



Addressing gender-based violence and harassment (GBVH) at the intersection of *climate and gender finance*

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Context

As the finance field increases in maturity, more investors are deepening their approaches and enhancing the rigour of their gender analysis by integrating considerations around gender-based violence and harassment (GBVH). GBVH refers to psychological, physical, sexual, or economic harm caused to a person due to their gender or sex¹. While most prevalent towards women, men and boys are also subject to GBVH² and all forms of GBVH have a range of negative, long-term consequences on the health and well-being of the individual and their families³.

As further context, at least 1 in 3 women and girls have experienced physical or sexual violence⁴, yet more than one-third of the world's countries have no laws against sexual harassment at work⁵. Globally, the cost of GBVH is estimated at \$1.5 trillion, or the equivalent of 2% of global GDP⁶. Moreover, within financial institutions, the impacts of GBVH can increase absenteeism and difficulty recruiting new staff⁷ as well as affect client's businesses due to loss of confidence among the investors and partners and damaged relationships with local communities and service users⁸.

Women and girls are also known to be disproportionately negatively impacted by climate change⁹. Women's expertise, leadership, purchasing power, and lived experience are key to scaling up

climate action and unlocking gender-smart and climate-smart opportunities which strengthen climate action and resilience¹⁰. There is a clear incentive for investors to apply a dual gender and climate-lens to their investment strategies, as investing more in women leads to mitigated risks, increased resilience, and long-term financial value, including through new investment opportunities¹¹.

As gender-smart investments and strategies become more widespread, increasingly intersectional and deep, investors that adopt more rigorous approaches, such as GBVH considerations, are acknowledging that addressing GBVH in gender and climate-lens investing can better mitigate and prevent GBVH and its effects, which can otherwise pose multiple operational, political, regulatory, and reputational investment risks¹² and more so support greater impact generation and value over the investment's lifecycle.

This brief will illustrate how gender-smart investors can integrate considerations around GBVH into their climate and gender finance strategies. We will highlight how two financial institutions are incorporating GBVH risks into their gender and climate investment strategies and share resources to help others investors and actors glean insights from these approaches.



Approaches to gender and climate finance

The European Investment Bank's Approach

The European Investment Bank's (EIB) approach to investing includes a strong focus on integrating a dual gender and climate lens throughout the entire investment cycle. The EIB has a [Gender Strategy](#) as well as a [Gender Action Plan](#) and gender considerations are also integrated into their various sustainability, and human rights strategies and frameworks, such as the Climate Bank Roadmap, the [Environmental & Social Sustainability Framework](#), and the [Strategic Approach to Conflict and Fragility](#).

Through their [Climate Bank Roadmap \(CBR\)](#), EIB recognises the importance of tackling climate change and doing so with a gender lens as there is an urgent need to accelerate socially inclusive climate finance. It highlights how EIB supports

investments that promote both an inclusive low-carbon and climate-resilient transition, whilst also paying specific attention to aspects of gender equality, social inclusion, fragility, and conflict sensitivity, thereby truly supporting a just and socially fair transition.

Furthermore, EIB's Gender Action Plan, developed to implement their Group Gender Strategy, applies to their investments in all the sectors and regions they operate in. It is based on four key pillars centred around protecting and investing in the rights of women and girls, creating positive impacts on gender equality through their investments, and implementing leading institutional systems that are fit for purpose to uphold women and girls' rights.

FinDev Canada's Approach

Development Finance Institute (FinDev) Canada's approach to investment also integrates both gender and climate considerations. Similarly to EIB, FinDev Canada has implemented a [Climate Change strategy](#) and a [Gender Equality strategy](#) to strengthen their approach to climate and gender finance. Their policies and frameworks in these strategies are centred around development impact goals mainly focused on market development, women's economic empowerment, and climate mitigation and adaptation.

FinDev Canada's [Environmental and Social policy](#) includes gender considerations. It states that it will support clients in identifying and mitigating adverse or disproportionate gender-differentiated impacts which may result from the client's business operations. Their Climate Change strategy is also focused around three main considerations which integrate both gender and climate considerations, including applying a gender and climate lens approach to all investments; maintaining focus on a net-negative emissions portfolio and offsetting operational GHG emissions; and supporting climate-resilient development across investments with a client-centric approach.

Moreover, FinDev Canada's Gender Equality strategy further promotes women's economic empowerment by focusing on women's access to entrepreneurship, leadership positions, quality employment, and basic services and economic empowerment tools, across four different areas. On the portfolio level, FinDev Canada focuses on steering capital towards transactions with high women's economic empowerment impact and promoting gender action with clients. On the internal and industry levels, they lead by example with their own practices, and being agents of change within the investment community.

Gender considerations across the investment lifecycle:

Pre-investment:

- A gender assessment is performed during due diligence
- Alignment with the 2X Criteria of all transactions and climate investments
- Complete the UN Women Empowerment Principles Gap Analysis Tool (WEPs)

Post-investment:

- Developing or implementing gender action plans
- Technical assistance and advice to improve gender-responsive practices

Addressing GBVH in gender and climate finance

GBVH risks and considerations are embedded in both EIB and FinDev Canada's gender and climate strategies highlighted above.

EIB has identified that the **level and nature of GBVH risks** vary based on country contexts, i.e. the country of operation, and the specific project's characteristics. These are presented below.

Level and nature of GBVH risks



Remote locations: Working in isolated situations and/or long-distance travelling to and from worksite, as well as lack of support services for GBVH survivors.



Transportation of goods: Travelling long distances through remote communities that may be vulnerable to exploitation.



Workforce: Recruitment of a large workforce as well as temporary, informal and migrant labour in vulnerable situations.



Service provisions: Interaction between workers and service users involving different power relations and dependency.



Seasonal deadline: Seasonal fluctuations in workload put companies and their workers under intense pressure to achieve increased productivity in order to deliver on time.



Security personnel: Security personnel may have interactions with workers, community members and service users, with responsibility for overseeing aspects of their behaviour.



Community engagement: Interaction between workers and community members involving different power relations and dependency.



The sectors with the highest GBVH risk identified are agribusiness and infrastructure for FinDev Canada, and agriculture, transport, mining, and large-scale construction in all sectors for EIB.

GBVH risks are key considerations that make up part of EIB's Gender and Climate strategies¹³- in 2022, EIB updated their Environmental & Social Sustainability Framework to include a group-wide environmental and social policy for the first time¹⁴. As part of the update, GBVH risks have been more strongly integrated in EIB's Environmental and Social standards, with a special focus on vulnerable groups, labour and health and safety standards. These updates have led EIB to better identify the risks of GBVH in their operations and protect individuals and communities against GBVH risks that may result from the implementation of their projects. EIB further offers staff training to increase internal awareness regarding GBVH and where this can occur as a result of their operations.

FinDev Canada's Environmental and Social policy also includes a specific response to GBVH. It pays particular attention to identifying and addressing gender-based violence and harassment risks. It also supports gender-inclusive governance structures which may be well-equipped to efficiently identify and address risks that particularly or disproportionately affect women and girls.

GBVH considerations across the investment lifecycle

Pre-investment

- As part of the Environmental and Social Risk Assessment based on the International Finance Corporation Performance Standards, the risks associated with the country and sector and the practices of clients, are considered when identifying GBVH risks

Closing

- Gender-specific actions are included in the Environmental and Social Action Plan where relevant
- Safeguarding clauses are included in legal agreements

Post-investment

- Technical assistance for including safeguarding and GBVH when developing or implementing gender action plans

Case studies

Barcelona Rolling Stocks¹⁵



A construction project for several train lines of the Metro of Barcelona, contributing to climate mitigation efforts of the city. To mitigate GBVH risks, EIB used technical assistance to reduce GBVH risks against LGBTQIA+ persons in the transport network, making it more accessible to everyone. Specifically, they introduced an improved surveillance system in the trains, as per the client's sexual and LGBTQIA+ harassment prevention plan.

Chad Climate Resilience Road Project¹⁶



A road rehabilitation project contributing to climate adaptation through the implementation of climate-resilient road sections serving almost 7 million people, almost 50% of the Chad population.

High GBVH risks were identified for this project due to the interaction between local communities and construction workers, as well as unsafe conditions such as low lighting on roads. In light of this, the client committed to hire more staff dedicated to GBVH and worked with a local NGO to tackle GBVH risks. A conflict sensitivity analysis has also been undertaken given the high risk of the country. The client has also shown a willingness to promote women's quality employment opportunities; a gender gap analysis will be included in the technical assistance facility to identify risks and new opportunities for the clients.

JCM Power¹⁷



A company dedicated to developing and operating high-impact renewable energy projects in emerging markets. To meet its [2X Criteria](#) commitments, JCM developed a multi-year gender action plan in 2020 with technical assistance funding from several DFIS, including FinDev Canada, and instituted a corporate-level committee to define, implement and monitor gender equality initiatives. Additionally, the company committed to empowering local women in the communities in which it operates, by

increasing women's representation in their portfolio company, ensuring all projects have gender equality management plans within 12 months of close, and focusing on proactive assessment, prevention, and monitoring of GBVH.

Given the nature of the business, the company actively engaged with local communities, especially women, due to the increased GBVH risks that existed especially during the construction stage of the projects. However, in 2020, JCM experienced first-hand how to respond in the face of GBVH during the construction of its Salima solar plant in Malawi, when a GBVH allegation was brought to JCM's attention. Following the case, JCM undertook a rapid assessment of the issue, with the support of an external GBVH consultant, and recruited a permanent gender inclusion specialist, with extensive human rights experience, and an understanding of the local culture.

Since then, JCM has implemented several actions in alignment with its gender action plan and has embedded gender considerations, specifically GBVH, in the project development process. JCM has committed to including more in-depth baseline studies during the feasibility phase, to support the development of bespoke action plans to address gender-related risks and opportunities, as well as providing the necessary support to survivors of GBVH at, and around, project sites. Additionally, they have worked closely with the community to prevent these cases from happening in the future, and have set up appropriate response mechanisms in the case of other GBVH incidents occurring.



Conclusion

These examples showcase that given the ubiquitous nature of GBVH risk, assessing client capacity to comply with universal or internal standards and adequately safeguarding the people affected by their activities is essential. GBVH poses a significant risk to the materialisation of projected impacts on women's economic empowerment, in addition to reputational risks – especially for gender lens investors. It is essential for GBVH considerations to be embedded in financial institutions' gender and climate strategies, as exemplified by the above examples from EIB and FinDev Canada. Furthermore, while

questionnaires and tools exist to implement GBVH considerations in both gender and climate finance strategies, it would be useful to develop more sector-specific tools and foster mechanisms for greater internal adoption of these tools. While there is still a way to go in integrating a gender and climate lens in assessing GBVH risks in investments, we encourage the community to dive deep into the case studies, explore tools like the one from Equilo, and keep sharing your knowledge and experiences with other members of the investment community.

Endnotes

1. [Gender-based violence and harassment - BII's ESG Toolkit](#)
2. [Gender-based violence and harassment - BII's ESG Toolkit](#)
3. [International Rescue Committee](#)
4. [UN Women](#)
5. [UCLA Healthline Sciences](#)
6. [UN Women](#)
7. [European Bank for Reconstruction and Development](#)
8. [Gender-based violence and harassment - BII's ESG Toolkit](#)
9. [Women at the Front Line of Climate Change](#)
10. [Gender & Climate Investment; A strategy for unlocking a sustainable future](#)
11. [Gender & Climate Investment; A strategy for unlocking a sustainable futurev](#)
12. [Tackling gender-based violence and harassment - 2X Global; Roadmap for Development Finance Institutions: Strategies to address gender-based violence - Criterion Institute](#)
13. It is important to note that the level of GBVH and social risk is not static and can change during the implementation of a project and gender-differentiated risks could emerge in the context of these investments. EIB found that GBVH risks are closely linked to the project's social risks which are assessed during EIB's due diligence process.
14. It includes specific commitments to prevent, where possible, GBVH; promote zero-tolerance of any form of abuse; and provide safe and trusted environments in the EIB group's activities.
15. [Metro De Barcelona Rolling Stock case study](#)
16. [Chad Climate Resilience Road Project case study](#)
17. [JCI Power case study](#)

Additional resources

1. 2X Global: [Gender and climate due diligence questionnaires by sector](#)
2. 2X Global: [GBVH Community of Practice](#)
3. Criterion Institute: [Roadmap for Development Finance Institutions: Strategies to Address Gender-based Violence](#)
4. BII: [Addressing Gender-Based Violence and Harassment: Emerging Good Practice for the Private Sector](#)
5. IUCN Issue Brief: [Gender-based violence and the environment](#)
6. UK Government: [Cross-Sector Progress Report on Safeguarding Against Sexual Exploitation, Abuse and Harassment \(SEAH\) 2021-2022](#)
7. KPMG: [Too costly to ignore – the economic impact of gender-based violence in South Africa](#)

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About us

2X Global, emerging from the merger of GenderSmart and the 2X Collaborative, is a global membership and field-building organisation focused on unlocking gender-smart capital at scale. By working together with the full spectrum of investors, capital providers, mobilisers, and influencers, we are shaping the market on a whole new level, ultimately transforming systems of finance through the gender-smart deployment of capital across asset classes and markets.

