Gender Assessment

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Annex 8: Gender Assessment and Action Plan (GAAP)

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Table of Contents

Table of Contents 2
Introduction and Purpose of the Gender Assessment 3
1. Scope and Focus 5
2. Methodology and Sources of Information 7
3. Gender context in Fiji, Vanuatu, and Tonga 9
4. Legal and Institutional Framework 15
5. Gender, climate vulnerability, and SMEs 19
6. Gender-differentiated risks relevant to MPF1 SME investments 24
7. Gender-related opportunities linked to SME investments 31
8. Monitoring, Reporting and Learning 35
9. Gender Action Plan 40

Introduction and Purpose of the Gender Assessment

This Gender Assessment forms a core analytical component of the Gender Assessment and Action Plan for the Matanataki Pacific Fund 1 (MPF1) funding proposal. It provides a structured evidence base on gender dynamics relevant to MPF1's anticipated investments in Fiji, Vanuatu, and Tonga, and is intended to inform the prioritisation and operational design of the Gender Action Plan for climate-resilient private sector investment.

This Gender Assessment is aligned with MPF1's Gender Guiding Principles, Policy and Action Plan, including its four-level gender impact framework across leadership and ownership, workplace equity and agency, gender-responsive products and services, and inspirational returns, as well as its commitment to combine quantitative indicators with qualitative, story-based learning. It draws on MPF1's impact measurement and management framework, which embeds gender equity throughout the investment cycle and requires investees to meet 2X Challenge criteria for gender-smart investing.

Gender equality and women's economic empowerment are widely recognised as both human rights imperatives and drivers of sustainable development. In the Pacific region, structural barriers such as patriarchal norms, unequal unpaid care burdens, gender-based violence, discriminatory workplace practices, and limited access to finance continue to constrain women's engagement in economic activity, employment, and entrepreneurship despite relatively high levels of educational attainment among girls and women; gender norms, division of labour, and social expectations shape differential access to economic opportunities and decision-making in ways that often disadvantage women.[1]

MPF1 is a financial intermediary vehicle that will channel capital primarily to small and medium enterprises (SMEs) and SME-like enterprises across Fiji, Vanuatu, and Tonga. SMEs play a critical role in the economic landscape of Pacific Island Countries (PICs), often serving as the main engines of employment and livelihoods. Within this context, gender dynamics manifest not only in aggregate participation rates but also in the quality, security, and distribution of opportunities available to women and men within the private sector. This Assessment therefore examines gender issues at the intersection of labour markets, enterprise development, business ownership, and informal employment, recognising that SME-level dynamics will fundamentally shape how gender risks and opportunities play out in MPF1-supported activities.

At the programme level, the Gender Assessment is designed to serve two interlinked purposes:

- To identify gender-differentiated vulnerabilities, risks, constraints, and opportunities among women and men that are relevant to the ecological, economic and social outcomes anticipated from MPF1 investments; and
- To inform the design and prioritisation of the Gender Action Plan, ensuring that proposed actions respond directly to evidence and that indicators can be meaningfully aligned with both gender equality outcomes and SME performance metrics.

[1]Ministry of Women, Children and Poverty Alleviation, 2023, 42 *Fiji Country Gender Assessment: Visual Report*. https://divafiji.org/fiji-country-gender-assessment/

Consistent with the Fund's design as a financial intermediary, this Assessment is a programme-level analysis and does not replace investee-level due diligence or gender risk assessments that will be conducted as part of project-level screening and monitoring. Rather, it establishes an analytical foundation that guides subsequent operational implementation at the level of individual investments, particularly in determining how gender considerations will be integrated into screening criteria, covenants, compliance monitoring, and technical assistance strategies for SMEs.

1. Scope and Focus

The scope of this Assessment reflects the dual realities of MPF1's investment strategy and the broader socio-economic context of Fiji, Vanuatu, and Tonga:

The assessment adopts a programme-level lens, recognising that MPF1 will invest directly into SMEs that span multiple sectors with varied gender dynamics. Further, the assessment explicitly focuses on SMEs and SME-like enterprises, which are expected to be the primary recipients of Fund capital, active co-ownership, change management and technical assistance support and a major source of women's employment and entrepreneurship opportunities. Women in Pacific countries are more likely than men to be employed in informal work and in smaller enterprises, including micro and small businesses where formal HR systems and protections are typically absent or weak.[2]

The assessment considers how gender-differentiated risks and opportunities are shaped by socio-cultural norms, labour market structures, sectoral composition (e.g., agriculture, tourism, services), and climate-related exposures that differentially affect women's economic roles and decision-making power.

Finally, the Assessment acknowledges that gender differences are not solely captured by binary categories (women vs. men) but intersect with other factors - such as age, education, disability, rural/urban location, and informal/formal employment status - which will be further explored in subsequent sections. Nonetheless, for clarity and alignment with the GCF Gender Policy, this Analysis foregrounds gender as a primary axis of social differentiation impacting economic engagement and resilience outcomes.

This Gender Assessment is closely linked to MPF1's overarching framework, including:

- Gender Guiding Principles, Policy and Action Plan: This document provides the fund's consolidated gender commitments, implementation roadmap, and monitoring approach across four levels of gender impact, and is the primary internal reference for operationalising gender requirements with portfolio companies.
- ESGI Policy commitments: The Fund's Environmental, Social, Governance and Impact (ESGI) Policy articulates commitments to human rights, non-discrimination, inclusion, and equitable opportunity. These principles provide normative guidance for this Assessment in shaping how gender risks and opportunities are identified, and how interventions are prioritised to support equitable outcomes across investment portfolios.
- ESMS (Annex 6) risk management framework: The Environmental and Social Management System provides the Fund's operational risk framework, including gender-related risk screening. This Assessment informs and complements the ESMS by identifying gender-specific vulnerabilities that require attention in risk categorisation, mitigation measures, and ongoing supervision.
- IMMS and impact logic: The Gender Assessment informs the design of the Fund's Impact Measurement and Management System (IMMS), particularly indicators that capture gender-differentiated outcomes such as women's employment quality, leadership in SMEs,

[2] ILO, 2024, 6, *Pacific Employment and Social Monitor, April 2024: Towards Resilient Labour Markets and Better Jobs.* Available at: https://www.ilo.org/sites/default/files/2024-04/pacific-employment-social-monitor-brief-2024-april-en.pdf

access to finance, and safety at work. Establishing gender baselines and analytic justification here supports credible measurement over time.

2. Methodology and Sources of Information

The Gender Assessment has been prepared using a desk-based methodology appropriate to the stage of the funding proposal and MPF1's role as a financial intermediary. It draws on national and regional evidence and a structured review of MPF1 programme documentation to establish a credible analytical foundation for the Gender Action Plan and implementation arrangements.

The work is based on four main streams of evidence.

First, a desk review of national gender data, policies and institutional frameworks relevant to Fiji, Vanuatu, and Tonga. This includes the most recent available official sources (e.g., national statistics offices, relevant ministries and government policy documents), as well as internationally comparable datasets (e.g., World Bank gender data profiles) where these help triangulate trends over time or gaps in national reporting. The intent is to identify the most material gender issues for SME-oriented investment in each country - particularly those affecting women's economic participation, employment conditions, enterprise ownership and management, and exposure to gender-based risks. Where national datasets are limited or not recent, the assessment relies on reputable triangulation from multilateral agencies and peer-reviewed or widely cited regional research, and flags limitations transparently rather than filling gaps with assumptions.

Second, the assessment draws on Pacific regional literature on gender, labour markets and climate vulnerability, with attention to what is known about the intersection between gender inequality, informality, and climate and disaster shocks in Pacific SIDS. This includes practitioner-oriented resources that are widely used in the region to inform gender-responsive climate programming - particularly the *Pacific Gender and Climate Change Toolkit*[3], which provides practical guidance on integrating gender into climate policy and project design. This regional lens is particularly important for MPF1 because many gender constraints and risks in Fiji, Vanuatu, and Tonga are shaped by small-island conditions (e.g., remoteness, close-knit communities (with kinship obligations often expressed as respect and avoidance), limited services, and sectoral exposure to climate impacts), and because the programme's climate rationale depends on strengthening resilience in these contexts.

Third, the assessment incorporates gender and SME-focused studies and frameworks relevant to private sector investment. Given MPF1's strategy to invest predominantly in SMEs and SME-like enterprises, the assessment places emphasis on evidence regarding women's participation in SMEs as owners, workers and managers, as well as the gender-specific risks that can be amplified in smaller enterprises (such as limited HR systems, weak workplace grievance channels, and higher exposure to harassment or retaliation risks). This is particularly relevant to MPF1 because the fund-level framework anticipates proportionate, practical workplace measures in SMEs (e.g., basic policies, grievance access, safety and dignity provisions) supported through tailored technical assistance. To anchor the framing of gender outcomes and investment-relevant indicators, the assessment uses the 2X Challenge as a recognised market standard for gender lens investing.[4] This is consistent with MPF1's stated intention to align portfolio companies with 2X Challenge indicators and KPIs, and to use those metrics within its monitoring framework. Consistent with

[3] Vunisea, A., Leduc, B., Bernard, K., Duaibe, K., Cleary, L., Manley, M., & Leavai, P. 2015, *Pacific Gender and Climate Change Toolkit: Tools for Practitioners. Secretariat of the Pacific Community, Suva, Fiji*. Available at: https://www.pacificclimatechange.net/sites/default/files/documents/Pacific_gender_toolkit_full_version.pdf

[4] *2X Challenge*. Available at: https://www.2xchallenge.org/

MPF1's gender framework, the assessment also recognises the role of qualitative and story-based evidence (collected ethically and safely) to understand changes in workplace culture, agency, and community norms that are not captured by quantitative indicators alone. In addition, the assessment draws on established guidance on measuring gender impact in investments and selecting appropriate indicators for portfolio-level reporting and learning. [5]

Fourth, the methodology includes a structured review of MPF1 programme documentation. Key documents reviewed include the MPF1 Gender Guiding Principles, Policy and Action Plan and its proposed monitoring framework and risk mitigation elements. The assessment also considers the Gender Impact Roadmap and Guideline, which describes how gender considerations are intended to be integrated across the investment cycle. In addition, it draws on the ESMS and its gender-related screening and due diligence tools and templates, including the investment-cycle approach to due diligence and the existence of dedicated gender due diligence and gap assessment instruments. Finally, the assessment is designed to align with the programme's impact logic and the way gender results are expected to be tracked and reported. While this Gender Assessment is desk-based at proposal stage, it anticipates participatory validation during implementation (including women-only and mixed consultations where appropriate) as reflected in MPF1's operational approach.

Finally, the assessment was informed by stakeholder engagement undertaken during programme development, as documented in the Stakeholder Engagement Plan (Annex 7). This engagement included consultations with women's groups, youth groups, community representatives, Indigenous stakeholders and prospective portfolio companies. Consultation feedback helped validate and contextualise findings relating to women's economic participation, governance, enterprise development, access to finance and gender-responsive investment design. However, the Gender Assessment remains primarily based on desk review and secondary data analysis, with stakeholder engagement serving as a complementary source of evidence and contextual insight.

The approach is informed by GCF Gender Policy expectations and guidance regarding the required gender documentation for funding proposals and the expectation that gender analysis meaningfully informs design and implementation arrangements.

Limitations

This Gender Assessment is necessarily subject to several limitations. It relies primarily on secondary data at programme preparation stage and therefore cannot substitute for investee-specific gender assessments that will be conducted during implementation. It also recognises the diversity of SME contexts across sectors and islands in Fiji, Vanuatu, and Tonga; gender dynamics differ significantly between, for example, tourism SMEs, fisheries value chains, waste management enterprises, and agribusiness cooperatives. The assessment assumes that investment-level gender due diligence and monitoring - including collection of investee baseline data and qualitative engagement - will be undertaken through MPF1's ESMS tools and processes to validate, refine, and operationalise the programme-level findings over time. Finally, the fund's approach anticipates baseline gender assessments for each portfolio company during implementation,

[5] Jordan-Kirwan, S., & Tengtio, K, 2020*, How to Measure the Gender Impact of Investments: Using the 2X Challenge Indicators in Alignment with IRIS+.*. Available at: https://assets.cdcgroup.com/wp-content/uploads/2020/03/16111901/How-to-measure-the-gender-impact-of-investments.pdf

meaning several portfolio-level assumptions in this Assessment will be refined once investee baselines and stakeholder consultations are completed.

3. Gender context in Fiji, Vanuatu, and Tonga

Socio-economic and cultural context

Gender roles and norms affecting women's participation in economic activity.
In both Fiji, Vanuatu, and Tonga, gender roles and norms continue to shape how women and men engage with paid work, enterprise development and leadership. The most visible manifestation is the persistent gap in labour force participation. In Fiji, the World Bank Gender Data Portal (harmonised ILO estimates) reports female labour force participation at 38.5% compared with 76.7% for men (2024)[6], a gap of almost 40 percentage points. While harmonised estimates should be interpreted cautiously at subnational level, the magnitude and persistence of the gap is consistent with regional analysis that flags Fiji as one of the Pacific contexts with particularly pronounced gender differences in economic participation. In Vanuatu, the pattern is somewhat different: estimates vary depending on the source and measurement approach (particularly how subsistence and informal work are treated), but a consistent finding across reputable sources is that women's participation is lower than men's, and women's work is more likely to be informal or unpaid.[7] For example, an ILO country factsheet reports women's labour force participation at 59.7% compared with 78.0% for men, with employment estimates for adults aged 15+ presented for 2021.[8] UN Women's Vanuatu gender brief, drawing on the 2020 census, reports labour force participation among people aged 15+ at 42.1% for women and 51.5% for men, highlighting how definitional choices affect reported rates.[9] National and regional gender analyses highlight that this gap is closely linked to women's heavy unpaid care responsibilities, gendered expectations around family and community roles, and constraints associated with customary institutions, all of which restrict women's time and mobility for paid work and enterprise development.

In Tonga, World Bank data for 2024 show female labour force participation at approximately 41.7% compared with about 64.0% for men,[10][11] again pointing to markedly lower formal labour market engagement by women than men. Studies on women's economic empowerment in the Pacific note that Tongan women, like their counterparts in other island states, are more likely to be engaged in informal and subsistence activities, and face gendered constraints related to norms,

[6] World Bank, 2024, Labour force participation rate, female (% of female population ages 15+) (modelled ILO estimate) – Fiji and Labour force participation rate, male (% of male population ages 15+) (modelled ILO estimate). Available at: https://data.worldbank.org/indicator
[7] World Bank, 2024, *Vanuatu: Labor force participation rate (% of population ages 15+) (modelled ILO estimate)*. Available at: https://genderdata.worldbank.org/en/economies/vanuatu
[8] International Labour Organization (ILO), 2022, *ILOSTAT country profiles: Fiji and Vanuatu – labour force participation.* Available at: https://ilostat.ilo.org/data/country-profiles/
[9] UN Women, 2022, 3 *Gender Equality Brief for Vanuatu.* Available at: https://asiapacific.unwomen.org/sites/default/files/2022-12/UN_WOMEN_VANUATU.pdf
[10] World Bank, 2024, *Tonga: Gender Data Portal*. World Bank Group. Available at: https://genderdata.worldbank.org/en/economies/tonga
[11] TheGlobalEconomy.com, 2024, *Tonga: Female labor force participation.* Available at: https://www.theglobaleconomy.com/Tonga/Female_labor_force_participation/

care responsibilities, and limited access to decent jobs and finance, which shape both the scale and terms of their participation in the private sector.[12]

These patterns matter for MPF1 because they signal that women's engagement with the private sector in both countries is shaped less by a lack of willingness to work and more by the constraints that structure "who can do what work, where, and under what conditions." In Fiji, the Government's own gender assessment materials emphasise that social norms, unequal household responsibilities, and gendered labour market segmentation remain major drivers of women's lower economic participation and leadership.[13] In Vanuatu, gender analyses similarly point to the ways social expectations and unequal access to resources influence women's participation and the scale and sustainability of women-led businesses.[14]

In Tonga, national and regional reviews of women's economic empowerment highlight that discriminatory norms, limited recognition and redistribution of unpaid care work, and gaps in gender-responsive labour and financial policies continue to restrict women's access to decent private-sector jobs and to finance and support for women-owned SMEs.[15]

Unpaid care and domestic work

Unpaid care and domestic work is one of the most consistently identified constraints on women's economic participation across the Pacific. It affects women's availability for paid work, the types of work they can take on, their ability to travel to markets or formal employment, and their ability to participate in training and business networks. ADB's regional analysis of women's economic empowerment in the Pacific highlights unpaid care burdens and social norms as major determinants of women's lower labour force participation and occupational segregation.[16] While time-use data is not consistently available at the same level of detail in all Pacific countries, the core dynamic is well evidenced: women carry the bulk of household labour and caregiving responsibilities, which constrains continuity of employment and enterprise growth.

For SMEs, this is not a peripheral issue. A large share of women's economic activity in Fiji, Vanuatu, and Tonga occurs in micro and small enterprises that are closely interwoven with household responsibilities - through home-based production, informal services, market vending, or small-scale tourism and hospitality activities.[17] In such contexts, women's capacity to expand enterprises, take on formal employment contracts, or move into supervisory roles can be limited by care burdens and by expectations that women should remain available for household and community responsibilities. Regional evidence also indicates that care burdens often increase

[12] Asian Development Bank (ADB), 2022, 4, *Women's Economic Empowerment in the Pacific Region: Summary Brief.* Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-summary-brief.pdf

[13] Government of Fiji, 2014, 15, *National Gender Policy.* Available at: https://www.pacificclimatechange.net/document/fiji-national-gender-policy-2014

[14] Government of Vanuatu, 2020, 14, *National Gender Equality Policy 2020–2030.* Department of Women's Affairs, Ministry of Justice and Community Services, Port Vila. Available at: https://mjcs.gov.vu/images/reporting/National_Gender_Equality_Policy_2020-2030_ADD_1.pdf

[15] Government of Tonga, 2024, 18, *Tonga National Review for Implementation of the Beijing Platform for Action.* Available at: https://www.asiapacificgender.org/sites/default/files/202406/Tonga%27s%20National%20Review%20for%20Implementation%20of%20the%20Beijing%20Platform%20for%20Action%20(2024).pdf

[16] Asian Development Bank, 2016, 14, *Women's Economic Empowerment in the Pacific.* Available at: https://www.adb.org/documents/womens-economic-empowerment-pacific

[17] Asian Development Bank, 2016, 20, *Women's Economic Empowerment in the Pacific.* Available at: https://www.adb.org/documents/womens-economic-empowerment-pacific

sharply during periods of crisis (including disasters), affecting women entrepreneurs and women workers disproportionately.

Mobility and decision-making

Restrictions on mobility and unequal decision-making power - both within households and in community governance - further shape women's economic opportunities. This includes constraints on travel (especially inter-island travel), limited control over household finances, and reduced influence over land and asset decisions that affect enterprise investment. In contexts where customary governance and family-based ownership structures remain important, women may contribute heavily to family enterprises without holding formal ownership, control over profits, or authority over strategic decisions. Vanuatu's National Gender Equality Policy[18] recognises structural gender inequalities in access to resources and decision-making and frames gender equality as requiring changes across institutions and social norms, not only individual behaviour. Fiji's gender policy framework[19] similarly focuses on removing systemic barriers to women's equality and empowerment. In Tonga, research on land and gender shows that customary land inheritance rules and constraints on women's land ownership significantly limit women's economic autonomy and influence over productive assets, reinforcing the importance of addressing structural barriers alongside support for women-led enterprises.[20][21][22]

For MPF1, these dynamics influence the plausibility and design of gender outcomes. For example, if investments aim to increase women's participation in leadership or in technical roles within SMEs, the constraint may not be only skills - it may be whether women can travel for work, work certain hours, work with (and speak to) certain male relatives (in the case of cooperatively owned companies) or participate in training and networks without facing social sanction or household conflict. This is why a programme-level Gender Assessment must look beyond formal indicators and recognise the "invisible constraints" that shape women's ability to benefit from SME growth and climate-resilient investment.

Role of SMEs in national economies and employment

SMEs (and, more broadly, MSMEs including microenterprises) are central to both economies, and they are the segment through which MPF1 expects to generate employment, improve services, and support climate-resilient value chains and the livelihoods and wellbeing that communities derive from them. In Fiji, the Government and development partners repeatedly characterise MSMEs as essential to job creation and inclusive growth. [23][24] A recent UNDP analysis

[18] Government of Vanuatu, 2020, *Vanuatu National Gender Equality Policy 2020–2030*. Available at: https://mjcs.gov.vu/images/reporting/National_Gender_Equality_Policy_2020-2030_ADD_1.pdf
[19] Ministry of Social Welfare, Women and Poverty Alleviation, 2014. *National gender policy.* Available at: https://www.pacificclimatechange.net/sites/default/files/documents/National-Gender-Policy--FIJI--250214CabinetEndorsed--final-copy.pdf
[20] Otto, H., 2025, 'Roots and rights: navigating gender equality in Tonga's customary landscape', *Young Australians in International Affairs*. Available at: https://www.youngausint.org.au/post/roots-and-rights-navigating-gender-equality-in-tonga-s-customary-landscape
[21] Asian Development Bank, 2023, 4, *Women's economic empowerment in the Pacific region: summary brief.* Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-summary-brief.pdf
[22] World Bank, 2025, *Tonga – Gender Data Portal*. Available at: https://genderdata.worldbank.org/en/economies/tonga
[23] Ministry of Commerce, Trade, Tourism and Transport, 2020, 1, *Micro, Small, and Medium Enterprise Fiji – policy framework*. https://mcttt.gov.fj/wp-content/uploads/2022/05/MSME-Fiji-Policy-Framework-26-June-2020-amendments.pdf
[24] UNDP, 2022, 5 *Strengthening MSME Competitiveness in Fiji.* Available at: https://sdgs.un.org/documents/strengthening-msme-competitiveness-fiji-45764

on strengthening MSME competitiveness in Fiji notes that Fiji has placed major emphasis on MSME development in recognition of MSMEs' importance for jobs and income generation.[25] The report reiterates that MSMEs are crucial to inclusive prosperity, and it highlights that women-owned enterprises account for a significant share of formal MSMEs while many more women operate in informal enterprise settings.[26]

In Vanuatu, the private sector is also dominated by small enterprises, and women's economic participation is strongly linked to micro and small business activity.[27] ADB's Pacific Private Sector Development Initiative (PSDI) has produced multiple country studies that document women's concentration in small-scale tourism-related businesses and other microenterprise activities, and the heightened vulnerability of these businesses to shocks.[28] PSDI's broader "gender inclusive private sector" assessment for Vanuatu notes the existence of sex-disaggregated MSME data generated through a Reserve Bank of Vanuatu survey and highlights micro and small enterprise ownership dynamics.[29] These studies are important for MPF1 because they provide a realistic picture of enterprise size, informality, and capacity constraints that shape what gender requirements and support measures are feasible at investee level.

In Tonga, regional analysis of women's economic empowerment[30] and PSDI-supported work on women in business[31] highlight that women are heavily represented in micro and small enterprises, particularly in handicrafts, retail, hospitality, and other informal or semi-formal activities, but continue to face major barriers in accessing finance, business development services, and growth opportunities.[32] ADB's dedicated finance-sector initiative for women-led MSMEs in Tonga,[33] and related PSDI surveys of informal businesses[34], reinforce the centrality of women-owned micro and small enterprises to Tonga's private sector and the need for tailored financial products and advisory support—conditions that MPF1's investment and technical assistance model seeks to address.[35]

Gendered patterns of SME ownership, management, and workforce participation

[25] Ibid
[26] Ibid
[27] Asian Development Bank – Pacific Private Sector Development Initiative (PSDI), 2019, 8 *Women in Tourism-Related Businesses in Vanuatu*. Available at: https://pacificpsdi.org/publications-2/working-documents-and-consultants-reports/read/vanuatu-women-in-tourism-related-businesses-report
[28] Ibid
[29] Asian Development Bank – Pacific Private Sector Development Initiative (PSDI), 2019, 12 *Women in Tourism-Related Businesses in Vanuatu*. Available at: https://pacificpsdi.org/publications-2/working-documents-and-consultants-reports/read/vanuatu-women-in-tourism-related-businesses-report
[30] Asian Development Bank (ADB), 2023, 6, *Women's Economic Empowerment in the Pacific Region: Summary Brief*. Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-summary-brief.pdf
[31] Pacific Private Sector Development Initiative (PSDI), 2020, *Invisible Hands: Enabling Pacific Women in the Informal Economy*. Available at: https://pacificpsdi.org/assets/Uploads/Invisible-Hands.pdf
[32] Asian Development Bank (ADB), 2023, 7-8, Women's Economic Empowerment in the Pacific Region: Summary Brief. Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-summary-brief.pdf
[33] FundsforNGOs, 2025, *US$9 Million Funding to Strengthen Women-Led Businesses in Tonga*. Available at: https://news.fundsforngos.org/2025/12/24/us9-million-funding-to-strengthen-women-led-businesses-in-tonga/
[34] PSDI, 2020, Invisible Hands: Enabling Pacific Women in the Informal Economy, pp. 13–15. Available at: https://pacificpsdi.org/assets/Uploads/Invisible-Hands.pdf
[35] Matangi Tonga, 2019, 1, *Women can contribute to economic growth if barriers addressed, says ADB*. Available at: https://matangitonga.to/2019/05/13/women-can-contribute-economic-growth-if-barriers-addressed-says-adb

Women's participation in SMEs in Fiji, Vanuatu, and Tonga is significant, but it is often concentrated in specific sectors and enterprise forms, with implications for both gender outcomes and risk. In Fiji, recent UNDP reporting (2025) cites that women-owned enterprises account for nearly 19% of formal MSMEs and that many more women operate in the informal sector, indicating a gap between women's economic activity and formal recognition and support.[36] [37] In Vanuatu, PSDI's women-in-business and women-in-tourism reports show that women entrepreneurs are active, particularly in tourism and hospitality value chains, but face significant constraints and higher vulnerability to shocks. [38] A PSDI-linked gender-inclusive private sector assessment notes the existence of MSME ownership data from a Reserve Bank survey and flags that sex-disaggregated enterprise information is still uneven, which can limit policy targeting and financial inclusion strategies. [39] These constraints are consistent with broader Pacific evidence that women-led firms are often smaller, less capitalised, more likely to be informal, and less likely to access formal credit and insurance - factors that can slow enterprise recovery after shocks and limit growth trajectories. National initiatives to enhance women-led MSME growth, and regional programmes under the Catalyzing Women's Entrepreneurship banner, underline both the scale of women's participation and the need for targeted financial and business development support[40]. In Tonga, regional assessments and PSDI-supported work indicate that a high share of micro-sized firms are owned by women, particularly in handicrafts, market trading, hospitality and other low-margin activities, with women-owned businesses facing persistent barriers in accessing collateral-backed credit, tailored products, and business advisory services.[41]

Workforce participation within SMEs is also gendered across all three countries. Women are frequently concentrated in customer-facing and service roles (retail, hospitality, local services, market vending), while men are more prevalent in technical, transport, and certain higher-paid roles. World Bank and ADB regional reporting has emphasised that female participation remains low in certain sectors such as energy, and some higher-productivity industries, and that structural barriers - social norms, care responsibilities, legal and regulatory constraints - continue to shape occupational segregation and women's under-representation in STEM-related and green transition jobs. For MPF1, which aims to support climate-resilient economic development and, potentially, investments linked to resource efficiency and transition sectors, the gendered distribution of skills and opportunities is likely to be relevant to both investment outcomes and technical assistance design. Broader Pacific evidence shows that expanding women's access to skills, financial resources and decision-making opportunities can strengthen women's economic participation and leadership, reinforcing the case for active gender inclusion in climate-relevant

[36] UNDP Pacific Office, 2025, *MSMEs in Fiji: Unlock Growth Through Data, Policy and People*. Available at: https://www.undp.org/pacific/blog/msmes-fiji-unlock-growth-through-data-policy-and-people

[37] Asian Development Bank, 2023, 4, *Women-Owned Micro, Small, And Medium-Sized Enterprises in Fiji: Opportunities and Challenges for Private Sector Financial Institutions.* Available at: https://www.adb.org/sites/default/files/publication/900981/women-owned-msmes-fiji-opportunities-challenges.pdf

[38] Voigt-Graf, C., 2023, 10, *Women in Tourism Related Businesses: Technical Assistance Consultant's Report, Project Number: TA53071-001.* Available at: https://pacificpsdi.org/assets/Uploads/ADBPSDI-Vanuatu-Women-in-Tourism-Business-Consultants-Reports.pdf

[39] Voigt-Graf, C., 2023, 11, *Women in Tourism Related Businesses: Technical Assistance Consultant's Report, Project Number: TA53071-001.* Available at: https://pacificpsdi.org/assets/Uploads/ADBPSDI-Vanuatu-Women-in-Tourism-Business-Consultants-Reports.pdf

[40] ADB, 2023, 9, *Women's Economic Empowerment in the Pacific Region: Summary Brief.* Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-summary-brief.pdf

[41] World Bank, 2014, 110, *Gender at Work: A Companion to the World Development Report on Jobs.* Available at: https://www.worldbank.org/content/dam/Worldbank/document/Gender/GenderAtWork_web.pdf

SMEs.[42] At the same time, labour mobility schemes are reshaping the care and labour landscape for women and men from Fiji, Vanuatu, and Tonga. Under Australia's Pacific Australia Labour Mobility (PALM) scheme[43] and related global seasonal worker programmes, growing numbers of Pacific workers – including women – are employed in agriculture. Similar long-standing dynamics exist as Pacific workers, many of them women, take up temporary and sometimes permanent care-giving roles in the United States under H-2A/H-2B and related arrangements, raising important questions for MPF1 about how outbound labour mobility interacts with local labour supply, care responsibilities, and the resilience of women-owned and women-led enterprises in its target countries. Research on these schemes highlights that while remittances and skills acquisition can be significant,[44] the model often relies on (and can deepen) gender-unequal care arrangements in sending communities, with women either migrating into low-paid care jobs abroad, absorbing increased unpaid care burdens when male relatives migrate, or local caregiving responsibilities left to grandmothers supported by younger, unmarried female relatives.[45]

[42] *Pacific Women Lead, 2025. Pacific Women Lead Annual Progress Report: July 2024 to June 2025. Pacific Women Lead. Available at: https://pacificwomen.org/pacific-women-lead-annual-progress-report-july-2024-to-june-2025/*

[43] Chattier, P., 2019, *Beyond development impact: Gender and care in the Pacific Seasonal Worker Programme*. Available at: https://www.palmscheme.gov.au/research/beyond-development-impact-gender-and-care-pacific-seasonal-worker-programme

[44] Howes, S., Curtain, R. and Sharman, E., 2022, *Labour mobility in the Pacific: transformational and/or negligible?* Available at: https://devpolicy.org/labour-mobility-in-the-pacific-transformational-and-or-negligible-20221010/

[45] Chattier, P., 2019, *Beyond development impact: gender and care in the Pacific Seasonal Worker Programme*. Available at: https://policy-practice.oxfam.org/resources/beyond-development-impact-gender-and-care-in-the-pacific-seasonal-worker-progra-620635/

4. Legal and Institutional Framework

Gender equality policy frameworks

Both Fiji and Vanuatu have established policy frameworks for gender equality and women's empowerment, and both have ratified core international commitments such as CEDAW (Vanuatu's PSDI-linked assessment summarises key commitments and reporting history).[46] For Vanuatu, the National Gender Equality Policy 2020–2030[47] sets a long-term policy direction focused on accelerating equal rights, opportunities, resources and rewards for women and girls and on mobilising broad societal support for gender equality. In Fiji, gender policy frameworks are also well established; UN Women's knowledge hub provides documentation on Fiji's national gender policy, describing its goal of promoting gender equity, equality, social justice and sustainable development.[48] Fiji has also developed complementary gender-related policy instruments in climate and resilience domains, such as a Gender Equity and Social Inclusion policy for climate action [49], which explicitly links gender inclusion to climate adaptation and disaster risk reduction efforts.

Tonga, while it has not ratified CEDAW, has adopted a National Women's Empowerment and Gender Equality (WEDGE) policy[50] and related strategic plans that seek to advance women's access to economic assets, employment and decision-making, including in the private sector.[5152]

These national commitments provide an enabling policy environment, but they do not automatically translate into gender-equal outcomes in the private sector – particularly within SMEs. In practice, gaps often relate to enforcement capacity, geographic dispersion of labour inspection and services, limited awareness among small employers and workers, and persistent social norms that shape women's bargaining power and access to redress.[53]

Labour legislation and employment protections relevant to SMEs

[46] UN Women Fiji Multi-Country Office (MCO), n.d., *Country office – Vanuatu*. Available at: https://asiapacific.unwomen.org/en/countries/fiji/co/vanuatu

[47] Department of Women's Affairs, Government of the Republic of Vanuatu, 2020, 2, *National Gender Equality Policy 2020–2030*. Available at: https://www.sistalibrary.com.vu/wp-content/uploads/2021/11/NGEP-1.pdf

[48] UN Women (2014) *Fiji: National Gender Policy*. Available at: https://wrd.unwomen.org/practice/resources/fiji-national-gender-policy

[49] Government of Fiji, 2021, 5-10 *Fiji: Gender Equality and Social Inclusion Policy*. Available at: https://fijiclimatechangeportal.gov.fj/wp-content/uploads/2022/01/Fiji_GenderEquitySocialInclusionPolicy_ActionPlan_GESI-Policy.pdf

[50] Ministry of Internal Affairs (MIA), 2019, 8, *National Women's Empowerment and Gender Equality Tonga 2019-2025*. Available at: https://hrsd.spc.int/sites/default/files/2021-07/WEDGET_STRATEGIC_PLAN_OF_ACTION_2019_2025_Final.pdf

[51] Asian Development Bank (ADB), 2023, 29, *Women's Economic Empowerment in the Pacific Region: A Comprehensive Analysis of Existing Research and Data*. Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-region.pdf

[52] Pacific Private Sector Development Initiative (PSDI), 2024, 12, *Unlocking Potential: A Gender Inclusive Private Sector Framework – Tonga Assessment*. Available at: https://pacificpsdi.org/assets/Unlocking-Potential-GIPS-framework-Tonga-assessment.pdf

[53] Asian Development Bank (ADB), 2023, 13, *Women's Economic Empowerment in the Pacific Region: A Comprehensive Analysis of Existing Research and Data*. Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-region.pdf

Fiji has a relatively developed labour law framework compared with many small island contexts. The Employment Relations Act[54] includes provisions requiring employers to develop and maintain a policy to prevent sexual harassment, consistent with national policy guidelines. This requirement is reflected in official legal texts and supporting documentation. Fiji has also issued a National Policy on Sexual Harassment in the Workplace (2008)[55] which sets out complaint processes through employment grievance provisions and provides a national reference point for prevention and response expectations. The existence of these provisions is relevant for MPF1 because it establishes a legal baseline for workplace safety and dignity that can be reinforced through investee-level requirements and practical implementation support.

Vanuatu's framework presents a more mixed picture. The World Bank's "Women, Business and the Law" country notes (2020 profile)[56] indicate that, at least as of that assessment, specific legislation addressing sexual harassment in employment was not identified, and that restrictions existed on women's night work under the Employment Act (with implications for women's access to certain types of paid work). At the same time, other legal and policy materials suggest evolving attention to discrimination and harassment issues, including ILO-linked legal review documents that reference prohibiting sexual harassment in the workplace in broader equality legislation contexts. Importantly for programme design, even where legal provisions exist, the practical capacity of SMEs to comply - particularly in rural and outer-island settings - can be limited, and enforcement can be uneven.

In Tonga, a Public Service Sexual Harassment Policy establishes a zero-tolerance approach to sexual harassment in government workplaces and sets out formal and informal complaint procedures, roles and responsibilities, and sanctions, representing the country's first dedicated policy response to workplace sexual harassment. These developments are relevant benchmarks for MPF1's engagement with public-facing investees and with SMEs that contract with government entities.[57]

From an SME perspective, the key issue is often not whether labour protections exist in principle, but whether they are known, applied, and enforceable in the settings where women work.

Enforcement challenges and informality

Across the Pacific, including Fiji, Vanuatu, and Tonga, informality and limited institutional capacity are persistent features of labour markets and enterprise ecosystems[58]. Regional evidence highlights that women are disproportionately represented in the informal economy and that informality is associated with weaker access to social protection, limited job security, and heightened vulnerability to shocks.[59] This has two implications for MPF1's gender approach. First,

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[54] Government of Fiji, 2007, *Act No. 36 of 2007, Employment Relations Act 2007*. Available at: https://www.laws.gov.fj/Acts/DisplayAct/2910

[55] Ministry of Labour, Industrial Relations and Employment, Government of Fiji, 2008, *Policy on Sexual Harassment in the Workplace*. Available at: https://www.employment.gov.fj/resources/laws/PolicyonSexualHarassmentinWorkplace2008.pdf

[56] World Bank, 2024, *Women, Business and the Law 2.0 – Vanuatu snapshot*. Available at: https://wbl.worldbank.org/content/dam/documents/wbl/2024/snapshots/Vanuatu.pdf

[57] Tonga Ministry of Internal Affairs – Women's Affairs and Gender Equality Division, 2024, 12-22, *Tonga National Review of the Implementation of the Beijing Platform for Action*. Available at: https://www.unwomen.org/sites/default/files/2024-09/b30_report_tonga_en.pdf

[58] Asian Development Bank, 2023, 1–3, *Women's Economic Empowerment in the Pacific Region*. Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-region.pdf

[59] International Labour Organization (ILO), 2023, 15–18, *Women and Men in the Informal Economy: A Statistical Update*. Available at: https://ilostat.ilo.org/en/latest/publications/women-and-men-in-the-informal-economy

MPF1 investments that help SMEs formalise employment, improve job quality, and strengthen workplace protections can have significant gender benefits. Second, gender risk management must be realistic about the starting point: many investees will not have sophisticated systems, but they can still meet core standards through proportionate measures (e.g., codes of conduct, basic grievance access, documented non-retaliation commitments, and training).

Legal frameworks addressing GBV and workplace harassment.

Gender-based violence (GBV) prevalence in the Pacific is widely documented as high relative to global averages, and both Fiji and Vanuatu have legal and policy frameworks addressing domestic and family violence. [60] For Fiji, UN Women-hosted documentation of Fiji's National Action Plan to Prevent Violence Against All Women and Girls (2023–2028)[61] references findings from a 2010–2011 prevalence survey and uses those results as part of the rationale for intensified prevention and response. Independent national research summaries from Fiji Women's Crisis Centre (FWCC) also provide evidence from a national survey undertaken in 2011 with WHO-methodology influence and technical support from the national statistics office, documenting high prevalence of men's violence against women.[62] While prevalence figures should be handled with care in this narrative, the key programme-relevant finding is robust: GBV is a significant social risk context, and it influences women's safety, mobility, decision-making power, and economic participation.

For Vanuatu, the Vanuatu National Survey on Women's Lives and Family Relationships - a population-based study conducted with national institutions - provides a foundational evidence base on prevalence, attitudes, effects, and coping strategies related to violence against women.[63] The Australian Government's DFAT publication page summarises the survey's purpose and scope, and the full report is publicly available through national and partner channels.[64]

In Tonga, the first National Study on Domestic Violence against Women shows extremely high lifetime and partner-violence prevalence rates and documents the ways in which social norms and attitudes can justify or tolerate violence against women.[65] These findings underpin national and regional advocacy for stronger legal protections, services, and prevention programmes in Tonga.[66]

In addition to domestic and family violence, workplace sexual harassment is an important dimension of gender safety risks, particularly in SMEs and service sectors. In Vanuatu, specific

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[60] Pacific Women Lead at SPC, 2023, *Thematic Brief: Ending Violence Against Women in the Pacific*. Available at: https://pacificdata.org/data/dataset/acf42df5-54c0-43e2-98c4-e2afefb1bce0/resource/4cf275c7-ea06-419f-845e-7b49cff21e96/download/spc-pwl_thematicbrief_evawg.pdf

[61] UN Women Asia and the Pacific, 2023, 18, *Fiji National Action Plan to Prevent Violence Against All Women and Girls 2023–2028*. Available at: https://asiapacific.unwomen.org/sites/default/files/2023-09/fiji_nap_2023-2028-digital-final.pdf

[62] Ibid

[63] Vanuatu Women's Centre and Vanuatu National Statistics Office, 2011, *Vanuatu National Survey on Women's Lives and Family Relationships*. Available at: https://pacificdata.org/data/dataset/pwl-vanuatu-national-survey-on-women-s-lives-and-family-relationships

[64] Australian Government Department of Foreign Affairs and Trade (DFAT), 2011, 1–8, *Vanuatu National Survey on Women's Lives and Family Relationships – publication summary*. Available at: https://www.dfat.gov.au/sites/default/files/vanuatu-national-survey-womens-lives-family-relationships.pdf

[65] Ma'a Fafine mo e Famili (MFF), 2012, 35, *National Study on Domestic Violence against Women in Tonga 2009*. Available at: https://pacific.unfpa.org/sites/default/files/pub-pdf/tonga-vaw-report-final-2012.pdf

[66] The Pacific Community, 2013, *National Study on Domestic Violence on Women in Tonga*. Available at: https://pacific-data.sprep.org/dataset/national-study-domestic-violence-women-tonga

research has been produced on sexual harassment in the workplace, reflecting both the presence of the issue and the need for clearer systems and protections. [67]

For Fiji, legal requirements for workplace sexual harassment policies, and national policy guidance, establish an expectation that employers should maintain preventive policies and grievance channels. However, the practical reality remains that SMEs may not implement these requirements consistently without support and enforcement, and women may face barriers to reporting - especially in small communities where anonymity is limited and the risk of retaliation or social consequences is high.[68]

In Tonga, evidence of violence and harassment in both public and private spaces, coupled with limited formal complaints mechanisms, suggests that many women face significant barriers to reporting, particularly in small communities where anonymity is limited and the risk of retaliation or social consequences is high.

These legal and policy conditions are not simply background context; they inform MPF1's approach to risk management and opportunity creation. A gender strategy that focuses only on women's economic inclusion without addressing safety and dignity in workplaces and value chains may fail to deliver meaningful outcomes and may expose the programme to significant reputational and implementation risks.

[67] International Labour Organization (ILO), 2016, 6, *Sexual Harassment in the World of Work in Pacific Island Countries*. Available at: https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@asia/@ro-bangkok/@ilo-suva/documents/policy/wcms_407363.pdf

[68] Ma'a Fafine mo e Famili, 2012, 1, *National Study on Domestic Violence against Women in Tonga 2009*. Available at: https://www.toksavepacificgender.net/research-paper/national-study-on-domestic-violence-on-women-in-tonga/

5. Gender, climate vulnerability, and SMEs

Climate risk context and why it matters for gender

Fiji, Vanuatu, and Tonga are among the most climate- and disaster-exposed countries globally, with recurrent experience of cyclones, flooding, drought variability and sea-level rise. The World Bank Climate Change Knowledge Portal provides country resource profiles for the three countries that highlight hazards such as tropical cyclones, extreme precipitation events and sea level change, reflecting the multi-hazard environment in which SMEs operate.[69] [70] Fiji has also undertaken a nationally led Climate Vulnerability Assessment with World Bank support, aimed at quantifying climate risks and identifying priority resilience investments.[71] For Vanuatu, the World Bank has characterised the country as facing some of the most severe climate risks in the world, with increasingly frequent cyclones posing serious threats to lives, infrastructure, and the economy. Tonga's climate risk profile similarly highlights intensified tropical cyclones, saline intrusion, wave-driven flooding and the long-term threat of permanent inundation of low-lying coastal areas, with recent events such as the 2022 volcanic eruption and tsunami illustrating the scale of potential impacts on livelihoods, infrastructure and key sectors.

Gender matters in this context because climate shocks do not affect all people or all enterprises equally. Impacts are filtered through existing social and economic structures: the division of labour, ownership patterns, access to finance and assets, and differential exposure to violence and safety risks. For SMEs - especially micro and small enterprises - climate shocks can translate quickly into income loss, asset damage, debt accumulation and reduced food security. These effects can be gendered where women are concentrated in sectors, have less savings and collateral, face more constraints on mobility, and shoulder greater unpaid care burdens during crises.

Differential climate impacts on women and men in SME-dominated sectors

Several sectors likely to feature in MPF1's investment pipeline - such as agriculture, fisheries, tourism, and local services - are dominated by SMEs and are climate sensitive. In tourism, evidence from Vanuatu highlights how shocks have disproportionately affected women because of their overrepresentation in tourism and hospitality roles and businesses.[72] PSDI's report on women in tourism-related businesses in Vanuatu notes that tourism was the sector hardest hit by border closures and lockdowns, and that women were significantly impacted due to their concentration in tourism and hospitality; it also cites surveys in which women were less confident than men that their businesses would survive.[73] This is directly relevant to MPF1, as recovery and resilience

[69] World Bank, 2024, *Climate Risk Country Profile: Fiji*. Available at: https://climateknowledgeportal.worldbank.org/sites/default/files/country-profiles/15854-WB_Fiji%20Country%20Profile-WEB.pdf

[70] World Bank, 2024, *Climate Risk Country Profile: Vanuatu*. Available at: https://climateknowledgeportal.worldbank.org/sites/default/files/country-profiles/15825-WB_Vanuatu%20Country%20Profile-WEB.pdf

[71] Government of Fiji and World Bank, 2017, *Climate Vulnerability Assessment: Making Fiji Climate Resilient*. Available at: https://documents.worldbank.org/en/publication/documents-reports/documentdetail/163081509454340771

[72] UNCTAD, 2022, 3, *Prospects for the post-pandemic tourism and economic recovery in Vanuatu*. Available at: https://unctad.org/system/files/official-document/ser-rp-2022d6_en.pdf

[73] Asian Development Bank (ADB) Pacific Private Sector Development Initiative (PSDI), 2021, 1–12, *Women in Tourism-Related Businesses in Vanuatu*. Available at: https://pacificpsdi.org/assets/Uploads/ADBPSDI-Vanuatu-Women-in-Tourism-Business-Consultants-Reports.pdf

strategies for tourism-linked SMEs need to be gender-responsive to avoid reinforcing existing inequalities.

In Fiji, the intersection of climate shocks and women's livelihoods has been documented through post-disaster work with women in informal and small-scale economic activities, such as market vending. UN Women's reporting on response to Cyclone Winston, for example, notes engagement with women market vendors and affected communities, reflecting the gendered livelihood impacts of major cyclone events.[74] Fiji's national Climate Vulnerability Assessment also emphasises the urgency of addressing climate vulnerability across society, which includes differential impacts on vulnerable groups and livelihoods.

In Tonga, national studies of informal and micro-businesses show that many women operate small tourism-linked, handicraft, market and service enterprises that are highly exposed to cyclones, coastal hazards and external shocks such as border closures.[75] Regional women's economic empowerment analysis for the Pacific further notes that Tongan women's enterprises are typically smaller and less capitalised, and that women face persistent barriers to finance and business support, increasing their vulnerability when climate-related events disrupt tourism and local markets.[76]

In fisheries and "blue economy" value chains, women are often concentrated in processing, marketing and small-scale trading rather than in offshore capture activities, which can lead to differentiated vulnerability when climate affects resource availability, market access, and infrastructure. Broader evidence on women's economic empowerment in blue economy sectors in SIDS indicates that tourism and related services are major employment sectors for women but are also often gender-segregated, with women concentrated in lower-paid roles and experiencing constraints in advancement and leadership.[77]

How climate shocks affect women's income stability and enterprise continuity.

Climate shocks can disrupt women's income stability through several channels that are particularly relevant for SMEs. First, women-led enterprises are often smaller, less capitalised, and more likely to operate informally; this can reduce access to formal relief, insurance, and recovery finance. Second, women may have less collateral and lower access to formal credit, which constrains recovery and adaptation investment. Third, women's work is more likely to be casual, part-time, or seasonal in sectors such as tourism and services, so shocks can translate quickly into income loss without protections such as paid leave, unemployment support, or formal severance.[78]

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[74] UN Women, 2016, 1–24, *Gender Assessment of Tropical Cyclone Winston: Fiji.* Available at: https://asiapacific.unwomen.org/en/digital-library/publications/2016/06/gender-assessment-of-tropical-cyclone-winston

[75] Ministry of Trade and Economic Development (Tonga), 2021, 52, *Report: Tonga Informal Business Survey 2021.* Available at: https://www.mted.gov.to/wp-content/uploads/2023/05/INFORMAL-SECTOR-REPORT-FINAL-VERSION-1.-03-12-2021.pdf

[76] Asian Development Bank (ADB), 2023, 1–4, *Women's Economic Empowerment in the Pacific Region: Summary Brief.* Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-summary-brief.pdf

[77] Work and Opportunities for Women (WOW) Programme, 2023, WOW Helpdesk Query No. 73, Women's Economic Empowerment in the Blue Economy in Small Island Developing States. Available at: https://assets.publishing.service.gov.uk/media/64072dd18fa8f527fc6d9d71/QUERY-73-WEE-in-blue-economy-in-SIDS.pdf

[78] Asian Development Bank, 2023, Page 8 / Publication Stock No. ARM230165-2, Women's Economic Empowerment in the Pacific Region: Summary Brief. Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-summary-brief.pdf

Evidence from Vanuatu illustrates how "parallel disasters" (climate shocks combined with other crises such as COVID-related tourism collapse) can create compounded vulnerability for women-led MSMEs. UN Women's case narrative on a women-led business in Vanuatu describes the ways MSMEs faced overlapping shocks and the implications for women entrepreneurs.[79] UN Women's Vanuatu gender brief also references rapid gender analysis following Tropical Cyclone Harold, indicating that women were likely to be disproportionately affected - consistent with the broader evidence that disasters can intensify gender inequality and reduce women's access to resources and recovery support.[80]

In Fiji, the combination of high climate exposure and significant gender gaps in labour force participation suggests that resilience-building strategies that rely on "the workforce" as a homogeneous category will miss the differentiated constraints facing women. For MPF1, this supports the need for gender-responsive approaches to SME resilience: for example, ensuring women entrepreneurs can access finance and technical support for adaptation measures, and ensuring workplace continuity strategies do not push women out of employment during and after shocks.

In Tonga, crisis impact assessments for the tourism sector and COVID-19 response planning show that multiple shocks – including tropical cyclones, volcanic eruption and tsunami, and prolonged border closures – have severely damaged tourism businesses and delayed recovery,[81] [82]with women and informal workers in tourism and handicrafts identified as particularly vulnerable to income loss and slow enterprise recovery. Regional evidence on women's economic empowerment in the Pacific further notes that women-owned firms in Tonga and other small island states tend to be smaller, more informal, and less likely to have access to collateral-backed credit, which compounds the effects of climate and economic shocks on women's income stability.[83]

Impacts on informal and casual work

A key feature of both economies is the prominence of informal and semi-formal work, including within SMEs. Informality is not gender neutral. Pacific evidence indicates women are disproportionately represented in informal economic activity and face greater barriers to accessing social protection and formal grievance systems. During climate shocks, informal workers are often among the first to lose income and the last to regain stable earnings. For MPF1, this matters because investments that upgrade SME practices - formalising employment relationships, improving working conditions, and providing safe grievance access - can contribute not only to better job quality but also to resilience, especially if such improvements are targeted toward sectors and enterprise types where women predominate.

Care burdens and crisis amplification in SME households and communities

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[79] Alston, M., Fuller, S., & Kwarney, N. (2025). Women and climate change in Vanuatu, Pacific Islands Region. Gender, Place & Culture, 32(1), 83–104. https://doi.org/10.1080/0966369X.2023.2229530

[80] UN Women, 2022, *Gender Equality Brief for Vanuatu.* Available at: https://asiapacific.unwomen.org/sites/default/files/2022-12/UN_WOMEN_VANUATU.pdf

[81] Ministry of Tourism (Tonga), 2022, 6, *Tonga Tourism Crises Impacts Assessment Report.* Available at: https://tourismtonga.gov.to/wp-content/uploads/2022/12/TMoT.pdf

[82] Department of Foreign Affairs and Trade (DFAT), 2020, 1, *Tonga COVID-19 Development Response Plan.* Available at: https://www.dfat.gov.au/sites/default/files/covid-response-plan-tonga.pdf

[83] Asian Development Bank (ADB), 2023, 1–4, *Women's Economic Empowerment in the Pacific Region: Summary Brief.* Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-summary-brief.pdf

Climate shocks frequently increase unpaid care demands, which can disproportionately affect women. After disasters, women often take on greater responsibility for caring for children, older persons, and injured or displaced family members; they may also become primary organisers of household recovery tasks such as securing water, food, and temporary shelter. These additional responsibilities can reduce women's ability to work, rebuild enterprises, or participate in recovery programmes. The gendered nature of disaster response has been repeatedly documented in Pacific contexts, including through UN Women's post-cyclone engagement and rapid analyses.[84]

This dynamic can be particularly acute in SMEs because the boundary between household labour and enterprise activity is often blurred. Many micro and small enterprises are family-run, home-based, or dependent on household labour allocation. When care burdens rise, women's enterprise participation can decline even if the enterprise itself remains operational. Conversely, when an enterprise collapses due to climate shock, women may increase unpaid labour to compensate for lost income (e.g., subsistence activities, informal trading), reinforcing time poverty and limiting recovery prospects.

Compounded risks: climate stress, safety, and GBV

The intersection of climate vulnerability and GBV risk is increasingly recognised in humanitarian and development evidence. Crises - displacement, economic stress, weakened community protection systems - can increase risks of GBV and reduce access to support services. In contexts where baseline GBV prevalence is already high, climate shocks can exacerbate risk factors and constrain women's agency. For Fiji and Vanuatu, the existence of robust prevalence evidence (Fiji VAW survey references in national plans; Vanuatu national survey on women's lives and relationships[85]) underscores that GBV is not a marginal issue but a structural risk environment that can influence women's mobility, economic decisions, and ability to participate in work safely. In Tonga, domestic violence research and disaster impact assessments indicate that cyclones, volcanic eruptions and tsunamis have compounded high rates of violence against women and increased pressure on support services after major events.[86] [87]

From an SME perspective, this intersection matters because many women work in settings where formal protections are weak and reporting channels limited. If climate shocks increase household stress and reduce women's bargaining power, women may be more vulnerable to exploitation or harassment at work, or more reliant on informal arrangements that increase exposure to unsafe conditions. This reinforces the importance of MPF1's emphasis on safe grievance mechanisms and SEA/SH-sensitive approaches at investee level.

What this context implies for MPF1

Three implications follow for MPF1's gender strategy in Fiji, Vanuatu, and Tonga.

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[84] UN Women Fiji Multi-Country Office. 2025. Available at: https://asiapacific.unwomen.org/sites/default/files/2024-06/unw-fiji-mco-brief_web_maryann-philomena-lo_comp.pdf

[85] UN Women, 2023, 21, *Fiji National Action Plan to Prevent Violence Against All Women and Girls 2023–2028*. Available at: https://asiapacific.unwomen.org/sites/default/files/2023-09/fiji_nap_2023-2028-digital-final.pdf

[86] Ma'a Fafine mo e Famili, 2012, *National Study on Domestic Violence against Women in Tonga 2009*. Available at: https://pacific.unfpa.org/sites/default/files/pub-pdf/tonga-vaw-report-final-2012.pdf

[87] Munich Climate Insurance Initiative (MCII), 2020, 16, *Economic Impacts of Natural Hazards on Vulnerable Populations in Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga, and Vanuatu*. Available at: https://www.climateinsurance.org/publications/economic-impacts-of-natural-hazards-on-vulnerable-populations-in-tonga

First, SMEs are the principal arena where gender outcomes will occur. Women's economic participation is heavily linked to micro and small enterprise ecosystems - both as entrepreneurs and as workers - and these ecosystems are shaped by informality, limited HR capacity, and strong interdependence with household responsibilities. Evidence on women-owned MSMEs in Fiji (including the frequently cited 19% share of formal MSMEs as mentioned above), women's concentration in vulnerable sectors in Vanuatu (notably tourism), and the prominence of women-led MSMEs in tourism, services and retail in Tonga all support the need for targeted measures that go beyond generic "inclusion" statements.

Second, gender equality measures must be designed with a realistic understanding of constraints. Fiji's very large labour force participation gap is a headline indicator that signals structural barriers; Vanuatu's data variability across sources highlights the importance of careful interpretation and the need for investee-level baseline data. In Tonga, survey evidence shows women's micro-businesses are smaller, less capitalised and heavily concentrated in informal activities, with limited access to formal credit and business support. Across all three countries, care burdens and social norms mean that "equal opportunity" policies alone may not deliver equal outcomes without practical enabling measures (e.g., flexible working arrangements that do not penalise women, safe transport considerations, childcare supports where feasible, and targeted skills development).

Third, climate resilience is not gender neutral. The climate hazard context established by World Bank resources and national vulnerability assessment work confirms that MPF1 investments will be made in a high-risk environment. Evidence from Vanuatu and Fiji shows that women's livelihoods and women-led businesses can be disproportionately affected by shocks due to sector concentration, enterprise size, and differential access to recovery resources[88] and similar patterns are documented for women-led MSMEs in Tonga during COVID-19 and climate-related crises. This supports an approach where gender measures are integrated not only as equity actions but as part of resilience strategy - ensuring that women can access climate-resilient opportunities and are protected from heightened risks during and after climate events.

[88] Asian Development Bank (ADB), 2023, Women's Economic Empowerment in the Pacific Region: A Comprehensive Analysis of Existing Research and Data. Manila: Asian Development Bank. Available at: https://www.adb.org/publications/pacific-women-entrepreneurs-covid-19

6. Gender-differentiated risks relevant to MPF1 SME investments

MPF1's investment focus on SMEs and SME-like enterprises in Fiji, Vanuatu, and Tonga creates a very specific gender risk profile. SMEs are where many women participate in the economy - as entrepreneurs, informal workers, and employees in services, tourism, agribusiness, and value-chain activities - but SMEs are also where constraints related to finance, asset ownership, job quality and workplace safety are most likely to be pronounced. Evidence from Fiji, Vanuatu, and Tonga, supported by Pacific-wide research, suggests that without deliberate design features (in investment selection, technical assistance, monitoring and post-investment hands-on active co-ownership, change management and mentorship support), SME growth can reinforce existing inequalities: men may capture a disproportionate share of higher-value ownership and leadership roles, while women remain concentrated in lower-paid or less secure work, and safety risks (including sexual harassment) may remain unaddressed.

Risks of exclusion from economic opportunities

Barriers to finance and credit

Access to finance is one of the most consistently documented barriers facing women entrepreneurs in the Pacific, including in Fiji, Vanuatu, and Tonga. In Fiji, existing reports highlights constraints faced by women entrepreneurs and the need for financial institutions to better serve women-owned enterprises.[89] More recently, Fiji's Reserve Bank publicised findings from its Gender Inclusive Finance work, reporting that 30.2% of MSMEs are women-owned and a further 13.2% are jointly owned, while also providing sex-disaggregated inclusion indicators and calling attention to persistent gaps in access to financial services.[90]

In Vanuatu, PSDI's *Women in Business* report documents that women business owners identify access to finance as a priority and face practical barriers such as lack of collateral, lack of information, and limited credit histories; respondents reported negative consequences including lower profits and an inability to grow due to constrained access to finance.[91] PSDI's *Women in Tourism Related Businesses* report shows similar patterns among women entrepreneurs in tourism-linked SMEs, with women citing access to finance as important and reporting growth constraints where finance is limited[92].

In Tonga, a dedicated ADB finance-sector initiative for women entrepreneurs responds to long-standing barriers including rigid collateral requirements linked to land ownership restrictions, high informality among women-led enterprises, and limited access to business development

[89] Asian Development Bank, 2023, 13, *Women's Economic Empowerment in the Pacific Region: A Comprehensive Analysis of Existing Research and Data*. Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-region.pdf

[90] Reserve Bank of Fiji, 2025, RBF Launches Gender Inclusive Finance Report. Available at: https://www.rbf.gov.fj/press-release-no-16-rbf-launches-gender-inclusive-finance-report/

[91] Asian Development Bank (ADB) Pacific Private Sector Development Initiative (PSDI), 2018, 281–318, *Women and Business in the Pacific*. Sydney: ADB / PSDI. Available at: https://www.adbpsdi.org/publications/women-in-business-in-vanuatu/

[92] Ibid

services, and is structured around risk-sharing facilities and advisory hubs to expand credit to women-led MSMEs.[9394]

At the regional level, ADB's *Women's Economic Empowerment in the Pacific Region* synthesises evidence on structural constraints to women's access to formal finance and highlights cost and product barriers - including high effective borrowing costs, fees, and collateral requirements - that restrict women's ability to access bank and SME finance in some Pacific contexts, including Vanuatu.[95] For MPF1, these findings matter because they suggest that a purely "market-based" approach to SME finance may not automatically reach women entrepreneurs at scale, and that gender-responsive product design, eligibility criteria, and technical assistance are required. Experience also shows that progress depends on dedicated leadership and clearly assigned responsibility for gender outcomes, ensuring that gender equity is actively driven rather than treated as a procedural compliance requirement.

Barriers related to asset ownership and collateral

Asset ownership, especially land and property, is closely linked to women's ability to access credit because collateral requirements remain a standard condition for many forms of business lending. In customary tenure contexts, and in households where land and major assets are controlled by men, women may have limited access to collateral even when they operate enterprises. This dynamic is widely recognised in Pacific gender and private sector analysis and is one of the reasons women-led firms are often smaller, less capitalised, and more likely to remain informal.

Legal and supportive frameworks also influence women's ability to participate fully in entrepreneurship and credit markets. The World Bank's *Women, Business and the Law* country snapshots provide a useful benchmark of gender-related legal rights and policy supports.[96] Fiji's WBL 2.0 snapshot (2024)[97] highlights gaps in supportive frameworks and implementation measures even where basic legal rights exist. For Vanuatu, WBL 2024 reports a comparatively low score in legal and supportive frameworks, indicating persistent barriers across key life-cycle indicators that affect women's economic participation.[98] In Tonga, analysis of gender and law and national reviews under CEDAW and Beijing commitments highlight that customary land rules and related legal frameworks continue to limit women's land ownership and collateral rights, directly affecting their ability to secure business credit.[99100101] While WBL does not replace country

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[93] Radio New Zealand (RNZ), 2025, *US$9 million grant to support Tongan women in business*. Available at: https://www.rnz.co.nz/international/pacific-news/582607/us-9-million-grant-to-support-tongan-women-in-business

[94] UNESCAP, 2022, *Catalyzing Women's Entrepreneurship*. Available at: https://www.asiapacificgender.org/our-work/catalyzing-womens-entrepreneurship

[95] Asian Development Bank (ADB), 2023, 16, *Women's Economic Empowerment in the Pacific Region: A Comprehensive Analysis of Existing Research and Data*. Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-region.pdf

[96] World Bank, 2024, 1–190, *Women, Business and the Law 2024*. Available at: https://wbl.worldbank.org/en/reports

[97] Ibid

[98] Ibid

[99] Young Australians in International Affairs (YAIA), 2024, *Roots and Rights: Navigating Gender Equality in Tonga's Customary Landscape*. Available at: https://www.youngausint.org.au/post/roots-and-rights-navigating-gender-equality-in-tonga-s-customary-landscape

[100] Tonga Ministry of Internal Affairs – Women's Affairs and Gender Equality Division, 2024, 1–44, *Tonga National Review of the Implementation of the Beijing Platform for Action*. Available at: https://www.asiapacificgender.org/sites/default/files/2024-06/Tonga's%20National%20Review%20for%20Implementation%20of%20the%20Beijing%20Platform%20for%20Action%20(2024).pdf[2]

[101] Ministry of Internal Affairs (Tonga), 2019, *National Women's Empowerment and Gender Equality Tonga (WEDGET) Strategic Plan of Action 2019–2025*. Available at: https://hrsd.spc.int/sites/default/files/2021-07/WEDGET_STRATEGIC_PLAN_OF_ACTION_2019_2025_Final.pdf

legal analysis, it provides a credible, comparative evidence base that strengthens the case for targeted measures to ensure women can access the programme's economic benefits.

Barriers to skilled and leadership positions

Even where women participate significantly as SME workers and entrepreneurs, they may be underrepresented in leadership, management and technical roles. Pacific-wide evidence indicates that women are concentrated in microenterprise and service roles, while men more often hold senior positions and technical roles. PSDI's "Leadership Matters" work in Vanuatu (and across Pacific developing member countries) has been used to build baseline understanding of women's representation in business leadership, reflecting the recognition that gender gaps persist at senior levels even as women increasingly join the workforce. [102]

For MPF1, the risk is not only that women will be underrepresented among investee owners; it is also that, in investee companies that grow due to investment support, leadership and higher-value jobs may disproportionately accrue to men unless there are explicit expectations and support for inclusive recruitment, promotion pathways, and leadership development. This risk is especially relevant where SMEs are family-owned and male-headed, where leadership succession norms may privilege men even when women contribute significantly to business operations.

Risk that SME growth benefits accrue disproportionately to men without targeted measures

Internationally and in the Pacific, gender-lens investing experience shows that growth and formalisation do not automatically translate into gender-equitable outcomes. In Pacific economies where women face structural barriers to finance, leadership and mobility, additional capital may expand enterprises without shifting gender dynamics - women may remain in informal roles or lower-paid service positions, while men capture the gains from scaling, formalisation and asset accumulation. This is precisely why MPF1's gender framework (including its stated alignment with recognised gender investing criteria and its use of gender due diligence tools) is important: it reflects a deliberate, experience-informed approach that embeds mechanisms to translate investment activity into measurable gender outcomes, rather than relying on assumptions that inclusion will occur organically.

Labour and working conditions' risks in SMEs

Concentration of women in informal, temporary, or lower-paid SME roles

Women are disproportionately represented in informal economic activity and in lower-paid or less secure roles within SMEs, a pattern observed across many Pacific settings. In Vanuatu, ILO reporting on informality provides sex-disaggregated evidence: an ILO news item (based on national rapid assessment) reports that 68.7% of employed women were in informal employment compared to 65.5% of men[103], indicating very high levels of informality for both women and men, with women marginally more affected. While definitions and measurement approaches vary, the overall conclusion is robust: informal employment is widespread, and women are highly represented within it - particularly in micro and small enterprise contexts.

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[102] Asian Development Bank (ADB), 2023, 8, *Women's Economic Empowerment in the Pacific Region: A Comprehensive Analysis of Existing Research and Data*. Available at: https://www.adb.org/sites/default/files/publication/884486/women-economic-empowerment-pacific-region.pdf

[103] United Nations Country Team (UNCT), 2024, 14, *Fourth Cycle Universal Periodic Review of Vanuatu: Joint Submission of the UN Country Team*. Available at: https://uprdoc.ohchr.org/uprweb/downloadfile.aspx?filename=12795&file=EnglishTranslation

This matters for MPF1 because informality is strongly associated with limited labour protections, weak access to grievance mechanisms, and limited social protection coverage - factors that can depress women's job quality even when employment numbers increase. UNDP's Pacific commentary on women in informal business further underscores that women's informal livelihoods (including market vending, farming, fishing and daily wage earning) can be highly exposed to shocks and lack safety nets such as insurance and paid leave.[104] While this is a regional-level narrative, it is consistent with the structural features of Fiji, Vanuatu, and Tonga SME ecosystems and supports the need for MPF1 to treat job quality and protections as part of gender outcomes, not just job counts.

Sectors with limited labour protections and enforcement challenges

SMEs often operate with limited HR capacity and weaker compliance systems. This can be particularly acute in sectors where women are concentrated - retail, hospitality, tourism services, and informal trade - where jobs may be casual and where labour inspections are less frequent. In Vanuatu, broader policy discussion has noted the challenge of workplace protections and the absence (or limited presence) of legally mandated sexual harassment policies in many Pacific workplaces; an ILO policy note on eliminating sexual harassment in the Pacific states that employers are not legally required to have sexual harassment policies in some Pacific contexts,[105] highlighting a gap between desired protections and actual regulatory obligations.

Occupational health and safety considerations in small enterprises

Occupational Health and Safety (OHS) risks in SMEs are often under-managed because smaller enterprises may lack formal safety procedures, training, or protective equipment and may not have systematic incident reporting. These risks are not gender neutral. Women's concentration in certain roles (e.g., food processing, cleaning, hospitality, informal vending, inshore fishing and fisheries processing) may expose them to specific hazards such as repetitive strain injuries, exposure to heat, unsafe transport, sanitation-related health risks, and risks associated with working late hours in public-facing roles. Meanwhile, men may be concentrated in higher-risk physical roles (construction, transport, certain technical tasks). For MPF1, the key gender-relevant risk is that SME investments might improve productivity without improving safety standards, leaving women in precarious roles and increasing exposure to accidents and health risks. The Fund's ESMS screening and due diligence tools, together with embedded, hands-on change management support provided by investment managers and technical assistance specialists, mitigate this risk when applied consistently and proportionately. This includes supporting investee companies to develop, implement, and institutionalise workplace policies, procedures, and systems for safety, dignity, and effective grievance access, rather than relying on compliance tools alone.

Limited HR capacity and formal grievance systems

The limited HR capacity creates risks of 1) under-detection of workplace issues, 2) under-reporting due to fear of retaliation, and 3) limited capacity to respond appropriately when issues

[104] UN ESCAP, 2021, 1–58, COVID-19 and the Unpaid Care Economy in Asia and the Pacific. United Nations Economic and Social Commission for Asia and the Pacific. Available at: https://www.unescap.org/sites/default/d8files/knowledge-products/2021_Regional_Report_Covid19-Care-Economy.pdf

[105] International Labour Organization (ILO), 2020, 1–32, *Ending Violence and Harassment in the World of Work in the Pacific*. Available at: https://www.ilo.org/media/216601/download

arise. These risks are particularly significant for women, given power asymmetries and the prevalence of harassment concerns in small workplaces. Evidence from the Vanuatu workplace sexual harassment research[106] indicates that lack of policies and unclear reporting strategies contribute to under-reporting and normalisation of harassment.

For MPF1, the implication is that gender outcomes depend not only on encouraging women's employment and entrepreneurship, but also on ensuring SMEs have practical, minimal systems to protect workers, manage grievances safely, and uphold dignity at work. This aligns with the Fund's own intention to use structured gender and ESG due diligence tools and action plans at investee level.

SEA/SH and GBV-related risks in SME contexts

SEA/SH is a distinct risk area, not the same as "gender equality outcomes." It is important to distinguish between (a) gender equality objectives - such as increasing women's employment, leadership, and access to finance - and (b) SEA/SH and GBV risk management, which concerns preventing and responding to sexual exploitation, abuse, and harassment and ensuring survivor-centred reporting and support systems. A programme can perform strongly on women's economic inclusion while still failing to manage SEA/SH risks; conversely, strong SEA/SH measures do not automatically deliver broader economic empowerment outcomes. This distinction is reflected in international good practice, including the World Bank's Good Practice Notes on SEA/SH[107], which explicitly frame SEA/SH risks as arising from power dynamics and requiring dedicated prevention and response measures.

SEA/SH risks arising from close working relationships and hierarchical owner–worker dynamics

SMEs often involve close working relationships, blurred boundaries, and high dependence on owners, managers or clients / customers for continued employment. These conditions can increase vulnerability to harassment and reduce reporting. The World Bank's SEA/SH good practice guidance emphasises that SEA/SH risks are driven by power dynamics and can emerge in a range of sectoral and organisational contexts, not only in large infrastructure projects. In SME settings, owner–worker and worker-customer power imbalances can be acute: workers may fear job loss, reputational harm or harm to the company if they report, especially where alternative employment options are limited.

Worker–community interactions and contractor/supply-chain arrangements

SEA/SH risks are also relevant where SMEs engage with communities (e.g., in tourism, services delivery, agriculture value chains) or rely on contractors and suppliers. Tourism value chains are a relevant example in Vanuatu, where women's employment and entrepreneurship is concentrated and where power differentials (including between customers and staff) can be pronounced. PSDI's work on women in tourism highlights women's heavy involvement in tourism-related SMEs and their vulnerability to shocks, underscoring the importance of ensuring safe working environments

[106] Fiji Women's Rights Movement, 2022, *Sexual Harassment in the Workplace in Vanuatu.*. Available at: https://www.stanapstrong.com/wp-content/uploads/2023/10/Sexual-Harassment-Research-Analysis-Report.pdf

[107] World Bank, 2018, 2, *Good Practice Note: Addressing Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) in Investment Project Financing involving Major Civil Works*. Available at: https://documents1.worldbank.org/curated/en/099430304232515972/pdf/IDU-0df177e9-284c-4850-bdf5-10a5cb6607b3.pdf

in sectors where women are concentrated.[108] Even where MPF1 investments are not infrastructure-heavy, contractor relationships can arise through service provision, construction/repair work for SMEs, or supply-chain activities; good practice SEA/SH guidance stresses the need for codes of conduct, training, and safe complaint channels in such arrangements.

Heightened risks in small-island SME environments: anonymity, retaliation, limited services

Small-island contexts can heighten SEA/SH risks because anonymity is limited, social networks are close, customary rights may conflict with legislation, and institutional capacity and awareness of SEA/SH legal frameworks among frontline services (including police and social workers) can be uneven meaning that reporting can have immediate social consequences and limited access to effective response. Vanuatu-specific research on workplace sexual harassment has documented normalisation of harassment, limited workplace policies, and unclear reporting strategies as reasons women do not report.[109] A U.S. State Department human rights report (2023) summarises that sexual harassment was not prohibited by law and was reported as widespread in the workplace, referencing a 2022 survey; [110] while such sources are not substitutes for national legal reviews, they highlight the reputational and human-rights salience of the issue and reinforce the need for robust workplace mechanisms.

Vanuatu's legal environment also remains relevant. The World Bank's Women, Business and the Law (2020)[111] country note indicated that no applicable provisions on sexual harassment in employment were located at that time and flagged restrictions on women's night work under the Employment Act; this helps explain why policy and institutional measures may be particularly important in Vanuatu contexts. In Fiji, legal requirements for sexual harassment policies in workplaces exist (as reflected in the Employment Relations Act and national policy instruments), and established external support services for survivors of gender-based violence are available; however, SMEs may still face challenges in translating these frameworks into effective workplace-level reporting and response practices, particularly where employer awareness, willingness, or leadership commitment is uneven.

In Tonga, implementation experience with domestic violence legislation underscores that women may be reluctant to report abuse or harassment because of social pressure, customary expectations, and concerns about community backlash, particularly in smaller outer-island communities.[112]

Limited survivor services and referral pathways can also constrain safe response. In small and remote island settings, even where strong and trusted organisations exist, formal survivor support services may face capacity, coverage, and resourcing constraints, and community stigma can discourage disclosure. This reinforces the importance of establishing survivor-centred approaches

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[108] Asian Development Bank (ADB) Pacific Private Sector Development Initiative (PSDI), 2021vi-vii, *Women in Tourism-related Businesses in Vanuatu*. Available at: https://pacificpsdi.org/assets/Uploads/ADBPSDI-Vanuatu-Women-in-Tourism-Business-Consultants-Reports.pdf

[109] Fiji Women's Rights Movement, 2022, Sexual Harassment in the Workplace in Vanuatu.. Available at: https://www.stanapstrong.com/wp-content/uploads/2023/10/Sexual-Harassment-Research-Analysis-Report.pdf

[110] U.S. Department of State, 2023, *2022 Country Reports on Human Rights Practices: Vanuatu*. Available at: https://www.state.gov/reports/2022-country-reports-on-human-rights-practices/vanuatu/

[111] World Bank, 2020, Report Number 145417, Women, Business and the Law 2020: Vanuatu Country Profile. Available at: https://wbl.worldbank.org/content/dam/documents/wbl/2020/sep/Vanuatu.pdf

[112] Pacific Community (SPC), 2021, Tonga's experience: Implementation of Domestic Violence Legislation. Available at: https://www.spc.int/updates/blog/2021/08/tongas-experience-implementation-of-domestic-violence-legislation

and confidential reporting channels adapted to local realities, consistent with international good practice.

Implications for MPF1: integrate SEA/SH risk management alongside gender outcomes

For MPF1, the practical implication is that investments targeting women's economic participation should be accompanied by explicit, proportionate SEA/SH risk screening and response measures appropriate to SMEs. SEA/SH risks will be assessed through the Fund's ESMS screening, due diligence, and portfolio supervision processes proportionate to sector, operational context, and enterprise risk profile. Relevant mitigation measures may be operationalised through ESAPs, GAP implementation measures, technical assistance support, portfolio engagement, and ongoing supervision processes at both fund and investee level where appropriate. These measures typically include: a clear code of conduct, training, safe grievance pathways (including confidentiality and protection from retaliation), and referral mechanisms to services where available - implemented in ways that do not require complex corporate systems but do require clear expectations. The Fund's gender and ESG due diligence tools provide an operational entry point which is reinforced through hands-on engagement by investment managers and technical assistance specialists to support implementation, problem-solving, and continuous improvement across the portfolio.

7. Gender-related opportunities linked to SME investments

The SME focus of MPF1 creates a practical opportunity to deliver measurable gender outcomes through mechanisms that are already familiar to private sector investees: capital, governance expectations, operational improvements, and performance monitoring. This matters in Fiji, Vanuatu, and Tonga because many of the barriers highlighted in the context and risk sections - women's lower access to finance, concentration in lower-paid work, weak HR systems, and limited safe reporting - are not best addressed through standalone "women's programmes", but through changes in how SMEs are financed, managed, and held accountable. In other words, MPF1 can treat gender outcomes as part of value creation and risk management, while still tailoring expectations to the capacity constraints of smaller enterprises.

A useful way to frame the opportunity set is through the same pillars that MPF1 already uses in its foundational Gender Guiding Principles, Policy and Action Plan and in the ESMS gender investing guidelines: 1) leadership and ownership, 2) workplace equity and agency, 3) gender-inclusive value chains, 4) gender-responsive products/services, and 5) "inspirational returns" and norms change. This is broadly consistent with 2X-aligned approaches that translate gender intent into investment structuring, due diligence questions, covenants, and monitored indicators across the portfolio.

Supporting women-owned and women-led SMEs

A core opportunity is to use MPF1's sourcing, screening, and investment structuring to increase the share of capital reaching women-owned and women-led SMEs, including enterprises founded by women and enterprises where women hold meaningful ownership stakes. MPF1 already signals an intention to direct significant amounts of capital towards women-led or gender-equitable enterprises in the pipeline and to assess investees against 2X criteria at entry. This direction aligns well with the wider evidence base that women-owned SMEs are systematically underserved by formal finance and face both financial and non-financial barriers (including collateral constraints and network effects), meaning that targeted investment strategies can address a clear market gap rather than "crowding out" commercial finance.

In practice, MPF1 can treat this as a pipeline and structuring opportunity rather than a standalone target. For example, 2X's Entrepreneurship criterion provides a clear reference point for defining what qualifies as women ownership/founding and how it is measured (useful for both selection and reporting). MPF1's own Gender Guiding Principles, Policy and Action Plan already includes 2X-aligned portfolio KPIs for women's ownership/founding and women in leadership, which gives the fund a ready-made monitoring architecture once it is grounded in Fijian/Vanuatu/ Tongan realities through the Gender Assessment and investee-level baselines.

Improving job quality for women in SMEs

Because SMEs often sit at the "thin end" of labour protections (limited HR capacity, limited formal grievance systems, variable OHS), MPF1 will have an opportunity to translate its gender intent into tangible improvements in job quality for women - especially in sectors where women are concentrated (services, tourism value chains, agro-processing and other SME-dominated segments). This aligns with MPF1's stated intention to go beyond compliance by requiring at least

one "quality employment" indicator as part of 2X alignment, rather than tracking headcount alone.

This approach matches good practice in gender impact measurement. The 2X Challenge guidance and the "How to Measure the Gender Impact of Investments" (aligned with IRIS+) emphasise collecting baseline gender data at due diligence and then tracking workforce and "quality" metrics (e.g., flexible work arrangements, anti-harassment policies, fair advancement policies) through legal agreements and periodic reporting.[113] It also aligns with private sector evidence that gender-smart workplace practices can support retention and productivity - especially relevant for SMEs that struggle with turnover and skills constraints. IFC's Gender-Smart Business Solutions programme is an example of the private sector framing of workplace inclusion as a performance issue as well as a social outcome.

Concretely, MPF1 can use investment-linked technical assistance (where available) to support SMEs to implement "light but real" systems: simple HR policies, documented non-discrimination and equal pay commitments, mechanisms for flexible work, basic OHS procedures, and practical grievance access. The Gender Action Plan already anticipates actions such as equal pay, flexible working hours/job sharing, childcare supports where feasible, and workplace training on sexual harassment prevention and human rights, all of which can be operationalised at SME level through proportionate measures.

Strengthening women's participation across SME value chains

Another opportunity is to use MPF1's influence with investees to improve women's participation not only inside the enterprise (employment and leadership) but also in the surrounding ecosystem - suppliers, outgrowers, service providers, and other linked livelihoods. This is particularly relevant to MPF1's stated strategy of combining larger investments with smaller community-owned cooperatives and rural enterprises in a value-chain, systems-type approach, and its interest in agriculture, fisheries/mariculture, tourism and nature-linked value chains.

Within a 2X-aligned framework, this maps most directly to the Supply Chain criterion (commitment to women in supply chains plus a "quality" indicator beyond compliance). For Fiji, Vanuatu, and Tonga, value-chain measures can be especially powerful because women are often active as informal suppliers and processors even when they are underrepresented in formal ownership. Where MPF1 investees operate in agrifood, fisheries or tourism-linked supply chains, gender-responsive procurement, supplier development, and fair contracting practices can deliver meaningful gains in women's income stability and resilience - while also improving supply reliability and quality for the business.

Promoting gender-responsive workplace practices

Beyond outcomes, MPF1 can help shift "how business is done" in a way that is feasible for SMEs. This includes gender-responsive workplace practices such as clear codes of conduct, prevention and response to harassment, flexible work arrangements, transparent promotion criteria, and leadership development pathways for women. Many of these practices are explicitly recognised in gender impact measurement guidance as valid "quality" indicators beyond compliance.

[113] Global Impact Investing Network (GIIN), 2019. IRIS+ and 2X Challenge. IRIS+ System. Available at: https://iris.thegiin.org/document/iris-and-2x-challenge/

Alignment with the Gender Impact Roadmap, IMMS indicators, and 2X-aligned investment approaches

MPF1 is already set up to align these opportunities with a portfolio-level measurement system. The Gender ToR explicitly requires the Gender Review to assess performance against the Gender Policy and Action Plan, the Gender Impact Roadmap and Guideline (leadership & ownership; workplace equity & agency; gender-responsive products; inspirational returns), 2X criteria, and the fund's impact measurement framework. The Gender Guiding Principles, Policy and Action Plan also states that reporting is grounded in the fund's Impact Measurement & Management System approach and that quantitative reporting will draw on an LP reporting template, with gender-disaggregated job metrics and qualitative narratives included in regular reporting cycles.

Externally, the 2X Criteria and its Reference Guide provide a recognised investment standard that can be used to structure gender intent into investment decisions and to present results credibly to investors and stakeholders. Given that MPF1 is already 2X aligned and has defined a set of 2X-linked KPIs across ownership, leadership, workforce quality, supply chains, and products/services, the main opportunity is to ensure the next layer is in place: robust baselines, realistic pathways for SMEs, and clear links between investee-level actions and portfolio-level metrics.

Addressing key gender risks and opportunities identified for SMEs

The Gender Assessment highlights several recurring risks - exclusion from economic opportunities, concentration of women in lower-quality jobs, and exposure to safety risks - as well as opportunities to use SME investment as a lever for positive change. The Gender Action Plan responds by focusing on leverage points that MPF1 can realistically influence.

For example, the risk that women-owned and women-led SMEs remain underrepresented in investment pipelines is addressed through actions that prioritise gender-responsive sourcing, screening, and eligibility criteria, and that explicitly reference recognised gender investment standards (such as 2X-aligned criteria) to define what constitutes women's ownership, leadership, or workforce participation. This directly responds to evidence that women entrepreneurs face disproportionate barriers to finance and that capital allocation alone does not guarantee inclusion without intentional design.

Similarly, the Assessment's findings on job quality and labour risks in SMEs are reflected in Action Plan measures that go beyond headcount targets. Actions related to workplace equity, agency, and "quality employment" respond to evidence that women are concentrated in informal or lower-paid roles and that SMEs often lack formal HR systems. MPF1 therefore applies proportionate minimum requirements supported by technical assistance, including basic workplace policies (e.g., non-discrimination, equal pay principles, zero tolerance for sexual harassment), accessible grievance channels, and practical training. Training and awareness-building activities may include workplace safeguarding, gender-based violence prevention, codes of conduct, and survivor-centred response approaches where appropriate. Where relevant, implementation arrangements may incorporate appropriate referral pathways and safeguarding support mechanisms through local service providers and implementation partners.The Gender Action Plan's emphasis on policies such as equal pay, flexible work arrangements, grievance access, and training is therefore not generic, but grounded in the specific risk profile identified for SME contexts in Fiji, Vanuatu, and Tonga.

Where appropriate, MPF1 may collaborate with Pacific women's organisations, community-based groups, and specialist service providers to support training, mentoring, stakeholder engagement, gender learning, and survivor-centred referral pathways, while retaining flexibility to identify the most appropriate country- and sector-specific partners during implementation.

The distinction drawn in the Gender Assessment between gender equality outcomes and SEA/SH risk management is also reflected in the gender action plan. While women's economic participation and leadership are treated as development and impact objectives, SEA/SH-related actions are framed as essential safeguards and risk mitigation measures. This includes commitments to training, codes of conduct, grievance mechanisms, and partnerships with local organisations, recognising that improvements in economic inclusion alone do not eliminate risks related to abuse or harassment.

Rationale for prioritised actions at different levels

The Gender Action Plan is structured to operate across three mutually reinforcing levels: fund level, investee (SME) level, and monitoring and reporting level. This reflects the Gender Assessment's conclusion that no single level of intervention is sufficient on its own.

At fund level, prioritised actions focus on governance, systems, and decision-making processes. These include embedding gender considerations in investment screening and due diligence, clarifying responsibilities for gender oversight, and aligning investment decisions with the Fund's Gender Policy and Impact Roadmap. The rationale is that, as a financial intermediary, MPF1's greatest leverage lies in how it allocates capital, sets expectations, and monitors performance across its portfolio. Fund-level actions therefore aim to ensure that gender considerations are not dependent on individual deal teams or investees but are applied consistently through institutional processes.

At investee (SME) level, actions are prioritised based on feasibility and risk proportionality. The Gender Assessment recognises that SMEs in Fiji, Vanuatu, and Tonga often have limited formal systems and experience with gender or SEA/SH policies. Accordingly, the Gender Action Plan focuses on minimum, practical requirements - such as basic workplace policies, grievance access, and awareness-raising - combined with capacity-building and technical support. This approach balances ambition with realism: it aims to reduce gender and SEA/SH risks and improve job quality without imposing burdens that SMEs cannot reasonably meet. The prioritisation of SME-level actions is therefore directly informed by the Assessment's analysis of typical capacity constraints and risk exposure.

Relevant gender-related measures may be incorporated into investee engagement arrangements, ESG action plans, portfolio monitoring processes, and investment-related implementation measures proportionate to enterprise size, sector, and risk profile.

Portfolio companies will be expected to implement gender-related measures proportionate to their size, sector, operational context, and risk profile, consistent with MPF1's Gender Policy, ESMS requirements, and Gender Action Plan objectives. Where appropriate, this may include support for the development of practical workplace measures, gender-related policies, or implementation actions through due diligence, technical assistance, and portfolio engagement processes.

Investee-level gender measures may include workplace policies, grievance access mechanisms, gender-responsive employment practices, safeguarding measures, leadership and workforce participation actions, and other practical implementation measures integrated through due diligence, ESMS processes, technical assistance, portfolio engagement, and ongoing monitoring.

Where relevant, identified SEA/SH mitigation measures and implementation actions may be incorporated into ESAPs, GAP implementation arrangements, technical assistance support, and portfolio engagement processes proportionate to identified risks and SME capacity.

Accessible and confidential grievance pathways relating to workplace safety, SEA/SH and safeguarding concerns will operate through the Fund's ESMS framework and associated grievance procedures. Gender-sensitive safeguarding measures apply across both fund-level operations and investee-level activities proportionate to enterprise size, sector, and operational context.

At monitoring and reporting level, prioritised actions reflect the need to make gender outcomes visible, measurable, and actionable over time.

8. Monitoring, Reporting and Learning

Monitoring, reporting and learning arrangements are designed to ensure that MPF1's gender commitments translate into measurable, portfolio-wide outcomes in a way that is proportionate to SME capacity. The approach is integrated into existing fund systems (IMMS, ESMS and investor reporting) and is intended to support both accountability and continuous improvement over time.

Monitoring approach

Monitoring gender outcomes under MPF1 will operate at three interconnected levels: fund level, investee (SME) level, and portfolio level. This structure reflects the Gender Assessment's finding that gender risks and opportunities arise both from how capital is allocated and governed at fund level, and from how SMEs operate on the ground.

At fund level, monitoring will focus on the consistent application of gender-related policies, tools, and decision-making processes including governance and operational practices of the Fund and its Portfolio Advisor (Matanataki Pte Ltd), such as staffing, roles and responsibilities, and internal accountability for gender outcomes. This includes tracking the integration of gender considerations into investment screening, due diligence, investment approvals, and supervision processes. Monitoring at this level ensures that gender commitments are institutionalised and not dependent on individual transactions or personnel.

Gender-responsive workplace practices and implementation measures are intended to support longer-term institutional strengthening within portfolio companies beyond the immediate investment period. Where appropriate, portfolio engagement and exit processes may consider continuity of key gender-related practices and systems.

Gender-related indicators and portfolio-level performance metrics will be incorporated into the Fund's IMMS and periodic portfolio monitoring processes, including monitoring of workplace equity, leadership participation, job quality, grievance access, and implementation of gender-related action measures where applicable.

At investee (SME) level, monitoring will focus on gender outcomes and practices that are proportionate to enterprise size and risk profile. This includes tracking baseline and progress data on women's ownership and leadership, workforce participation and job quality, and the presence and functioning of basic workplace and grievance mechanisms. Where relevant, monitoring will also cover gender-responsive products, services, or value-chain participation.

At portfolio level, monitoring will aggregate and synthesise investee-level data to assess overall progress against the Gender Action Plan, identify trends and gaps, and inform reporting to investors and stakeholders. Portfolio-level analysis will also support strategic learning and prioritisation of technical assistance. Gender-related indicators and implementation progress at investee level will be monitored through the Fund's IMMS and portfolio reporting processes proportionate to enterprise size, sector, and risk exposure.

Responsibility for gender monitoring and learning will be led by the Gender Equity Specialist, with oversight and adaptive guidance provided through the Fund's ESG Committee, within which a dedicated Gender Equity Technical Working Group will be constituted. The Gender Equity Specialist will participate in investment screening and due diligence processes and will have authority to review and provide recommendations on gender-related investment risks, opportunities, safeguards, and alignment with the Fund's Gender Policy, ESMS, and Gender Action Plan prior to investment decision-making. Gender considerations will form part of Investment Committee deliberations through integration of gender-related findings from due diligence, ESMS screening, and portfolio monitoring processes, including material gender risks, opportunities, safeguards, and gender performance considerations where relevant.

The Working Group will convene at least quarterly and report into fund governance through established ESG oversight mechanisms. Ultimate responsibility for gender outcomes lies with the Fund's Founding GP.

Accountability for implementation of gender commitments is embedded across fund governance, investment management, ESG oversight, and portfolio monitoring functions, with oversight provided through the ESG Committee and Gender Equity Technical Working Group. Gender-related implementation progress and material issues will be periodically reviewed through established ESG and impact oversight processes.

Baseline setting and data collection

The Gender Assessment provides the analytical foundation for baseline setting but recognises that meaningful baselines for SME investments must be established at investee level. As part of the investment process, baseline gender data will be collected through existing screening and due diligence tools, including gender questionnaires and gap assessments.

Baseline data collection will focus on:

- Women's ownership and leadership (where applicable);
- Workforce composition by sex and role;
- Job quality indicators relevant to SMEs (e.g. presence of workplace policies, grievance access);

- Contextual gender risks, including SEA/SH risk factors.

Given the diversity of SME contexts and data availability, MPF1 will apply a progressive baseline approach, whereby initial baseline information is refined over time as investees improve data systems and reporting capacity.

MPF1's monitoring frequency is designed to combine regular quantitative tracking with periodic qualitative learning: quarterly quantitative data collection and progress reporting; biannual qualitative story collection and reflection; and an annual comprehensive gender progress report and review of indicators and targets. Qualitative learning and reporting may include gender-responsive indicators relevant to SME contexts, including workplace agency, leadership participation, perceptions of inclusion, workplace safety and dignity, and broader transformational gender outcomes where appropriate.

Indicators and metrics

Gender monitoring will use a mixed set of quantitative and qualitative indicators, aligned with:

- The Gender Action Plan (see below);
- The IMMS;
- Recognised gender investment frameworks, including 2X-aligned criteria where relevant.

Quantitative indicators will track progress at both fund and portfolio levels and will include:

- Number or proportion of women owners/founders (where applicable);
- Proportion of women in senior management, governance, and decision-making roles;
- Proportion of women in the workforce, disaggregated by broad role categories where feasible;
- Adoption and implementation of core workplace practices including non-discrimination policies, pay equity measures, grievance mechanisms, and flexible working arrangements.

Qualitative indicators will complement quantitative data by capturing:

- Changes in workplace practices, behaviours, and organisational culture over time;
- Perceived accessibility, trust and effectiveness of grievance and reporting mechanisms;
- Enabling factors and constraints affecting women's participation, retention and advancement;
- Lessons learned from the practical application of gender measures in SME and small-island contexts, including what support approaches prove most effective.

SEA/SH monitoring will focus on verifying the existence and functionality of prevention and response systems - including codes of conduct, safe and confidential reporting channels, non-

retaliation commitments, referral pathways, and staff training and awareness - rather than on incident-count reporting. This approach is designed to avoid perverse incentives, protect confidentiality, and uphold survivor-centred practice, consistent with the Programme's ESMS, and Donor requirements. Incident data, if reported, will be treated confidentially and used for system improvement rather than performance comparison.

Reporting arrangements

Gender-related reporting will be integrated into MPF1's existing reporting architecture rather than treated as a parallel system. This includes:

- Periodic internal reporting to fund management and investment committees;
- Portfolio-level reporting through LP reporting templates;
- Integration of gender outcomes into broader ESGI and impact reporting.

Reporting will be proportionate and risk-based, with more detailed reporting expected where gender risks or opportunities are higher, and lighter reporting for lower-risk or early-stage SMEs. Narrative reporting will be used alongside metrics to provide context, explain deviations from targets, and highlight good practice or emerging risks.

At programme level, gender reporting will support transparency and accountability, while also serving as an input into management decisions and learning processes rather than as a purely compliance-oriented exercise.

In addition to investor reporting, MPF1 anticipates annual public reporting on gender performance and learning, using accessible narrative formats alongside metrics.

Learning and adaptive management

A core objective of MPF1's monitoring framework is to enable learning and adaptation. The Gender Assessment recognises that gender dynamics, SME capacity, and external conditions (including climate shocks) will evolve over time, and that the effectiveness of gender measures cannot be fully predicted at programme outset.

Learning mechanisms will include:

- Periodic review of gender performance data at fund and portfolio level;
- Reflection on which gender measures are delivering results in different sectors or contexts;
- Identification of common implementation challenges faced by SMEs;
- Sharing of practical lessons across the portfolio, where appropriate.

Findings from monitoring and learning will be used to:

- Refine screening and due diligence tools;

- Adjust investee action plan templates and guidance;
- Prioritise or redesign technical assistance;
- Update targets and indicators where necessary.

Feedback loops and accountability

The monitoring, reporting and learning framework is designed to create clear feedback loops between evidence and decision-making. Gender monitoring results will feed into:

- Investment supervision and engagement with investees;
- Periodic reviews of the Gender Action Plan;
- Updates to fund-level policies and procedures where required.

Accountability will be reinforced by linking monitoring outcomes to existing governance structures, including management oversight and portfolio reviews.