

GENDER EQUALITY STRATEGY 2022-25

UNITED NATIONS CAPITAL DEVELOPMENT FUND

CONTENTS



1

EXECUTIVE SUMMARY

3

1. CONTEXT AND OVERVIEW

11

2. DEVELOPING THE STRATEGY

12

3. KEY LESSONS LEARNED

14

4. MAJOR ACHIEVEMENTS ON GENDER
EQUALITY

16

5. STRATEGIC PRIORITIES FOR 2022-25

27

6. KEY PARTNERSHIPS

29

7. MONITORING AND EVALUATION

30

8. CONCLUSION

EXECUTIVE SUMMARY

Despite widespread recognition of the vital importance of achieving women’s economic empowerment, the resources available to finance and execute meaningful interventions in this area have continually fallen short, especially for least developed countries (LDCs). A meagre 5 percent of bilateral development aid¹ is primarily targeted at gender equality, and financing from private and local government sources, albeit growing, is still low in relation to the challenges and opportunities to address it. For example, in 2019, allocated private funds with a gender lens amounted to US\$4.8 billion and by the end of 2020, US\$11 billion² most of which to the United States of America and almost none explicitly to LDCs.

A critical strategic priority for United Nations Capital Development Fund (UNCDF) is the economic empowerment of women and girls in the last-mile economies to bring transformative and long-term systemic change. Given the fragile and underdeveloped economic structures, promoting their economic empowerment in LDCs is an important step for reducing entrenched poverty and inequality, particularly in the most vulnerable and underserved parts of the world.

1

In line with the corporate Strategic Framework (2022–2025), UNCDF’s Gender Equality Strategy (2022–2025) focuses on a transformative approach to promoting women’s economic empowerment and gender equality. The Strategy highlights the centrality of addressing structural and discriminatory practices, and creating a conducive policy and institutional framework as an important foundation on which to build a financing agenda that targets equitable economic development and gender-responsive transformation. In the context of the negative impacts from COVID-19 and emerging climate-related vulnerabilities, especially in LDCs, where the most vulnerable populations, including women and girls, are affected, the Strategy also emphasizes building sustainable financing solutions to address gender inequality.

¹OECD. 2023. Development Finance for Gender Equality and Women’s Empowerment. Paris.

²This includes the \$2.9 billion allocation from Japan’s Government Pension Investment Fund (GPIF) in December 2020 and the Gender-focused Exchange Traded Funds by Union Bank of Switzerland (UBS).

The Strategy proposes an ambitious agenda with stronger institutional systems and a bolder investment framework to promote gender equality in UNCDF-led programme countries (Figure 1). With the objective of increasing the flow of public and private investments in gender equality and women's economic empowerment, UNCDF will focus on the following six Strategic Priority areas:

1. Gender-responsive Policy and Regulatory Framework
2. Women-led and -owned Small and Medium-Sized Enterprises Financing
3. Investments in Inclusive Cities
4. Inclusive Digital Economies
5. Gender and Climate
6. Gender-responsive Food Systems.

To achieve these objectives, UNCDF will prioritize innovative gender programmes and the strengthening of corporate systems including institutional gender capabilities with increased technical, human and financial resources, and better oversight and coordination mechanisms. The previous Gender Equality Strategy focused on corporate milestones related to the gender work of the two practice areas, Financial Inclusion and Local Development Finance. It also emphasized UNCDF's commitment to align its work with the United Nations system-wide Action Plan commitments. Building on UNCDF's comparative expertise in financing, the new Gender Equality Strategy reaffirms UNCDF's commitment to serve LDCs with an ambitious gender equality agenda. The Strategy and associated results framework set out a comprehensive approach to promoting gender equality and women's economic empowerment with ambitious gender last-mile financing.



Local women vendors in cross-border market, Kigoma, Tanzania. Source: UNCDF.

1. OVERVIEW AND CONTEXT

A. ABOUT UNCDF

A hybrid development finance institution and development agency, UNCDF uses a combination of capital instruments to achieve impact

The United Nations Capital Development Fund (UNCDF) is the United Nations' flagship catalytic financing entity for the world's 46 least developed countries (LDCs). With its unique capital mandate and focus on the LDCs, UNCDF invests and catalyses capital to support these countries in achieving the sustainable growth and inclusiveness envisioned by the 2030 Agenda for Sustainable Development and the Doha Programme of Action for the Least Developed Countries, 2022–2031.

UNCDF builds partnerships with other United Nations organizations, as well as private and public sector actors to achieve greater impact in development, specifically by: unlocking additional resources and strengthening financing mechanisms and systems, thus contributing to transformation pathways; and focusing on development themes such as the green economy, digitalization, urbanization, inclusive economies, gender equality and women's economic empowerment.

A hybrid development finance institution and development agency, UNCDF uses a combination of capital instruments (deployment capital and catalysation of additional financing) and development instruments (e.g. technical assistance, capacity development, policy advice, advocacy, thought leadership, and market analysis and scoping), which are applied across five priority areas (i.e. inclusive digital economies, local transformative finance, women's economic empowerment, climate, energy and biodiversity finance, and sustainable food systems finance).

Gender Equality and Women's Economic Empowerment is a flagship thematic area under UNCDF's Strategic Framework (2022–2025)³. The benchmarks on gender equality are also part of the Integrated Results and Resource Matrix (IRRM) developed to monitor progress on the results and commitments under the Strategic Framework.

B. THE GLOBAL CONTEXT FOR GENDER FINANCING

As the world recovers from the multiple shocks associated with COVID-19, and with increasing climate-related vulnerabilities and economic uncertainties, nations are searching for low-cost and inclusive pathways for navigating the knock-on effects of cost-of-living crises, shortfalls in food and energy supplies, climate shocks and geo-political tensions. The LDCs, which are home to over 1 billion people, are the most vulnerable to the adverse impacts of these multiple global threats. Few have qualified for graduation from the LDC category, while some are in transition and others are grossly affected by crises and conflict.

Although foreign direct investment and investment flows in the Sustainable Development Goals (SDGs) have recovered to pre-pandemic levels, LDCs are still far from reaching the target to meet the US\$2.5 trillion annual financing gap.⁴

³ UNCDF. Strategic Framework 2022–2025. www.uncdf.org/sf2022

⁴ UNCTAD. World Investment Report 2022. World Investment Report 2020 – Chapter 5 (unctad.org)

Additionally, despite the importance of official development assistance (ODA), very few donor countries meet the United Nations target to allocate at least 0.7 percent of their gross national income (GNI) to ODA, and SDG target 17.2 to allocate 0.15–0.2 percent to LDCs.

Both rich and poor countries are not on track to achieve gender equality by 2030, as per the SDGs. The Human Development Report's Gender Inequality Index (GII), a measure of women's empowerment in health, education and economic status, shows that overall progress in gender equality has been slowing in recent years. Although over the past century more women have been moving into paid work and the financial sector, the Global Gender Gap Report 2022 showed that it would take 257 years to close the gender gap in economic opportunity alone. While the gap in mobile internet coverage continues to narrow globally, the gender gap in usage persists; 48.4 percent of women are using the internet versus 58.3 percent of men, which has implications for the inclusiveness of digital finance sectors.⁵

In addition, the 2023 SDG Report⁶ revealed that out of the 105 countries that collected data on SDG indicator 5.c.1, which measures government efforts to track budget allocations for gender equality throughout the public finance management cycle, only 27 countries (26 percent) fully met the criteria of a comprehensive system of tracking.⁷ The global financing gap for women-led and-owned small and medium-sized enterprises (SMEs) is estimated at \$320 billion⁸ despite major progress in women's access to capital in recent years.

The 2020 Human Development Perspectives Report also indicated that countries with higher social norms biases tend to have higher levels of gender inequality in access to financial services and entrepreneurship opportunities.⁹ This has far-reaching implications for the 45 targets and 54 specific indicators of the SDG framework that are directly linked to gender, as well as the knock-on effects of the COVID-19 pandemic, its broader disruptions to the labour market, technological transformations, and other global challenges to sustainable development.

⁵ World Bank Group. 2021. Accelerating Gender Equality in Digital Development.

⁶ United Nations. Department of Economic and Social Affairs. Sustainable Development. Global Sustainable Development Report (GSDR) 2023. <https://sdgs.un.org/gedr/gedr2023>

⁷ United Nations. Department of Economic and Social Affairs. Goal 5. Achieve gender equality and empower all women and girls. <https://sdgs.un.org/goals/goal5>

⁸ 2X Global. Unlocking gender-smart capital at scale. www.2xglobal.org

⁹ UNDP. 2020. 2020 Human Development Perspectives. Tackling Social Norms. A game changer for gender equalities. https://hdr.undp.org/system/files/documents/hdperspectivesgndf_1.pdf

Similarly, ensuring financing at the local level remains a major challenge for cities, especially in Africa, Asia and the Pacific. The fourth report of the local and regional government for the High-Level Political Forum 2020, facilitated by United Cities and the Local Governments, reveals that, at the local level, most cities will be unable to raise the funds they require to meet their current and projected demands for infrastructure; i.e. services that are critical for millions of vulnerable people including women and girls, especially in Africa and Asia, cannot be guaranteed.

In cities led by women in developing countries, the situation is even more challenging. Although only 5 percent of the world's mayors are women, often, women-led cities are constrained with lower budgetary allocations, fewer revenue-generating opportunities and underdeveloped systems for governance, including planning, budgeting, and regulatory and policy reforms.

While the COVID-19 pandemic has exposed LDCs to unprecedented economic challenges, it has also pushed governments and businesses to accelerate digital transformation. The latest Findex report reveals that in developing countries (excluding China), 40 percent of the people who made a digital payment to a merchant or who paid a utility service in 2021, did so for the first time since the start of the pandemic.

The pandemic has shown the fundamental role that critical digital payment infrastructure plays to increase the resilience of those who are most affected when a crisis hits, and has also underscored its importance as a gateway to use these digital rails to access other services with tremendous opportunities to address development challenges, and more importantly, further mobilize finance for SDG achievement.

However, the benefits of the digital economy have not been fully realized in all countries, and digital transformation has not been inclusive of all: LDCs are lagging, and the gender gap is worrisome. For example, the Doha Programme of Action mentions that in the LDCs, nearly 800 million people have no access to internet and therefore are unable to participate in economic, political, social and cultural activities online.¹⁰ According to UNCDF's Inclusive Digital Economy Scorecard (IDES) data of 2021, which measures the gap between men and women's participation in or access to the digital economy, the level of inclusion for women in Nepal is 33 percent lower than that of men, in Niger, 60 percent lower, and in the Democratic Republic of the Congo, 51 percent lower.

¹⁰ United Nations. Doha Programme of Action. www.un.org/ldc5/doha-programme-of-action



UNCDF, together with its partners, is committed to ensure that its programmatic work contributes to addressing the underlying and emerging trends impacting gender equality financing trajectories globally. UNCDF draws its corporate commitment to gender equality and women's empowerment (GEWE) from the 2020 Quadrennial Comprehensive Policy Review (A/75/233), which emphasizes that GEWE is crucial to progress across all the goals and targets of the 2030 Agenda for Sustainable Development.

The United Nations system is also called upon to fully implement the United Nations System-wide Gender Equality Scorecard. The Scorecard provides a global accountability framework for gender mainstreaming against 15 performance indicators on planning, programming, partner engagement, leadership styles, resource allocation, monitoring and visibility of results.

Therefore, this Strategy will enable UNCDF to enhance its organizational capabilities for increasing accountability for GEWE results in support of the SDGs, the 2015 Addis Ababa Action Agenda on Financing for Development, and the Doha Programme of Action.

In Benin, Pierrette Folly manages her orders and business loans using her mobile phone. Source: UNCDF

C. THE PURPOSE OF THE GENDER EQUALITY STRATEGY

The purpose of this Gender Equality Strategy is to set an ambitious agenda and a framework for UNCDF to address gender inequality and promote women's economic empowerment in programme countries in line with the Organization's Strategic Framework (2022–2025). The previous Gender Equality Strategy (2018–2021) provided an effective framework to focus more on priorities related to women's economic empowerment and gender mainstreaming in UNCDF's corporate, operational and programmatic priorities.

The Strategy emphasized UNCDF's gender commitments as articulated by the Committee on the Elimination of Discrimination against Women (CEDAW) and 2030 Agenda for Sustainable Development. It presented corporate milestones related to the gender work of two practice areas, i.e. Financial Inclusion and Local Development Finance, and emphasized UNCDF's commitment to align with and report on the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women (UN-SWAP) 2.0 indicators.



UNCDF-installed new water reservoir, Mbale City, Uganda Source: UNCDF.



Elese Mwale grew her mobile money agent business in Zambia with FINCA and UNCDF support. Source: UNCDF

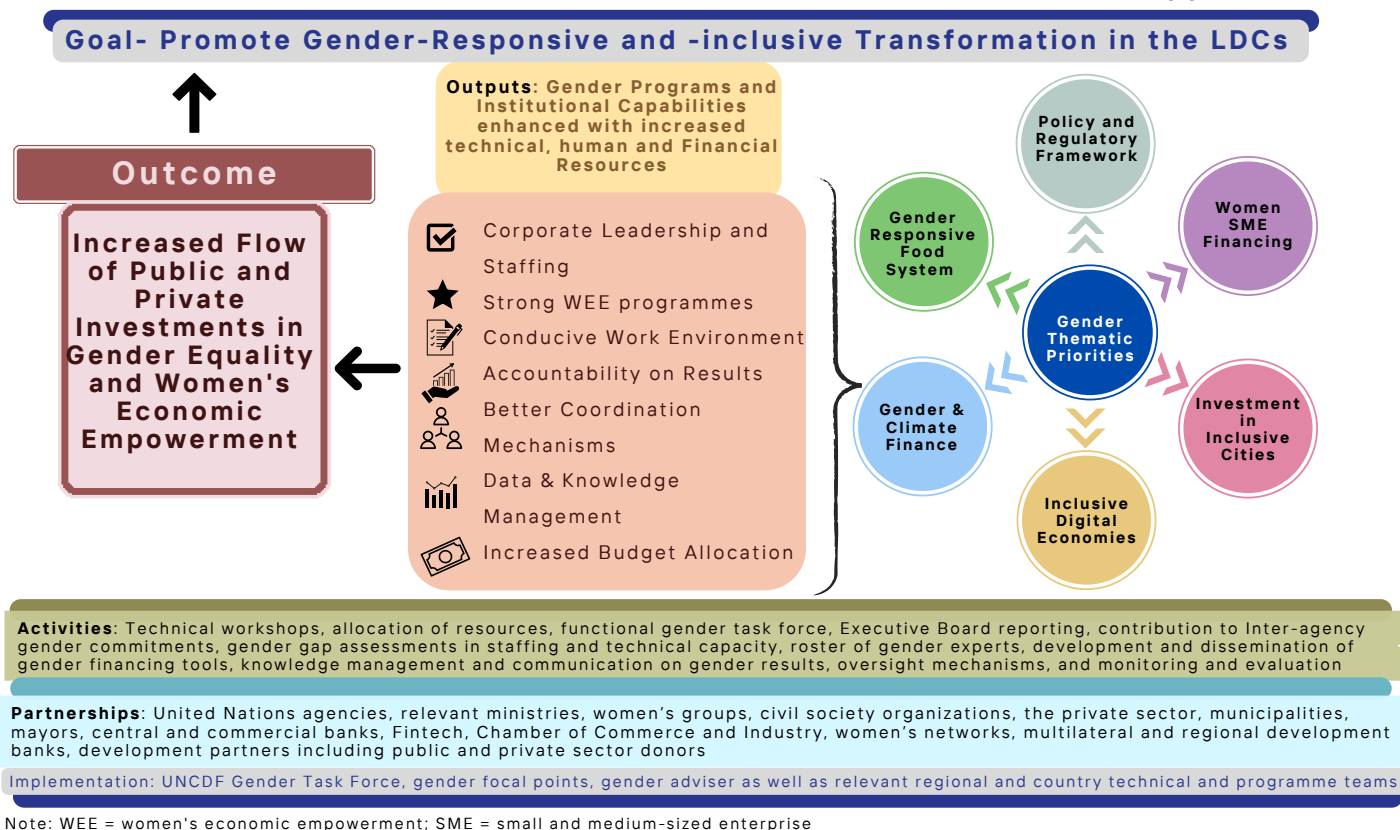
The previous Gender Equality Strategy, as the Evaluation report revealed, fell short of providing a comprehensive and innovative organization-wide approach to gender financing. The approach to implementing the Gender Equality Strategy during the 2018–2021 period revealed the importance of setting an ambitious agenda for the Organization on gender with strong ethical work, allocating adequate financial and human resources and developing strong implementation and accountability mechanisms to deliver on gender commitments.

By strengthening capacities at the institutional level with adequate human and financial resources and better targeted and transformative programmes, and by expanding financing commitments to promote innovative investments for women and girls, this Strategy establishes forward-looking priorities for the Organization with concrete actions to deepen coherence and more systematically address GEWE in programmes implemented by UNCDF.

The new Gender Equality Strategy is in line with UNCDF's Strategic Framework 2022–2025. The associated action plan provides the roadmap to deliver on the gender commitments and highlights the Organization's programmatic and technical capacity needs to effectively deliver on the strategic gender equality objectives. The Strategy builds on the accomplishments and lessons of the previous Gender Equality Strategy as well as the previous UNCDF Strategic Framework (2018–2021) and its associated evaluation recommendations. The Gender Equality Strategy is fully aligned with UNCDF's commitments on gender as part of the UN-SWAP.

D. CONCEPTUAL FRAMEWORK

FIGURE 1



In line with UNCDF's Strategic Framework 2022–2025, the Gender Equality Strategy aims to contribute to the overall goal of supporting the LDCs in achieving gender-responsive and -inclusive transformation (Figure 1). By utilizing UNCDF's financing instruments, the priorities outlined in the Gender Equality Strategy will support programme countries in increasing the flow of public and private investments for gender equality and women's economic empowerment.

To this end, UNCDF will prioritize the strengthening of institutional gender capabilities with increased technical, human and financial resources, and better oversight and coordination mechanisms, including a network of gender focal points and a Gender Task Team to deliver the intended results.

Enhanced institutional capacities and resources will help UNCDF achieve gender commitments and strategic results in critical thematic areas, as outlined in UNCDF's Strategic Framework and the IRRM.

Major contributions will be made towards creating an enabling environment with gender-responsive policy and regulatory frameworks in programme countries.

UNCDF will also focus on financing women-led and -owned SMEs with innovative, blended funding mechanisms as well as with direct funding through loans, grants and guarantees. Supporting inclusive and gender-responsive transformation in cities with enhanced investments in local services, infrastructure and economic opportunities is another important strategic priority for UNCDF. Similarly, a critical priority is to use a market development approach to enhance and scale up digital innovations aimed at enhancing the economic participation of women and setting an inclusive policy environment.

As part of emerging thematic areas outlined in the Strategic Framework, UNCDF will continue to develop and implement gender-responsive food systems as well as promote climate adaptation mechanisms with women playing a central role to build local resilience.

11 UNCDF. Strategic Framework 2022–2025. United Nations. Doha Programme of Action. www.un.org/ldc5/doha-programme-of-action

2. DEVELOPING THE STRATEGY

UNCDF set up a Gender Task Team, under the leadership of the Executive Secretary, to draft, develop and finalize the Strategy. The Gender Task Team comprised focal points from all practice areas and operations functions, who provided important advice on the strategic priorities for the Organization on GEWE, as per UNCDF's commitments outlined in the corporate Strategic Framework (2022–2025).

This was complemented by conducting a comprehensive desk review of relevant documents and agreeing on a roadmap that would define the steps and timelines for undertaking an online staff survey, using the data collection questionnaire. The survey assessed the Organization's human resources (sourcing and retention of female talent) and capacities, financial allocations, GEWE programmes/gender mainstreaming capacities, investments in women's economic empowerment, and tools and knowledge on GEWE.

The Survey was combined with virtual consultations with staff globally, engaged in the following thematic areas: Inclusive Digital Economies, which includes the UNCDF-hosted Better Than Cash Alliance team; Local Transformative Finance (LTF); the LDC Investment

Platform; Partnerships, Policy and Communications; the Independent Evaluation Unit; as well with the Executive Secretary (OIC) and Deputy Executive Secretary.

The consultations with UNCDF staff provided ample opportunities for discussing the internal gender capacity gaps and challenges that inhibit the ability to mainstream GEWE effectively, and ways to learning and budgeting needs. The consultations also opened dialogue on: the work environment; leadership styles among managers and supervisors; fair and just implementation of in-house corporate policies on the work-life balance; gender parity in staffing; the prevention of sexual harassment and exploitation; grievance redress mechanisms; and the prevention of abuse of authority.

Success stories and milestones from UNCDF-supported interventions on GEWE across the globe were also generated through virtual consultations with staff, combined with resources from the UNCDF corporate website and programme evaluation reports.

3. KEY LESSONS LEARNED

This Strategy builds on the milestones and lessons of the previous Gender Equality Strategy (2018–2021) and evaluation reports from UNCDF-led gender programmes. A few key lessons, which are presented below, are based on an evaluation of UNCDF's previous Strategic Framework (2018–2021) and the previous Gender Equality Strategy, and an assessment of UNCDF's gender work through programme evaluations.

a. Social norms and legal frameworks impact women and girls' economic empowerment

Social norms play an extremely important role in shaping women's lives. Often, traditional gender norms restrict women from the realization of their full potential and effective participation in economic activity and decision-making, as well as their ability to grow and scale their businesses. Equally important are the conducive laws and policies that enable women's equal and full participation in economic activity.

Given this context, the economic empowerment of women in LDCs must not be limited to livelihoods but must provide women with access to a range of resources and types of support. In partnership with relevant ministries, private sector partners, and women's and civil society groups, UNCDF advocates to address systemic changes and deeply entrenched biases, including through relevant legal frameworks and social norms that perpetuate economic inequality and exclusion.

b. Intersectional gender analysis is needed in programming and policy to open doors for women and girls left behind

It is important to go beyond the binary analytical lens that merely views gender issues along homogenous lines that merely compare women to men as important categories to consider. Gender inequalities can be compounded by disparities along the rural-urban divides, age, migration status, sexual identities, income and education levels, among other factors. Therefore, data that permit intersectional gender analyses are essential for programming and policy advocacy that leave no one behind (LNOB). The policy diagnostics and investment models for UNCDF's future work will continue to attach greater importance to gender and intersectionality alignment to SDG 10 on reduced inequalities and open doors for women left behind, for example, survivors of gender-based violence, women in conflict- and post-conflict zones, women migrants, women-owned businesses in Small Island Developing States (SIDS), among others.

c. Promoting participation and multi-stakeholder dialogue can drive inclusive policy and innovation

Connecting and opening dialogue between women-led and -owned SMEs, civil society, the private sector and decision-makers have been among the most efficient means of influencing policy decisions.

UNCDF's partnership with global actors and forums on gender equality financing has been a crucial space to highlight the challenges encountered by women and girls in the LDCs. UNCDF's collaboration with 2X Global is an important space and a critical global coalition for promoting women's economic empowerment and driving gender-responsive investments. As a leading United Nations agency on financing, UNCDF will continue to leverage its capital mandate, capacities, presence on the ground and key partnerships to increase much needed public and private investments, especially in the last mile.

Other important partners for UNCDF on the ground are local governments, women's organizations and civil society, which have been critical to deliver consultative and need-based outcomes for women and girls, and to support the design of gender-responsive policies. Inclusive policymaking requires that people directly impacted by policy change participate in its design and implementation, yet governments and the private sector are often not deliberate about hearing from female consumers or female representatives of industry and civil society. UNCDF supports participation in policymaking by fostering regular dialogue between diverse stakeholders and supporting women to lead advocacy for gender-equitable priorities.

d. Leveraging different approaches to gender equality financing is a precondition for achieving results at scale and mobilizing resources

In addition to ODA that addresses gender equality, other opportunities emerged after the Addis Ababa Action Agenda, which was adopted at the Third International Conference on Financing for Development in 2015. Development finance institutions, banks, private investors and private philanthropy are using Gender Lens Investing as the means for integrating gender equality into the financial analysis of and decision-making on investments. The blended financing approach is another opportunity for alternative GEWE financing, through the strategic use of development finance for the mobilization of additional finance. Capital markets have also become crucial sources of long-term funding to help close the SDG financing gaps and mobilize capital for sustainable development through, for example, gender-focused bonds. UNCDF is therefore committed to securing capital and partnerships from both traditional and new sources of financing.

4. MAJOR ACHIEVEMENTS IN GENDER EQUALITY

A. Allocating and tracking internal financing for gender priorities

UNCDF is one of the very few United Nations agencies that has been using a gender marker since 2019 for its reporting to the Executive Board on gender equality priorities. For the new Strategic Framework, UNCDF had introduced an indicator in its corporate results framework – the Internal Results and Resources Matrix (IRRM) – on resource allocation for GEWE using the gender marker with an ambitious target of 70 percent of resources being delivered through GEN2 (where 50–70 percent of the total budget is allocated towards GEWE activities) and GEN3 (where 70–100 percent of the total budget is allocated towards GEWE activities).

The gender marker is applied at the programme expenditure level, which helps the Organization assess its commitment to gender equality in a much more concrete manner. The gender marker is the corporate mechanism for ensuring that funding is allocated both to programmes that mainstream gender equality, and programmes that are specifically dedicated to gender equality as the principal objective.

B. Supporting women as active players and allies in addressing the global digital divide

UNCDF leverages data on women's role and status in the digital economy from internal and external sources in order to undertake policy advocacy and pursue investment strategies that are geared towards supporting private sector partners. The support aims to help create, together with these partners, pilot and scale up digital finance solutions that take into consideration critical issues such as the ability of women and girls to access and use the appropriate services. In addition, agency issues are taken into consideration, which include the wide range of socio-economic factors that impede women and girls from using and benefiting from these services, even when they can, in principle, access them. These innovations and partnerships have enabled UNCDF to contribute to greater gender equality.

In addition, the Women's Digital Financial Inclusion (WDFI) Advocacy Hub is one of UNCDF's new flagship gender initiatives to promote participation in WDFI policy change and to support the creation of gender-inclusive digital economies. The WDFI Advocacy Hub is centred on amplifying local voices, shifting resources to local partners, and spurring a constructive dialogue with decision-makers.

UNCDF partnerships with central banks and other government financial institutions across the globe have supported the incorporation of digital financial services into financial inclusion agendas of policymakers and regulators. Investing in digital public infrastructure is also crucial to ensure women's access to digital financial services; access to mobile phones and identity cards is also vital.

C. Driving investments that promote gender-inclusive urban development

With growing urbanization, a major challenge for municipalities is to ensure that special needs of vulnerable segments of the population, including women and girls, are addressed; however, the lack of adequate financing in cities for essential services and infrastructure remains a major barrier. UNCDF provides a comprehensive approach to city planners through technical assistance, capacity building, new tools and direct financing to support resilient livelihoods, better public services and infrastructure, particularly to address growing urban inequalities and economic exclusions. The goal is to transform cities into spaces of equal opportunities for everyone by targeting those who are vulnerable and marginalized (e.g. slum dwellers, the ultra-poor, minorities, informal workers, migrants, women/girls, people with disabilities).

As part of UNCDF's new Inclusive Cities financing work, it prioritizes key public infrastructure, including safe transport, housing, water and sanitation, and economic opportunities, especially in marginalized and slum areas. Addressing growing violence against women and youth in cities is an important part of this initiative.

D. Shaping the course of policy reforms to advance gender equality and women's economic empowerment

UNCDF has played a pivotal role in designing and rolling out policy-oriented diagnostic tools and technical support on gender-intentional policies and regulatory frameworks. Building on its extensive experience in promoting gender-responsive budgeting in partnership with UN Women, UNCDF has been a key partner in developing and implementing gender-responsive integrated national financing frameworks (INFFs) for mobilizing resources, both domestic and global, in many developing countries to ensure adequate financing for the SDGs.

UNCDF has also extended its organizational role in women's work and contributions to global investments in the SDGs through the creation of Digital Financial Services Working/Consultative Groups in different countries. This has nurtured partnerships among government and private sector actors in order to advocate for policies and regulations needed to drive innovations that address women's financial and entrepreneurship needs.

E. Boosting women's resilience and recovery from climate-related uncertainties and shocks

UNCDF has built the resilience of women's businesses to a wide range of shocks and crises, including conflict, climate change, energy scarcity and global pandemics.

Through its operations and programmes, UNCDF has engaged local partners to develop gender-responsive climate change adaptation infrastructures. Equally important, when crises hit, governments, humanitarian agencies and development partners need simple, fast, transparent and cost-effective ways to release and channel social protection responses to those who need it the most, i.e. women. A robust digital payment ecosystem can also support the development of innovations to help the individuals who are most left behind and create a buffer against shocks, thus serving as an important tool to build resilience against crises and an important pathway out of poverty.

5. STRATEGIC PRIORITIES FOR 2022–2025

UNCDF will focus on deepening gender equality in all corporate practices including by achieving gender parity in staffing, specially at the senior levels, better gender representation in leadership positions, conducive workplace environments and increased budget allocations for innovative programmes related to gender equality and women's economic empowerment.

A. PRIORITIES FOR DEEPENING GENDER EQUALITY IN OUR CORPORATE FUNCTIONS

i. Enhancing corporate leadership for gender equality

The senior leadership of UNCDF is committed under this strategy to advance gender parity in the Organization by:

- (i) investing in skills for leaders to advance GEWE agenda and providing leadership model as advocates for gender equality rights in various public speeches, statements and advocacy skills to advance this agenda;
- (ii) facilitating the implementation of the Gender Equality Strategy with all possible means to advance gender equality in the Organization and in the development services;
- (iii) securing the needed gender expertise for the Organization to ensure all staff at all levels have the needed skills and capacity to support this agenda, together with the needed corporate policies to shape the modality of interventions on gender to inform stakeholders and programming staff;
- (iv) supporting women's career progression and

aspirations to achieve the needed balance at the top and mid-levels in the Organization; (v) advocating for partnerships that assist in strengthening the development efforts that UNCDF is aiming to achieve, through its mandate on gender equality; (vi) ensuring transparent reporting on gender equality efforts achieved by the Organization at the programmatic and corporate levels; and (vii) ensuring adherence to the best practices in terms of gender-sensitive investment and promoting the application of Gender Lens Investment into the corporate investment strategy of the Organization.

Within its leadership structure, UNCDF will have a budget to support the engagement of high-level gender advisers to support the internal resource mobilization task force, the policy, partnerships and communications team, and the network of regional offices. The senior gender advisers will not only support analytical work within the broader portfolio of UNCDF flagship programmes, but will also represent the Organization at inter-governmental processes as thematic experts on global policy, funding models and on the strategic direction of UNCDF's investments.

ii. Improving gender competencies among staff

UNCDF will develop and resource the implementation of a corporate gender capacity-building plan for training all staff on how to take GEWE concerns into account across the portfolio of projects and programmes. Capacity-building activities that are thematic and linked to the nuances of programming in each practice area will be organized both virtually and in-person at least once a year. Expenditure on programme-linked gender training events will account for not less than 30 percent of the total learning budget, which will reflect a focused effort to meet training-related needs identified from the staff survey. Orientation on UNCDF's gender equality strategy and priorities will be included in the package of information materials and training designs for new appointees.

To ensure that everyone is included in 'doing gender' and to promote a culture of self-learning and knowledge sharing among staff, UNCDF will undertake a learning needs exercise to map the key capacity and knowledge gaps among staff, as well as roll out an inventory on GEWE-related available resources and online learning tools. This will support measuring in-house gender knowledge and inform the needed learning plan on specific gender issues. A good pool of resources for continuous learning will consist of: a compilation of research studies on gender issues; training materials on gender and women's rights, and Gender Lens Investing tools for gender analysis; and data/information on relevant issues, research and/or reports of innovative practices and initiatives related to gender equality across UNCDF Practice Areas.

In addition, a number of staff members can also serve as gender resources for staff, in addition to the gender adviser, to diversify the base of expertise and available in-house resources. Equally vital for UNCDF is to organize internal learning sessions for staff that provide a great opportunity to learn from each other and exchange best practices to effectively integrate gender intentional priorities in UNCDF's operations and practices.

iii. Investing in innovative workplace practices and an inclusive culture

The transformation of the Organization's culture will take on a multitude of dimensions. These will include flexible working arrangements, such as parental leave, time-off for lactating mothers, telecommuting and compensatory time off as strategies for the even distribution of family and workplace tasks. Safe and informal spaces for exchange will be created to facilitate open and frank conversations about workplace issues, and to ensure that work-related tasks do not squeeze the space for critical reflection.

Headquarters, regional and country office retreats will include agendas for reflection days as opportunities to identify areas for further improving the working environment and to learn from affirmations of personal change from staff members who have benefited from UNCDF's corporate policies. The sessions will include asking staff members to provide suggestions for strengthening inclusion and equality in the workplace, followed by open voting for the three best and most doable ideas.

The office retreats will also include sessions for addressing gender-related issues to explore personal experiences of parenting, sharing of domestic work, dealing with traditional norms, challenging biases, and similar real-life concerns. These sessions will help staff to understand gender concepts and ideas in terms of their personal realities while motivating and inspiring them to act for change, using external facilitators and trainers as session moderators.

Zero tolerance of sexual harassment and sexual exploitation and abuse is a standard organizational practice. In line with the United Nations Development Programmes' (UNDP) Policy on Harassment, Sexual Harassment, Discrimination, and Abuse of Authority and Action Plan on Sexual Harassment (SH) and Sexual Exploitation and Abuse (SEA) 2023–2024,¹² UNCDF will not tolerate these behaviours in the workplace or in work with partners and communities.¹³

In addition to identifying and reporting cases of sexual harassment and sexual exploitation and abuse, UNCDF will continue stepping up actions to prevent these behaviours and achieve an inclusive and safe environment for all staff and stakeholders. Among other dimensions, this will entail strengthening safeguards in projects and programmes, further expanding work with implementing partners, increasing its network of respectful workplace facilitators in partnership with the Office of the Ombudsman, and investing in awareness and behavioural change.

¹² UNDP's Policy on Harassment, Sexual Harassment, Discrimination, and Abuse of Authority.

¹³ UNDP's Action Plan on Sexual Harassment (SH) and Sexual Exploitation and Abuse (SEA) 2023–2024.

iv. Streamlining accountability for gender parity

UNCDF will strengthen the appropriate accountability mechanisms to ensure proper integration of gender equality objectives in corporate practices and programmes. A new action plan for promoting gender parity in staffing building on an organization-wide needs assessment is a major priority in this regard.

The action plan will build on the existing reporting mechanism to track progress in reducing the gender gap across all staffing levels and programmatic interventions, as well as in capacity development. Reporting on the action plan will also benefit from input on progress made on staffing by UNCDF Human Resources. The capacity assessment report will capture gender parity by sex and category of contractual arrangement, and also age and geographical location/workstation of staff, across the Organization. UNCDF's recruitment and promotion decisions will be based on these status reports.

In line with the United Nations Performance Management and Development (PMD) guidelines, all senior managers will initiate dialogue with their respective programme teams and Human Resource Units on the integration of gender parity objectives and targets in their performance plans and assessments, and completed in the online PMD tool. This is not limited to including gender balance in staff recruitment but may also entail adopting special measures and practices contributing to gender parity.

To reach women and men interested in advancing their career within the United Nations system, UNCDF's global Human Resources Office will annually organize the 'Human Resources Open Day' on the theme of building a career/entering the United Nations system. These virtual sessions will address several career issues, including: (i) what to consider before pursuing a United Nations career; (ii) what the different roles entail; (iii) the skills and experience needed to succeed; (iv) how to network to one's goals; (v) curricula vitae and application tips; and (vi) the contractual nuances in the United Nations based on a position's category, grading and location. This will ensure that the targeted staff obtain knowledge and guidance on what prospective United Nations employees need to consider along the potential United Nations journey. The Human Resources Open Day will be attended by staff from other United Nations agencies, who can share experiences and guidance on adaptive career advancement.

For the retention and advancement of female staff and personnel already at UNCDF, a mentorship structure will be set up for support. This programme will provide staff the opportunity to find a mentor or mentee based on preferences. Female staff and personnel will be able to sign up as either mentors or mentees; a mentee or a group of mentees will then be matched to a mentor and will then be able to schedule sessions together, either virtually or in-person, based on their convenience. This will also provide the opportunity to network and reflect on career advancement directions.

v. Stepping-up UNCDF's gender coordination and oversight mechanisms

UNCDF will continue utilizing the Gender Task Team as an important vehicle for championing GEWE priorities and to support the oversight of the implementation and monitoring of the gender strategy commitments. Specific terms of reference (ToRs) and biannual work plans will be developed to institutionalize the Gender Task Team. The Gender Task Team will be supported by a network/roster of gender specialists, including experts on gender financing within climate, agriculture, local governance, digital economies and energy sectors, who will provide hands-on technical support to regional and country offices.

The Gender Task Team, as well as the gender adviser, are expected to: provide the necessary policy guidance; coordinate gender-related global- regional- and country-level activities; quality assure knowledge products on gender-related resources; quality assure new projects and programmes to ensure that proper budgeting and development interventions are properly designed as part of the appraisal process; coordinate and support gender-related reporting mechanisms; and support the senior leadership with the needed policy and programme advice to advance advocacy and partnerships on gender equality.

vi. Data on gender and intersectionality in UNCDF communications and knowledge management

By strengthening the knowledge management and corporate communications functions, UNCDF will harvest impact stories and gender statistics from its regular reporting and programme monitoring to identify key lessons. It will continue to develop and promote flagship knowledge products to define key messages and branding for progress reporting on the achievements associated with the implementation of this Gender Equality Strategy.

UNCDF will build on its strategic relationships with global GEWE ambassadors and SDG 5 (Achieve gender equality and empower all women and girls) champions, from local and national governments, banks and other private actors, philanthropies and foundations, financial institutions and capital markets. The aim is to use the available evidence base to advocate for social norm changes that deepen financial inclusion in LDCs and promote gender-responsive financing models and policies during inter-governmental processes, high-level policy dialogues and public events. UNCDF will focus on efficient gender-disaggregated data collection processes for informed decision-making in programmes and operations.

The global UNCDF Communications Office will be supported to develop a dedicated communication plan to improve the visibility of UNCDF's work and priorities related to gender equality. This will include showcasing UNCDF's achievements and best practices on gender financing from the different programmatic and corporate activities. It will also include communications units across the Organization that are committed to pursuing gender equality and achieving gender parity in all UNCDF-hosted programming, such as panels and events.

UNCDF will invest in social media, podcasts and short documentaries to create visibility for the results associated with this Strategy, and its linkages to other interventions at the local, national and international scales. Regional and country offices will be guided to use gender-sensitive communication and advocacy guidelines across their investment portfolios, including for developing digestible policy briefs and accessible messages to foster strategic dialogues with stakeholders from government and non-government institutions.

vii. Increasing budget allocations and tracking gender equality expenditures

For the Strategic Framework 2022–2025, UNCDF introduced an indicator in its corporate results framework – IRRM – on resource allocation for GEWE using the gender marker with an ambitious target of 70 percent of resources to be delivered through GEN2 (gender-responsive) and GEN3 (gender-specific) activities. Therefore, UNCDF will strengthen the practical application of the gender marker in regular programme portfolio reviews through capacity building and information sharing in order to ensure that each programme allocates a substantive amount of funds to GEWE, at output and activity levels.

Internal programme development and approval mechanisms such as the Programme Appraisal Committee (PAC) will be an important entry point to ensure application of the gender marker across UNCDF-led programmes. Directors and other senior staff in country offices will be encouraged to explore innovative options such as establishing an internal pool of funds within portfolios to finance gender capacities and strengthen programming work with their respective teams in order to be proactive in securing additional resources for GEWE from other sources. The gender adviser position at headquarters will lead and coordinate the work on this area with dedicated funding from multiple resources.

B. PRIORITIES FOR PROMOTING GENDER FINANCING THROUGH UNCDF PROGRAMMES AND OPERATIONS

Building on internal gender financing tools and practices from external partners, UNCDF will apply gender lens principles in its investment processes and portfolios. The goal is to widely institutionalize the gender investing approach so that by 2025, at least 30 percent of UNCDF's investments meet the gender financing criteria. UNCDF's gender focal points together with the gender adviser will use UNCDF's portfolio of projects and investments to develop organization-wide, uniform gender financing criteria for investments. Gender Lens Investing industry standards such as 2X Challenge matrices will be used as an important basis to set the new institutional standards on gender financing for UNCDF.

i. Shaping the gender responsiveness of policy and regulatory reforms

Contributing to reform laws and legal frameworks that restrict women's engagement in economic activity is a major priority for UNCDF. According to the World Bank, 167 countries have at least one law restricting women's economic opportunity. UNCDF works with local partners to advocate for eliminating discriminatory and gender biased policies and regulations.

Using gender-responsive assessment and investment tools such as the Gender-responsive Local Economic Assessment tool, the Generation Equality Forum and the Inclusivity Index, UNCDF will provide strategic technical leadership to create an

enabling environment to promote gender financing and local investments in gender equity. Programme countries will be supported in localizing SDG5 targets within policy reforms and enterprise development initiatives that help women access better financing. UNCDF will contribute to global policy and inter-agency processes related to women's economic empowerment and gender financing, building on its strategic positioning as co-lead of the Generation Equality Forum action coalition on women's economic justice and rights. In addition, UNCDF will continue its partnership with 2X Global to leverage increased financing for women's economic empowerment in partnership with Coalition members. UNCDF's partnership with 100 Women in Finance is equally important to support the development of networks of female finance leaders in LDCs. The Women's Digital Financial Inclusion (WDFI) Advocacy Hub will also continue to be UNCDF's flagship gender initiative to promote participation in WDFI policy change and support the creation of gender-inclusive digital economies.

In addition, UNCDF will use gender statistics for technical support on gender-responsive public finance management at national and local government levels. This technical assistance will target the strengthening of capacities for seeking alternative avenues for domestic public financing. Where fiscal decentralization policies and measures are functional, UNCDF will invest in strengthening the capacity of local governments in gender-responsive local economic assessments, identifying viable and inclusive municipal investments, and developing blended financing mechanisms to meet the local financing needs to promote gender equality and women's economic empowerment.

Further investments will be made in sub-national SDG financing strategies with strong dialogue with government and private sector actors, and a pillar on GEWE concerning both the tax revenue and non-tax revenue side of domestic resource mobilization.

To strengthen accountability for gender equality financing in public finance management, UNCDF will support digitizing the use of gender markers for assessing performance across different realms of public financing, namely, tax revenue and non-tax revenue reform, domestic loans disbursements, external loans disbursements, and allocations from external assistance. Similar policy diagnostics and evidence-generation tools will be used in promoting gender-responsive budgeting and regulatory reforms in partnership with United Nations agencies including UN Women, UNDP and UN Habitat. UNCDF will also remain a key partner in developing and implementing gender-responsive INFFs to mobilize resources for implementation of SDGs in developing countries.

ii. Investing in women-led and -owned SMEs and gender-responsive enterprises

A major priority for UNCDF is to provide support to women-led and -owned SMEs through direct financing as well as technical and corporate capacity building. This includes supporting women-led and -owned SMEs in skill development related to pre-and post-investment business advice (e.g. on business planning, financial planning, and growth strategies), business expansion, better linkages with profitable markets, access to quality input and enhanced quality of product packaging.

One of the major components for catalysing innovative gender-responsive investments for women-led and -owned SMEs is through

unlocking additional local public and private financing. Building on ongoing work, catalytic investment projects including businesses led by women will be prioritized.

These projects will be selected through a rigorous assessment process by utilizing in-house tools such as the Women's Economic Empowerment Index in collaboration with local partners, including women's organizations, government authorities and private sector actors. The investments will include women-led enterprises and gender-sensitive businesses that are large enough to have a transformative impact on the livelihoods of local women. Moreover, leveraging the digital revolution, especially Fintech innovations, UNCDF will strengthen women-led businesses by transforming their access to finance and overcoming the limitations from the traditional financial sector. This will help bring blended finance solutions at scale to this target group.

As part of creating a conducive environment to increase investments for women-led and -owned businesses, technical support will be provided to government and financial institutions to establish gender-friendly policy and regulatory environment. UNCDF will continue to support central banks, local commercial banks and the private sector to enable women-friendly financial products combined with rigorous technical support specifically designed for women-led and -owned SMEs.

iii. Promoting innovative financing mechanisms for women's economic empowerment

Based on past experiences, UNCDF will continue to deploy scalable and innovative financing models to build women's resilience and promote their economic livelihoods. This will include strong partnership building with local partners including governments, local banks, Fintech companies, women's groups, and the private sector. Based on lessons learned, some of the innovative mechanisms built on local blended financing models to be used are described below:

a. Dedicated local funds

Building on past experiences, UNCDF will create new funds, financing mechanisms and investment vehicles, and will continue to build and replenish local funds that are dedicated to support women-led and -owned SMEs and responsive economic development. This model will be further expanded as a self-sustaining one by using local resources to attract additional capital to support women's economic empowerment. The locally based model will allow last-mile women-led and -owned businesses to easily access required technical assistance as well as needed capital to grow their businesses.

b. Guarantee schemes to increase financing for women-led and -owned SMEs

Building on the experience and the support of the respective governments, UNCDF will continue to support central banks and local commercial banks in the programme countries to establish structures and systems to provide regular financial and technical support to women-led and -owned SMEs.

The dedicated guaranteed schemes will allow these SMEs to avoid usual regulatory bottlenecks (e.g. collateral requirements) in accessing finance from the commercial banks. Specific criteria and assessment tools have been developed based on existing UNCDF work for the selection and funding of the most deserving women-led and -owned SMEs.

iv. Advancing gender equality through investments in inclusive cities

To promote inclusive and sustainable development in cities, UNCDF, in partnership with UN Habitat, has initiated Women-led Cities, which builds on UNCDF's IncluCity initiative. The Women-led Cities window of the SDG Cities Global Initiative aims to address gender inequality and increase social and economic opportunities for women by improving their well-being, safety and security, as well as access to basic services and infrastructure while supporting women's entrepreneurship, equal work rights and political empowerment. In partnership with female business leaders, Women-led Cities is a unique collaborative effort with the city governments, especially female mayors, to accelerate the achievement of the SDGs and address gender inequality in urban centres. UNCDF's investment in inclusive cities, which is an important thematic area under Local Transformative Finance Practice, aims to channel large catalytic investments into cities to support social and economic opportunities for women and improve their well-being. This work aims to promote and fund local solutions led by local institutions, including female mayors' offices.

The long-term objective of the initiative is to transform both urban centres where there is a high percentage of people living in slums, and informal settlements with low productivity and greater poverty and inequalities. UNCDF plans to prioritize key public gender-responsive infrastructure including safe transport and housing, easy access to water and sanitation, and inclusive economic opportunities, particularly in marginalized and slum areas.

v. Empowering women through inclusive digital economies

Within this priority area, UNCDF promotes digital economies that leave no one behind. It plans to train people on how to use innovative digital services in their daily lives that will empower them and enhance their ability to contribute equitably to, and benefit equitably from, the growth and prosperity of their countries.

The above important in attaining SDG target 5.b on enhancing the use of enabling technology, in particular, information and communications technology, to promote the empowerment of women. Therefore, the combined GEWE interventions under this priority area will include: (i) leveraging technology and innovation, and partnering with the private sector to remove barriers preventing women from accessing services; (ii) supporting governments to create an inclusive digital policy environment as well as gender-intentional digital public infrastructure that strengthens gender-equality; and (iii) collaborating with public, private and civil society entities and organizations to ensure that women participate in the design of digital products and services.

Also, UNCDF will continue to support financing for migrant-centric and gender-responsive digital finance innovations, through its policy and technical expertise on remittances. Indicators on gender and intersectionality will also be integrated into UNCDF's support on monitoring and learning for the Migration and Remittances Programme.

vi. Enhancing women's resilience to shocks through climate and clean energy financing

Through its work on promoting climate change-resilient communities and local economies, UNCDF provides a standard and internationally recognized country-based mechanism to channel climate finance to local government authorities in LDCs, and for the localization and achievement of the Paris Agreement commitments. As part of the new strategy, UNCDF will strengthen its work on gender-responsive climate finance by identifying and addressing gender-specific barriers to accessing climate finance as well as to ensuring women's participation in the design and implementation of climate action.

UNCDF will support countries in integrating relevant GEWE issues in reporting mechanisms for Nationally Determined Contributions (NDCs). UNCDF will engage the LDC Expert Group at the United Nations Framework Convention on Climate Change on how to incorporate specific gender-responsive toolkits in the technical guidelines for the formulation and implementation of National Adaptation Plans. UNCDF will channel additional resources to local governments for locally identified projects that build women's resilience to the impacts of climate change while offering grants to low-income businesses owned by women and community groups.

National entities from LDCs will be supported in accessing funds through the Green Climate Fund (GCF) to develop and implement projects that have specific GEWE outcomes on local climate change adaptation. UNCDF will also focus on developing anticipatory cash transfers programmes at the local level to ensure that women and their families can build resilience in case of a climate event.

UNCDF will also: (i) support the integration of gender-responsive indicators in climate change assessments and studies; (ii) undertake gender- and weather-based index insurance market research; (iii) design a standard toolkit for integrating gender considerations into different models of climate risk insurance; (iv) capacitate partners on gender mainstreaming in municipal and local government climate adaptation policies and plans; and (v) support the integration of gender indicators in performance-based climate resilience grants. Regarding clean energy financing, UNCDF supports the development and installation of renewable energy infrastructures targeted at reducing and redistribution of unpaid care work burdens on women, as well as advancing their roles as local agents of innovative solutions for addressing energy scarcity. With the aim of dually advancing SDG 5 on gender equality and SDG 7 on clean energy, investments will be channelled to projects on clean cooking, off-grid rural electrification and water purification technologies to increase the share of women among urban and rural populations who will have access to renewable and sustainable energy solutions while mitigating climate change impact and improving the livelihoods of communities.

vii. Making food system financing gender-intentional

UNCDF is committed to supporting the piloting and delivery of financing solutions for municipal and SME investments in food systems that advance food security and help reduce the risk of future shocks to benefit the poorest, the most vulnerable and those furthest behind. Therefore, under this Strategy, UNCDF will: (i) design corporate standards and toolkits on gender mainstreaming in sustainable food systems finance; (ii) build the capacities of partner governments in gender mainstreaming in sustainable food systems financing instruments for municipalities; (iii) design and pilot gender-responsive private or blended finance mechanisms for local food supply-chain SMEs; (iv) build the capacities of rural and urban women entrepreneurs and associations to incorporate digital financial services into food market value chains; and (v) support private sector programmes that enhance development of digital payment architectures for women in urban and rural agri-markets.

6. KEY PARTNERSHIPS

A. Engaging with the United Nations system

UNCDF is expanding its role as the United Nations flagship catalytic financing entity for the LDCs to include strengthening financing mechanisms and systems for structural transformation. As such, it will continue to partner with UN Women as the lead agency on gender equality and women's empowerment. This includes UNCDF's leadership role in the Economic Rights and Justice Coalition of the Generation Equality Forum. Furthermore, UNCDF remains committed to the full implementation of and annual reporting on the principles and requirements of the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women, led by UN Women.

UNCDF will also further its partnership with UNDP to promote gender financing and contribute to the priorities outline in UNDP's Gender Equality Strategy (2022–2025). This will include jointly supporting national partners on INFFs and relevant policy frameworks. Collaboration with UNDP is also crucial to support national central banks to set up innovative financial instruments for micro, small and medium-sized enterprises (MSMEs) to test, innovate and develop a new set of services, products and inclusive instruments that will unlock new avenues of financing for the rapidly growing SME sector.

Work with UN Habitat on women-led cities will be a major priority to expand investments in select cities in Africa and Asia headed by female mayors, thus contributing to SDGs 1, 5 and 11 under the New Urban Agenda. Partnerships with United Nations Environment Programme and other United Nations agencies on gender-responsive climate finance will also be in line with the Paris Agreement, and through the Least Developed Countries Expert Group of the United Nations Framework Convention on Climate Change, which has already proven to be an avenue for the vertical integration of national adaptation plans with guideline approval and ISO certification.

In addition, UNCDF will strengthen its partnership with the International Trade Centre (ITC) to fulfill UNCDF's joint agreement to explore cooperation regarding women's entrepreneurship and the co-design of a joint Women's Economic Empowerment offer. UNCDF will continue collaborating with World Food Programme (WFP) as a co-lead of the Resilient Local Food Supply Chain Alliance to make food systems financing gender-responsive. To promote women's digital financial inclusion, UNCDF will continue to strengthen its partnership with the Reaching Financial Equality Coalition.

B. Engagement with governments

Governments play a central role in advancing gender equality through policy reforms, institution building, resource allocation and formulation, as well as the implementation of key gender priorities and programmes. UNCDF works directly with national and local governments in the LDCs to contribute to a better and conducive policy environment and increased financial allocation for gender-specific local priorities. Collaboration with ministries of finance, urban development, women's affairs, and local government and rural development is key to ensure effective integration of gender considerations, especially in planning and budgetary processes, including the formulation of national and local development plans.

UNCDF will continue to build strong partnerships with governments and share the common approach of ensuring local ownership. Another major priority for UNCDF that will be further strengthened is collaboration with government financial institutions including central banks and sovereign funds on financial inclusion and gender investments. UNCDF's operations and programmes on gender equality will continue to ensure that there is a real demand and national ownership as well as active engagement of concerned government partners for their successful execution. Further support will be provided to the governments to allow successful scaling up and replication of innovative piloting on gender finance

C. Collaboration with the private sector

UNCDF will continue to build partnerships and gender-responsive solutions with the private sector that address the peculiar needs and obstacles of social norms that women in business face. As a member of 2X Global, it will continue to lead global advocacy for increased gender investments including SME financing and municipal investments, particularly in LDCs in Africa and Asia. In this Strategy, unlike the previous Strategy, work will be carried out with Securities and Exchange Commissions on social and sustainability bonds that enable capital markets to include gender components in their bond structures and corporate governance codes.

UNCDF will strengthen its partnerships with women-led and -owned businesses, investment banks, foundations and philanthropies in inter-governmental policy advocacy processes that promote national and corporate legislations for social norm change and innovative financing for GEWE. The private sector's involvement is equally fundamental to ensuring expanded access to digital services and assets for women. Collaboration with financial services providers and mobile network operators will allow to increase the number of female bank employees and mobile money agents.

D. Expanding links with non-government associations

UNCDF will more systematically involve global, national and local women entrepreneurs' associations, chambers of commerce and other groups in advocating for rights in dialogues with national and international institutions. In order to advance the implementation of the gender equality investment model defined in this Strategy, it will also work with national and grassroots business associations set up by youth, persons with disabilities, migrant entrepreneurs, fishing communities, local infrastructure management committees and community-level biodiversity conservation associations, including young feminist movements.

E. Multilateral and regional development banks

Multilateral and regional development banks and development finance institutions can play a critical role in blended financing vehicles for GEWE by deploying instruments and structuring mechanisms to mobilize the private sector. UNCDF will continue to partner with multilateral and regional development banks, including World Bank/International Finance Corporation, African Development Bank, Inter-American Development Bank and Asian Development Bank to support partner countries and local governments. It will also partner with commercial and central banks to establish innovative financing mechanisms, which support the growth of women-led and -owned SMEs and gender-responsive businesses and municipal infrastructure.

7. MONITORING AND EVALUATION

Gender equality priorities identified in the Gender Equality Strategy will be monitored regularly through the corporate Integrated Results and Resources Matrix (IRRM). The Matrix includes gender-disaggregated data with detailed results, baselines and targets. The annual results and data captured as part of IRRM will allow UNCDF to track progress on gender commitments and priorities related to women's economic empowerment.

UNCDF's online results-based management system will be utilized to systematically track organizations' progress and assess gaps in achieving planned commitments. The online tracking system will also assist the Organization in effectively allocating and monitoring assigned budgets and financing for gender-related priorities in its programmes and investments.

The evaluation of gender equality-related priorities and commitments as well as gender-specific UNCDF-led programmes will continue to be a major focus for UNCDF's Evaluation Unit. As per the Evaluation Report recommendations of the previous Gender Equality Strategy, UNCDF will focus on developing evidence-based programme results reports as well as capturing major lessons learned through regular knowledge products and communication tools. Using the United Nations Evaluation Group's (UNEG) Norms and Standards related to gender equality and

human rights, UNCDF will continue to assess the impact of its interventions against core human rights elements. In particular, it will capture the impact of its work on women and girls, who are the most vulnerable groups, as well as analyse intersectionality to understand multiple forms of inequality and marginalization through UNCDF's programmes and interventions.

innovative gender programmes and strengthen its human and financial resources and corporate systems to respond efficiently and to achieve the desired impact for millions of women and girls living in the LDCs.

8. CONCLUSION

Women's economic empowerment in LDCs is an urgent priority to achieve sustainable development and economic prosperity. In the wake of climate change and unexpected events such as the COVID-19 pandemic and the resulting economic shock, there is even greater need to foster resilience. There is also a great opportunity to establish long-term solutions to achieve it. Moreover, there is a greater need than ever before to step up public and private financing to fulfil gender commitments to achieve sustainable improvement of the lives of women and girls. Women will need to be at the forefront of economic decisions and policies. Building on UNCDF's experiences in gender financing, more and better targeted blended financing is required in relevant sectors and businesses that are most likely to promote their economic empowerment.

UNCDF's new Gender Equality Strategy (2022–2025) underscores the role of local governments and the private sector, as well as the importance of blended financing and new alliances with private partners to create incentives for increased investment in sectors, businesses and projects that explicitly benefit women. UNCDF will continue to develop



Local artisans, Narail, Bangladesh. Source: UNCDF.

The United Nations Capital Development Fund (UNCDF) is the United Nations' flagship catalytic financing entity for the world's 46 Least Developed Countries (LDCs). With its unique capital mandate and focus on the LDCs, UNCDF works to invest and catalyse capital to support these countries in achieving the sustainable growth and inclusiveness envisioned by the 2030 Agenda for Sustainable Development and the Doha Programme of Action for the least developed countries, 2022–2031.