference (TOR) for the update of the gender policy and action plan. The TOR contains questions in relation to the quality of the existing policy. How has the policy been implemented in design of projects so far? How has the policy been implemented in GCF stakeholder dialogue so far? What amendments should be made to the gender policy and action plan?
2. This document presents a response to queries placed by the Board in the TOR.

II. What is the quality of the policy?

3. The review will assess whether the policy sets out clear objectives and organizational arrangements to promote gender equality and women's empowerment, reflects good practice and is coherent with other relevant corporate policies/frameworks (for example, recruitment policy, environment and social safeguards framework). The following sub – questions will be assessed:

- (a) Has the gender policy/gender strategy guided the GCF in both institutional and programmatic operations? If so, how has the policy guided the GCF in institutional and programmatic operations?

The gender policy is a broad and yet detailed policy whose intent is to be comprehensive in terms of operations at the institutional and programmatic level. However, up until now the gender policy has guided the GCF more in terms of programmatic operations than at the institutional level. The gender policy is coherent with other relevant corporate policies like the interim environmental and social safeguards standards and the draft HR guidelines. However, GCF would benefit more from explicitly aligning its institutional policies, frameworks (e.g. risk policy, accreditation policy, monitoring and accountability frameworks, initial results framework) and processes with the gender policy.

- (b) Do the templates used for the accreditation process, funding proposals or agreements concerning funds, readiness, project preparation support, and monitoring and evaluation include clause(s) related to gender equity? If yes, how have these clauses in the templates guided accreditation, readiness, project preparation, monitoring and evaluation and program development work?

Templates used for accreditation process, funding proposals or agreements concerning funds, readiness, project preparation support, and M&E include clause(s) related to gender equity. In the case of accreditation, such clauses have helped to identify gaps in the way prospective entities program for gender and to make recommendations for accreditation of entities (AEs) based on conditions related to gender. Clauses related to gender equity have been systematized in readiness support and project preparation facility. For example, in readiness programs provisions have been made to include the Ministry of Women Affairs/Minority Affairs or their equivalent in the national coordination mechanism planned by the national designated authorities (NDA). Socially inclusive and gender – responsive stakeholder engagement and the development of a gender – responsive country program is also part of these clauses. In the context of M&E, the gender team has been successful in incorporating gender equity related clauses/indicators/sections in the annual performance report (APR) format that AEs are required to report against.

- (c) To what extent has there been management support for gender mainstreaming strategies?

There has always been significant support by the management for gender mainstreaming at both the upstream and downstream programming level. However, gender work is somewhat restricted because of limited human, financial and materials resources.

- (d) Is there a gender focal point (GFP)/gender adviser in the Fund?

There is a GFP in the Fund. The GFP has recently been joined by an ESS and Gender Associate who is working with the GFP on project appraisals.

- (e) Does the GFP have sufficient expertise (knowledge, skills and attitude) and resources (budget) to support gender mainstreaming? If yes, what additionality does the GFP bring to the GCF in terms of gender-informed knowledge, skills and attitude?

The GFP has sufficient expertise; he has worked with leading international organizations known for their gender programming expertise (UNICEF, ADB, WB, CARE etc.). The GFP has played a major role in supporting innovations related to gender programming. For example, it developed a partnership with UN Women in 2016 to conduct gender capacity development programs for NDAs/AEs/Focal Points (FPs)/delivery partners. The GFP also worked with UN Women to come up with two manuals: 'Leveraging Co – Benefits Between Gender Equality and Climate Action' and 'Gender and Climate Change Toolkit.' The GFP brings with him a deep understanding of how gender mainstreaming is employed at both the institutional and program level. He is also aware of, and has implemented, latest innovations/tools that can be employed to ensure gender is mainstreamed at the project preparation stage. For example, gender and social inclusion action plans (GESI) that are increasingly being used by AEs while preparing funding proposals (FPs). Up until now, there was no provision for gender budgets and monies were used from the readiness support program; however, allocations for gender – related programming have been inserted into the budget for 2018.

- (f) Does the GFP have a clear mandate and Terms of Reference? If yes, what is the type of mandate and Terms of Reference that enables the GFP to promote gender equality within the Secretariat and across AEs? If no, then what is the mandate and Terms of Reference that will be required to strengthen gender equality across institutional and programmatic lines?

The GFP has a clear mandate and Terms of Reference in terms of carrying out certain innovations related to the mainstreaming of gender at the project/program level. However, the GFP can play a bigger role in institutional matters like recruitment, drafting of the human resources guidelines etc. The mandate and Terms of Reference should also promote the GFP's work with AEs, especially in regard to project ideation, concept development and ensure that AEs meet gender – related conditions at the earliest stages of program development. At the Secretariat level, the GFP should be asked to help in the drafting of, say, recruitment policy, anti – sexual harassment policy.

- (g) Does the GFP have sufficient authority to influence change in the GCF at the senior management team level? Are there other champions on gender in the Fund that work together with and support the GFP? If yes, what have been some of the primary roles performed by these champions in furthering gender equality?

The GFP was recruited at an IS4 level and therefore doesn't have much of an authority to influence decisions at the senior management level. However, other 'gender champions' in the Fund have, for example, ensured that the GFP becomes a part of the readiness working group and thereby contributes to gendered approaches in readiness support programs; ensured gender is given strong consideration in private and public sector proposals by Directors of these divisions; ensured that GCF develops partnerships with UN agencies and civil society partners; and facilitated the GFP's contribution to the new HR guidelines.

III. How has the policy been implemented in design of projects so far?

4. The review will look at how the policy has been used at the preparation and appraisal stage of projects, and whether its principles were successfully incorporated in projects that were submitted to the Board, namely project activities, fiduciary arrangement, institutional arrangements, monitoring and evaluation system, and reporting and learning. The type of sub – questions that will be assessed are:

- (a) Are there planned project activities by the accredited entities (AE) specifically targeted towards gender equity and women’s empowerment?

Majority of the FPs contain planned project activities specifically targeted towards gender and women’s empowerment.

- (b) Have AEs used gender analytical tools in their project design and appraisal process? If so, what type of tools are used by AEs to analyze gender related issues at the project design stage?

AEs have used gender analytical tools in their project design and appraisal process. For example, gender and social assessment/analysis tools have been used by AEs to determine how the project/program can respond to the needs of women and men in view of the specific climate change issue to be addressed; identify the drivers of change and the gender dynamics in order to achieve the adaptation or mitigation goals; identify and design the specific gender element to be included in the project/program activities; estimate the implementation budget; select output, outcome and impact indicators; and design project/program implementation and monitoring institutional arrangements. Over and above this, the Secretariat introduced a GESI plan at the project level which contains gender – responsive activities, gender – performance indicators, sex – disaggregated targets, timelines, responsibility lines, estimated budgets against each planned activity. To date, 84% of all approved funding proposals contain a gender/social assessment and 67% of all approved funding proposals contain a GESI plan.

Figure 1: Gender analysis & action plans by AEs for projects per Board meeting

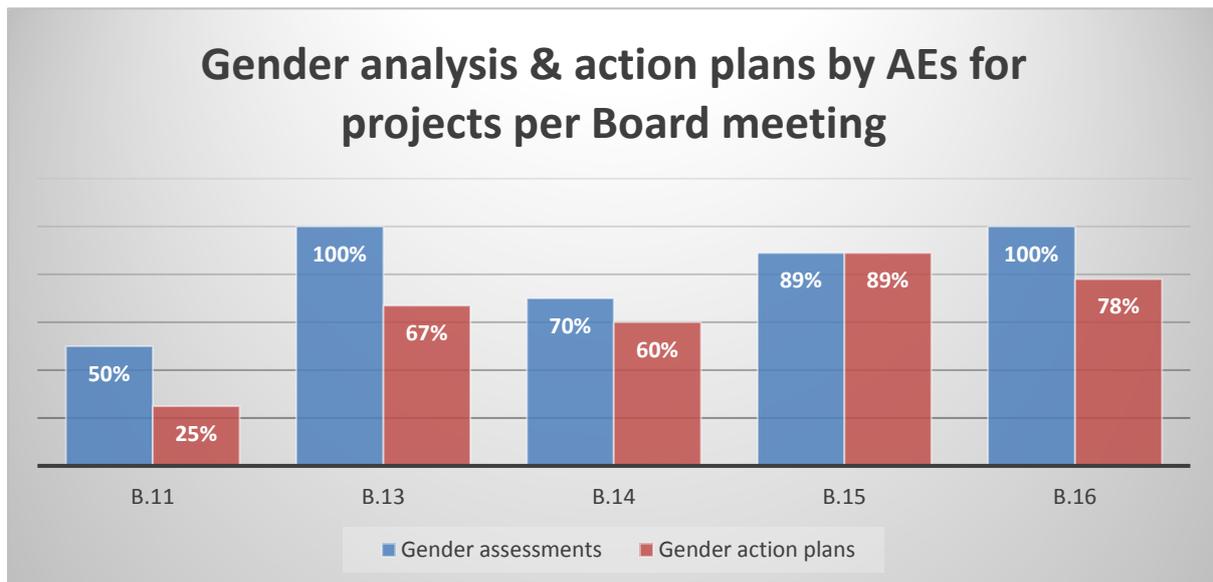
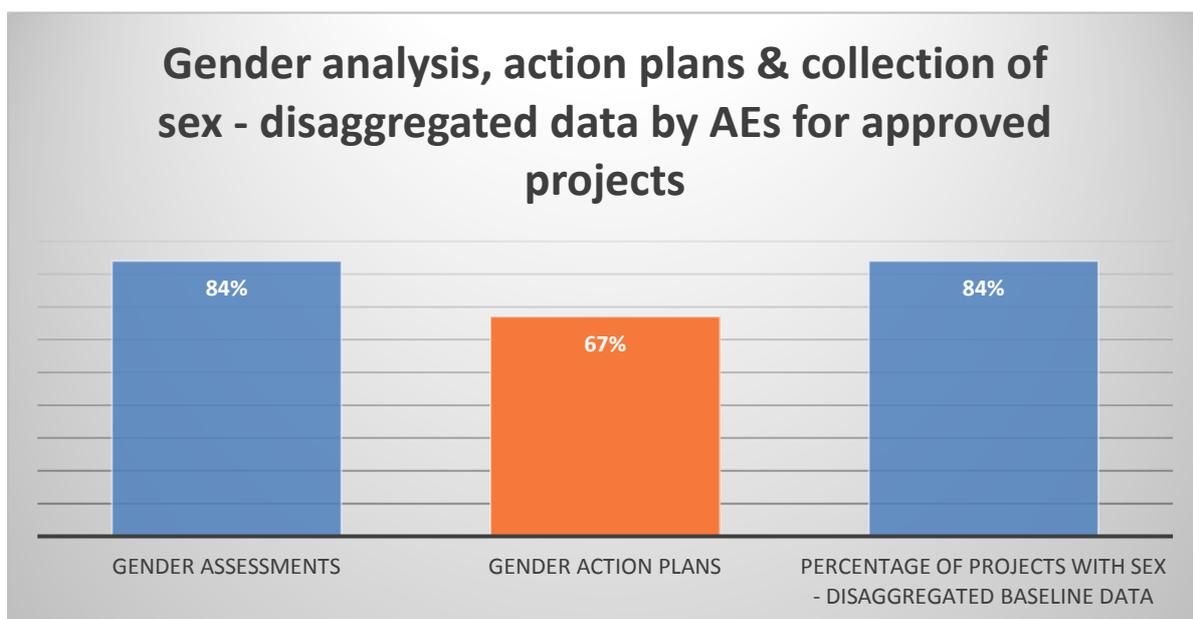


Figure 2: Gender analysis, action plans & collection of sex - disaggregated data by AEs for approved projects



- (c) Are sex-disaggregated data collected and gender analysis used systematically in planning by the AEs?

As shown above, sex – disaggregated data on one or more indicators has been collected by AEs who presented a gender and social assessment during the project preparation stage. However, since no project – except the KawiSafi Ventures project – is yet to take off on the ground, collection of sex – disaggregated results are yet to take place. The KawiSafi project hasn't begun to collect sex – disaggregated information, even though requests have been made by the GCF to do so.

- (d) Do monitoring and reporting systems developed by AEs include outcome-oriented gender indicators? If so, what type of gender indicators are generally used by the AEs in their monitoring and reporting systems?

The GESI plan provides an opportunity to the AE to develop outcome – oriented indicators. Types of gender indicators employed are: 1) share of women and men as direct beneficiaries of project; 2) share of women and men as indirect beneficiaries 3) active participation of women and men from vulnerable communities in stakeholder engagement processes; 4) increasing women’s opportunities to participate in decision – making and leadership; 5) percentage of poor women and men with increased resilience to deal with climate change; 6) percentage of women and men with increased income from climate change adaptation or mitigation measures; 7) percentage of households, including vulnerable female – headed households, with year – round access to low – emission energy services; 8) number of women and men participating in behavioral change activities related to wise water and energy use; 9) number of interventions that strengthen women’s equal access to sustainable food production and water sources for household and agriculture use; 10) number of women and men from vulnerable communities who receive training on climate information services and early warning systems; 11) number of women involved in environmental protection measures; 12) number of women from vulnerable communities participating in community – based disaster risk reduction management.

- (e) Are there gender resources (tools, case studies, training materials, policy documents) readily available on and off line for use within the GCF and implementing AEs? If so, to what extent have these resources helped to guide gender–informed capacity and program development work at the GCF and implementing AEs?

There are few gender resources (planning tools, training manuals/handbooks/policy document) readily available on and off – line within the GCF. These tools, training materials have been shared with NDAs/AEs. These resources have helped NDAs/AEs to better understand the concept and practice of gender mainstreaming in the climate change space. Apart from this, the GFP has been actively involved in organizing/facilitating on – site and off – site gender capacity development to GCF’s partners, including NDAs, FPs, AEs etc.

- (f) What strategies, if any, have been put in place for GCF to invest in the production of gender-focused case studies?

For the coming year (2018), GCF earmarked funds for the conduct of case studies from a gender and social inclusion perspective. Simultaneously, the GFP will – with support from the communications unit – come up with a strategy to develop case studies and disseminate these to a wider audience.

IV. How has the policy been implemented in GCF stakeholder dialogue so far?

5. The review will look at how the policy has been used to support the policy development of country partners, communication, dissemination, and the outreach to National Designated Authorities (NDA), Focal Points (FP), delivery partners, Accredited Entities (AE) and other partners of the GCF. The sub–questions that will be addressed are:

- (a) Is the GCF’s gender policy in line with national policies and does it consider few of the sensitive socio–economic and cultural factors that might exist in several countries? If not, what implications/challenges do NDAs/FPs/AEs face in implementing the GCF’s gender policy?

GCF’s gender policy is in line with national policies and takes account few of the sensitive socio – economic and cultural factors that might exist in several countries. For AEs who submitted a gender and social assessment (84% of all approved FPs), it was apparent that they aligned GCF’s gender policy with that of the country’s policies on gender. For instance, this is evident in the gender and social assessment presented for the ‘Armenia: de – risking

and scaling up of investment in energy efficient building retrofits' project. In cases where GCF's gender policy is not seen to be in congruence with national laws on gender, then GCF follows the law of the land and associated customary/religious tenets. For example, in one of the proposed readiness projects, the host country informed GCF that women aren't allowed to travel alone to meetings and that they would be accompanied by men. A budget for travel of men who will accompany women to these meetings has been planned and is under review. In another instance, GCF chose not to publish the gender and social assessment for a particular project because the host government decided that the information contained in the assessment was sensitive.

Gender is mostly seen as an 'add - on' activity for which there is little or no interest. This is particularly true for large - scale mitigation projects (e.g. on - grid renewable, energy efficiency and hydro - power projects). Besides, budgets are scarce for implementation of gender - related results. For example, several of the project - level GESI plans do not come with budgetary allocations for proposed activities. Given this scenario, it is important to impress upon AEs/NDAs/FP/delivery partners to consider integrating gender more strongly in the mainframe proposal and through the employment of tools like gender/social assessment and project level GESI plans.

- (b) How can the policy be flexible enough to give consideration to these national circumstances?

The type of language employed in the updated gender policy should read: this gender policy is a fit - for - purpose policy and that it respects the rights of individuals even while upholding and respecting the law of the land and rules of engagement with countries on gender and social issues. Such language, if employed, in the updated policy should be able to address some of the concerns few Board members might have.

- (c) Can the NDAs/FPs/AEs regularly collect and report on the information requested of them? If so, what type of reports can be generated by them?

AEs are supposed to submit APRs. The GFP worked closely with the Portfolio Management Unit to draft the APR format even while ensuring that gender - based reporting is not lost or forgotten. Therefore, AEs will be expected to furnish reports, based on the APR format which allows AEs to report on sex - disaggregated results against indicators present in the logic - framework of the FP and through the GESI plan, where applicable.

- (d) To what extent has the GCF policy on gender been effective in guiding AEs to develop their own gender policy?

It has been very effective, considering that out of 54 AEs, 49 have gender policies. From 49 AEs, 47 have gender policies without conditions attached and only 2 have gender policies with conditions attached. Five AEs haven't yet developed a gender policy. The Secretariat is in discussions with these entities to have a policy in place, in line with GCF standards. This has happened due to constant sensitization by the GFP on the need for entities to become accredited if they meet the gender considerations. Orientation sessions were held bi - laterally or collectively for AEs to talk about GCF's gender - related policy, conditions and associated gender mainstreaming in programs. Also, as part of the gap assessment of pre - accredited entities, 15 entities were identified for assessing gender - related gaps/conditions against GCF standards and coming up with action plans to address these gaps.

- (e) What type of outreach strategies can the GCF put in place to ensure that key messages of the gender policy are effectively disseminated to NDAs/FPs/AEs/delivery partners?

The GCF should carry out strategic media relations and outreach activities; influencing how stakeholders like NDAs/FPs/AEs/delivery partners perceive the Fund and shape its image in the context of gender equality programming. Telling the gender story at the Fund

can create a profile that resonates with target audiences (including NDAs/FPs/AEs etc.). Key elements of the gender story would include endeavors carried out by some of the NDAs/FPs/AEs and others to instill a paradigm shift in the context of gender/social programming.

- (f) What other communication strategies can the GCF put in place to ensure that NDAs/FPs/AEs are adequately informed of gender-related priorities and work of the Fund?

GCF can begin with raising awareness of the GCF's gender policy with NDAs/FPs/AEs. It can engage and mobilize target audiences and key stakeholders of the Fund around gender issues. The Fund can also share gender – informed training materials/manuals/guidance notes and post these online so that these can be easily accessed by concerned authorities. GCF can communicate the main features of these manuals/guidebooks through online training events and communicate the Fund's support for gender mainstreaming at the upstream and downstream level. GCF can also amplify gender and climate change related messages in partnership with like – minded organizations so that these partners can reach out to NDAs/FPs/AEs on GCF's behalf, where practical and applicable.

V. What amendments should be made to the Gender Policy and Action Plan?

6. The review will endeavor to identify limitations in the policy, if any, and accordingly suggest amendments to the policy wherever necessary. It is to be noted here that amendments to the policy will also be informed by the responses and analysis drawn from the first three questions. The following key issues/questions that will be assessed as part of this amendment exercise is: the introduction to the Gender Policy and Action Plan mentions striving for gender and regional balance; however, there appears to be no further information in the policy as to what qualifies as 'striving' and how you would determine success. Therefore, this review will assess what qualifies as 'striving' and how it would determine success. Additionally, the following sub – questions will be assessed:

- (a) What is the scope for the Gender Policy and Action Plan to integrate a greater genderperspective at the institutional and operations level (for example, by making it mandatory to develop project level gender action plans, introduction of gender audits, by recruiting staff with dual expertise, i.e. gender and climate change etc.)?

Institutional level: GCF has ensured that the existing gender policy and action plan is addressed appropriately at the institutional level. For example, an associate – level officer has come on board to help the GFP with assessment of proposals from a gender and social perspective. However, as CSO organizations who provided inputs to the updated gender policy have stated, there is a need for a more senior – level gender specialist who will be able to influence decisions regarding gender at the senior management level. Furthermore, there aren't any staff yet in the Fund who have dual expertise in gender and climate change. This is an area which needs more attention, particularly at the divisional level (i.e. PSF and DMA level). Up until now, there was no budgetary allocation for gender – related work. However, this will change in 2018 with recommendations being made by the GFP to include a budget for capacity development, knowledge management, recruitment of support staff (e.g. TA/Operations Consultant).

Operations level: The Secretariat has introduced project – level GESI plans. This has greatly helped to commit AEs to the undertaking of gender related programming and integrate it in their overall project's implementation and M&E framework. GCF's emphasis would be to – in the updated GP – make the development of the GESI plan mandatory for AEs. GCF has issued guidelines and accompanying templates on how to develop a gender policy, gender and social assessments and GESI plans.

A key amendment the Secretariat would like to make is that of a change in title of the proposed updated gender policy and action plan. Recognizing that gender equality is only part of the bigger umbrella of social inclusion and that the Secretariat needs to – while adopting a human rights approach – consider the different needs of and target not only women and men from vulnerable communities, but also the elderly; widowed; children; adolescent girls and boys; differently – abled; minority communities; indigenous peoples; persons of different sexual orientation; transgender; religion; belief or non – belief, it is proposed that the title of the updated policy be changed to, ‘Gender Equality and Social Inclusion Policy and Action Plan.’ Gender and social inequality are known constraints to inclusive growth, and research shows that – when not addressed together – the benefits from sustainable development or poverty reduction initiatives are unequally shared with women and marginalized populations. Addressing one and not the other, will not allow GCF and its partners to achieve the mutually reinforcing and interlinked sustainable development goals of: Achieve gender equality and empower all women and girls (SDG5), Reduce inequality within and among countries (SDG10) and Climate action (SDG13).

- (b) What are some policy mandates the GCF can develop to ensure that women’s participation and leadership roles are enhanced at the time of implementation?

The following are some policy mandates the GCF can develop to ensure that women’s participation and leadership roles are enhanced at the implementation level:

- (i) **Support climate change interventions** and innovations through a comprehensive gender-responsive approach applied both within the institution and by its executing partners;
- (ii) **Promote climate investments** that (i) advance gender equality and social inclusion through climate change mitigation and/or adaptation actions; and (ii) minimize social and gender-related risks and safeguard women’s and men’s rights in all climate change actions.
- (iii) **Reduce the gender gap** of climate change-exacerbated social, economic and environmental vulnerabilities through strategic climate investments.
- (iv) **Promote human rights approach and principles of non-regression¹:**

The pursuit of gender equality is inherently a rights – based approach and such approaches cannot be disassociated with gender issues. Therefore, it is important to reiterate the need for a human rights approach in any discourse pertaining to the development of an updated gender policy. In this context, the Fund recognizes the centrality of human rights to sustainable development, poverty alleviation and ensuring fair distribution of development opportunities and benefits; and supports ‘universal respect for, and observance of, human rights and fundamental freedoms for all’.² All the Fund’s activities shall respect the rights and responsibilities set forth in the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and other applicable international instruments relating to the human rights of indigenous peoples, including ILO Convention No.169, the International Covenant on Economic, Social and Cultural Rights, UN Declaration on the Rights of Indigenous People, and the International Convention on the Elimination of All Forms of Racial Discrimination (CERD);

The Fund upholds the principles of accountability and the rule of law, participation and inclusion, and equality and non-discrimination, noting that prohibited grounds

¹ The Principle of Non-Regression is an International Law Principle requiring that norms which have already been adopted by States not be revised, if this implies going backwards about standards of protection of collective and individual rights

² Charter of the United Nations, Article 1, para 3. <http://www.un.org/en/sections/un-charter/chapter-i/index.html>



of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status, including as a member of a minority.

The GCF's interim Environmental and Social Safeguards Policy (ESS policy)/draft ESS policy also takes a human – rights approach. It seeks to analyze obligations, inequalities, and vulnerabilities, and redress discriminatory practices and unjust distributions of power that impede progress towards sustainable and low – carbon development. In this way, the rights – based approach suggested in this document is coherent with the GCF's interim ESS Policy/draft ESS policy and seeks to reiterate the need for comparable rights – based approach to also emerge in the updated gender policy. The need for a rights – based approach in the updated gender policy is premised on the grounds that the GCF needs to strengthen and build on human rights requirements as provided in the interim ESS Policy/draft ESS Policy and draft Indigenous Peoples' Policy, as sometimes these fall between the cracks.

(v) **Promote gender – responsive stakeholder consultations**

The Fund shall require that women and men, especially those from marginalized and vulnerable groups and communities, will be provided with equal and equitable opportunity to be included in meaningful consultations and decision-making during project and program preparation, implementation and evaluation.

(vi) **Promote the principles of free, prior and informed consent**

Submissions received via the call for public inputs revealed that GCF's stakeholders (mostly CSO groups) would like to see a free, prior and informed consent (FPIC) process in place. Free, prior and informed consent shall be iterative, requiring the consent of project stakeholders in all their diversity, before any GCF-financed activities are undertaken, on the basis of their own independent deliberations and decision-making process, based on adequate information to be provided in a manner that is understood by them; and a process of transparent and inclusive consultations, including with women, men of all ages and from different social groups, and free of coercion or intimidation.

The FPIC process suggested in this document is coherent and compatible with the FPIC process contained in the draft Indigenous Peoples' Policy. Including the FPIC process in the updated gender policy is justified on grounds that GCF needs to strengthen and build on FPIC processes contained in the draft Indigenous Peoples' Policy, as at times FPIC processes are not seen to include women and men of all ages and from different social groups. Furthermore, the intent is to extend the FPIC process beyond just indigenous people as there are different, and equally excluded, social groups (e.g. vulnerable female – headed households/widowed – households/child – headed households/adolescent – headed households/the elderly only/differently – abled/minority groups etc.) who require equal attention when it concerns their participation in FPIC protocols.

- (c) What are some standards the policy can adopt to ensure that gender is mainstreamed more strongly at the institution and programmatic level?

At the institutional level: Adopt, implement and document the Fund's gender-responsive approach and adherence to social and cultural diversity in its day-to-day governance, operations and procedures, and its performance measurement frameworks while committing the necessary resources to make this approach robust and effective.

At the programmatic/portfolio level: a) contribute to high quality, more comprehensive and systematic sex – disaggregated data, qualitative and quantifiable gender analysis and

a knowledge base that supports gender – responsive learning outcomes; b) address and minimize social risks, achieve deeper stakeholder engagement and deliver better accountability to men and women to generate sustainable livelihood opportunities and resilience against climate induced shocks and risks.

- (d) When should the review of the Gender Policy and Action Plan take place and how it should take place?

The review of the existing GP and Action Plan should take place before B18 and the updated policy should be tabled for the Board’s consideration at B18 or B19.

VI. Conclusions

7. The next step of this undertaking will be to present to Board Members/Alternates a draft of the updated gender policy and action plan for their consideration. The draft of the updated gender policy provides guidance on how to mainstream gender perspectives, and more broadly, social inclusion in all aspects of the Fund’s work.



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Meeting of the Board
30 September – 2 October 2017
Cairo, Arab Republic of Egypt

GCF/2017/Inf.03/Add.01
28 September 2017

Gender Equality and Social Inclusion Policy and Action Plan 2018 – 2022

Summary

This document summarizes the intent of the GCF Secretariat to ensure that by adopting a gender – responsive approach, the Fund will efficiently contribute to gender equality and, more broadly, social inclusion and achieve greater and more sustainable climate change results, outcomes and impacts. The proposed Gender Equality and Social Inclusion Policy (GESI Policy) and Action Plan is guided by five key principles: a) human rights approach and principles of non-regression; b) country ownership; c) stakeholders' consultations; d) free, prior and informed consent especially from the point of view of marginalized gender spaces and social exclusion; e) disclosure of information. The GESI Policy sets out policy requirements across various stages of the project life – cycle and, in keeping in line with the need for managing for results, the policy illustrates proposed program/project/portfolio level result areas in Annex III.

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I. Introduction

1. In response to decision B.09/11 and in pursuant to decision B.12/16, the Secretariat prepared document GCF/B.18/XX Gender Equality and Social Inclusion¹ Policy and Action Plan. Also, at its eleventh and sixteenth meeting, the Board:
2. Requested the Secretariat to draft an updated gender action plan, in line with the Governing Instrument and consistent with a country – driven approach including through consultation with Board members, relevant bodies and observer organizations, for adoption at its eighteenth meeting.

II. Linkages with other documents

3. This document has linkages with the following main documents:
 - (a) Initial Proposal Approval Process, Including the Criteria for Programme and Project Funding (GCF/B.07/03);
 - (b) Financial Risk Management Framework (GCF/B.07/05);
 - (c) Financial Terms and Conditions of the Fund's Instruments (GCF/B.09/08);
 - (d) Initial Modalities for the Operation of the Fund's Mitigation and Adaptation Windows and the Private Sector Facility (GCF/B.06/02);
 - (e) Investment Framework (GCF/B.07/06) and Further Development of the Initial Investment Framework: Sub-criteria and Methodology (GCF/B.09/07);
 - (f) Guiding Framework and Procedures for Accrediting National, Regional and International Implementing Entities and Intermediaries, Including the Fund's Fiduciary Principles and Standards and Environmental and Social Safeguards (GCF/B.07/02);
 - (g) Application Documents for Submissions of Applications for Accreditation (GCF/B.08/06);
 - (h) Detailed Programme of Work on Readiness and Preparatory Support (GCF/B.06/14);
 - (i) Revised Programme of Work on Readiness and Preparatory Support (GCF/B.08/10);
 - (j) Decisions of the Board – Sixth Meeting of the Board, 19–21 February 2014 (GCF/B.06/18);
 - (k) Country Ownership (GCF/B.06/07);
 - (l) Policies and Procedures for the Initial Allocation of Fund Resources (GCF/B.06/05);
 - (m) Initial Results Management Framework of the Fund (GCF/B.07/04);

¹ A key amendment the Secretariat would like to make is that of a change in title of the proposed updated gender policy and action plan. Recognizing that gender equality is only part of the bigger umbrella of social inclusion and that the Secretariat needs to – while adopting a human rights approach – consider the different needs of and target not only women and men from vulnerable communities, but also the elderly; widowed; children; adolescent girls and boys; differently – abled; minority communities; indigenous peoples; persons of different sexual orientation; transgender; religion; belief or non – belief, it is proposed that the title of the updated policy be changed to, 'Gender Equality and Social Inclusion Policy and Action Plan.' Gender and social inequality are known constraints to inclusive growth, and research shows that – when not addressed together – the benefits from sustainable development or poverty reduction initiatives are unequally shared with women and marginalized populations.

- (n) Further Development of the Initial Results Management Framework (GCF/B.08/07);
- (o) Pilot Programme for REDD+ Results-based Payments (GCF/B.17/13); and
- (p) Green Climate Fund Gender Policy and Action Plan (GCF/B.09/10).

III. Stakeholder inputs to the updated Gender Equality and Social Inclusion (GESI) Policy and Action Plan

4. On 20 April 2017, the GCF sent a call for public inputs inviting members and alternate members of the Board, observer organizations, civil society representatives, multilateral development banks, UN agencies to provide inputs in relation to the review and update of the Fund's Gender Policy and Action Plan. The call followed a mandate from the GCF Board in its sixteenth meeting requesting the Secretariat to prepare for consideration by the Board, at its eighteenth meeting, a Fund-wide updated gender policy and action plan. The submission deadline of 21 May 2017 was extended to respond to requests for more time, ultimately the Secretariat received 37 submissions from 80 organizations.

5. The submissions supported the need for an updated gender policy anchored in the reality of a fast changing landscape related to gender equality and social inclusion in the context of climate change. Several submissions noted that women and men of all ages, and particularly from excluded or minority groups have an important role to play in GCF's objectives, policy and program development, and in efforts to combat climate change more broadly. Many emphasized the importance of ensuring that women, girls, boys, men, youth, minority communities, different religious backgrounds, different sexual orientations benefit from GCF activities. They encouraged the development of a broader and more inclusive gender policy and action plan to support the commitment to, and engagement with women, men, girls, boys by the GCF.

6. They noted that a number of multilateral organizations and funds such as the Global Environmental Facility, Climate Investment Funds, Adaptation Fund have comprehensive gender policies, which the GCF can draw on for guidance and lessons.

7. Key observations from the submissions reveal the following:

- (a) There is still a heavy 'linking' of the term 'gender' with 'women's issues'; even among GCF Board Members. This needs to change systematically.
- (b) There is strong consensus that language needs to shift from 'vulnerable' populations to recognizing the values, importance and potential of populations who might be under-privileged or otherwise marginalized; this has been captured in the revised gender equality and social inclusion (GESI) Policy.
- (c) There are requests for consistency and synergies with the policy on Indigenous Peoples (IP). The IP policy too should be reviewed in a manner that it aligns with gender-responsive principles and objectives (since men and women have different access to rights and resources within indigenous norms and cultures). Recommendations that the updated GESI Policy of the GCF should, where possible, be comparable with the proposed Indigenous Peoples' Policy and be consistent with the upcoming Gender Action Plan of the UNFCCC.
- (d) There is a strong call for the underlying principle of human rights and Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) to apply to this Policy; this is reflected in the updated GESI Policy.
- (e) There have been suggestions to form a gender advisory group, similar to the Private Sector Advisory Group, but this has not been reflected in this Policy as it may create too many layers of governance and operational structures.

8. All of the views presented in the submissions were given careful consideration and the Policy presented in this document attempts to address most of the concerns raised.

IV. Lessons learned from other organizations

9. The present document draws from lessons learned from development institutions in implementing their gender policies and from the Global Environment Facility (GEF), the Climate Investment Funds (CIF), bilateral and multilateral donors, and civil society groups:

- (a) Clear policy guidance and sustained management commitment on mainstreaming gender in the relevant finance institution is needed to obtain gender-responsive results;
- (b) Clear baselines on gender responsiveness for the accreditation of implementing entities are needed in order to allow operations to move forward;
- (c) Clear accountability mechanisms are needed, in terms of monitoring and reporting gender-responsive policy implementation, results and processes, in order to take corrective measures when results are not forthcoming;
- (d) Gender-responsive complaint mechanisms are needed, so that women and men feel confident when filing their complaints relating to climate change interventions;
- (e) Sex-disaggregated data and relevant gender and social indicators in the results and portfolio monitoring frameworks need to be included, as appropriate, whenever an activity requires the intervention of people or has an impact on people.
- (f) Qualitative and quantitative methods are needed to assess the gender and inclusive impact of activities;
- (g) Periodic auditing of gender-sensitive and social inclusion results allows policies, accountability and implementation mechanisms to be adjusted;
- (h) Operational procedures and tools are needed to implement policies;
- (i) Gender competencies among core staff greatly enhance attention to gender and social issues; and
- (j) Dedicated budgets for gender-related activities are indispensable.

Annex I: GESI Policy for the Green Climate Fund

I. Background

10. The Governing Instrument gives the Green Climate Fund ('the Fund') a clear mandate to enhance a gender sensitive approach in its processes and operations. It recognizes the importance of gender considerations in terms of impact and access to climate funding:

- (a) *"3. ... The Fund will strive to maximize the impact of its funding for adaptation and mitigation, and seek a balance between the two, while promoting environmental, social, economic and development co-benefits and taking a gender-sensitive approach."*
- (b) *"31. The Fund will provide simplified and improved access to funding, including direct access, basing its activities on a country-driven approach and will encourage the involvement of relevant stakeholders, including vulnerable groups and addressing gender aspects."*

11. Paragraph 71 lists women explicitly amongst the Fund's stakeholders. Finally, the Governing Instrument calls for gender balance among members of the Board (paragraph 11) and staff of the Secretariat (paragraph 21).

12. This updated Policy and Action Plan expresses the Fund's commitment to promote the inter-related goals of gender equality and social inclusion within the Secretariat, across its Investment Criteria² and as an integrated measure of the social dividends of the Fund's overall portfolio. These goals are not 'accidental' co-benefits, but are deliberate and intentional goals at process, performance and portfolio level.

1.1 Definitions³

(a) Agency

The capacity to make decisions about one's own life and act on them to achieve a desired outcome, free of violence, retribution, or fear.

(b) Empowerment

The ability and agency of every woman to shape her own destiny, exercise her rights and make her own choices. Women's empowerment has five components: women's sense of self-worth; their right to have and to determine choices; their right to have access to opportunities and resources; their right to have the power to control their own lives, both within and outside the home; and their ability to influence the direction of social change to create a more just social and economic order, nationally and internationally.

(c) Gender

Gender refers to the social, behavioural, and cultural attributes, expectations, and norms associated with being male or female.

²The fund commits to six investment criteria (IPSCEN compliance) including Impact Potential, Paradigm Shift Potential, Sustainable Development Potential, Country Ownership, Efficiency and Effectiveness, Needs of the Recipient.

³ Unless otherwise indicated, relevant definitions are drawn and adapted from the existing GCF gender policy or the Annex to the GEF Gender Equality Action Plan (GEAP).



(d) Gender equality

As enshrined in international and national constitutions and other human rights agreements, refers to equal rights, power, responsibilities and opportunities for women and men, as well as equal consideration of the interests, needs and priorities of women and men.

(e) Gender equity

Refers to the process of being fair to women and men. To ensure equity, measures often need to be taken to compensate (or reduce) disparity for historical and social disadvantages that prevent women and men from otherwise operating on an equitable basis. Equity leads to equality⁴.

(f) Gender responsive

Refers to the consideration of gender norms, roles and relations and to addressing inequality generated by unequal norms, roles and relations through remedial action beyond creating gender awareness.

(g) Gender sensitive

Refers to raising awareness and consideration of gender norms, roles and relations but does not necessarily address inequality generated by unequal norms, roles or relations through remedial action beyond creating gender awareness.

(h) Resilience

Resilience to climate change can be understood as (1) the capacity to absorb stresses and maintain function in the face of external stresses imposed upon it by climate change, and (2) adapt, reorganize and evolve into more sustainable socioeconomic behaviors, leading people to be better prepared for future climate change impacts”⁵

(i) Rights based approach

In a rights-based approach, every human being is recognized both as a person and as a rights-holder. A rights-based approach strives to secure the freedom, well-being and dignity of all people everywhere, within the framework of essential standards and principles, duties and obligations. The rights-based approach supports mechanisms to ensure that entitlements are attained and safeguarded. Rights are indivisible, interdependent and interrelated. The human rights-based approach focuses on those who are most vulnerable, excluded or discriminated against.

(j) Social inclusion

Refers to the process of improving the terms for individuals and groups to take part in society, and the process of improving the ability, opportunity, and dignity of those disadvantaged on the basis of their identity to take part in society⁶.

(k) Women’s empowerment

Can be best understood as an expansion of agency throughout women’s lives, especially via participation and decision-making. It generally refers to differential or pro-active support to increase:

⁴ UNDP 2017. http://www.unredd.net/index.php?option=com_docman&view=download&alias=15951-un-redd-methodological-brief-on-gender&category_slug=global-gender-resources&Itemid=134

⁵ See C. Folke, “Resilience: The emergence of a perspective for social-ecological systems analyses”, *Global Environmental Change*, vol. 16 (2006) pp. 253–267; and Donald R. Nelson, W. Neil Adger and Katrina Brown, “Adaptation to environmental change: contributions of a resilience framework”, *Annual Review of Environment and Resources* Vol. 32 (2007) pp. 395–419)

⁶ <https://www.worldbank.org/en/topic/socialdevelopment/brief/social-inclusion>

- (i) women's sense of self-worth;
- (ii) women's right to have and determine choices;
- (iii) women's right to have access to opportunities and resources;
- (iv) women's right to have power to control own lives both within and outside the home; and
- (v) women's ability to influence the direction of social change to create a more just social and economic order, nationally and internationally.

II. Rationale

13. In the context of the Sustainable Development Goals (SDGs), the Fund shall consistently apply gender-responsive and socially inclusive implementation arrangements and frameworks to its project/program delivery. The updated GESI Policy and Action Plan recognizes that gender relations, roles and responsibilities exercise important influences on women and men's access to and control over decisions, assets and resources, information and knowledge. Guided by a human-rights based approach, it further acknowledges that climate-change project initiatives are more sustainable, equitable and effective when gender equality and female empowerment considerations are integrated into the design and implementation of projects.

14. The GESI Policy and Action Plan is closely aligned with the SDGs which make explicit commitments to gender, both as a standalone goal on gender equality and women's empowerment (SDG5) as well as a crosscutting theme across all the SDGs. SDG13 on combating climate change aims to promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries and small island developing states, and includes focusing on women, youth, local and marginalized communities.

15. The GESI Policy and Action Plan is guided, among others, by the United Nations Framework Convention on Climate Change (UNFCCC) which parties noted that when addressing climate change principles of gender equality and empowerment of women should be respected, promoted and considered.⁷ It is also guided by the Paris Agreement, which urges Parties to "respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity."⁸ This Policy is, therefore, congruent with international agreements and conventions, in particular with the Universal Declaration of Human Rights, and the International Labor Organization's core conventions.

16. This Policy also aligns itself with the procedures, language and guidance of the Fund's own interim Environmental and Social Safeguards standards and with the policies or other standards that the Fund upholds or will come up with prospectively (e.g. indigenous peoples' policy, accreditation framework, monitoring and accountability framework, initial approval process, country ownership guidelines etc.).

III. Objectives

17. This Policy reinforces the Fund's responsiveness to the multiple, heterogeneous, cultural-diverse contexts of gender equality and social inclusion to better address and account for the links between gender equality, social inclusion and climate change. The Policy commits to (i) enhancing gender equality and social inclusion within its governing structures and day to

⁷ <http://unfccc.int/resource/docs/2015/cop21/eng/10a01.pdf#page=2>

⁸ http://unfccc.int/files/essential_background/convention/application/pdf/english_paris_agreement.pdf

day operations; and (ii) promoting the goals of gender equality and social inclusion through its fund allocation decisions, operations and overall impact.

18. This Policy spells out the principles for achieving gender responsiveness and, through an action plan and supporting technical guidance, the operational requirements for stakeholder involvement in the design, implementation, and evaluation of projects.

19. This Policy moves beyond conventional treatment of gender to consider, respect and value the full diversity of women and men as affected by their age, marital status, income levels, ethnicity, sexual orientation, religion, belief or non-belief, physical abilities, locations and mobility.

20. The Fund's Policy has three main objectives:

- (a) Support climate change interventions and innovations through a comprehensive gender-responsive approach applied both within the institution and by its executing partners
- (b) Promote climate investments that (i) advance gender equality and social inclusion through climate change mitigation and/or adaptation actions; and (ii) minimize social and gender-related risks and safeguard women's and men's rights in all climate change actions.
- (c) Reduce the gender gap of climate change-exacerbated social, economic and environmental vulnerabilities through strategic climate investments.

IV. Scope of Application

21. The Policy objectives apply across four inter-connected levels:

- (a) At the institutional level: Adopt, implement and document the Fund's gender-responsive approach and adherence to social and cultural diversity in its day-to-day governance, operations and procedures, and its performance measurement frameworks while committing the necessary resources to make this approach robust and effective;
- (b) At the project/portfolio level: Address and minimize social risks, achieve deeper stakeholder engagement and deliver better accountability to men and women to generate sustainable livelihood opportunities and resilience against climate induced shocks and risks;
- (c) At the regional and national level: support and sustain an enabling environment among the Fund's stakeholders – including NDAs, FPs, AEs, delivery partners – which builds on social policy commitments, environmental and social standards, and redress mechanisms to achieve gender equality and social inclusion;
- (d) At the sector level: contribute to high quality, more comprehensive and systematic sex – disaggregated data, qualitative and quantifiable gender analysis and a knowledge base that supports gender-responsive learning outcomes;

22. In this way, The Fund will support an “institutional culture and ecosystem” that integrates gender and social inclusion vertically and horizontally across diverse stakeholders and through the course of the project life-cycle and climate investments.

V. Guiding Principles

23. The Guiding Principles underpin the core values and premises of the Policy and are aligned with the Guiding Principles of The Fund's Governing⁹ Instrument. These principles include the following:

1.1 Human rights approach¹⁰ and principles of non-regression¹¹

- (a) The Fund recognizes the centrality of human rights to sustainable development, poverty alleviation and ensuring fair distribution of development opportunities and benefits; and supports “universal respect for, and observance of, human rights and fundamental freedoms for all”.¹² All the Fund's activities shall respect the rights and responsibilities set forth in the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and other applicable international instruments relating to the human rights of indigenous peoples, including ILO Convention No.169, the International Covenant on Economic, Social and Cultural Rights, UNDRIP, and the International Convention on the Elimination of All Forms of Racial Discrimination (CERD);
- (b) The Fund upholds the principles of accountability and the rule of law, participation and inclusion, and equality and non-discrimination, noting that prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status, including as a member of a minority.

1.2 Country ownership

- (a) The Fund informs NDAs, FPs that proposed readiness, NAP, NAMA proposals and other projects submitted by AEs to the Fund shall be aligned with national policies and priorities on gender with the Fund's GESI Policy and Action Plan, within the framework of international human and women's rights agreements.

1.3 Stakeholder consultation

- (a) The Fund requires that women and men, especially those from marginalized and vulnerable groups and communities, shall be provided with equal and equitable opportunity to be included in meaningful consultations and decision-making during project and programme preparation, implementation and evaluation.

⁹ The Governing Instrument currently states: “The Fund will strive to maximize the impact of its funding for adaptation and mitigation, and seek a balance between the two, while promoting environmental, social, economic and development co-benefits and taking a gender-sensitive approach.

¹⁰The pursuit of gender equality is inherently a rights – based approach and such approaches cannot be disassociated with gender issues. Therefore, it is important to reiterate the need for a human rights approach in any discourse pertaining to the development of an updated gender policy.

¹¹The Principle of Non-Regression is an International Law Principle requiring that norms which have already been adopted by States not be revised, if this implies going backwards on the subject of standards of protection of collective and individual rights.

¹²Charter of the United Nations, Article 1, para 3. <http://www.un.org/en/sections/un-charter/chapter-i/index.html>

1.4 Free, prior and informed consent (FPIC)¹³

- (a) Free, prior and informed consent shall be an iterative process, requiring the consent of project stakeholders in all their diversity, before any GCF-financed activities are undertaken, on the basis of their own independent deliberations and decision-making process, based on adequate information to be provided in a manner that is understood by them; and a process of transparent and inclusive consultations, including with women, men of all ages and from different social groups, and free of coercion or intimidation.

1.5 Disclosure of information

- (a) This principle aligns with the requirements of the Comprehensive Information Disclosure Policy of the Fund.

VI. Policy Requirements

24. The **GCF Secretariat** is responsible for dedicating financial, human and other resources as required to implement the GESI Policy and Action Plan, including:

- (a) The Fund shall ensure that applicant entities are screened, selected and presented for accreditation to the Accreditation Panel and the Board on the basis of their commitment and capacity to implement the principles of this Policy;
- (b) The Fund shall ensure that the Accreditation Master Agreements and Funded Activity Agreements with AEs obligate them to comply with the requirements of the GESI Policy and Action Plan and ensure adequate means are retained for compliance with this policy;
- (c) The GCF Accreditation Panel shall examine policies, capacities and compliance procedures of prospective entities applying for accreditation in line with the requirements of the GESI Policy and Action Plan and require that any gaps identified are addressed within a specified timeframe as a condition of accreditation or renewal of accreditation;
- (d) The Fund shall review each AE's project – level gender and social inclusion action plan and checklist of project-level gender-responsive processes, procedures and implementation risks against which the project can be monitored;
- (e) The Fund shall ensure that its projects target the poor, vulnerable, marginalized female/widowed/adolescent/child - headed households, the elderly, differently - abled and those living in climate hotspots (e.g. hilly terrains, arid and semi – arid, delta regions).
- (f) The Fund shall ensure that annual performance reports submitted by AEs report against gender and social inclusion requirements, targets and goals, in alignment with the SDGs.

¹³Submissions received via the call for public inputs revealed that GCF's stakeholders (mostly CSO groups) would like to see a free, prior and informed consent (FPIC) process in place. Free, prior and informed consent shall be iterative, requiring the consent of project stakeholders in all their diversity, before any GCF-financed activities are undertaken. The FPIC process suggested in this document is coherent and compatible with the FPIC process contained in the draft Indigenous Peoples' Policy. Including the FPIC process in the updated gender policy is justified on grounds that GCF needs to strengthen and build on FPIC processes contained in the draft Indigenous Peoples' Policy, as at times FPIC processes are not seen to include women and men of all ages and from different social groups.

- (g) The Fund shall commit resources as necessary towards independent third-party verification and independent project reviews and assessments to document, publish and archive the value and added benefits and considerations of gender-responsive actions and achievements;
 - (h) The Fund shall develop guidelines for gender assessments that go beyond the collection of sex-disaggregated data to also account for intra-community diversity and complexity, including intersecting categories such as, ethnicity, class, sexual orientation and age;
 - (i) The Fund shall develop specific targets and progress indicators aligned with the SDG framework, particularly SDG5; integrate both qualitative and quantitative targets and indicators into the Fund's Results Management Framework; and require all projects/programs financed by the Fund to report progress and impact against this framework;
 - (j) The Fund commits to generate, document, publish and archive experience gained through its actions and project investments, to promote learning from best practice implementation of its partners. The Fund shall also commit to capitalize on knowledge and expertise gained from other partner organizations;
 - (k) The Fund is responsible for organizing gender training or providing any gender resource as requested by the Board. Additionally, the Secretariat can complement its own gender capacity with consultants or through the establishment of a gender advisory group of experts. As requested by the Board, the Secretariat will organize gender training and capacity-building for AEs and intermediaries by the Fund, especially through integration of a gender training module in its readiness support activities and via project preparation grants.
 - (l) The Independent Redress Mechanism Unit (IRMU) is responsible for ensuring that in the context of addressing a complaint or request, GESI Policy requirements are complied with by the Fund in all redress cases.
 - (m) The Fund's Senior Management, Board members and Co-Chairs shall be responsible for reviewing progress made on the policy and action plan at every or alternate Board meeting.
25. **AEs**, including Intermediaries, shall dedicate the necessary financial, human and other resources as required to implement the Fund's GESI Policy. Through the accreditation process and the fit-for-purpose accreditation approach¹⁴, all entities shall meet the Fund's GESI Policy and gender requirements for accreditation. They are required to have policies, procedures and competencies in place with which to implement the Fund's GESI, including the use of sex-disaggregated data throughout all GCF supported activities. After accreditation, and at the project/programme level, the AE shall be responsible for implementing the GESI Policy as it relates to the Fund-approved project/programme through in-country project identification and implementation, as well as for results reporting.
26. The NDAs, FPs, AEs shall respect internationally proclaimed human rights and shall not be complicit in violence or human rights abuses of any kind as defined in the Universal Declaration of Human Rights¹⁵. A compliance mechanism will be put in place by the Fund to ensure adherence to human rights principles.
27. Projects shall not discriminate with regards to participation and inclusion.
28. At the project level, AEs and implementers are required to complete the following:

¹⁴ Decision B.08/02

¹⁵ <http://www.un.org/en/universal-declaration-human-rights/>

1.1 At the project inception stage:

29. Apply robust gender-responsive standards to all proposals.
30. All AEs submitting funding proposals are required to submit a gender and social assessment and a project/program level gender equality and social inclusion action plan at the project preparation stage. These analyses may be used to inform project formulation, implementation, and monitoring and evaluation
31. All AEs shall ensure gender-responsive approaches in stakeholder consultation: information sharing equitably with female and male stakeholders is a minimum standard, in which information is both available and presented in accessible formats across all stakeholder groups, including those more marginalized (e.g. women, girls, youth, indigenous peoples, etc.). The approach also includes opportunities for stakeholders to share information in a two-way exchange, give regular feedback during implementation and ensure their views and priorities are incorporated in design and practice.

1.2 At the project design stage:

- (a) AEs shall outline 'design elements' that encourage women and men from all sections of society to participate equitably and meaningfully in project design and implementation; to mitigate risks of a project intervention to ensure that it does not increase gender inequity; and to optimize the project benefits for the underprivileged or for women and men from vulnerable communities.
 - (b) AEs are required to understand and integrate sociocultural factors underlying climate change-exacerbated gender inequality to optimize and leverage the potential contributions of women, men and their communities in order to build collective resilience to climate change.
 - (c) AEs may adopt methods and tools to promote gender equality and reduce gender and social disparities, including through the application of social and environmental safeguards standards.
32. Accredited entities will be expected to:
- (a) Describe how the activities proposed for GCF financing will be consistent with the Fund's updated GESI Policy, and particularly regarding the free, prior and informed consent during project and programme design, implementation and expected outcomes related to the impacts affecting the communities;
 - (b) Describe the involvement of women and men in their full social and cultural diversity in the design and the implementation of the Fund's-financed activities, and document detailed outcomes of the consultation process; and
 - (c) Provide documented evidence of the mutually accepted process within the GCF-financed activities between the implementing entities and the affected communities and evidence of an agreement between the parties as the outcome of the negotiations.

1.3 At project implementation stage:

- (a) In order to level the playing field for women, intentionally optimize women's empowerment, agency, choice and opportunities.
- (b) Measure the outcomes and impacts of project activities on women and men's resilience to climate change by, among other things, specifically requiring sex-disaggregated data (qualitative and quantitative) to be used throughout the project's life – cycle.

- (c) Establish specific social impact and gender – performance indicators and gender responsive data collection and measurement methods aligned with SDG5.

1.4 At project monitoring and reporting stages:

- (a) The reporting framework will collect baseline information for each project; identify which projects/elements may contribute toward which aspects of gender equality and social inclusion (and which ones cannot); identify, mitigate and manage possible risks and trade-offs with respect to gender equality and social inclusion; design and integrate necessary safeguards measures to mitigate social risks faced by vulnerable communities, including women and girls and set up accountability and compliance mechanisms to ensure that planned activities related to the empowerment of vulnerable social groups are implemented in an adequate and timely manner.

VII. Implementation arrangements, Compliance and Reporting

33. The Fund adopts a GESI Action Plan in operationalize the policy and focuses on five priority areas as follows:

- (a) Governance and integrity;
- (b) Competencies and capacity development;
- (c) Resource allocation, accessibility and budgeting;
- (d) Operational procedures; and
- (e) Knowledge generation and communications.

34. The proposed duration of the action plan is five years, to enable the Fund to dedicate and invest the required resources both institutionally to develop robust GESI capacity as well as through climate change financing.

VIII. Dates of Effectiveness and Revision

35. This GESI Policy comes into effect on adoption by the GCF Board on (date).

36. This GESI Policy will apply immediately to all new projects that are seeking GCF support and will require that all applicants demonstrate compliance with the mandatory requirements of the policy.

37. The GESI Policy will not apply retroactively to projects currently undergoing funding application or to entities who have undergone the accreditation process.

38. The GCF Secretariat understands that gender mainstreaming and inclusivity at the institutional and the project level is a long-term undertaking and a sustained commitment, which includes tracking and reporting on its progress. It also acknowledges that approaches to gender advancement and transformation evolve over time. The policy will be reviewed and updated every two years or as determined by the board.

Annex II: Action Plan {Phase II} 2018 – 2022

39. The operationalizing of this policy rests equally with Secretariat roles and responsibilities as well as the compliance required of NDAs and AEs on project implementation. In order to support the ‘enabling environment’ of national contexts, NDAs and AEs, the Fund needs to have sufficient institutional capacity and expertise to raise the bar on its gender equality and social inclusion objectives.

40. The purpose of the action plan is to provide a time-bound framework within which to operationalize this Policy. Implementation of the action plan will provide the Fund and all implementation partners, public or private, with the competencies, tools and processes to achieve gender-responsive and socially inclusive results in all areas of the Fund’s mandate. It also provides the Board with the necessary information to exercise its oversight responsibility for the Fund’s GESI Policy, as mandated by the Governing Instrument.

41. The plan is structured into five priority areas with accompanying details of implementation actions required for each priority area.

1.1 Governance and Integrity

42. The Fund shall strive to reach gender balance in all key advisory and decision-making bodies, including in the appointments of members of the Board, Accreditation Panel, ITAP and Secretariat management and staff.

43. The Board approves the GESI Policy and oversees the implementation of the action plan, through the review of periodic monitoring reports from the Secretariat (particularly the Portfolio Management Unit), impact evaluation reports from the Independent Evaluation Unit and any reports from the redress mechanism.

44. The Secretariat will undertake its due diligence for the implementation of the GESI Policy through internal gender and social inclusion audits, through the accreditation of entities and intermediaries, and through a robust project approval and monitoring process. This will require strong gender equality and social inclusion competencies and integrity within the Accreditation Panel, the ITAP and the Board. The Secretariat will report to the Board on the implementation of the GESI Action Plan on an annual basis.

45. The overall implementation of the GESI Policy is the responsibility of the Secretariat and the Fund’s operational structure consisting of AEs, NDAs, FPs, delivery partners and its contractors. The main operational responsibility for the implementation of the Policy will be with the AEs, including implementing entities (IEs) and intermediaries. Through the accreditation process, and taking into account the fit-for-purpose accreditation approach,¹⁶ entities will be required to have the necessary policies, procedures and competencies to implement the Fund’s GESI Policy and Action Plan. After accreditation and at the project/programme level, the AE will be responsible for implementing the GESI policy as it relates to the Fund-approved project/programme, through in-country project identification and implementation, monitoring and results reporting. On the other hand, NDAs may request readiness and preparatory support from the Fund in order to develop and/or strengthen their policies, procedures and competencies to meet the requirements of the Fund’s GESI policy.

46. The NDAs will verify through the no-objection procedure that project proposals are aligned with the countries’ gender policies, as well as with their climate change policies and priorities. The Fund will expect that the NDAs use, as appropriate, the countries’ gender

¹⁶ Decision B.08/02.

competencies in order to review their climate change plans, gender and social inclusion action plans and programmes and projects.

47. Aligning this Policy to GCF's own risk management framework, the GCF will have zero tolerance towards its staff and Board members not adhering to the GESI Policy and Action Plan.¹⁷

1.2 Competencies and capacity development

48. The GCF will ensure that social/human ecology and gender responsive learning becomes a valuable and required asset of all project staff and that this requirement is integrated into key qualification criteria across the organization. Strengthening the ESS unit from a social and gender perspective and resource (human and financial) will be more effective for the entire organization. The role of the gender focal point should be that of coordination.

49. The Fund's management and staff are accountable for gendered results, including as part of their annual performance review. This is reflected in the Fund's administrative policies and procedures, including human resource management and the procurement of contractors. This means that significant resources will need to be dedicated and earmarked for internal learning at many levels, from junior staff to accreditation panel/ITAP and the Board to fully subscribe to a gender equality/social inclusion principle not just as an operational project impact issue but as a fundamental way to include people in all their diversity to engage with, contribute to and benefit from GCF's investment decisions.

50. Given the significance of the Board, it needs to represent more diversity and inclusiveness in its overall make-up, and importantly, should establish qualifications and experience criteria that will reinforce these perspectives and viewpoints throughout the governing body. This implies that as part of their on-boarding procedures, all Board members should complete a series of learning sessions on gender equality and social inclusion and commit to be guided by these principles in their formal Letter of Appointment.

51. All staff should be required to receive multi-disciplinary learning on ethics, diversity, social inclusion and gender responsive approaches, and supported to develop their own operational guidelines, filters and procedures within and among the various units to operationalize the GESI Policy and Action Plan. Basic training could be offered as an in-house on-line module and further deepened through face to face intra-unit case study discussions.

52. The Secretariat should appoint senior staff member(s) with competencies and experience in gender and social development reporting to the Executive Director to lead the implementation of the Policy. The Secretariat shall strive for relevant gender and climate change competencies to be included in the Accreditation Panel, the Accreditation Committee, the Investment Committee, the Risk Management Committee and the Private Sector Advisory Group, as well as in the Independent Technical Advisory Panel.

1.3 Resource allocation, accessibility and budgeting

53. The Fund's resource allocation for adaptation and mitigation projects and programmes contributes to gender equality and social inclusion. The Fund seeks to ensure that its projects and programmes support initiatives addressing the inequity of climate change impacts and to provide gender-responsive solutions to climate change mitigation, adaptation or readiness.

¹⁷Refer to the GCF risk management framework
https://www.greenclimate.fund/documents/20182/751020/GCF_B.17_12_-_GCF_risk_management_framework.pdf/17c38a79-8315-4b88-b042-3c0492ff16a6

54. When it is necessary to correct for climate change-exacerbated gender and social inequalities, the Fund will determine its strategy for targeted funding (e.g. through RFPs, small grants facility, stand alone technical assistance) to support women's and men's climate change adaptation and mitigation initiatives at the grassroots.

55. At the Secretariat level, human, financial and material resources will be required to carry out knowledge management, monitoring, evaluation and learning, capacity development, implementation support.

1.4 Operational Procedures

56. The policy will be implemented throughout the Fund's administrative¹⁸ and operational processes. Guidelines will be issued for the benefit of external partners: NDAs and AEs. The guidelines will apply to all activities, including private sector activities, and to the Fund's project/activity cycle described in document GCF/B.07/03. Core elements will include:

- (a) A mandatory initial socioeconomic and gender assessment, complementary to the environmental and social safeguards (ESS) process, which accredited entities AEs will be required to undertake in order to collect baseline data, and to:
 - (i) Determine how the project/programme can respond to the needs of women and men¹⁹ in view of the specific climate change issue to be addressed;
 - (ii) Identify the drivers of change and the gender dynamics in order to achieve the project/programme adaptation or mitigation goals;
 - (iii) Identify and design the specific gender elements to be included in the project/programme activities;
 - (iv) Estimate the implementation budgets;
 - (v) Select output, outcome and impact indicators; and
 - (vi) Design project/programme implementation and monitoring institutional arrangements;
- (b) Gender equitable and inclusive stakeholders' consultations, conducted and documented throughout the design and implementation of the project;
 - (i) Guidance on the application of the free, prior and informed consent will be developed and maintained in consultation with communities in their full diversity as part of the operational guidelines of this policy.
 - (ii) Inclusion of gender and social perspectives in the application of the mandatory project/programme social and environmental safeguards in line with project/programme-specific requirements of the Fund's ESS in accordance with decision B.07/02;20 and

¹⁸The Administrative Manual will specify the Fund's internal accountability structure and processes for gender results, including the staff's annual performance review.

¹⁹Including pro – poor and preferential targeting especially for vulnerable female – headed households/widowed households/the elderly/the differently abled/households/families that are in arid, semi – arid regions, deltas or living next to mangroves.

²⁰The initial socioeconomic and gender assessment is recommended for the Fund to proactively build in a gender-responsive approach to project planning design and implementation arrangements, by contrast to the Fund's ESS, which employs the conventional 'do no harm' approach in order to ensure that all project/programme potential environmental risks are addressed and that measures are identified to offset these risks.

- (iii) Project screening for gender sensitivity and inclusiveness at various stages of the project preparation, appraisal, approval, and monitoring process, by the relevant bodies (NDAs, AEs, the Secretariat).
20. NDAs/FPs and entities may request readiness and preparatory support from the Fund to enhance their capacity to implement the Policy. The Fund will also develop sector notes on gender as needed, that promote use of knowledge and lessons learned on gender issues, methodologies for valuing impact and conduct in-house learning to promote the understanding and facilitate appreciation of gender-responsive climate investments.
 21. The Fund proposal process will guide project developers to select and apply a range of gender indicators to measure progress, outcomes and social impacts. Areas of measurement could include:
 - (a) measuring added social value to a project's development impact through its contribution to gender equality, women's empowerment and social inclusion;
 - (b) measuring activity outcomes that target and address gender and social gaps, these may include economic opportunities; voice, agency and leadership; and addressing time poverty.
 22. The Fund accounts to its Board for gender and climate change results and outcomes, and reports annually in a transparent manner. Qualitative and quantitative gender and social monitoring, impact, and outcome indicators are included in the results management and performance measurement frameworks (GCF/B.08/07). Progress on gender integration results is also reported to UNFCCC parties as part of the Fund's annual report to the COP. The Secretariat will provide regular (i.e. quarterly) policy monitoring reports to the Board.

1.5 Knowledge generation and communications

57. As a learning institution, the Fund will work with AEs to document the experience and knowledge gained from applying GESI requirements to funding proposals and from project activities. In particular, it will seek to identify good practices from countries and AEs and tap into the contextual knowledge already available on gender and climate mitigation and adaptation programmes and projects implemented by other partners. The Fund will support knowledge exchange activities on gender and climate change finance.

58. Communicating the Fund's commitment to gender equality and social inclusion, its Policy and its implementation guidance will be a strategic communications activity and an integral part of the Fund's communications plan. It will be important to communicate to the public not only how the Fund is implementing its GESI Policy, but also to seek periodic feedback from stakeholders and partners on the implementation of the Policy and on possible improvements in the action plan.

59. The proposed duration of the GESI Policy and Action Plan is for five years (2018 – 2022) to allow the Fund to implement activities, make assessments of what is working or not working, undertake mid – course corrections, and if found suitable, revise/update the Policy accordingly.

Annex III: Illustrative gender and social inclusion indicators

Priority Area	Results to be achieved: Implementation of Gender Equality and Social Inclusion Policy				
	Action	Indicators	Responsibility	Timing	Budget
a) Governance and institutional structure	Approval of the updated Policy		Board	October 2017	
	Periodic monitoring of reports on the implementation of the gender and social inclusion policy action plan	<ul style="list-style-type: none"> Annual report of the Fund Gender and social inclusion is covered in the annual redress mechanism report 	Board/Secretariat/Redress Unit /Evaluation Unit	Annually	No additional costs envisaged
	Appointment of a senior gender specialist	<ul style="list-style-type: none"> Recruitment of senior staff with high – level gender and social inclusion competencies 	Secretariat	February 2018	\$395,000
	Include gender and social inclusion performance in the accreditation requirements related to the Fund’s policy	<ul style="list-style-type: none"> Percentage of accredited entities with policy and procedures on gender and social inclusion Percentage of accredited entities with gender and social inclusion competencies and track records in gender issues 	Accreditation panel/Secretariat	Starting in February, applicable to entities that submit their application for accreditation after publication of the Fund policy	No cost implications
b) Administrative & operational guidelines	<p>Include gender and social inclusion in the Fund’s Operational Manual, in particular:</p> <ol style="list-style-type: none"> Guidance for NDAs, AEs on the mandatory socio – economic and gender assessment at the start of each project/program; and Guidance on gender – responsive and inclusive project design elements, budgets, results, monitoring, and impact indications, preparation, implementation and the monitoring of institutional arrangements 	<ul style="list-style-type: none"> Guidelines issues and communicated to NDAs and AEs through the Fund’s website 100% of all approved funding proposals contain a gender and social assessment and a project – level gender and social inclusion action plan Number of training sessions, on the guidelines, provided to NDAs and AEs, and the qualitative reporting of that training 	Secretariat	2018 - 2022	\$30,000 annually for training sessions

Priority Area	Results to be achieved: Implementation of Gender Equality and Social Inclusion Policy				
	Action	Indicators	Responsibility	Timing	Budget
	Develop toolkits and sourcebooks for NDAs/AEs on gender and climate change mitigation and adaptation, including for specific sectors	<ul style="list-style-type: none"> Number of toolkits, sourcebooks and references posted on the Fund's website 	Secretariat	2018 - 2019	\$75,000
c) Capacity Building	Increase the knowledge of the Fund's partners on gender and social inclusion	<ul style="list-style-type: none"> Number of development partners/stakeholders/NDAs/AEs which received gender and social inclusion training 	Secretariat and partners	2018 - 2022	\$100,000
d) Outputs, outcomes and impact monitoring indicators, and reporting	Application of gender and social inclusion guidelines in project preparation/design/implementation/monitoring	<ul style="list-style-type: none"> Percentage of projects/programs that have applied gender and inclusive stakeholder consultations Number of funding proposals whose principle objective is to promote gender equality and social inclusion in climate action Number of projects where women and men from vulnerable communities and socially excluded groups report improvements in their quality of life Number of projects that demonstrate reduced vulnerability of women and men from socially excluded groups to the adverse impacts of climate change Number of projects that demonstrate increased adaptive capacity of women and men from vulnerable and excluded communities to respond to the impacts of climate change Number of projects that contain strategies and specific budgets to leverage co - benefits between gender equality and 	PMU/IEU/Consultants/gender expert	2018 - 2022	\$150,000 for third party evaluation (bi - annual exercise)

Priority Area	Results to be achieved: Implementation of Gender Equality and Social Inclusion Policy				
	Action	Indicators	Responsibility	Timing	Budget
		social inclusion and climate action <ul style="list-style-type: none"> Projects with resilient infrastructure measures in place to prevent economic losses and mitigate social risks, including gender - related risks 			
e) Knowledge generation and communications	Assess the implementation of the gender and social inclusion policy and action plan	<ul style="list-style-type: none"> 'Stock - taking' report posted on the website 	Board/gender expert/communications team	2021/2022	
