Feminist Climate Finance Brief

Recommendations for Canada’s Climate Finance Pledge

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Overview

Gender equality is a critical element of effective, sustainable climate action. As Canada considers its next five-year climate finance pledge, the desire to align with and advance Canada's long-term goals for global sustainability, development, and human rights – as well as the principles outlined in the Feminist International Assistance Policy (FIAP) – makes a gender lens and feminist perspective imperative. This climate financing pledge provides Canada with an opportunity to build another pillar into its Feminist Foreign Policy.

Canada has an opportunity to be a worldwide leader in climate finance, building on a history of shaping and influencing global conversations, such as around feminist foreign policy and gender equality. Demonstrating leadership on climate finance that is far-sighted, multi-pronged, and integrated with other policy goals can catalyze further global action of the scale necessary to truly transform our society into one that is climate resilient and able to thrive while maintaining warming under 1.5°C. The question of effectiveness extends far beyond the measurement of tonnes of carbon mitigated per dollar invested, to whether Canada's investments contribute to the shift to a sustainable pathway where global warming will be limited and gender equality achieved.
Three critical questions provide key directions for Canadian investment and leadership:

- **Where is the money going and are these mechanisms fit for purpose to support feminist solutions?** Recognizing the risks and limitations of contributions to multilateral development banks, shift a substantial portion of multilateral finance into key multilateral climate funds (i.e. the Green Climate Fund and Adaptation Fund).

- **What alternative and innovative delivery mechanisms can be envisioned?** To support catalytic advancements in climate work and gender equality, fund bilateral efforts that invest in women’s rights and feminist organizing, and strategizing and ensure the flow of funds to the local level.

- **What are key challenges in normative thinking about climate finance that must shift to advance feminist finance?** Building momentum for catalytic investments in climate action and gender equality entails reframing risk and recognizing true innovation in mitigation and adaptation efforts.

To be feminist, Canada’s climate finance portfolio should adhere to the following principles:

- **Ambition:** Climate finance cannot be effective without substantially contributing to and enabling a livable climate future for the majority of the world’s population and ecosystems, achievable only at limiting warming to 1.5°C, and gender inequality will be exacerbated by continued climate change. Canada’s fair share of international climate finance requires mobilizing at least $4 billion USD per year.

- **Reliability and predictability:** Scaling up climate efforts in this critical moment of inflection means enabling climate actors to invest in key institutional capacity, including cross-learning and monitoring and evaluation, and ensure innovative work can develop to the scale necessary to catalyze transformation.

- **Accountability and transparency:** As climate change and gender inequality continue to impact us all, there is even greater accountability to the public for the use of funds to achieve real change, and transparency benefits all by enabling multiple streams of expertise to consider relevant data. Robust standards for ‘gender mainstreaming’ are required.

- **Engagement and participation.** Civil society, including women’s rights and feminist organizations, and Indigenous Peoples – whose rights and sovereignty should guide policy and action - must have the voice and authority to share their expertise and contribute to strengthening not only to the initial design, but the implementation and monitoring of any efforts, particularly on their behalf.

- **Intersectionality:** Transformative, synergistic outcomes require an intersectional approach that recognizes, values, and responds to diverse voices and experiences arising from overlapping and intersecting identities, including by investing in the
capacity to ensure gender expertise is leading the robust development, implementation, and monitoring of climate efforts at the project, programme, and fund-level.

**Solidarity:** Effectively responding to the needs of communities disproportionately affected by climate change requires releasing a sense of ownership and stopping harmful norms and practices such as adhering to outdated models of development assistance where goods and services provided include conditionality on utilizing Donor supply chains.

In this brief, we will present a short background on the case for integrating gender perspectives into all climate finance, make suggestions and propose alternatives for constructing a climate finance portfolio that is feminist, and highlight key challenges and opportunities for understanding gender-responsive programmes of work with the exploration of example projects and platforms.

### SUMMARY OF RECOMMENDATIONS

- Shift substantive multilateral funding from multilateral development banks into the Adaptation Fund and Green Climate Fund.
- Invest in women’s rights, organizing and capacity building.
- Use lessons from the COVID-19 pandemic to prioritize comprehensive, long-term feminist investing and monitoring.
- Rethink climate investments by challenging the status quo with a feminist perspective.
I. Making the Case for a Feminist Portfolio

There is a strong evidence base that supports Canada’s adoption of a feminist climate finance portfolio. The now widely recognized positive relationship between gender equality and climate outcomes is clearly stated in the FIAP. This section reviews key concepts and recent literature on the linkages between gender equality and climate justice, as well as the utility of using gender analyses. The section concludes with a proposal for six principles to guide a feminist approach to climate finance.

A. Gender and Effective Climate Action

- A feminist perspective understands the interconnectedness of gendered inequalities and structural inequalities that hinder the achievement of robust, sustainable outcomes in any endeavor.

Gendered approaches and analyses reveal the inaccuracies and missteps in how policies, practices, and processes are structured. When the comprehensive and critical analyses a gender lens provides are missing, these mechanisms often fail to achieve the intended results across both mitigation and adaptation efforts. As “Global warming of 1.5°C,” the IPCC Special Report, highlights, gender dimensions and climate finance are implicated in the ways that those who should be most served by climate action may not be:

*Power imbalances embedded in the political economy of development (Nunn et al., 2014), gender discrimination (Apira et al., 2017) and the priorities of climate finance (Cabezon et al., 2016) may marginalize the priorities of local communities and influence how local risks are understood, prioritised and managed (Kuruppu and Willie, 2015; Baldacchino, 2017; Sovacool et al., 2017).*

This failure may result from inadequately meeting the needs of an entire community whose ownership and engagement is necessary for success; overlooking differences in resource use, access, and processes that are related to gender; slowly and imperfectly re-creating technical knowledge about ecosystems that was already long-held and practiced by women, including Indigenous women. These missed opportunities to design long-lasting, robust solutions arise not only from the predication of assumptions on a non-representative subset of a key audience, stakeholder group, or set of users; but from the fundamental inability to design a comprehensive solution to a complex set of problems without a deep analyses of the dynamics of the system. These dynamics are inherently, systemically gendered, as well as associated and intersecting with race, class, education, ability, sexual orientation, and other identifiers often used to directly and indirectly marginalize and oppress individuals and groups.
Only through intersectional analyses, catalyzed by a gender perspective, can these power dynamics be elucidated and addressed. Good investments arise from understanding the investment landscape, and gender analyses and approaches enable a clear view of that system and its opportunities, challenges, and constraints.

- A rich body of scholarly literature has established that women's participation and leadership at multiple levels contributes to stronger environmental and climate outcomes.

A higher proportion of women in a country's national Parliament is associated with a greater likelihood of ratifying an environmental treaty (Norgaard and York, 2005), and women's national political representation is associated with efforts related to environmental protection, such as establishing protected areas (Nugent and Shandra, 2009). The positive association between women's political representation and environmental outcomes (see also McKinney, 2014) holds true across time, whether researchers are looking at cross-national datasets of women's suffrage dating back more than a century (Voucharas and Xefteris, 2018) or cross-national 2007-2015 dataset (Lorenzen, 2019). Beyond these different methodologies and measures, these findings are capturing a specific phenomenon that is not a fluke or conflated with other trends, with one researcher noting the range of variables to which the result was robust included “GDP per capita, GDP growth, level of democratization, urbanization, industrialization, military expenditures, and globalization” (Lorenzen, 2019).

Given the importance of domestic policies that contribute to global emissions reductions and shift the planet to a sustainable pathway of development, that women's political participation and leadership is a key independent variable for encouraging and promoting national level environmental commitments can be used as a vital leverage point. As the strength of the design and implementation of Nationally Determined Contributions (NDCs) is at the heart of the question of whether the Paris Agreement will succeed, promoting gender equality can contribute to political landscapes more likely to support ambitious NDCs and associated policies and practices over the coming years.

Greater gender equality in decision-making is recognized as valuable outside of the national legislative arena, too. There are examples of better corporate leadership on environmental efforts where women's participation is greater (for example, Glass et al. 2016), and one key experiment discovered “Gender quotas increase the equality and effectiveness of climate policy interventions” (Cook et al. 2019). In this study, researchers discovered both tree conservation and equal sharing of benefits was stronger in groups across three countries (and regions of the world) when a 50% women's participation quota was assigned. This analysis not only supports the body of literature demonstrating connections between
women's participation and stronger environmental outcomes, but also highlights the impact of equal participation even when imposed by outside frameworks.¹

A related body of research correlates women's political participation directly with lower carbon dioxide emissions per capita. As with stronger environmental policy and decision-making, this correlation is true controlling for a wide range of variables: “GDP per capita, urbanization, industrialization, militarization, world-system position, foreign direct investment, the age dependency ratio, and level of democracy,” (Ergas and York, 2012). Given women's likelihoods to support stronger climate policies, some researchers believe this relationship is causal (Mavisakalyan and Tarverdi, 2019). Additionally, civil society participation may provide contributions. Researchers recently uncovered that the subdimension of women's civil society participation that contributed the most to the decreased carbon dioxide emissions that were observed was women's civil society participation (Lv and Deng 2018).

- Gender equality serves all approaches to climate action.

Long recognized as an adaptation strategy, advancing gender equality at all levels of society, from resourcing women’s civil society participation to enabling equal representation in local decision-making bodies to having equal political leadership, is a mitigation strategy in and of itself, as demonstrated above. Women's full and equal participation in mitigation activities is vital for their success and durability, with the increased international recognition, via discourse and policy, that “robust gender-responsive approaches interweave emissions reduction and gender equality targets, rather than adding on gender as an afterthought.”² Not only do “no ‘gender neutral’ interventions exist across the gamut of climate change mitigation actions,”³ gender equality contributes to the effectiveness of mitigation activities. For example, in energy, gender equality is also recognized as integral to achieving mitigation success,⁴ and in forestry, women's participation in decision-making processes is positively associated with better forest conditions and less degradation (Agarwal, 2009).

The history of associating gender equality with more robust adaptation outcomes is also long and rich. In one key study (Kwauk and Braga 2017), researchers putting forth strategies for linking girls' education to discovered a strong correlations between girls' education with the ND-GAIN Country Index capturing vulnerability to climate change: every additional year of girls' schooling contributes on average 1.6 to 3.2 points to the GAIN index, indicating reduced

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¹ Considering the many Gender Action Plans submitted with funding proposals to the Green Climate Fund where project teams set targets for greater percentages of women's participation in decision-making structures, this work supports an approach that settles for nothing less than equal participation.
⁴ Ibid.
vulnerability, with the lowest gains for those countries where girls received the least amount of schooling. Though this finding has wide-ranging implications, the connection between one of the authors’ posited strategies and the previously discussed strain of research is notable: “Invest in girls’ education in order to foster climate participation and leadership.” One research team’s recommendations emerging from their findings of women’s political empowerment and reduced carbon dioxide emissions was in fact to promote girls’ education to increase the political participation of women, particularly rural women (Lv and Deng, 2018).

B. Gender and Climate Action in the FIAP

The FIAP and its Innovation and Effectiveness Guidance Note support climate finance that integrates gender perspectives beyond token activities. The Guidance Note speaks to “ensur[ing] the reach, impact and sustainability of international assistance efforts,” and this affirmation of gender equality’s contribution to effective and successful programs is fully applicable to climate change efforts, as demonstrated above.

As gender equality contributes to and does not detract from the success of climate action, integrating gender perspectives into climate action is also an effective investment strategy for meeting associated goals and outcomes aligned with the FIAP, such as SDG 5 under Agenda 2030.

Ambition
Supporting the integration of a gender lens within an unambitious portfolio does not advance gender equality, as climate change increases gender inequality, particularly as warming continues on a trajectory to exceed 1.5°C. There is no gender equality without ambitious climate finance commitments, such as at minimum meeting Canada’s fair share of $4 billion USD annually, and the ministerial preface to the FIAP asserts, “Peace and prosperity are every person’s birthright.”
Commitments must meet the current scale of the need; the demands will only be higher in future with under-investment now in terms of both scope and mechanism. This commitment can contribute to diverting an even greater humanitarian disaster, but failing to invest adequately exacerbates gender inequalities and undermines the FIAP. Without a full-scale response to climate change, the following FIAP statement cannot be realized:

*We believe that the inherent human dignity of all people should be respected and that everyone should have equal access to health care, proper nutrition, education and humanitarian assistance, irrespective of their gender.*

**Reliability and predictability**

As the next few years are crucial in shifting our planetary course toward a livable future, building momentum to scale programs even further is critical. Inadequate investments that indicate promising programs may not be extended or renewed will not lead to the transformation called for in this moment. Reliable multi-year funding is crucial particularly for women's rights and feminist organizations that advance women's rights, who are critically underfunded and who the FIAP commits to supporting, but can also hinder larger institutions, such as the Adaptation Fund.

The FIAP Innovation and Effectiveness Guidance Note recognizes the challenge of “women's organizations and movements and other marginalized groups face in accessing predictable and flexible funding that is responsive to their priorities and concerns.” This climate finance commitment is an opportunity to deliver on the FIAP commitment to support women's organizations in a long-term way.

**Accountability and Transparency**

These are entwined principles explicitly outlined in the FIAP Innovation and Effectiveness Guidance Note, with the commitment that “to support accountability both to Canadians and to the department's partners and stakeholders, the department works toward achieving, sustaining and communicating transformative change.” These values are generally strengthened through the provision of bilateral funding, and multilateral commitments where principles of transparency and accountability are able to be upheld, such as the Adaptation Fund, and to a lesser extent, the Green Climate Fund.

**Engagement and participation of civil society, women's organizations, and Indigenous Peoples**

“Engagement and participation” is also a commitment in operationalizing the FIAP as detailed in its Innovation and Effectiveness Guidance Note, and the value of this principle is seen in all spaces where funding flows. Robust feedback mechanisms during implementation and monitoring and evaluation, not just initial consultations, are necessary to ensure the integration of relevant expertise and experiences and contribute to the durability of interventions. Individuals as well as collective spaces must be involved, and the Guidance
Notes values the importance of the latter: “In particular, the department seeks to work hand in hand with women’s rights and other equality-seeking movements and organizations, including at the grassroots level, to shift the traditional balance of power among stakeholders.”

**Intersectionality**
To “systematically undertake gender equality, human rights, political economy, power and intersectional analyses” (FIAP Innovation and Effectiveness Guidance Note) leads to unlocking the benefits of a gendered perspective, as discussed above. Likewise, the Guidance Note references ensuring entry points are considered at a system level, “making a conscious shift toward targeting the root causes of poverty and inequality,” a commitment which requires gender analysis to be fulfilled but also speaks to the related importance of considering the root causes of climate change as experienced now, which partially rest in “unequal power relations and systemic discrimination” (FIAP).

Dedicating funds to capacity-building, technical assistance, and the strengthening of the institutions delivering climate finance is necessary to ensure comprehensive and robust approaches to gender. These funds set a strong foundation for more effective design, implementation, monitoring, and accountability. As “developing staff capacity” (Guidance Note) is key for the department, it is also key for delivery mechanisms. Additionally, this is another way to support and draw on women’s organizations’ expertise as trainers and expert consultants.

**Solidarity**
As the FIAP proclaims, assistance will be “transformative and activist,” so that “Unequal power relations and systemic discrimination, as well as harmful norms and practices, will be challenged.” Some of these relations rest in the history of international assistance. Operationalizing the FIAP requires rejecting previous modes of operation to prioritize the needs, experiences, and voices of those who share the planet but not equal division of its resources.
II. Opportunities for Rethinking Climate Finance Investments

The most effective funding approaches in line with the spirit of the FIAP include select multilateral funding mechanisms (rather than multilateral development banks) and expanded funding for women’s rights, organizing, and strategizing, with an emphasis on funding that flows to women’s rights organizations themselves. To deliver on the commitment in the FIAP Innovation and Effectiveness Guidance Note to a feminist approach that addresses “unequal partnerships that exclude, disempower or fail to give priority to the perspectives of the most marginalized and vulnerable, particularly women and girls in all their diversity,” new delivery mechanisms are needed. The options outlined below can address complementary gender equality and climate objectives and support local-level organizing.

*We must be innovative and foster innovation in how we work—through our funding mechanisms and by forming new partnerships.* - The Honourable Marie-Claude Bibeau, Minister of International Development and La Francophonie, Letter prefacing the FIAP

A. Shift Multilateral Funding into Multilateral Climate Funds

Canada’s current international climate finance is delivered primarily through multilateral development banks (MDBs). Limiting funding to multilateral development banks, though, while scaling up funding to multilateral climate funds as well as bilateral avenues provides Canada with the strongest opportunity to direct funding, support the types of climate action that align with the FIAP, and be transparently engaged and recognized for its work.

The Limitations of MDBs

**MDB approaches to gender and intersecting issues vary, can be inadequate, and leave little room for influence.** Delivery of climate finance via MDBs may limit Canada’s ability to implement the principles of the FIAP, as funds are subject to the safeguards and standards of those institutions. MDBs’ commitments to gender equality and operationalization of gender activities varies, with a lack of rights-based language and gender policies that typically fail to be integrated into core operations and instead applied inconsistency. The World Bank, for example, has a non-mandatory gender policy that does not apply to development policy loans. Furthermore, it operationalizes a process of Free, Prior and Informed Consultation, not Consent.

**MDBs have continuing problematic track records on fossil fuel investments.** From 2016 to 2018, more than one out of four energy dollars (28.5%) from the nine MDBs supported

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fossil fuels, totaling over $11 billion USD. Support for fossil fuels is often obscured by the ways the banks shift money through financial intermediaries, which are not included in the above total, as well as poor accountability. As the implementation of the FIAP should “strengthen accountability and transparency” (FIAP Innovation and Effectiveness Guidance Note), these are two principles civil society often finds lacking in MDBs. As Canadian civil society has advocated, all climate finance should be consistent with low emissions pathways and climate-resilient development, or the finance is not actually serving the goal of combating climate change. Many MDBs continue to fund fossil fuels indirectly, such as through supporting infrastructure for fossil fuel development, and an analysis of seven MDBs found their funding for renewable energy as a portion of their climate mitigation portfolio actually declined from 2017 to 2018 relatively (33% to 29%) as well as absolutely (9.2 billion USD to 8.65 billion USD). Ultimately, channeling funds through MDBs can dilute their effectiveness.

**MDB practices often precipitate and exacerbate crises where governments cannot fulfill social services.** The history of MDBs is also one of increasing the indebtedness of governments, which are struggling in the face of the COVID-19 pandemic to provide basic social services, ensuring their populations are healthy and food secure. Gender inequality is fundamentally connected to patterns of underinvestment in social protection, austerity measures, debt burdens, and extraction of resources. These are the standard practices of international finance institutions, a playbook which has ill-prepared communities to face this pandemic and the crisis of climate change with resilience to shock and disruption.

**Multilateral Climate Funds**

**The Green Climate Fund (GCF) and Adaptation Fund are vehicles designed for climate finance.** These climate-specific funds are tied to the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, designed to serve the shared vision and goals of this Agreement. They uptake key wins for gender-responsive climate action in their operationalization; for example, the Green Climate Fund supports the development of National Adaptation Plans, which the UNFCCC negotiations outlined should be produced through “a country-driven, gender-sensitive, participatory and fully transparent approach, taking into consideration vulnerable groups, communities and ecosystems.”

**Though not without imperfections, these funds could better serve to implement the FIAP than MDBs.** Both funds have specific gender policies and offer direct access to national level organizations, which are not features within the MDBs. Contributing to the Adaptation Fund and contributing more to the Green Climate Fund would help ensure funding is aligned

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6 Still Digging: G20 Governments Continue to Finance the Climate Crisis. Available at http://priceofoil.org/content/uploads/2020/05/G20-Still-Digging.pdf

7 Small steps are not enough: Multilateral Development Banks need to make a step change on climate action and clean energy access. Available at https://bigshiftglobal.org/small-steps-are-not-enough

8 The Global Environment Facility also serves the Paris Agreement.
with the FIAP in being “strategic and focused,” so that “Assistance will be directed toward those initiatives that best support the empowerment of women and girls and have the greatest potential to reduce gender inequalities.” The GCF and Adaptation Fund can also better provide direct access to organizations seeking to support their endemic solutions nationally and regionally through their respective, fully functional direct access mechanisms. Given the FIAP Innovation and Effectiveness Guidance Note’s affirmation of the key principle of country ownership, the governance and operational models of the GCF and Adaptation Fund can better realize this principle than general MDB contributions. Both funds also have shared governance models, representative of Parties who may contribute as much as Parties who may receive funding.

**Increase the Pledge to the Green Climate Fund**

The Green Climate Fund is largest multilateral climate fund and offers an investment platform better aligned with stated climate finance goals:

- With stronger **safeguards against fossil fuel investments** and dedication to shifting the portfolio of its accredited entities (including MDBs) toward low-emissions investments
- The GCF **dedicates attention to gender assessments and action plans**, a result of civil society and Indigenous Peoples’ advocacy from the fund’s establishment.
- The continued **avenues for engagement of civil society and Indigenous Peoples’** enable this fund to be held accountable as well as strengthened by the advocacy, analysis, and recommendations of these activists, who continue to push for more robust implementation of the Gender Policy as well as other elements of the GCF.

The GCF is still accepting pledges, and The Canadian Coalition on Climate Change and Development advocates for another **$600 million CAD to be invested during this first operational period (2020-2023) under the first replenishment**. Canada failed to provide its fair share in 2019. By contributing additional funds after many governments made one-time pledges last year, Canada would demonstrate its leadership in recognizing the interconnectedness of the crises and the imperative for transformative solutions. The GCF is committed to supporting a green recovery from the pandemic, and coupled with the current co-chairwomanship being held by Canada, a new investment would make Canada a leader in addressing global challenges with dedication and an accurate understanding of interlinked root causes.

**Make a Pledge to the Adaptation Fund**

The Adaptation Fund provides a key opportunity where the impact of a relatively small investment can be far-reaching and support gender-responsiveness in several ways:

- The Fund serves as a **pilot space for innovative projects that can be scaled** in the GCF.
- The Adaptation Fund demonstrates **transparent and continued development of their gender commitments**, including through progressively developed Gender Policies.
• Relatively small donations can have large impacts with an operating budget that hovers around $100 million a year.
• Donations can bring attention to the Fund, which is open to the public for donations, and signal support to other potential contributors.
• The Fund accreditation structure—both in size and process—offers the best opportunity for a women’s organization to be accredited to a climate fund and thus achieve direct access. While the Adaptation Fund remains underfunded, though, the so-called $10 million USD “country cap” on total funding removes the incentive for accreditation when the cap has been met. Raising or removing the country cap is an opportunity to involve women’s organizations in climate finance in a way that has been theorized (e.g., African Women’s Development Fund currently seeking potential accreditation with the GCF) but long considered unlikely or unviable for many organizations.

Some key contemporaries have supported the Adaptation Fund. The Government of Quebec pledged $3 million CAD in 2019,⁹ and Sweden references its feminist commitment in describing its Adaptation Fund contributions, noting that “gender equality is key to have durable and effective interventions that can contribute to sustainable development.”¹⁰ In 2019, Sweden announced a four year pledge totaling to $53 million USD,¹¹ making is the largest per capita donor to the AF with a pledge equal to only .01% of its 2017 GDP.¹² A commensurate contribution by Canada would be $218 million USD, spread across five years.¹³

B. Invest in Women’s Rights, Organizing, and Capacity-Building
While redirecting MDB funding toward these two multilateral climate funds supports gender-responsive climate finance, complementing this funding with direct support to women’s rights and feminist organizations is necessary. The direct entry points for these organizations in climate funds remain limited, as these funds are not currently fit for that purpose. As the FIAP Guidance Note outlines the motivation to “explore new funding mechanisms to support longer-term or flexible partnerships,” more intentional mechanisms should fulfill the goal of putting it in the hands of women-led, gender-just solutions: “supporting local women’s orgs that advance women’s rights” (FIAP).

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¹⁰ https://www.adaptation-fund.org/about/partners-supporters/sweden/
¹³ Based on 2019 GDP, increasing the four-year pledge of .01% GDP ($174 million USD) to a five-year pledge by increasing the amount by 25%.
Fund Multi-Year Feminist-Led Coalitions

The Government of the Netherlands supports the Global Alliance for Green and Gender Action (GAGGA) through a five-year grant. GAGGA is an alliance of Fondo Centroamericano de Mujeres or FCAM (the Central American Women’s Fund – the Nicaragua-based, lead coordinating organization), Mama Cash (an international women’s fund headquartered in the Netherlands), and Both ENDS (an independent, Dutch environmental justice NGO). The Dutch support enables GAGGA to pursue its strategic five-year plan and enact its theory of change, which is that “grassroots women’s rights and environmental justice groups and their movements are the best positioned to advance women’s rights to water, food, and a clean, healthy, and safe environment.”

The full support of an entire programme of work across five years enables adequate time for implementation, monitoring, and learning before moving into the next phase of the initiative rather than shortsightedly asking for community-centered work and re-granting mechanisms to yield immediate and tangible results on a year-to-year basis. This Dutch funding exemplifies one the principles of climate finance presented, reliability and predictability, which can contribute to initiatives having the room to fully operationalize their vision and grow to generate more robust outcomes.

Working on multiple levels, supporting both advocacy and direct funding, is key to supporting a paradigm-challenging system. The Netherlands is supporting women’s capacity to act, with GAGGA working through multiple approaches ultimately to shift the architecture of climate finance through strategic advocacy as well as re-granting to local organizations, which is a key mechanism through which GAGGA does its work.

More coalitions like GAGGA can quickly coalesce with the right support. Canada has the potential and connections to work with existing networks of feminist organizations to fund the expansion and connection of their ongoing climate justice programs with a collective impact approach. Organizations are networked and working through a variety of collaborative consortia, formal and informal, partially and under-resourced, and need only the opportunity to bring together their work into a cohesive, long-term initiative.

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Fund Feminist Climate Justice Advocacy

In 2019, the Government of Ireland provided the first funding to enable the Women and Gender Constituency (WGC) to hire a part-time coordinator for the network. The WGC is a network of 32 women's and civil society organizations accredited to the UNFCCC that work together to ensure that women's voices and their rights are embedded in all processes and results of the UNFCCC. They host an advocacy network of over 500 individuals and through the reach of their membership organizations, represent thousands of people across the globe. They contribute women's and gender-responsive perspectives and a wider critical analysis to the official negotiations and host a daily Women and Gender Caucus open to all. Negotiators and policymakers value the specific analysis, recommendations, and insights of this network.

This funding enabled the WGC to have a deeper strategic approach to growing its reach and impact than when projects or programmes of its individual organizational members allowed some alignment of efforts. With a point person able to strengthen the core functions of the WGC, such as connecting WGC expert speakers to invitations, updating the website and social media channels with relevant materials and messages; and coordinating strategic meetings and inputs, the WGC has greater ambition for how it can influence gender-responsive negotiations, policy development, and implementation.

The crucial analytical and advocacy work of this and other networks can be expanded with additional funding. Other networks of individuals and organizations exist to work in specific advocacy spaces related to climate finance: the Women's Major Group working on Agenda 2030, including SDGs 5 and 13; the Women's Working Group on Financing for Development (WWFfD) advocating within the FfD processes and narratives; the GCF Observer network of civil society, Indigenous Peoples, and local communities, which holds gender equality as one of its values, and the Adaptation Fund NGO Network, which is seeking to expand its capacity on and attention to gender within the Fund. While some of these advocacy spaces have dedicated funding to support coordination among the group, others do not, and the capacity of each to grow its advocacy capacity and reach is likely limited by funding.

This recommendation aligns with the following recommendations in the Nobel Women's Initiative and Equality Fund's “Supporting Women's Organizations and Movements: A Strategic Approach to Climate Action”:

**Listen:** Facilitate, fund and support the participation of grassroots women's organizations in climate policy and finance discussions. Advocate at international climate fora for the meaningful inclusion of women who are directly affected by climate change.

**Build:** Strengthen the capacity of grassroots women leaders and their organizations to participate substantively in climate change adaptation and negotiations. Invest in movement-building of women's rights actors on climate change. Fund consortiums that build the collective power of women's rights and environmental justice movements.
Fund Gender Just Solutions

Gender just solutions to climate change center women’s human rights and gender equality within integrated approaches to various issues, from waste management to agroecology to fisheries, education to capacity-building to policymaking. Arising at a local level and enacting community leadership, these solutions are often envisioned and implemented by women’s organizations. The chronic underfunding of feminist organizations and women’s environmental activism presents a perverse opportunity where financing can have incredible impact at a smaller scale:

- Only ~10% of climate finance flows to the local level (Soanes et al., 2017).
- Only ~1% of “Gender Equality” funding from governments flows to women’s organizations (Staszewska, Dolker and Miller, 2019).
- Only ~3% of environmental philanthropy supports “women’s environmental activism” (Dobson & Lawrence, 2018).

There is a dearth of small grant funding for scaling up and replicating gender-just climate action. Funding through the International Climate Initiative (IKI) Small Grants Program, sponsored by the German government, is one of few opportunities, alongside the GEF Small Grants Programme (SGP). The IKI Small Grants Program, launched in 2019, enabled successful applicants to receive up to 100,000 Euros and capacity building assistance, while the SGP is limited to $50,000 USD but averages only $25,000 per project. The opportunity for a big impact with a relatively small investment is clear.

Funding existing organizations that support feminist organizations, including women's funds, is one way to fund gender just solutions. Women’s funds come together in Prospera, the global network of women’s funds and include national, regional, multiregional and thematic funds that support more and better feminist fund, as well as ongrant to a wide variety of women-led and feminist organizations. Canada’s Equality Fund is one women’s fund.

FRIDA, the Young Feminist Fund, provides small grants to organizations of young feminists working on the priorities they define. In many cases, these relate to mobilization of young

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16 https://sgp.undp.org/about-us-157/how-to-apply.html
activists around climate justice. For example, FRIDA supports young women in Colombia raising awareness in schools about local trees and linking this issue to broader political activism. Moreover, the theory of small grants funds—“Small grants are specifically designed to be accessible and accountable to grassroots and community groups, i.e. the disempowered, that can break the existing power structures and achieve social and environmental justice”—aligns with the FIAP’s orientation toward challenging harmful power dynamics and ensures funding flows to the local level.

**Small grants funds can be used to scale big ideas as well as bigger programs.** Small grant opportunities can provide additional models for substantively funded, always-open small grants facilities within multilateral climate funds such as the GCF and Adaptation Fund, building on the strength of examples such as the GEF’s SGP.

### Examples of Gender Just Solutions

Key compilations of innovative projects collectively offer over 200 examples of climate solutions designed with a gender lens, many of which exemplify holistic, community-led approaches that address the root causes of climate change and build resilience in the face of the local manifestations of climate chaos.

- [The Gender Just Climate Solutions](https://www.bothends.org/uploaded_files/document/Putting_People_First.pdf) (Women and Gender Constituency)
- [Women Speak: Stories, Case Studies, and Solutions from the Frontlines of Climate Change](https://www.bothends.org/uploaded_files/document/Putting_People_First.pdf) (WECAN)
- [Women as Environmental Stewards: The Experience of the Small Grants Programme](https://www.bothends.org/uploaded_files/document/Putting_People_First.pdf), publication by the Global Environment Facility
- [Assessing Progress: Integrating Gender in AF Projects and Programmes](https://www.bothends.org/uploaded_files/document/Putting_People_First.pdf), publication by the Adaptation Fund
- [Momentum for Change: Women for Results](https://www.bothends.org/uploaded_files/document/Putting_People_First.pdf) under the UNFCCC

An outdated and short-sighted narrative would state that these small-scale projects are nice but cannot be funded through MDBs, which were presumably achieving greater impact with less robust measures of community engagement and equality. An improved approach recognizes not only are these projects the key to resilient societies, there are clear ways to support their development.
III. Transform Discourse on Effective Climate Finance

Feminist climate finance is finance that works to create the equitable, sustainable world Canada is committed to supporting. Feminist perspectives challenge the status quo to rethink systems and unlock possibilities for transformative change that is inclusive and sustainable. This section first explores how the lessons of the COVID-19 pandemic point toward integrated, feminist approaches to investment that address issues at the system-level and achieve long-lasting outcomes. Then a feminist lens highlights ways to reconceptualize climate change investments across thematic areas to ensure project and programme level solutions are effective, inclusive, and sustainable.

"The restart of our economy needs to be green...It also needs to be equitable, it needs to be inclusive and we need to focus very much on jobs and growth."  - Chrystia Freeland, Minister of Finance

A. Lessons Highlighted by the COVID-19 Pandemic

The COVID-19 pandemic has revealed even more than usual the interlinkages between crises and the efficacy of the comprehensive, whole-of-society approaches that feminism promotes. Taking these lessons onboard can fundamentally change approaches to climate finance to ensure the discovery of better investment opportunities that generate more larger, more durable impacts.

- Good investments strengthen systems and yield comprehensive benefits in times of stress.

Investments that provide social protection and build resiliency of socio-ecological systems are valuable investments that contribute to both the mitigation and adaptation capacity of communities and countries. Societies that have access to voice, resources, and leadership, typically construed as outcomes of adaptation initiatives, are societies that have voice, resources, and leadership to mitigate. Investments in social protection that yield dividends during times of disruption, shock, and disaster are essential in a world living with catastrophic climate change.

- Innovative investments address underlying needs and deep disparities.

An example highlights the power of an innovative approach to economic investment compared to quick fixes to jumpstart recovery, while demonstrating the undeniable job creation potential of low-carbon investments such as care work. A 2015 study in Turkey compared the results of investing equally in construction expansion, cash transfers, and early childcare and preschool education, with the amount of investment set at the level...
required to expand preschool enrollment to the OECD average. Childcare and education generated approximately 719,000 jobs, and jobs with greater permanence and more likely to have benefits, compared to the approximately 290,000 jobs created by the construction investment. While 73% of the childcare and education jobs would be likely filled by women, many being brought into the labor market in a country where the labor force participation rate has an over 30 percentage point gender gap, women would comprise only 6% of the construction employees. Yet given the discrepancy in absolute job creation between construction and care work, over 195,000 men would be employed in care work, 72% of the number to be employed in construction. The authors also note the “long-run sustainability effect through human capital returns,” demonstrating the best investment in the short and long-term is education and care (Ilkkaracan et al., 2015).

- **Investment effectiveness is fundamentally connected to timescale and paradigm shifts.**

While some were quick to hail the “shutting down” of the economy as a win for climate, analysis has shown that these reductions in emissions are negligible as they were short-lived: the global economy did not change its underlying structural orientation toward massive and unsustainable emissions, which will continue when the economy is fully operational again. This example demonstrates that measuring effectiveness in terms of temporary avoidance or reduction in tonnes of carbon emitted, as many largescale mitigation projects do, would be using a shortsighted and incomplete indicator of effectiveness. Effectiveness must consider the ability of the system to continue such reductions or avoidance of greenhouse gases over the long-term, while building the capacity of the system to adapt to disaster as well as slow-onset events.

- **Investments must contribute to changing the system, or they won’t be enough.**

The effectiveness of climate action should reflect the contribution to achieving a societal shift to a pathway where warming is likely to be limited to 1.5°C with limited or no overshoot, and those pathways call for more rapid system transformation. The IPCC Special Report on 1.5°C, recognizing synergies with gender equality, poverty reduction, and well-being in multiple sections and ways, asserts that “upscaleing and acceleration of far-reaching, multilevel and cross-sectoral climate mitigation and by both incremental and transformational adaptation” can reduce the impacts of climate change. The literature demonstrated some key ways gender equality is a part of that effective, system-changing climate action:

- “System co-benefits can create the potential for mutually enforcing and demand-driven climate responses (Jordan et al., 2015; Hallegatte and Mach, 2016; Pelling et al., 2018), and for rapid and transformational change (Cole, 2015; Geels et al., 2016b;..."
Hallegatte and Mach, 2016). Examples of co-benefits include gender equality, agricultural productivity (Nyantakyi-Frimpong and Bezner-Kerr, 2015),...

- “The pace and scale of urban climate responses can be enhanced by attention to social equity (including gender equity), urban ecology (Brown and McGranahan, 2016; Wachsmuth et al., 2016; Ziervogel et al., 2016a) and participation in sub-national networks for climate action (Cole, 2015; Jordan et al., 2015).”

Amidst calls to build back better and build back greener, there is an undeniable opportunity to address both a resilient recovery and climate ambition, with transformative initiatives that center sustainable development and align with a 1.5°C pathway.

**B. Rethinking Approaches to Climate Initiatives**

While key bilateral and multilateral opportunities can facilitate effective climate action through their structure and modes of delivery, the substance and content of climate efforts also has implications for gender-responsiveness. By walking through five types of adaptation and mitigation approaches and their associated narratives, drawing from real-life examples of projects, a feminist will highlight the opportunities for shifting narratives and supporting the most gender-responsive action. Key actions hark back to previous sections of this brief in highlighting the importance of gender analyses, referencing Canada’s leadership position within the Green Climate Fund, and specifying key funding opportunities.

**Realize Innovation is in Scaling What Works, not in Devising New Financial Devices**

Innovation within climate finance is often narrowly construed within the realm of finance. In this narrative, innovation is a technical feat that will have cascading effects, through complex interactions of interest rates and instruments that will create value and thus fund the chronically under-funded climate action demanded. Yet, creating new financial packages, including high-risk financial endeavors through derivatives and giveaways to the private sector, is not innovative except in its transition from Wall Street to the halls of climate decision-making: it’s the same type of short-term, big-bet, quick-win thinking that has led to global recession and stripped communities of the capacity to adapt to disruptions and shocks.

**True innovation is addressing the needed change directly, through bottom-up approaches that grapple with root causes**, not uncovering the mathematical equation to
generate money for change through top-down market manipulation. Funding integrated, community-led initiatives to scale upward, discovering how the complexities of these intersecting challenges can be adapted to local contexts, represents a form of innovation that leads to lasting transformation. While these financially innovative programs are believed to offer high reward for high risk, risk should be taken to fund and scale small programs.

**New Narrative: Truly innovative approaches address root causes in comprehensive and holistic ways.**

**Key Actions:**

- Restrict the amount of funding that flows to MDBs, as MDB funding is more likely to fund top-down, market-based approaches.
- Support women’s organizing to create cross-learning partnerships that can work to scale feminist solutions across key regions.
- Advocate for a small grants facility at the GCF that can directly fund these solutions and build their capacity for scaling and replication.
- In the GCF Boardroom, be willing to ask hard questions and withhold support—voting no if necessary—on funding proposals that civil society and Indigenous Peoples caution against for complex financial structures whose beneficiaries are unclear.

Instead, small grants are often subject to higher levels of scrutiny and disclosure than financing facilities and subprojects reaching into the hundreds of millions of dollars.

**Re-think Large Scale Infrastructure to Support Decentralized Approaches**

Massive mitigation has often entailed massive infrastructure and large projects, assuming bigger potential for emissions reductions. Yet the history of large-scale infrastructure projects associated with human rights abuses is well-known and undeniable, and now there is an opportunity to rethink large-scale infrastructure to support decentralized rather than singular approaches. These are projects designed to learn and scale from the-go, to address institutional and policy reform to enable a different way of doing business. Any large infrastructure would also pair with the supporting infrastructure to serve aggregate needs.

The most effective mitigation impact does not arise from the biggest project, but the one best designed with a strong system of institutional and policy interventions. Imagine the following:

- Acres upon acres of solar panels in an unused location could instead be replaced by a regulatory and institutional framework for a network of low-tariff, community-
owned agrophotovoltaic systems connected to mini-grids, with a programme of capacity building and knowledge sharing to ensure new insights from farming under solar panels are merged with traditional agroforestry practices.

- Transform the idea of a large hydropower project to a set of institutional reforms and a regional network of smaller-scale, fit-for-purpose solutions: a series of smaller run-of-the-river projects with strong, participatory water management committees and governance.
- Instead of a new light-rail system that will take years to build for an urban hub, envision a comprehensive transportation scheme involving safe walking paths; more bike lanes, easy-to-rent bikes, and free bike safety and maintenance workshops; ride-sharing and car-sharing applications and incentives; a smart bus system; policies to dissuade car purchases; and an accompanying public awareness campaign.

**New Narrative:** *Mitigation can be achieved across community-centered systems designed with enabling environments and inclusive, participatory approaches.*

**Key Actions:**

- Support women’s organizing to share and advocate for feminist visions of alternative agricultural landscapes, energy systems, and cities.
- Facilitate robust gender analyses during project design to ensure projects are fundamentally conceptualized in inclusive, participatory ways rather than having some inadequate gender-related indicators added later.
- In the GCF Boardroom, question the human-rights risks of any large-scale project.

**Consider the Purpose and Long-Term Impact of Loans**

*Loans are often perceived as inherently superior to grants,* because of the presumed cost-efficiency, sustainability, and effectiveness. If one gives a grant when the recipient was capable of paying it back, that’s considered inefficient. Loans also prepare the recipient to do this work in the future, with less concessionally or no loan at all. Lastly, loans may mean the money is returned to the pot to fund more climate action, multiplying the impact of a single dollar. All of these presumptions, though, are flawed as general conclusions; the specifics can easily change the context. The opportunity cost to pay back a loan must be considered: perhaps investments to increase resiliency would have been made in the case of a grant, and the terms of pay-back increase vulnerability instead. Some grant-funded initiatives transition into sustainability with new financial inputs (fee-for-service, for example), while some loan-funded initiatives last despite poor outcomes because of the influx of funds. Lastly, given the short timeframe to achieve transformative progress against
climate change, the timescale of loan funding may be a nonfactor, and the fundamental effectiveness of the grant or loan intervention is more important.

**Loans should face the same rigorous effectiveness tests as grants.** The question of a loan is who it is ultimately serving. Who is making money off the concessional rate? If the loan savings are designed to be passed on to another tier of beneficiaries or recipients, how will that savings work? The effectiveness is not in the portion and timeline of the money to be returned for future use, but how the loan triggers effective climate action and advances gender equality. For example, women are often less able to access loans for MSMEs, but quota setting for x% women in loan programs without other measures to address the historical lack of access can lead to inauthentic ways to increase uptake by “women-led” businesses (such as qualifying any business with 40% women in management “women-led,” even if male owned and headed). Ensuring loan programs offer no and low-collateral options, flexible pay-back terms, and are willing to lose some money is the best way to invest in women who have been systematically denied access to resources and financial institutions.

**New Narrative:** The power of a loan, like the power of a grant, lies in the action it enables that addresses root causes of climate change and vulnerability.

**Key Actions:**

- Enable small-loan facilities to relax expectations for sustainability; and build a cushion for loss so that more women and people of diverse genders can access loans with appropriate concessionality.
- In the GCF Boardroom, focus conversations as equally on expected outcomes and who will be served as on financial vehicles and whether they have precedent.

**Recognize Not all Nature-Based Solutions are Equal**

Nature-based solutions are often perceived as inherently beneficial or harmless because of the positive associations with nature. Yet this terminology can gloss over the ways in which such solutions can be both poorly designed and implemented. For example, monoculture plantation projects planted with exotic species can destroy native biodiversity, increase the risk of fire, and can lower the water-table for community uses. They can also appropriate community lands, offer minimal and temporary employment, and fail to protect against leakage. Promises of large amounts of carbon sequestration must be tempered by
the data that biodiverse forest systems store substantially more carbon, up to 40 times more.\(^{18}\)

**A better solution for nature and communities would be ensuring local land rights** to protect landscapes from agribusiness and other private sector encroachment. Large-scale biomass should never be considered an appropriate climate solution; proliferating “nature” at the expense of healthy and biodiverse ecosystems contributes to the problem. Ecosystem-based Adaptation and appropriate nature-based solutions for mitigation restore ecosystems and promote biodiversity, harnessing the power of healthy soils and diverse grasslands and forests to sequester carbon and provide opportunities for increasing food security, improving livelihoods, and being better protected from weather events and disasters.

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<th>New Narrative: The best nature-based solutions are not simply using nature’s capacity to sequester carbon, but to promote healthier ecosystem functioning.</th>
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<td><strong>Key Actions:</strong></td>
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<td>• Ensure small grants projects elucidate their precise interventions without relying on an overbroad category for nature-based solutions.</td>
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<td>• Support women’s organizing to advocate against agribusiness and land-grabs on behalf of nature-based solutions.</td>
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<td>• In the GCF Boardroom, question the assumed benefits of any nature-based solution and heed the analysis of civil society and Indigenous Peoples.</td>
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**Support Rights-Based Agriculture Approaches**

**Climate-smart agriculture is often the first response to questions of agricultural resiliency.** Noting that the terminology lacks an agreed-upon definition and has entailed different elements and methodologies, civil society and Indigenous Peoples are often wary of its use, instead preferring to have the approaches of a specific project elucidated rather than presumed. The IPCC Special Report on 1.5°C reaffirms some concerns, noting “Climate-smart agriculture has synergies with food security, though it can be biased towards technological solutions, may not be gender sensitive, and can create specific challenges for institutional and distributional aspects (Lipper et al., 2014; Arakelyan et al., 2017; Taylor, 2017).” Additionally, women’s frequent role performing agricultural labor does not inherently confer gender-responsiveness upon projects designed to increase agricultural outputs for income or food security.

**Rights-based approaches to agricultural resiliency and land-use, however, can serve as an adaptation and mitigation strategy.** Agroecology and agroforestry where land-

tenure rights are held by the rightsholders demonstrate the most powerful input for stronger outcomes is not a singular technical intervention—a new irrigation approach or the right application of fertilizer or the best selected crop—but the rights of people to their land, to continue their conservation and stewardship using techniques and approaches appropriate to that land. Through the realization of these rights, the sequestration of carbon is estimated at 1 gigaton, conservatively19.

**New Narrative: Effective agricultural approaches are rooted in rights, restoration, and resiliency.**

**Key Actions:**

- Ensure small grants projects elucidate their precise interventions without relying on an overbroad category for climate-smart agriculture.
- Support women's organizing to advocate against climate-smart agricultural projects that are not gender-responsive in their design.
- In the GCF Boardroom, question the precise elements of any agricultural approach and heed the analysis of civil society and Indigenous Peoples.
- Support advocacy, capacity-building, and institutional reforms to protect and secure land rights for individuals and communities, especially Indigenous communities, through all three bilateral strategies—coalitions, advocacy networks, and small-grants funds.

19 [https://www.climatelandambitionrightsalliance.org/report](https://www.climatelandambitionrightsalliance.org/report)
Works Cited


