

*GEDSI Entry Point Series: Guidance
to Promote Equitable and Inclusive
Climate Change Mitigation*

Version One

Entry Points: Climate Finance and Gender Equality, Disability and Social Inclusion

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Introduction

The purpose of the brief is to support UK PACT staff and implementing partners to better appreciate the particular relationship between gender equality, disability and social inclusion (GEDSI) and the climate finance sector, and the various 'pathways' that can help to strengthen both the approach and results. It is relevant to all aspects of programme scoping, calls for proposals, design, procurement, delivery/ partnership and monitoring, evaluation and learning (MEL).

This brief is part of the 'GEDSI Entry Points' Series, which provides guidance on GEDSI mainstreaming in all of the sectors that the UK PACT programme works in. You can find the other sector briefs, and additional GEDSI resources, on the UK PACT website [here](#).

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The Rationale

Inclusive climate finance is necessary for a just transition. Women, indigenous peoples, and people from other socially excluded groups face barriers to accessing financial resources, productive assets, and the information needed to respond and adapt to climate change. The United Nations Framework Convention on Climate Change's Parties committed to 'increase the gender-responsiveness of climate finance'.

GEDSI-responsive approaches increase the overall effectiveness of climate finance as shown by a growing evidence base. The importance of gender-responsive finance for adaptation is recognised in the Paris Agreement and Lima work plan on gender, as prioritising projects that take into account the unique vulnerabilities, needs and contributions of all people can increase the effectiveness of adaptation finance¹.

Women, particularly rural and indigenous women, are well equipped to lead and engage with climate finance projects. They often play a significant role in agricultural production and forest management, which is particularly relevant for projects relating to carbon-capture, nature-based solutions, and monitoring emissions. Despite this, women and other socially excluded groups are often excluded from leadership roles due to discriminatory expectations around male leadership, barriers to training, and time-poverty related to women's unpaid care work responsibilities.

¹ UNFCCC Standing Committee on Finance (2023) [Report on the doubling of adaptation finance](#), UNFCCC.

However, development assistance, climate finance and national budget flows traditionally exclude women and people from other socially excluded groups. Less than 2% of bilateral aid in 2020 and 2021 was directed to initiatives with women's economic empowerment as a primary objective². Often a lack of GEDSI analysis means that substantial issues affecting women and socially excluded groups are underrepresented in climate budgets³. A 2017 study found that only 10% of climate finance flows went to the local level⁴. Only 3% of environmental philanthropy supported women's environmental activism in 2018⁵.

Deliberate action is needed to ensure climate finance programmes do not worsen inequalities and, instead create positive impacts for women and socially excluded groups, helping to address socio-economic inequalities. Financial mechanisms, such as the Voluntary Carbon Market (VCM), are important mechanisms for mitigating climate change and meeting global climate targets, however, there are still significant gaps in integrating GEDSI and ensure integrity. GEDSI unaware climate finance projects can also cause negative consequences, such as increasing women's unpaid labour, or excluding groups from decision-making or employment opportunities.

Note: Throughout this briefing note, there is a reference to women's inclusion, but also to other socially excluded communities or groups. In each context, who is excluded and the types of barriers that they face will vary. It is appropriate to carry out a robust GEDSI analysis to better understand which groups are excluded in different contexts.

² Deininger, F. and Canagarajah, S. (2023) [Gender-smart climate finance is critical for progress, results, and impact](#), World Bank Blogs.

³ [Dash, K. and Pullanikkatil, D. \(2024\) Blog: Why gender matters in climate finance, The Commonwealth.](#)

⁴ Soanes, M, Rai, N, Steele, P, Shakya, C and Macgregor, J. (2017). Delivering real change: getting international climate finance to the local level. IIED Working Paper. IIED, London.

⁵ Dobson, C., and Lawrence, S. 2018. Our Voices, Our Environment: The State of Funding for Women's Environmental Action. Global Green grants and Prospera International Network of Women's Funds."



Pathways: Linking GEDSI and Climate Finance

In this note, we set out four principal pathways by which UK PACT climate finance investments can actively contribute to positive GEDSI outcomes, or – equally important – mitigate harmful impacts that climate finance projects might have on women and excluded populations. All offer important entry points for GEDSI.

Each pathway is intended to provide prompts on some of the areas that might enable UK PACT to meet its GEDSI ambitions (whether from a GEDSI sensitive or transformative perspective), as well as deepening its overall climate impact.

The principal pathways linking GEDSI and climate finance are:



1. Integrating GEDSI into climate finance frameworks and mechanisms



2. Improving access to climate finance for women and excluded groups



3. Creating livelihood and leadership opportunities and improving working conditions for women and excluded groups, and



4. Strengthening social safeguards.



1. Integrating GEDSI into climate finance frameworks and mechanisms

Increasing the GEDSI-responsiveness of public climate change funding is an opportunity to improve effectiveness, efficiency and sustainability of investments, whilst contributing towards inclusion goals. Integrating GEDSI provides opportunities to leverage inclusion co-benefits through climate work, advancing progress towards national goals on equality as well as climate and environment. GEDSI-responsive climate finance is more likely to be effective and sustainable as it can be accessed by large parts of the population.

Addressing barriers to the leadership and participation of women and socially excluded groups can improve climate outcome for all. There are opportunities for great impact through addressing the gap in financial flows to women, indigenous peoples and local communities leading environmental stewardship.

Climate financing often overlooks smaller-scale projects that involve and benefit women and socially excluded groups, particularly when they are excluded from larger projects. Lower tech, more community-based activities, such as mangrove restoration and tree planting initiatives, involve higher percentages of women, particularly rural and indigenous women. These projects typically receive less funding than larger-scale projects, which often require greater resources and technological capacity to deliver.

The linkages between Environmental, Social and Governance (ESG) considerations and GEDSI are often overlooked or seen as a tick box exercise. GEDSI is a key part of the 'social' element of the ESG framework, and can drive forward the other aspects of ESG. Research from S&P Global Market Firms found that firms with women Chief Executive Officers and Chief Financial Officers and high levels of gender diversity on their boards tend to be more profitable and have an increased stock price performance compared to the market average⁶.

⁶ S&P Global (2019) When Women Lead, Firms Lead, S&P Global.

Example GEDSI Activities

UK PACT projects could deploy a range of possible GEDSI-promoting approaches such as:

- ✓ **Take a GEDSI lens when developing finance projects, funding proposals, or recommendations.** Consciously centralise GEDSI as a guiding principle throughout design and implementation by ensuring adequate GEDSI capacity, leadership, and budget.
- ✓ **Conduct a GEDSI analysis,** including meaningful engagement with civil society organisations, to identify key issues to address in climate finance frameworks and mechanisms.
- ✓ **Include policy recommendations that data should be disaggregated** by age, disability, geography, and sex. This disaggregated data should be used in planning and budgeting. Include qualitative criteria considering equity and assessing the impacts on women and people from socially excluded groups.
- ✓ **Prioritise spending for improving climate resilience in sectors disproportionately affecting women and socially excluded groups.** This could be ensuring that key sectors aren't excluded, such as education, housing in poorer areas, and sectors employing higher proportions of women and socially excluded groups.
- ✓ **Include criteria for climate finance investments to intentionally integrate GEDSI across all activities.** This includes GEDSI criteria in performance objectives, results measurement frameworks, and the evaluation of funding options. Projects should have a GEDSI strategy, budgeted GEDSI action plan, and GEDSI-related indicators.
- ✓ **Develop GEDSI-responsive funding guidance and allocation criteria** to promote GEDSI mainstreaming in proposals and to avoid financing projects that cause harm. Messaging and criteria should demonstrate that funding will not be allocated for projects that do not consider GEDSI and meet basic requirements.
- ✓ **Make it clear that projects that do not meet minimum requirements on GEDSI should not be funded.** Reflect this in requests for proposals and funding guidelines.
- ✓ **Build capacity of government ministries and financial institutions on the importance of integrating GEDSI** in climate finance frameworks and mechanisms. This could include training, sharing key learnings and results, or secondments.
- ✓ **Facilitate conversations around GEDSI** between policy makers, civil society groups, GEDSI experts on investments and climate finance mechanisms.
- ✓ **Promote accountability in climate finance frameworks and mechanisms.** Greater accountability and transparency can help address inequalities, allow for the reprioritisation of resources rather than just increasing spending, and contribute towards broader national and international goals on equality. Measures could include independent monitoring, spending dashboards, and ensuring there are accessible feedback and grievance mechanisms.

Learning from Practice – UK PACT Case Studies

Embedding GEDSI in support to the Government of Peru to issue its first sovereign Green Bonds

Implementing partner: Global Green Growth Institute (GGGI)

To help Peru accelerate climate action and foster inclusive development, a project was launched to support the government in issuing its first Green and Sustainable Bonds. The initiative led to the creation of Peru's first Sustainable Bond Framework (SBF)—a milestone that enabled access to long-term, affordable finance aligned with the country's climate and social inclusion goals.

The SBF, approved in July 2021, provided a transparent structure to ensure that bond proceeds fund green and socially inclusive projects. Within seven months, Peru issued three sovereign bonds totalling approximately US\$4.2 billion, including two sustainable bonds (US\$3.25 billion) for green and social initiatives and one social bond (€1 billion) for targeted social investment.

The project embedded GEDSI across its design and implementation:

- 10 Ministries' Gender Focal Points (GFPs) were engaged to assess project eligibility.
- The SBF was developed with the Ministry of Economy and Finance's Treasury Directorate, a female-led team with 75% female staff.
- GEDSI priorities and KPIs—including disaggregated data on gender, age, and poverty—were integrated for tracking impact.
- Tailored training for government, NGOs, academia, and the private sector promoted thematic bonds as tools for inclusive development.
- Prioritising the following areas for project financing support for vulnerable communities; access to affordable housing, education and essential health services; and support for Small and Medium Enterprises (SMEs) and social programmes to alleviate and prevent unemployment.
- A GEDSI communication campaign included materials such as a video narrated by a rural girl, highlighting the relevance of sustainable finance in addressing access to basic services.

2. Access to climate finance for women and excluded groups



Women and socially excluded groups often face barriers to accessing and benefitting from climate finance. These barriers are wide-ranging, including legal differences that hinder inclusive economic empowerment such as access to credit; disparities in who holds bank accounts; and barriers to accessing technology needed to apply. In Sub-Saharan Africa, women are the primary agricultural producers, accounting for around 80% of the region's food production⁷. However, as they face barriers to owning land, women are often excluded from consultations on adaptation needs and are unable to secure credit or other agricultural extension services. As such, funding for adaptation and improving food security, needs to take a GEDSI-responsive approach to be effective and scale up.

Standard financial products are often designed to meet the needs of people in power. Financial products often require collateral that can be very difficult for women and people living in poverty to provide due to barriers to owning land or formal assets. A lack of availability of Shari'ah-compliant financial solutions creates barriers for Muslim communities. There are emerging solutions, such as Takaful, however, more focus is needed as two-thirds of low-income countries with sizeable Muslim populations are in the bottom half of worldwide climate vulnerability and preparedness rankings⁸.

Limited access to financial services and products represents a critical barrier preventing effective climate action. Access to formal banking and digital financial services remains low for women in many low- and middle-income countries. Without access to the financial tools, such as credit, insurance, and savings, the climate resilience of women and socially excluded groups is hindered. This makes it more difficult to adapt to or cope with a climate shock or disaster, for example, being able to use savings to buy food when a harvest fails due to drought, or use credit to repair the roof of a building holding stock after a storm.

⁷ Schalatek, L. (2022) [Gender and Climate Finance](#), Overseas Development Institute.

⁸ Kellett, J. et al. (2024) [The Takaful Solution: Bridging the Climate Protection Gap](#), UNDP.

Example GEDSI Activities

UK PACT projects could deploy a range of possible GEDSI-promoting approaches such as:

- ✓ **Conduct analysis to identify key GEDSI issues to address in climate budgets,** a GEDSI analysis and meaningful engagement with civil society organisations, including women's rights organisations, organisations of people with disabilities, and youth organisations will provide insight into the key issues to be addressed.
- ✓ **Target women's and small-scale initiatives in adaptation and mitigation activities.** This could involve designing a designated small grants facility or special funding programme for women, indigenous peoples and local communities, and people working in the informal economy who are more likely to be from an excluded group.
- ✓ **Recommend investments in climate-impacted sectors, where women are primary stakeholders.** This might include agriculture, education, forestry, health, and tourism.
- ✓ **Develop tailored financial products for women and socially excluded groups.** Tailor financial products to meet the needs of, or address the barriers faced by, women and socially excluded groups – as identified by a GEDSI analysis and meaningful engagement with civil society groups.
- ✓ **Provide grants – or recommend provision of grants – to women and socially excluded groups** for first-loss capital, venture capital, climate change trust funds, tailored loan products, climate-linked insurance products.
- ✓ **Identify the barriers that women and people from excluded groups face in accessing climate finance and design accessible and inclusive application processes.** Consider the accessibility of application portals, the accessibility and inclusivity of information events, and whether requirements may disadvantage smaller organisations.
- ✓ **Follow principles for locally led adaptation:** including recommending devolving decision-making to the most local level that is appropriate, addressing structural inequalities that prevent meaningful participation and leadership, providing predictable, transparent and accountable funding, and investing in the capacity of local institutions⁹.

⁹ World Resources Institute (WRI) (2022) [Locally Led Adaptation: From Principles to Practice](#), WRI.

Learning from Practice – UK PACT Case Studies

Fostering access to green finance in Argentina

Implementing partner: SMS Latinoamérica

The project provided technical assistance to financial institutions to create new sources of financing for sustainable projects in Argentina, aiming to mobilise a total of USD 200M from local banks and FIs across eight provinces. The project focused on vulnerable and disadvantaged groups in north-east Argentina, particularly in the northern provinces with the lowest levels of development, social inclusion, and environmental sustainability. The two main targeted groups were vulnerable rural producers, including small family producers and indigenous communities engaged in sustainable agricultural activities, and women entrepreneurs, encompassing SMEs led by women in traditional sectors or rural indigenous women. Key GEDSI achievements included:

- Raising financial institutions awareness of productive initiatives and organisations led by women and vulnerable population groups – and the challenges and opportunities of integrating their needs into the product development process.
- Investments directed towards women, including carob tree flour by women producer organisations, microcredit funds directed to craftswomen cooperatives and women micro-entrepreneurs, and investments directed to production traditionally realised by rural women – such as greenhouse production or small livestock and avian production.
- The FIs made progress in the design of two sustainable credit lines with the objective of including excluded groups in the formal financial system.
- The project fostered connections between women entrepreneurs, vulnerable producers' organisations and local banks. More than 75 rural women attended the financial education workshop, covering different banking products, loans and the application processes.

Greening Agri-Finance in Brazil through low-carbon and inclusive interventions via Plano Safra

Implementing partner: Carbon Trust in partnership with Imaflora.

This project aimed to support key players in Brazil's finance sector to build a common understanding of the current gaps in Brazil's largest agri-finance mechanism - Plano Safra. In particular, capacity building with Banco do Brazil and the Central Bank of Brazil to better incorporate socio-environmental metrics when appraising and monitoring Plano Safra's loans, thus increasing low-carbon and gender-inclusive interventions, while helping Brazil achieve its climate targets.

Consultations were held to understand the environmental, social and economic barriers encountered by indigenous groups, women and family farmers in the Amazon region. Key GEDSI trends were captured in a Plano Safra diagnostic report, including the inequality between men and

women in the rural agricultural sector, despite the great rise of women in rural property leadership over recent years.

The project made GEDSI focused recommendations for addressing agricultural inequality and integrating socio-environmental metrics for Plano Safra's lending decisions, to increase the social impact of the credit line. Recommendations focused on how to reduce gender and social inequality in the sector, where women are less able to access credit, and to direct greater shares of credit with better conditions, such as lower interest and fees, for women-led and family-led agriculture. Specific measures included waiving registration fees, or providing technical assistance to women-led loan requests. Additionally, it is recommended that the Central Bank mandates banks to monitor social and environmental benefits of sustainable operations to further drive forward these ambitions.

Developing an NDC Capital Raising Strategy for Peru

Implementing partners: vivideconomics and Global Green Growth Institute

To support the scale-up in capital needed to achieve the goals of the Paris Agreement, more granular information is needed on national investment opportunities and the role of public and private investors. The private sector, in particular, has a critical role to play to mobilise the necessary investments. This project aimed to increase national capacity and mobilisation of private climate investment by developing a Private Capital Raising Strategy (CRS) for Peru. This would scale private climate-related investments and support the implementation of Peru's NDC.

The CSR report increased awareness and understanding of the need to bring in the private sector to support climate investment, including the need to address the barriers faced by women and socially excluded groups in accessing finance.

The project directly supported conversations around NDC investments where GEDSI counterparts were included, encouraging more reflection and integration of GEDSI considerations into NDC planning. This meant a focus on excluded communities could be incorporated into the discussion.



3. Creating livelihood and leadership opportunities and improving working conditions for women and excluded groups

Men are overrepresented in finance ministries and decision-making. In 2023, only 26 out of the 190 member countries of the IMF had women as finance ministers and only 17 had women as central bank governors.¹⁰ That means just 11.3% of policymakers in those two roles were women. There are a number of barriers for women, including underrepresentation in studying economics, discriminatory norms around financial literacy and leadership, and barriers to retention and progression, such as inadequate parental leave protections.

Engagement and leadership of women and people from socially excluded groups in climate finance can improve climate outcomes for all. By increasing the number of women and socially excluded groups employed in the sector, climate finance frameworks, mechanism, and projects can be better tailored to meet the needs of excluded groups, design solutions to address barriers, and promote more inclusive approaches. Research of a ‘payment for ecosystem services’ intervention in Indonesia, Peru, and Tanzania found that the 50% of forest user groups with a 50% gender quota conserved more trees and shared the incentive payments more equally than the groups without a gender quota¹¹. Despite this, women and socially excluded groups are heavily underrepresented in climate finance. Beyond gender, the climate finance sector can promote broader social inclusion by creating job opportunities for people with disabilities and other groups who have been historically excluded from employment opportunities.

Promoting diverse leadership and engagement has a positive impact on addressing the barriers that other women and people from socially excluded groups face. A research study found that the absence of women developers is a potential reason why there are few women-led projects to mitigate greenhouse gas emissions as part of the Voluntary Carbon Market (VCM)¹². Other barriers emerging through the research include the lack of awareness of potentially eligible women-led initiatives, the perceived complexity and inaccessibility of the VCM to women-led businesses and projects, barriers to developing the knowledge and skills among women and women’s organisations, and a lack of finance going to local women.

¹⁰ Yin, J. (2023) [Only 11 percent of finance ministers and central bank governors are women](#), Atlantic Council.

¹¹ Cook, N., Grillos, T., and Andersson, K. (2019) [Gender quotas increase the equality and effectiveness of climate policy interventions](#), Nature Climate Change.

¹² Phillips, S. and Jenkins, O. (2022) [Integrating a Gender Lens in a Voluntary Carbon Markets](#), ASEAN Low Carbon Energy Programme.

Example GEDSI Activities

UK PACT projects could deploy a range of possible GEDSI-promoting approaches such as:

- ✓ **Implementing inclusive workplace policies to attract, and enhance job retention** for, women, such as paid parental leave, flexible work arrangements, safe and sanitary workplace conditions, and on-site childcare accessible to both men and women with caregiving responsibilities. Understanding and proactively addressing barriers for persons with disability, LGBTQI+ people or other groups can also diversify workforces and improve workplaces for all.
- ✓ **Supporting women's career advancement and leadership development** through initiatives like mentoring, coaching, and specialized training programs, as well as integrating GEDSI topics into standard training sessions, such as considering the different needs of women or people with disabilities in occupational health and safety.
- ✓ **Promoting diversity at all organizational levels** through strategies and human resource practices to attract, recruit, and advance women, ethnic minorities, persons with disability and others in elite-dominated industries and leadership roles.
- ✓ **Providing skills development and technical training programs** for women, persons with disability or other socially excluded groups to enter finance fields and other traditionally male-and/ or elite dominated professions. This includes skilled roles within the supply chain, such as installation and maintenance. Ensuring that existing training is accessible for a wide audience and does not include negative stereotypes.
- ✓ **Offering targeted skills development programmes for female entrepreneurs and self-employed women and people from other socially excluded groups in the supply chain** to help grow their businesses. Training areas could include bookkeeping and accounting, negotiation techniques, marketing and business development, communication and networking, and computer proficiency.
- ✓ **When designing financial mechanisms, recommend instituting quotas for female employees in unskilled roles as well as more advanced positions**—such as technicians, senior managers, construction workers, or maintenance staff. Targets can extend to include minimum % of suppliers and subcontractors to be women-owned businesses or female entrepreneurs.

Learning from Practice – UK PACT Case Studies

Greening finance in Argentina to combat climate change and promote inclusion

Implementing partners: Carbon Trust with GENESIS and MEXICO2.

This project worked to support the implementation of locally-led actions across Argentina's financial and agro-industrial sectors to reduce emissions, prevent deforestation, and promote the participation of SMEs and vulnerable groups.

GEDSI concepts and outcomes were fully integrated throughout activities, including training course materials to encourage mainstreaming capacity among stakeholders from the financial sector in Argentina and Latin America. Actions included:

- Developing a study to understand the status of rural women including opportunities and challenges for land tenure, salaries, empowerment and credit access,
- Reviewing existing processes and regulations to safeguard gender equality and equal opportunities for professional growth in public institutions,
- Developing a capacity building programme for women in agriculture,
- Implementing regulations to guarantee equal access to senior management roles for women,
- Engaging with the Network of Rural Women in Argentina and other stakeholders.



The project developed a climate risks report, which highlighted how certain groups are more vulnerable to economic shocks, such as small producers of wool and fibre, due to owning small land areas. They also found that women are significantly underrepresented in high level roles and face barriers in accessing finance: according to the Enterprise Survey (2017), only 8% of Argentinian companies are led by women, compared to 21.4% in Latin America and 18% worldwide and only 20.5% of women-led companies have accessed a loan, compared to 42.9% men-led companies – this gap is even bigger for SMEs and rural women. As the report was developed, the team sought to engage with NGOs working with women in agriculture, small producers, indigenous groups and other vulnerable groups. The project also prepared a roadmap for greener agricultural commodities that includes a set of actions to promote GEDSI in the sector.

Equipping the Indian financial sector with enhanced climate risk assessment

Implementing partners: Overseas Development Institute (ODI) in partnership with auctusESG and Climate Bonds Initiative.

This project focused on supporting Indian banks, financial institutions and the Reserve Bank of India (RBI) to integrate climate risks into their financial decisions. It aimed to equip the financial sectors with the concepts and tools to enable more gender and socially equitable investment decisions. A landscape assessment was conducted to assess the current knowledge of participating institutions. It revealed that 60% of risk management and credit lending staff include some GEDSI measures in their risk assessment processes, and 63% of participating individuals felt that they had some knowledge of GEDSI issues. The results are based on 154 respondents, of which 55 were women.

A training series was developed for financial institutions, which included definitions, standards, case studies and activities focused on GEDSI risks and opportunities. The training included a focus on GEDSI best practice, such as the creation of lending schemes for women-led self-help groups, micro-banking loan book, and the Small Industries Development Bank of India's (SIDBI) Women Livelihood Bond. Financial institutions were encouraged to prioritise training opportunities for women and other staff members that might face structural disadvantage or social discrimination. As a result, 34% of participants were women despite operating in a sector which is largely male-dominated. Only 1.5% identified as a member of a disadvantaged group, identifying an area for future work and highlighting the importance of taking an intersectional approach.

More than ten Indian financial institutions now have the knowledge and tools to integrate climate risk and GEDSI considerations into investment and lending decisions, update their methodologies and strengthen staff capabilities across all teams.

Strengthening capabilities for climate action in the Peruvian financial ecosystem

Implementing partners: Programa de Inversión Responsable (PIR), in partnership with ImplementaSur and 2° Investing Initiative.

The goal of the project was to support Peru's financial sector with integrating climate change risks into investment decisions, while catalysing sustained action on emission reductions. Filling the knowledge gaps on climate impacts was crucial, especially in areas that could affect Peru's financial markets. GEDSI played a vital role, connecting women across the financial, environmental and climate sectors in Peru. The project led implementing partner PIR to reflect on gender inclusivity within the financial sector, leading them to actively promote the participation of women in its own Board of Directors.

The project created the Mujeres, Inversión y Clima (MIC) Network, bringing together women in finance passionate about the climate. The network holds regular meetings to discuss issues around gender, women's societal role, and climate activism. During MIC Network events, women learnt from each other's experiences, shedding light on the reality of women in the Peruvian Amazon who work in forest conservation and the difficulties they face. These meetings allowed women to

create a safe space to talk openly about their experiences and challenges. It also linked women working in finance with the issue of climate change, integrating the two worlds.

Synergies have also been generated with other organisations, allowing PIR to expand the project's scope and impact to reach more diverse groups – such as the network Amazonía Que Late for the work of the Women's Network, and an alliance with the right-based civil society organisation [PRESENTE](#) to achieve greater inclusion of the LGBTIQ+ population.

Enhanced TCFD-aligned transparency for an economically and environmentally resilient Brazilian financial system

Implementing partners: CDP

The project aimed to catalyse systemic, transformational change in the Brazilian financial sector by building knowledge and leveraging action across listed companies, financial institutions, and policy/regulatory authorities. Resulting in reduced pressure on forests and lower greenhouse gas (GHG) emissions from the sector. Disclosure of climate- and deforestation-related financial risks could help shift investments away from high-emitting and environmentally damaging activities in the forestry sector, while contributing to a green recovery post-pandemic.

The project's approach to GEDSI built on CDP North America's JEDIA (Justice, Equity, Diversity, Inclusion, and Accessibility) initiatives. While this JEDIA work focused on internal organisational practices and policies, the UK PACT project encouraged CDP to think more broadly about integrating GEDSI across their programmes, activities and interactions with project stakeholders. GEDSI training enabled frontline staff to act as true agents of change and hold conversations on GEDSI across projects and stakeholders.

Since CDP did not have a standardised, contextualised approach to GEDSI, the UK PACT support offered the opportunity to analyse and reflect on CDP's GEDSI approach at a programmatic level. As a result of these efforts, CDP's new strategy included a commitment for the first time to expand from an exclusively environmental focus to social and governance metrics in 2021. This work's multiplier effect is expected to lead to a standardised approach to mainstream GEDSI in CDP's work with the more than 13,000 companies globally in the future.



The project sought to address limited climate risk integration in financial decision-making, and inconsistent use of disclosure practices.

4. Strengthening Social Safeguards



It is important to ensure a robust safeguarding approach in climate finance projects. Sexual exploitation, abuse, and harassment (SEAH) is a significant issue within nature-based carbon projects, causing long-term negative impacts for victims/survivors¹³, as illustrated in allegations of SEAH over twelve years in the carbon offsetting project Wildlife Works in the Kasigau Corridor in Kenya.¹⁴ There is increasing scrutiny of climate finance projects from donors, media, and standard-setting organisations, such as Verra and Gold Standard.

SEAH can be affect:

- Staff, contractors and partner staff working to deliver climate finance programmes.
- Government staff working to develop climate finance frameworks.
- People within communities who interact with climate finance programmes and staff.

Although SEAH may affect people of any gender, women (and girls) are at higher risk of SEAH. Other characteristics also affect risk levels, for example, women with disabilities, racial, indigenous or ethnic minorities, people who are landless, and women who have short-term contracts and/or who have limited employment alternatives are likely to be at higher risk of SEAH.

Climate finance projects can mitigate safeguarding risks by conducting analysis on existing risks and taking steps to ensure that their approach and any projects funded do not exacerbate these risks. Those responsible should ensure that the design of carbon credit projects does not initiate or exacerbate tensions and violence within communities or families, which can increase the risk of SEAH.

¹³ WOW Helpdesk (2024) [Integrating gender into the design, implementation and monitoring of carbon credit projects](#), WOW Helpdesk.

¹⁴ Greenfield, P. (2024) [Allegations of extensive sexual abuse at Kenyan offsetting project used by Shell and Netflix](#), The Guardian.

Example GEDSI Activities

UK PACT projects could ensure safeguarding is front and centre of their work by deploying a range of universally applicable, safeguarding approaches such as:

- ✓ **Ensuring environmental and social safeguards, guidelines, or capacity-building support for their implementation are GEDSI-responsive.** Safeguards should be in line with existing national and international obligations, including on human and women's rights, labour standards and environmental law. Highlight opportunities to promote economic inclusion for women, young people, people with disabilities, and excluded racial groups.
- ✓ **Identify risks of SEAH alongside conducting a GEDSI analysis,** engaging community members and civil society groups to do so. Assess the likelihood and potential impact of these risks. Decide appropriate risk mitigations and decide risk owner.
- ✓ **Ensure the risk register is regularly revisited** to identify new risk, monitor existing risks, adapt processes, and learn.
- ✓ **Ensure your project and organisation has a robust safeguarding approach,** including a safeguarding framework and accessible reporting channels.
- ✓ **Deliver safeguarding training,** covering the root causes of SEAH, risks factors and policies and procedures for prevention and response.
- ✓ **Include robust messaging on GEDSI and safeguarding** in ESG frameworks, Codes of Practice, and other policy and programming documents.
- ✓ **Commit to a zero-tolerance approach to SEAH,** discuss this with suppliers and peer organisations.

Learning from Practice – UK PACT Case Studies

Supporting high quality environmental disclosure in Thailand

Implementing partners: CDP Worldwide in partnership with CDP Worldwide Hong Kong and The Global Reporting Initiative (GRI).

This project aimed to drive Thailand's transition towards a low-carbon economy by building the capacity of the private sector, financial institutions, policymakers and regulators on Task Force on Climate-Related Financial Disclosures (TCFD) and reporting organisations. Specific actions were designed and implemented to explore and embed GEDSI values, principles, and learning. By adopting ESG and TCFD frameworks in identifying greener and sustainable finance in Thailand, the project facilitated the shift in investments towards a low-carbon and more inclusive economy.

The project held a workshop to explore Thailand's GEDSI context and reporting requirements, discuss best practice, and common implementation challenges. Participants were encouraged to take GEDSI commitments from theory into practice. To support this, desk-based research was conducted to identify emerging good practice amongst organisations involved in Climate-Related Financial Disclosures. Findings were captured in the summary report "GESI Performance Amongst Thai CDP Reporters 2022."

The project actions were complemented by an internal training for implementing partner CDP to support GEDSI integration across the organisation beyond the scope of this project. CDP worked closely with the Thai Securities and Exchange Commission (SEC) to understand internal policies and its ambitions regarding women's leadership and the promotion/adoption of GEDSI principles. Following the project, CDP recruited a GEDSI/DEI specialist, and are in the process of establishing a core working group that will direct, champion, and disseminate the work of this specialist.



GEDSI and Climate Finance Data

- UNFCCC portal of [key resources on climate finance and gender](#), includes handbooks, manuals and guides, case studies, and technical reports and publications.
- The World Bank's [Women, Business and the Law](#) report and data set contains data on barriers to finance and economic inclusion.
- The World Bank's [Access to Finance](#) data set contains data on access to bank accounts, savings, credit.

GEDSI Mainstreaming Tools

- [Integrating gender into the design, implementation and monitoring of carbon credit projects: Practical Guidance for Project Developers in the Voluntary Carbon Market:](#) provides in depth guidance on women's equitable leadership and participation in projects, equal employment opportunities and fair pay, equitable benefit sharing and compensation, protection against SEAH, and accessible and inclusive grievance and reporting mechanisms. The guidance has been co-signed by the Integrity Council for the Voluntary Carbon Market (ICVCM)
- The report '[Integrating a Gender Lens in Voluntary Carbon Markets](#)' is made up of three separate volumes: the Executive Summary (Volume I), the main report (Volume II), and a set of appendices of tools and resources (Volume III). The tools include best practice from the climate finance sector and gender lens investing, frameworks and markets, and good practice case studies.
- GEDSI Guidance for UK PACT Implementing Partners – Provides UK PACT implementing partners with guidance and resources to promote GEDSI mainstreaming in their projects. This includes guidance on processes such as community engagement and participation; inclusive decision-making; safeguarding; disaggregated data collection (by gender, disability status, and other social factors) to monitor the impact of programmes and ensure they are meeting inclusion objectives.

Safeguarding Tools

- [The Resource and Support Hub on Safeguarding](#) – Supports organisations to strengthen their safeguarding policy and practice against Sexual Exploitation, Abuse and Sexual Harassment (SEAH) by offering a wide range of free tools, training and advice in over 10 languages.
- [A Common Approach to Protection from Sexual Exploitation, Abuse and Harassment | CAPSEAH](#) provides more information on set standards and measures that are needed for protection against SEAH.
- UNICEF's [Child Safeguarding Toolkit for Business](#).



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For any enquiries, please get in touch via email at communications@ukpact.co.uk