Key findings

Towards gender-responsive climate action in public financing: the case of Public Development Banks

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Due to existing discriminatory gender norms, women, men, boys, and girls are impacted differently by climate change. Having acknowledged the slow progress towards gender equality and calling for accelerated action, Public Development Banks have recently stepped up their institutional commitment towards gender-responsive climate finance. We present an empirical assessment of how PDBs conceptualize the gender and climate change finance nexus, how their operational frameworks have been designed to incorporate this nexus, and what challenges they encounter in responding to global efforts towards gender-responsive climate action. The study reveals a narrow conceptualization of gender in climate change, a high degree of heterogeneity in how gender and climate change are integrated into the PDBs' operational frameworks, critical challenges in accessing accurate data and the absence of concrete performance targets to translate strategic aspirations and concrete indicators.

Objectives and research questions

Despite the recognition of the centrality of gender equality and climate action towards achieving the UN 2030 Sustainable Development Goals, the gender-responsiveness of climate finance remains limited. Public Development Banks (PDBs) can play a critical role in making public climate finance gender-responsive. In recent years they have increased their institutional commitments towards gender equality, including within 'Finance in Common', the global network of all PDBs. Notably, "The Paris Development Banks' Statement on Gender Equality and Women's Empowerment," currently signed by 42 PDBs, has as one of its primary goals the contribution to developing a gender-responsive climate change action. However, the extent to which PDBs are ready to deliver on a gender-responsive climate finance agenda remains largely unexplored. This study provides an insight into how PDBs conceptualize and operationalize the gender and climate finance nexus and the challenges they currently face to deliver on this goal. The study set out to explore three interrelated research questions: (1) How are the notions of gender and climate change conceptualized by PDBs and the nexus between them?; (2) What operational frameworks are in place to enable PDBs to implement and measure their commitment to support gender-responsive climate action?; and (3) What challenges are they confronted with?

Methods

Based on a qualitative research design, the study applied an inductive content analysis to examine PDBs' operational frameworks and overall readiness to advance gender-responsive climate change financing. The study used semi-structured interviews with key informants from nine PDBs that participated in the study. An analysis of gender and climate change indicators used by the nine PDBs was also conducted.

Results

The study revealed that gender equality in climate change financing is frequently narrowly framed by PDBs as "women's issues," sidelining men's and boys' specific challenges in climate change adaptation and their role in contributing towards changing discriminatory gender norms affecting inclusive and equitable climate change adaptation. The interviews also uncovered a high degree of heterogeneity in how PDBs are integrating gender and climate change in their operational frameworks. While most key informants stated that addressing this nexus was a new area of focus within their banks, some exposed a more established conceptualization of the nexus within their institutions. Only four banks among nine PDBs investigated in this study had gender equality and climate change indicators as a critical parts of their operational framework. The majority of indicators covered resilience and climate adaptation aspects, and only very few covered climate change mitigation. The insufficient prioritization of the nexus within PBDs' operational frameworks remains one of the main challenges for the advancement of the PDBs' agenda for gender equality and climate finance. This is partly driven by a lack of clear financial targets or specific indicators, insufficient good-quality disaggregated data, a shortage of staff with gender and climate change expertise and a lack of political will on the part of the PDB's political counterparts.

Recommendations

Advancing the gender and climate change agenda requires Public Development Banks to continue investing in gender-responsive climate financing. Global initiatives such as "Finance in Common" present a unique opportunity to facilitate a global agenda that enhances the gender responsiveness of climate finance. The institutional commitment towards gender-responsive climate financing needs to come hand in hand with strengthened gender and climate capacity development efforts of PDBs employees and partners. A gender transformative and intersectional approach to climate finance is needed to address the root causes of gender inequality in climate change adaptation and mitigation processes, taking into account intersectional inequalities and explicitly involving men and boys in effective ways to reduce gender inequalities. Additional efforts in the collection of good quality data disaggregated by sex and other intersecting social dimensions will prove key to tracking the effectiveness of gender-responsive climate investments and to gaining the buy-in of PDBs, their partners and political counterparts in the acceleration of the gender, and climate change agenda.

Finance in Common

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