
Gender Assessment

FP095: Transforming Financial Systems for Climate

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Transforming Financial Systems for Climate

Gender Equality Approach and Strategy

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List of Acronyms and Definitions

‘a Project’ or ‘Projects’	Refers to the partnership between AFD and a Local Financial Partner, meaning a credit facility possibly combined with a technical assistance facility and/or guarantee scheme, to be financed in the framework of the Program
‘Subprojects’	Refers to the loans granted by a LFP to local companies in the framework of the Program
‘the Program’	Refers to the whole AFD-GCF initiative ‘Transforming Financial Systems for Climate’
AFD	<i>Agence Française de Développement</i> (French Agency for Development)
E&S	Environmental and Social
ESDD	E&S Due Diligence
ESIA	Environmental and Social Impact Assessment
ESMS	Environmental and Social Management System Refers to the whole procedures, tools, processes and organizational arrangements and capacities set up by an organization to manage E&S issues and E&S risks in particular
ESRM	Environmental and Social Risk Management
FI	Financial Intermediary/ies
GCF	Green Climate Fund
IFC	International Finance Corporation
ILO	International Labor Organization
LFP	Local Financial Partner
NDC	National Determined Contributions
OECD	Organisation for Economic Co-operation and Development
PS	Performance Standard(s)
TA(P)	Technical Assistance (Program)
TORs	Terms of Reference
UN	United Nations

I. AFD's approach to Gender Equality

AFD has built experience and expertise on integrating gender objectives to financed projects, through a specific approach tailored to the stakes of each project and to the needs of beneficiaries and project partners. Such approach is developed below.

In 2013, AFD launched its own strategy process through its 2014–2017 Transversal Integration Framework on gender and the reduction of gender inequalities. This gender policy aims to promote equal opportunities for men and women and to improve the efficiency and sustainability of operations financed by AFD, through three main operational priorities:

- Preventing gender inequalities in AFD operations;
- Promoting gender equality as one of the objectives of the interventions;
- Supporting the evolution of society on gender issues.

To promote AFD gender approach and to encourage better integration of gender in the project cycle, AFD gender strategy focuses on:

- 1) Developing a gender equality approach specific to AFD's intervention sectors and countries;
- 2) Systematically integrating gender issues throughout the project cycle;
- 3) Assessing and building knowledge on experiences;
- 4) Strengthening AFD's capacities on gender issues;
- 5) Building capacities of AFD's partners on gender issues;
- 6) Participating in debates and discussions on gender and development issues.

The implementation of this strategy is based on a decentralized approach implemented within AFD teams, with a network of trained gender focal points in all AFD teams and particularly in local offices, supported by the Environmental, Social, and Sustainable Development Unit, which bears the technical expertise on gender. Such organization allows the promotion of equality in access to and control of resources and income, in participation of men and women to all project components, and in capacity-building and empowerment of project beneficiaries. This approach applies to all projects financed by AFD without discrimination.

1.1. Methodology

To support, monitor, and report on the integration of gender equality objectives in AFD-funded operations, specific method and indicators have been set up.

First of all, AFD uses the OECD DAC¹ marker on gender equality to screen and report on all projects as follows:

- 7) 0: the project has no objective in terms of reduction of gender inequalities.
- 8) 1: the project has a specific objective to reduce gender inequalities.

¹ Development Assistance Committee

9) 2: the project’s main objective is to reduce gender inequalities.

OECD markers on gender equality are assigned during the ex-ante analysis of the project and its categorization. This scoring system tracks the progressive efforts allocated to this issue. Any project strengthening gender equality and women’s empowerment or reducing gender discrimination and gender-based inequalities will be marked 1 or 2. It is important to note that these markers are chosen at the beginning of the investigation, and fixed at the time of granting.

In addition to that, AFD’s internal sustainable opinion includes a gender equality dimension, consistent with the OECD CAD markers but allowing more accurate analysis, as detailed in Table 1.

AFD Sustainable Development Indicators	Contents	Equivalence with OECD CAD markers
-2	There is important risk of enhancing gender inequality through the project	0
-1	There is an opportunity to reduce gender inequality through the project but no dialogue or specific measures have been considered to do so	0
0	There is no specific gender issue to be addressed by the project	0
+1	Needs and interests of men and women have been analyzed and discussed with the partner but no specific objective or measure have been designed	0
+2	One of the project’s objectives is to ensure effective access to women to the opportunities created by the project	1
+3	Women empowerment and structural reduction of gender inequalities is part of the project’s main objectives OR is a cross-cutting objective of the project	2

Table 1 - AFD Sustainable Development Analysis on Gender Equality

As per the CAD marker screening, the sustainable development analysis is fully integrated to the project cycle from the project’s identification phase to the final financing decision, and is validated by the sustainable development opinion, issued by a structure independent from AFD’s Operations Department.

In order to ensure the proper implementation of gender analysis and integration of gender equality objectives to AFD-funded operations, quantitative and qualitative gender analyses are thus defined during the whole project appraisal, including:

- 10) Pre-identification stage - understanding the roles and responsibilities of men and women and different social groups in the project by making an inventory of gender relations, and developing and maintaining a regular dialogue with partners in the countries;
- 11) Identification stage – conducting initial gender analysis and assessment, in order to identify project risks and opportunities in terms of gender issues;
- 12) Feasibility studies/ex-ante evaluation stage - improving the analysis to ensure the communities’ motivations are well understood (this analysis articulates with the overall feasibility studies of the project), identifying relevant indicators and precisely defining costs related to the implementation of a gender strategy for the Project;
- 13) Granting stage - confirming that the studies conducted have addressed all gender issues;

- 14) Execution stage - integrating gender issues into the contract documents and developing indicators to perform on-going monitoring and evaluation of these actions and their effectiveness.

The gender analysis is conducted by AFD E&S and Gender team of experts, and, as such, is linked to E&S due diligence².

1.2. Tools and Supporting Mechanisms

As stated above, the support to gender analysis and assessment, and integration of gender equality objectives to Projects is carried out by AFD's Environmental and Social Experts, who are fully part of the Project team and participate as much as needed to Project appraisal, being part of evaluation missions if necessary, in order to ensure not only appropriate E&S risk management, but also proper gender analysis to promote the definition of gender equality objectives. This team is also in charge of organizing and/or supporting internal training sessions on gender, both at headquarters and local offices level, and continuous capacity-building of AFD teams.

In addition to that, AFD has developed a series of tools to help the conduction of gender analysis on projects, such as gender country profiles, sectoral gender toolkits, etc. Such tools are available for AFD teams and partners, being published on AFD's website³.

II. Gender Strategy for the Program

2.1. Main Stakes and Challenges

Considering the objectives and sectors targeted by the Program, gender-related activities can be addressed through:

- (i) **Cross-cutting approaches to gender equality:** whatever the sector of intervention and eligibility criteria, Projects can be analyzed and include cross-cutting approaches to gender equality, through:
 - i. **Gender-based analysis of climate change exposure:** since all Projects to be part of this Program intend to fight against climate change, the possible differentiated impacts of climate change on men and women can be analyzed on all projects. Particular attention must be put on the possible increased vulnerability of women to climate change, but also on the role women can play in fighting against climate change and developing adaptation strategies and activities. Whenever possible, specific activities will be integrated to Projects in order to reduce vulnerability of women and increase women's role in climate change adaptation and mitigation.
 - ii. **Capacity-building of project partners (LFPs and end beneficiaries) on gender-related topics:** thanks to technical assistance programs, the organization of

² As described in the E&S Framework.

³ <https://www.afd.fr/fr/page-thematique-axe/egalite-des-sexes>

awareness and training sessions for LFPs and/or their clients can be easily integrated to the Projects. Particular attention will be put on gender and climate topics, and, according to each Project, to the sector(s) targeted.

(ii) **Specific thematic approaches:** in line with the objectives of the Program, gender equality objectives will be also considered looking at the following specific issues:

- **Women economic participation:** promotion of gender equality at work within LFPs and their clients, women empowerment and economic participation on subprojects, support to women entrepreneurship, financial inclusion of women, etc.
- **Equal access to services:** access to energy and water, access to housing, etc., with specific attention granted to female-headed households.

Table 2 introduces example of gender components and activities according to the sectors targeted by the Program.

Sectors	Mitigation	Adaptation
Industries / Services	Energy efficiency of industrial processes and in buildings Renewable energy development (incl. IPP, auto consumption, etc.)	Reduction of water leakages Water re-use systems Construction of infrastructures resilient to climate change
<i>Examples of gender-related activities</i>	Gender equality at work and gender action plans for beneficiary companies	Gender equality at work and gender action plans for beneficiary companies Analysis of gender issues and stakes in Subprojects including access to water
Agriculture / Forestry	Methanization of agriculture waste PV solar systems for irrigation /Sustainable forestry exploitation	Irrigation monitoring and control system Rainwater harvesting system Adaptation of cultivated species
<i>Examples of gender-related activities</i>	Analysis of the roles of men and women in agriculture and forestry Training sessions to new technologies adapted to the roles of men and women	Analysis of the roles of men and women in agriculture and forestry Training sessions to new technologies, techniques and/or species adapted to the roles of men and women in agricultural production
Individuals / Professionals	Solar water heaters, bio digesters, PV solar power/High energy performance / quality housing	Installation of water flow limiting devices
<i>Examples of gender-related activities</i>	Specific support (e.g. investment grants) to female-headed households in access to energy efficient or renewable energy devices	Engagement of both men and women in devices management (training and management committees)

Table 2 - Examples of gender-related activities per sector

The Gender Approach for the Program is Project-specific. Specific indicators and activities are therefore defined on a case-by-case basis according to the framework established in Annex 1 – Indicative Gender Action Plan for the Program.

2.2. Methodology

The approach to gender analysis and assessment for the Program is based on and will refer to AFD's approach to gender and equality between men and women, and GCF's guidelines to gender analysis/assessment and Gender and Social Inclusion Action Plan Templates.

Minimal Requirements

In line with AFD and GCF's gender approaches, each Project is assessed to comply at least with the following requirements:

- Basic gender analysis: the roles of men and women in the sectors targeted by the Project are assessed (e.g. through the feasibility study) and the findings of gender analysis clearly appear in Project appraisal documentation. Project appraisal documentation details why (or why not) gender is an objective of the Project.
- Sex-disaggregated data: quantitative indicators for the Project are sex-disaggregated where relevant.
- Integration of gender into ESDD for Subprojects: ESDD include risk analysis in terms of gender inequalities, and defines measures to avoid, minimize or offset such risk.

Such basic assessment is conducted by AFD Gender Expert during Project Appraisal, with the support of AFD Project Managers and local offices.

Definition of gender objectives

On the basis of the initial gender analysis and in line with AFD methodology as described above, specific or general objectives are designed to promote gender equality through the project. Such objectives can be formulated at the level of the LFP (e.g. gender action plans to strengthen gender equality at work, to train personnel on gender-related issues), at the level of Subprojects, in line with the targeted sector, or both. These objectives are based on the initial assessment and are discussed and agreed with LFPs, with AFD overall coordination. Whenever necessary, specific baseline studies are conducted in order to identify gender equality stakes in the country, sector, and possibly within the LFP, and to define gender-specific indicators for the Project.

- **Examples of Projects with gender general objectives:**
 - A project that supports gender equality at work within the LFP and its clients as an eligibility criteria to a credit facility
 - A project aiming at supporting women entrepreneurs through training, and target beneficiaries
 - A project supporting energy efficiency in social housing with focus on single-headed families
- **Examples of Projects with gender specific objectives:**
 - A project in which the LFP conducts a gender assessment and designs and implements a gender action plan to enhance gender equality within its internal organization
 - A project that includes a specific study on the role of women in designing and participating to climate change adaptation activities in agriculture
 - A project that includes specific awareness and training sessions to promote gender equality in the management of community water management infrastructures

Implementation of gender activities

Technical Assistance Programs are crucial in implementing activities that promote gender equality within the Program. Since awareness and training are key to the development of gender equality, specific expertise in that field is to be considered in the TA recruitment. Thanks to the support of gender experts in a punctual or continuous basis – depending on a Project’s gender objective – TA activities are designed and implemented, as for instance:

- Support to the design and implementation of gender action plans for LFPs and end beneficiaries
- Support to gender analysis within E&S due diligence
- Design and conduction of awareness campaigns for end beneficiaries
- Design and conduction of a capacity-building program including tools and training sessions for LFP staff
- Conduction of gender specific studies, e.g. on the roles of men and women in the sector targeted by the Project
- Organization of knowledge-sharing events between stakeholders involved in gender-related topics
- Design of awareness and communication tools to support the promotion of gender equality
- Knowledge management activities with gender focus
- Support to the inclusion of gender data in monitoring and evaluation systems

Synergies have to be looked at between Projects, not only to ensure consistency within the Program, but also to encourage learning between peers. Activities such as seminars or workshops between LFPs with specific focus on gender are encouraged.

Gender Action Plans

Based on the objectives adopted for each Project, a Gender Action Plan must be defined with the LFP and other relevant Project stakeholders during Project appraisal. This Gender Action Plan will follow the GCF template as per Annex 2 – Gender Action Plan template for Projects and its definition will fully involve AFD’s Gender experts.