

LIVE TALK 04

Gender-smart climate and disaster risk investing and grant making: From principles to practice



September 2022

Following the first three successful Live Talks in 2020/2021, the fourth Live Talk was held on 20 September 2022 as part of the “Gender and Climate Risk Finance” series organized by the [Forum for Agricultural Risk Management in Development \(FARM-D\)](#) hosted by the [Platform for Agricultural Risk Management \(PARM\)](#) in collaboration with the [InsuResilience Global Partnership](#). The objective of the Live Talk was to further explore the mechanisms in applying a gender lens within Climate and Disaster Risk Finance and Insurance programmes.

Background

Applying a gender lens through public and private investments in Climate and Disaster Risk Finance and Insurance (CDRFI) can achieve both economic benefits and development impact. The development returns include protecting the lives and livelihoods of poor and vulnerable people from the impacts of climate shocks and disasters and advancing gender equality and women’s empowerment. From an economic perspective, it is estimated that advancing women’s equality could add up to \$12 trillion to global economic growth by 2025.

In this context, the G7 and development finance institutions (DFIs) have collectively mobilized \$11.4 billion for gender-lens investing through the 2XChallenge Initiative since its launch in 2018, which aims to empower women through investment¹.

Through the InsuResilience Declaration on Gender, the Partnership aspires to ‘incorporate gender-lens grant allocation investment criteria into the funding mechanisms for CDRFI programmes’. Yet to date, there is a lack of guidance to support programmes with applying a gender lens specifically in CDRFI investments and grant allocation. This webinar aimed to fill the guidance gap by exploring the themes and addressing questions of: what is gender-lens investing and its relevance to gender-smart CDRFI? What can integrating gender considerations into CDRFI investments and grant making processes look like in practice? What are common challenges and good practices? Is there a need for further guidance to enhance existing practices of gender-smart investment and grant making through CDRFI?

Objectives of the webinar

Following the first three Live Talks on [‘integrating gender into CDRFI’](#), [‘monitoring and evaluation of gender-responsive CDRFI’](#), and [‘how to implement gender-related climate risk finance commitments and strategies on the ground’](#), this fourth interactive Live Talk focused on the following objectives:

- Present the new InsuResilience Step-by-Step Guidance on Gender-Lens Investing in Climate and Disaster Risk Financing and Insurance (CDRFI) Solutions;
- Explore definitions of and the business case for gender-smart investing and grant-making within CDRFI programmes ;
- Identify existing approaches, implementation gaps and challenges, and opportunities to further enhance gender-smart investments and grant making within CDRFI programmes; and
- Gather input for the development of practitioner-driven guidance on gender-smart investing and grant making within CDRFI programmes.

¹<https://www.2xchallenge.org/>

Speakers and moderator



Christine Martel-Fleming
Senior Policy Advisor,
Global Affairs
Canada and Co-Chair
to the InsuResilience
Gender Working Group



Young Hee Lee
Governance Specialist
and Gender Focal Point,
Adaptation Fund



Marijn Wiersma
Director for Partnership
and Innovation,
2x Collaborative



Marietta Fedderson
Senior Technical
Assistance Specialist,
BlueOrchard Finance Ltd



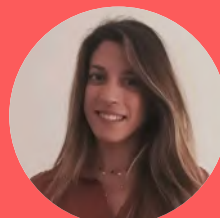
Regina Rossman
Senior Associate,
Training and Engagement,
Convergence



Ellen Brookes
Climate Change Executive,
British International Investment



Katherine Miles
Gender Consultant,
**InsuResilience Global
Partnership**



Silvia Tallini
FARM-D Community
of Practice Analyst,
PARM

Agenda

Opening remarks

Christine Martel-Fleming

Senior Policy Advisor, **Global Affairs Canada** and
Co-Chair to the **InsuResilience Gender Working Group**

The basics of gender-smart investing in CDRFI

Katherine Miles

Gender Consultant, **InsuResilience Global Partnership**

SESSION 1

The Investment Case for Gender-Smart Investing in CDRFI: Trends, Opportunities and Challenges

Young Hee Lee

Governance Specialist and Gender Focal Point,
Adaptation Fund

Marijn Wiersma

Director for Partnership and Innovation,
2x Collaborative

SESSION 2

From Principle to Practice - Operationalising Gender-Smart Investment and Grant Making Approaches in CDRFI

Marietta Fedderson

Senior Technical Assistance Specialist,
BlueOrchard Finance Ltd

Regina Rossman

Senior Associate, Training and Engagement,
Convergence

Ellen Brookes

Climate Change Executive,
British International Investment

CLOSING REMARKS

Opening remarks

Christine Martel-Fleming

Senior Policy Advisor, **Global Affairs Canada** and
Co-Chair to the **InsuResilience Gender Working Group**

Christine Martel-Fleming opened the webinar by warmly thanking all the panelists and participants. She presented the InsuResilience Gender Working Group composed of 28 members working towards the aim of integrating gender responsive and sensitive cross-cutting topic following the InsuResilience Global Partnership vision. The latter's high-level consultative group endorsed in September 2020 an InsuResilience Declaration on Gender highlighting the importance of gender responsive approach to climate and disaster risk finance and insurance (CDRFI) in order to reach the final goal by 2025 of providing 500 million vulnerable and poor with pre-arranged risk finance and insurance solutions against impact of climate. The Government of Canada (GAC) supports gender lens investing as a way to influence systems of finance to mitigate the barriers to gender equality and women empowerment in developing countries. In this context, GAC has a commitment towards gender lens investing more broadly and also specifically related to climate and disaster risk finance. In December 2021, in partnership with Convergence, it has been launched a Gender Responsive Climate Window for the design and launch of innovative blended finance vehicles focused on the intersection of climate change and gender equality in emerging markets globally. In doing so, it applies a gender lens to the products and services being developed by the organizations it intends to invest in.

To begin the webinar, a poll was conducted to engage the public. The poll question was: What is gender lens investing in climate and disaster risk financing and insurance (CDRFI)? The results show that participants mostly answered that gender lens investing in climate and disaster risk financing and insurance represents a great opportunity, can bring inclusion and integration and enhance women empowerment. However, it has also been mentioned as a complicated action.

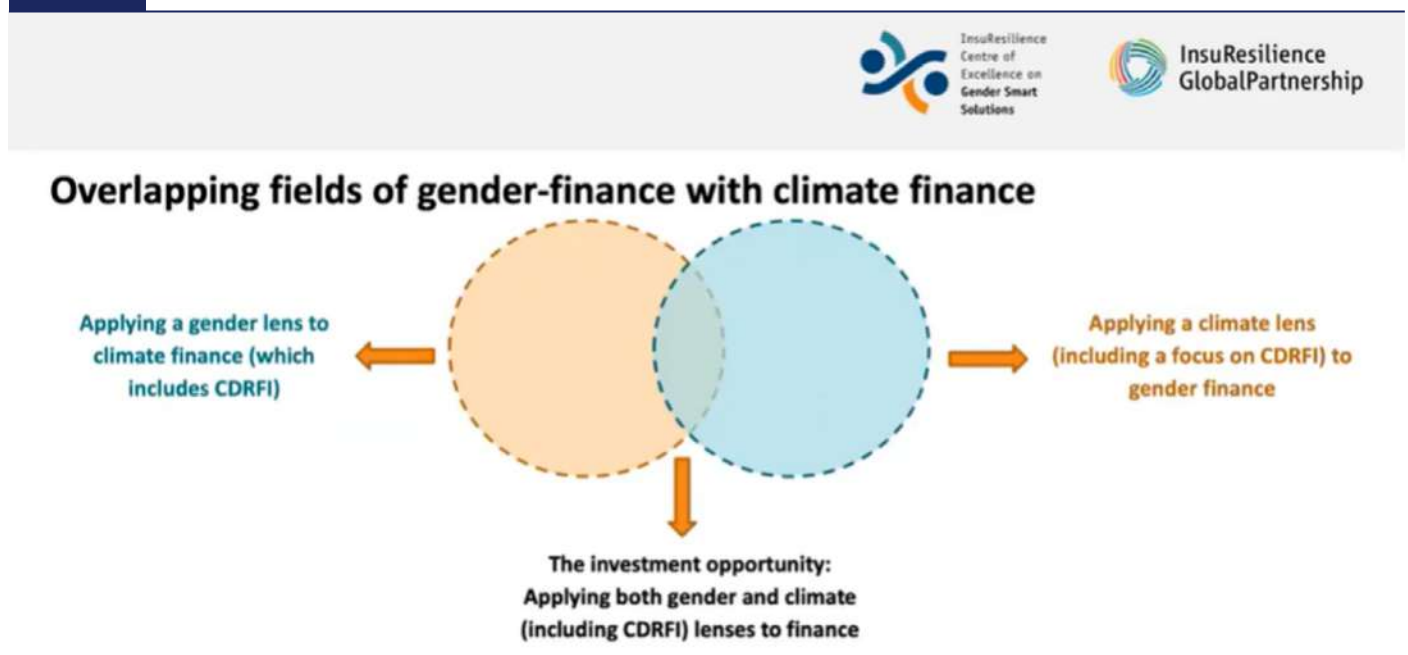
The basics of gender-smart investing in CDRFI

Katherines Miles

Gender Consultant, **InsuResilience Global Partnership**

“Gender-smart climate finance is about bringing a climate and gender lens together not only in what we are investing in, but who, and how, and into companies as well as funds and financial institution”, said Katherine Miles. There is a recognized need for CDRFI funders to apply a gender lens in their investments in order to mobilize efforts towards creating gender-smart CDRFI solutions. The latter involves incorporating a gender analysis in the process of directing CDRFI investments and grants into activities on organisations which support climate and disaster resilience building and risk protection. This focus on gender-smart investing into CDRFI has emerged against a backdrop of significant growth in development finance, public and private investor interest and activity in gender-lens investing and the integration of both a gender and climate focus in institutional and equity finance and investments. Although, it has been noticed that applying a gender lens to climate finance and applying a climate lens to gender finance can create an investment opportunity to empower women through investments (see figure 1).

Figure 1 Source: Adapted from GenderSmat and Kite Insights, 2021.



This guidance sets out a series of questions on how investment funds and CDRFI programmes can integrate gender considerations ('apply a gender lens') through their grant making and investment decisions. These questions are structured around different entry points for gender-lens investing: in the investment policy, strategies and action plans that intentionally incorporate a gender focus in the allocation of capital; in the investment and grant making process; and also, internally within the investment or grant making entity, in terms of the gender diversity of its own workforce and its organizational policies and practices to promote gender equality (see figure 2).

Figure 2

Climate and Disaster Risk Financing and Insurance (CDRFI) and Gender-Lens Investing Entry Points

Policy, Strategy & Action Plan	Investment & Grant Making Process	Internal Gender Diversity
Investment and grant making strategies which incorporate an intentional gender focus in the allocation of capital to CDRFI	Integration of gender considerations at all stages of the CDRFI investment and grant process	Addressing gender diversity within the CDRFI investment firm or grant making organization
Gender Policy and Strategy <ul style="list-style-type: none"> ✓ Business case development ✓ Materiality assessment ✓ Portfolio gender analysis ✓ Policy & Strategy: Selection of gender lenses ✓ Public commitment Gender Action Plan <ul style="list-style-type: none"> ✓ Target setting ✓ Resource allocation 	Investment and Grant Decision Making <ul style="list-style-type: none"> ✓ Deal or grantee origination and sourcing ✓ Due diligence process ✓ Investment /grant committee decisions ✓ Contracting Post Investment & Grant Engagement <ul style="list-style-type: none"> ✓ Monitoring & Evaluation (M&E) ✓ Technical Assistance & Capacity Building <ul style="list-style-type: none"> • Investee self-assessments • Investee gender action plan 	Gender Performance Data <ul style="list-style-type: none"> ✓ Investment committee ✓ Investment team ✓ Overall workforce Organizational gender policies & practices <ul style="list-style-type: none"> ✓ Gender self-assessment

SESSION 1

The Investment Case for Gender-Smart Investing in CDRFI: Trends, Opportunities and Challenges

Young Hee Lee
Governance Specialist and Gender Focal Point, Adaptation Fund

Marijn Wiersma
Director for Partnership and Innovation, 2x Collaborative

This first session was dedicated to understanding what are the challenges, the trends and the opportunities in applying a gender-smart consideration in climate financing using the specific case of the work of the Adaptation Fund and 2x Collaborative.

Young Hee Lee, Governance Specialist and Gender Focal Point at the Adaptation Fund provided an insight of their work to support gender-smart investing in CDRFI. "Our gender policy acknowledges and integrates the need to apply an intersectional analysis in addressing gender-related differences in vulnerability and ability to decrease vulnerability and adapt to climate change impacts as a lens to understand the complexity and particularity of inequalities in the lives of women and girls, men and boys, including their systemic barriers and root causes", she said. The Implementing Entities (IEs) which receive direct financial transfers to carry out adaptation projects and programmes are required to integrate a gender consideration throughout the entire project cycle. In order to enhance the use of a gender lens by the IEs, the Fund has a guidance document that supports them to comply with its gender policy.

Following this exchange, **Marijn Wiersma**, Director for Partnership and Innovation at 2x Collaborative explained the necessity to have a gender approach in CDRFI as women are disproportionately impacted by climate change and a key part of the solution to face climate change. The 2x Collaborative is aimed to convene gender-lens investors globally and help them with their gender-focused investments. To do so, they proposed an independent 2Xcertification mechanism to create more transparency, credibility, and impact in the global field of gender-lens investing by providing a clear benchmarking framework with different levels of ambition and third-party assurance. To conclude this session, a poll of two questions was conducted and some of the results are displayed below. (see figure 3 and 4)

Question 1 Figure 3

What types of gender considerations do you think should be integrated into CDRFI investment and grant making decisions?

Percentage of women in leadership positions of your investment portfolio companies
gender-disaggregated data on beneficiaries

Disaggregated data

Analysis of gender differentials and existing inequalities

Level of financial inclusion of women, level of digital inclusion of women, access to networks

Question 2 Figure 4

What are the challenges in integrating gender considerations into CDRFI investment and grant making decisions?

Female representation is not equal with participation

CDRFI is niche and complex area to integrate gender

Some organizations see gender considerations only as yet another checkbox to check - i.e. as a "bolt-on" or "nice-to-have".
But it's really more than that.

Lack of sex-disaggregated data

Practitioners assume CDRFI instruments will be accessible to all genders, when in fact the barriers women may face are not clear at the onset of a project

Not only about women - we have to get men involved

Lack of data disaggregated.
Already difficult business case and challenges for CDRFI.
Lack of information on client needs/value disaggregated by gender

SESSION 2

From Principle to Practice - Operationalising Gender-Smart Investment and Grant Making Approaches in CDRFI

Marietta Fedderson

Senior Technical Assistance Specialist,
BlueOrchard Finance Ltd

Regina Rossman

Senior Associate, Training and Engagement,
Convergence

Ellen Brookes

Climate Change Executive,
British International Investment

Diverse categories of investors have different reasons and motivations for wanting to integrate gender as they allocate climate finance across different financial instruments and different asset classes. The session considered how different types of investors have applied gender and climate analysis in their CDRFI-related investments, and the practical approaches and tools they have used across the investment cycle to achieve positive impacts and any challenges they have faced, if any, in applying gender considerations to their investments or grant making.

Regina Rossman started by giving a deeper understanding of Convergence's Gender-Responsive Climate Finance Window. The latter awards early-stage grant funding for the design and launch of innovative blended finance vehicles focused on the intersection of climate change and gender equality in emerging markets globally. The organizations that apply to Convergence's Window can apply for feasibility study that will assess that the proposal is for the design and launch of a blended finance vehicle and the vehicle must target either climate change mitigation and/or adaptation, and integrate a strong gender equality focus. Once their proposal is accepted they receive the funding from the Government of Canada. One limit of the project is the lack of knowledge on both gender and climate matters as they are both very large and complex topics. Nevertheless, the global network for blended finance noted the real need to develop such design funding in the market as the number of proposals they receive keeps rising.

Marietta Fedderson followed up and developed on the InsuResilience Investment Fund (IIF) which is to contribute to the adaptation to climate change by improving access to and the use of insurance in developing countries. The specific objective of the fund is to reduce the vulnerability of micro, small and medium enterprises (MSME) as well as low-income households to extreme weather events. The IIF has been using a gender lens to understand the impact of the companies specifically related to gender. Furthermore, the IIF wishes to increase the sex-disaggregated beneficiary target although she mentioned the difficulty for some enterprises to display such disaggregated data. Eventually, she presented the IIF investment in the Kashf Foundation, Pakistan which used IIF's debt investment to expand its livestock loan product, which targets women and includes insurance in case cattle fall ill or die.

Ellen Brookes closed the last session by providing further details on how the British International Investments is actively trying to source and originate deals which have gender and/or climate impact. In this context, the past year, they set up the 2X Climate Finance Taskforce which convenes development finance institutions (DFIs) and multilateral development banks (MDBs) to build expertise on how to strengthen gender-smart investments for climate adaptation, resilience and mitigation. She then stressed the importance of having a gender lens when deploying adaptation finance as women are highly vulnerable and drivers of change. One good example of adaptation finance investment made by the BI is Pula, an agricultural insurance and technology company that designs and delivers innovative agricultural insurance and digital products. It aims to help smallholder farmers endure yield risks, improve their farming practices, and bolster their incomes over time.

Concluding remarks

Christine Martel-Fleming

Senior Policy Advisor, Global Affairs Canada and
Co-Chair to the InsuResilience Gender Working Group

To conclude, Christine Martel-Fleming stressed once again the importance in providing leadership and participatory opportunities to women and girls. The latter, are disproportionately impacted by climate change and face issues when accessing productive resources. But it must be kept in mind that they are also a big part of the solutions and it is crucial not to just frame them as victims but as contributors and leaders to finding solutions. Furthermore, the barriers to gender equality in CDRFI are not always clear and gender experts are not always climate experts. Thus, this community and this collaboration is essential to share knowledge and learn from lessons learned to strengthen the work towards the same goal of supporting women and girls. Eventually, it has been noted that there is more room for adopting good practice and building on existing gender-smart approaches to investing and grant making in CDRFI solutions. Doing so will support the financial protection and climate resilience-building of the women and men most vulnerable to climate change and disasters.



Let's continue the talk!

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on gender-related aspects in the area of Climate
and Disaster Risk Finance and Insurance (CDRFI)



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