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# Centering Women in Climate Finance



# CARE International feminist financing briefing series

Gender equality - equitable rights and opportunities for women and girls - is the cornerstone of sustainable development, climate action, peacebuilding and economic resilience. Yet, governments and multilateral agencies all over the world are cutting their Official Development Assistance (ODA) and public budgets for gender equality, leaving the sectors that women and girls rely on for equitable opportunities – such as health care, education, care and economic justice – chronically underfunded. As a result, developing countries are facing an annual US\$420 billion gender funding gap<sup>1</sup> to achieve the 2030 Sustainable Development Goals and the pledge to leave no one behind. In addition, gender equality often remains an afterthought in political strategies, investments, and public and business practices, and the growing strength of the global backlash against gender equality and women’s rights is further side-lining women and girls’ opportunities and rights.

Without increasing focus and financing for gender equality, we will not only lose decades of progress - pushing the goal of equal rights and opportunities for all people into future centuries - but we risk jettisoning global agendas of economic justice, sustainable development and global wellbeing. **Investing in gender equality should be a no-brainer.** Closing gender gaps in employment alone can unlock US\$160 trillion<sup>2</sup> in global economic growth. If women and men were to be funded and treated equally as entrepreneurs, global GDP could rise by 3-6%,<sup>3</sup> boosting the world economy by US\$2.5-5 trillion. Investing in care promises a US\$1:4 Return on Investment,<sup>4</sup> and ensuring a gender-just green transition that includes low-to-no-carbon jobs as green work benefits the planet, societies and economies.<sup>5</sup> In a resource-constrained world, each type of resource needs to contribute to gender-equitable outcomes. “Feminist financing” requires us to set out with the intention to build a just and fair economic system that works for everyone, including women, girls and other marginalised groups.

The briefing is part of **CARE International’s Feminist Financing briefing series**, which is directed at decision-makers from governments, multilateral agencies and companies and aims to show best practice examples of how to integrate a gender-lens across the breadth of financial resource flows: ODA, climate finance, taxation, private sector financing, business engagement and value chains, debt relief and economic and financial systems. Briefings will be released gradually throughout 2026, linked to relevant influencing opportunities.

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<sup>1</sup> UN Women (30 June 2025). “USD 420 billion annual shortfall blocking gender equality in developing countries”. Press release. <https://www.unwomen.org/en/news-stories/press-release/2025/06/usd-420-billion-annual-shortfall-blocking-gender-equality-in-developing-countries>

<sup>2</sup> Livingstone, D., Jenkins, O. and Cardinal, I. (2021). “Women’s Economic Empowerment and Climate Change: A Primer,” WOW Helpdesk Guidance Note No 3. UK Aid Direct and Work and Opportunities for Women (WOW). [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/980912/Guidance3-WEE-Climate-Change-Primer.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/980912/Guidance3-WEE-Climate-Change-Primer.pdf)

<sup>3</sup> UBS Wealth Management (2021). “The Funding Gap”. Webpage. <https://www.ubs.com/global/en/wealthmanagement/who-we-serve/women-wealth/insights/2021/funding-gap.html?bulkredirectlink=/global/en/wealth-management/women/insights/2021/funding-gap.html>

<sup>4</sup> CARE International (2024). “Building caring economies as a pathway to economic and gender justice”. Report. <https://www.careinternational.org.uk/what-we-do/policy-and-advocacy/building-caring-economies/>

<sup>5</sup> CARE International (2022). “Making the green transition work for women”. Report. <https://careclimatechange.org/care-report-making-the-green-transition-work-for-women/>

# Feminist climate finance: accelerating climate action and gender equality through smart finance

## I. Feminist climate finance: prioritising gender-responsive outcomes through public and private sector financing

The climate emergency is one of the greatest threats to humankind. It is nearing the point of no return, with only a small window of opportunity left to slow, if not reverse, the dangerous and disproportionate rise in temperatures.<sup>6</sup> As the world registers new records for the hottest day in history on a nearly daily basis,<sup>7</sup> it is women and girls, especially in global majority countries, who will bear the brunt of these accelerated and dramatic levels of climate change. Women and girls – particularly those facing intersecting forms of discrimination, living in poverty and in climate-vulnerable rural contexts – are disproportionately affected by climate impacts.<sup>8</sup> Climate shocks exacerbate existing inequalities, increase care and domestic work, impact food- and nutrition security, heighten risks of gender-based violence (GBV), and undermine access to education, healthcare, and livelihoods. Humanitarian impacts are also significant: women represented 80% of people displaced by extreme weather in the 2004 Indian Ocean tsunami and 70% of those killed by it. Without appropriate action on the climate crisis, we thus also risk unravelling decades of progress on gender equality.



Women farmers in Mali participate in CARE's Partners for Resilience Program © Makemende Media

**Climate finance is funding from public and/or private sources** that supports people to adapt to and mitigate the impacts of climate change. It needs to be understood as both an environmental imperative, and a pre-requisite for gender justice, particularly in contexts where climate shocks intensify poverty, unpaid care work, food insecurity, and gender-based vulnerabilities affecting women and marginalized communities.<sup>9</sup> It is rooted in the obligation of developed countries to take

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<sup>6</sup> CARE International is advocating to adjust economies, societies, and ways of production to stay well below 2°C above pre-industrial levels, whilst pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

<sup>7</sup> Moon, J. (26 May 2026). "Hottest May day record broken again as temperatures hit 35.1C in London". Article. BBC News. <https://www.bbc.co.uk/news/live/cz7220e44dgt>

<sup>8</sup> UN Women (21 April 2025). "How gender and climate change are interconnected". Article.

<https://www.unwomen.org/en/articles/explainer/how-gender-inequality-and-climate-change-are-interconnected>

<sup>9</sup> Turquet, L., Tabbush, C., Staab, S., Williams, L. and Howell, B. (2023). "Feminist climate justice: A framework for action". Research paper. UN Women. <https://www.unwomen.org/en/digital-library/publications/2023/11/feminist-climate-justice-a-framework-for-action>

the lead in providing and mobilising financial assistance to developing countries.<sup>10</sup> Climate finance aims to support communities and countries on the frontlines of climate change - those who have contributed least to its causes - enabling them to address unavoidable losses and damages, adapt to the changing climate and advance low-carbon development.

Yet, global climate finance amounts and systems remain woefully inadequate, and are not delivering just and effective outcomes. Developing countries' climate finance needs are estimated to be at US\$1 trillion per year by 2030, and US\$1.3 trillion per year by 2035.<sup>11</sup> However, the global annual climate finance goal was set at US\$100 billion per year, until 2024 at COP29, when countries agreed to a new collective quantified goal on climate finance (NCQG) with a target of US\$300 billion per year by 2035.<sup>12</sup> According to the OECD, in 2023 and 2024 the total amount of climate finance exceeded US\$100 billion,<sup>13</sup> a pittance compared to the amount needed, and with Official Development Assistance (ODA) budgets shrinking across the world the forecasts for the future look bleak.

Climate finance is not only insufficient in scale, but also structurally unequal in its design, access, and distribution. Only 3% of climate-related ODA in 2022 had gender equality as a primary objective,<sup>14</sup> and only about 0.2% of official climate finance reaches women-led efforts. This highlights **two persistent systemic issues: gender equality remains a marginal consideration in climate finance modalities, and actors closest to community-based climate solutions remain the least funded.**<sup>15</sup>

The global financing landscape is evolving towards a broader set of resources to contribute to sustainable development outcomes, and climate finance is not exempt from this trend. Whilst donor countries are cutting their overall ODA contributions, private sector financing is increasingly being mobilised for climate action. For many countries, this comes against a backdrop of shrinking fiscal space due to rising debt burdens and austerity measures, while public systems and social services remain under significant strain.<sup>16</sup> Given the type of climate commitments, spanning bilateral ODA, multilateral and private sector financing contributions, climate finance may be one of the forms of financing that is most easily adaptable to this new financing context. At the same time, women's and

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<sup>10</sup> International Court of Justice (ICJ) (23 July 2025). "Obligations of States in respect of Climate Change - The Court gives its Advisory Opinion and responds to the questions posed by the General Assembly". Press Release. <https://www.icj-cij.org/case/187>

<sup>11</sup> Oxfam (2023). "Climate Finance Shadow Report 2023: Assessing the delivery of the \$100 billion commitment". Briefing. p.30. <https://policy-practice.oxfam.org/resources/climate-finance-shadow-report-2023-621500/>

<sup>12</sup> Oxfam (29 November 2024). "So, what happened at COP29?". Article. <https://www.oxfam.org.uk/oxfam-in-action/oxfam-blog/so-what-happened-at-cop29/>

<sup>13</sup> Organization for Economic Co-operation and Development (OECD) (2026). "Climate Finance Provided and Mobilized by Developed Countries in 2013-2024". Report. [https://www.oecd.org/en/publications/climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2024\\_ab5eb9ad-en.html](https://www.oecd.org/en/publications/climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2024_ab5eb9ad-en.html)

<sup>14</sup> UN Women (21 November 2024). "UN Women calls for increased gender-focused climate finance at COP29". Article. <https://www.unwomen.org/en/news-stories/press-release/2024/11/un-women-calls-for-increased-gender-focused-climate-finance-at-cop29>

<sup>15</sup> Foreign Policy Analytics, Daughters for Earth and Vital Voices (November 2023). "Accelerating Nature-Based Solutions to Climate Change Through Women's Leadership". Article. <https://fpanalytics.foreignpolicy.com/2023/11/17/accelerating-nature-based-solutions-to-climate-change-through-womens-leadership/>

<sup>16</sup> United Nations Trade and Development (19 March 2026). "The rising cost of debt is squeezing development prospects in many countries". Article. <https://unctad.org/news/rising-cost-debt-squeezing-development-prospects-many-countries>

girls' rights and gender equality are under pressure and being rolled back. For the first time in recent history, women, girls and other marginalised groups are losing rights rather than “just” not gaining any new rights on the pathway to equality. A shift in climate finance – if increased to get closer to meeting climate adaptation and mitigation needs, and if all resources integrate a gender equality lens front and centre – has the potential to both protect the planet and accelerate gender equality outcomes. However, without appropriate action, we risk both, further unravelling decades of progress on gender equality and pushing planetary boundaries beyond the point of no return.

This briefing explores a range of available resources for climate action, highlighting best practice examples of how we can simultaneously advance effective climate action and gender equality.

## The current climate finance landscape

Climate finance operates across a **complex ecosystem of public, private, and blended financial instruments**, and each has distinct implications for gender equality.

### Public grant-based climate finance

Public climate finance, through bi- or multilateral ODA, taxation and grant-based modalities, is the most just form of climate finance. It can contribute to climate action without pushing countries into increased debt, and it has a key role to play to support frontline feminist organisations in their actions on climate adaptation and mitigation.

**Gender equality impacts:** Public funding is the most recommended form of financing for local organisations. It does not increase a country's debt burden and can be explicitly directed towards initiatives that deliver tangible benefits to the poorest and most marginalised communities.

Integrating a gender-equality lens across all stages of the financing process remains critical. Funding does not automatically reach Women Led Organisations (WLOs) or Women's Right Organisations (WROs), but often flows through large intermediaries. When it comes to domestic resources, taxes need to be raised progressively. Countries further need to have fiscal measures in place that protect core gender equality sectors, such as care, health and education, especially during times of austerity, in order not to inadvertently increase gender gaps, whilst continuing to implement gender-responsive budgeting in climate-related expenditures.

### Public loans-based climate finance

Multilateral Development Banks (MDBs) and International Financial Institutions (IFIs), such as regional development banks and the World Bank, are major climate finance providers through sovereign loans and policy-based financing. Donor countries also increasingly operate through their private sector arms' lending facilities. For instance, the UK's British International Investment (BII)

prioritises climate finance and action in its new 2026-2031 Strategy, with targets of 40% of new investments in this period (£7-8 billion)<sup>17</sup> to be climate finance, and 30% to gender finance.<sup>18</sup>

**Gender equality impacts:** As with private sector loans, loans issued by multi- or bilateral financial institutions contribute to increasing a country's debt burden, whilst often tying finance to policy conditionalities. Conditionalities may encourage fiscal consolidation, which can come at the cost of spending on social sectors and gender equality outcomes.

To ensure multilateral development loans contribute to gender equality outcomes, it is critical that core sectors like care, health, education and GBV services are protected from budget cuts, whilst also integrating gender equality across strategies, implementation, and results. Encouragingly, MDBs and IFIs are increasingly adopting gender strategies, though implementation remains inconsistent.

### Private sector climate finance

Private sector financing is considered essential to scale climate action. It is used either as the sole source of financing, or blended with public resources – for example, using ODA as a guarantee to de-risk and encourage private investment. Because most private sector finance focuses on profit, it does not automatically build in equality objectives. It can leave out informal, rural, and small-scale actors,<sup>19</sup> and tends to favor revenue-generating projects, especially in areas like energy production, rather than adaptation or strengthening community resilience.<sup>20</sup>

**Gender equality impacts:** By integrating a gender equality lens from the outset, even primarily profit driven flows can contribute to equality outcomes. Criteria need to include both, a focus on gender equality outcomes, and access for local organisations.

WROs and WLOs face significant barriers to accessing private capital; receiving just 0.4% of funding from private foundations.<sup>21</sup> Without deliberately inclusive access criteria, private climate finance risks reinforcing - even deepening - existing inequalities. When it comes to gender equality impacts, both private sector and blended finance often prioritize scale and financial returns over inclusivity.

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<sup>17</sup> Approximately US\$9.4 - 10.7 billion.

<sup>18</sup> British International Investment (BII). "Building Markets and Transforming Lives: 2026-2031 Strategy". Strategy. <https://www.bii.co.uk/en/strategy-2026-31/>

<sup>19</sup> United Nations Environment Programme (UNEP) (2023). "Adaptation gap report 2023: Underfinanced. Underprepared". Report. <https://www.unep.org/resources/adaptation-gap-report-2023>

<sup>20</sup> Kreibiehl, S., T. Yong Jung, S. Battiston, P. E. Carvajal, C. Clapp, D. Dasgupta, N. Dube, R. Jachnik, K. Morita, N. Samargandi and Williams, M. (2022). "Investment and finance. In IPCC, 2022: Climate Change 2022: Mitigation of Climate Change". Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change. Cambridge University Press. <https://doi.org/10.1017/9781009157926.017>

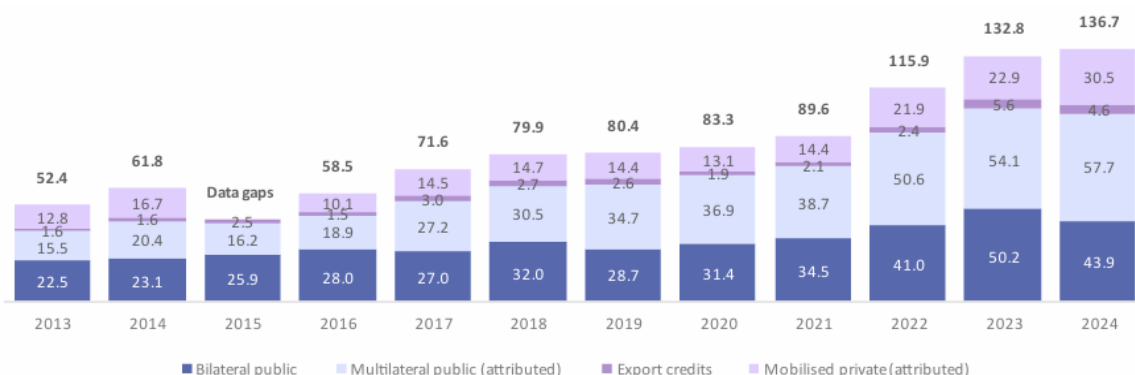
<sup>21</sup> Tenzin, D. (15 December 2020). "Where is the money for feminist organizing? New analysis finds the answer is alarming". News article. Association for Women's Rights in Development (AWID). <https://www.awid.org/news-and-analysis/where-money-feminist-organising-new-analysis-finds-answer-alarming>

Gender equality outcomes should be built into risk-sharing and private finance frameworks from the outset, including safeguards for human rights and clear gender-focused goals.<sup>22</sup>

## Trends in climate finance

Over the last decade, **the way climate action is financed has significantly changed**. In 2013, most climate finance was public finance, often in the form of grants. Since then, private sector funding has steadily grown, while multilateral public finance - often in the form of loans - now dominates climate finance. The Organization for Economic Co-operation and Development’s (OECD) 2026 report clearly shows this shift.

Figure 1. Climate finance provided and mobilised in 2013-2024 (USD billion)



Note: The sum of components may not add up to totals due to rounding. The gap in time series in 2015 for mobilised private finance results from the implementation of enhanced measurement methods. As a result, grand totals in 2016-24 and in 2013-14 are not directly comparable. Figures only account for the share of multilateral finance and private finance mobilised attributable to developed countries (see Data and methods). Source: Based on Biennial Reports to the UNFCCC, OECD DAC and Export Credit Group statistics, complementary reporting to the OECD.

OECD DAC overview of climate finance flows 2013-2024<sup>23</sup>

Across all climate finance streams, **systemic barriers persist**. These challenges reflect broader structural imbalances in the global climate finance architecture, which often prioritizes efficiency and scale over equity and justice.<sup>24</sup> These include:

- **Access:** Local and small WROs and WLOs face accreditation barriers such as language, compliance, and administrative burdens. There remains strong bias towards medium and large-scale organisations, as well as toward climate mitigation projects over climate adaptation efforts.

<sup>22</sup> Achampong, L. (2023). “Gender-responsive climate finance: A review of progress and gaps”. Expert paper. UN Women. <https://www.unwomen.org/sites/default/files/2023-11/achampong.pdf>

<sup>23</sup> Organization for Economic Co-operation and Development (OECD) (2026). “Climate Finance Provided and Mobilized by Developed Countries in 2013-2024”. Report. p.6. [https://www.oecd.org/en/publications/climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2024\\_ab5eb9ad-en.html](https://www.oecd.org/en/publications/climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2024_ab5eb9ad-en.html)

<sup>24</sup> United Nations Environment Programme (UNEP) (2023). “Adaptation gap report 2023: Underfinanced. Underprepared”. Report. <https://www.unep.org/resources/adaptation-gap-report-2023>

- **Lack of direct funding:** Very limited resources are directly reaching grassroots organisations. Even when access barriers can be navigated, climate finance prioritises large-scale projects over locally led initiatives.
- **Weak accountability:** The OECD DAC's (Development Assistance Committee) Gender Equality Policy Marker<sup>25</sup> tracks funding allocated to programmes where gender equality is a primary and secondary goal. However, it does not measure impact and does not cover private and multilateral financing.
- **Intersectionality gaps:** Although climate finance is increasingly integrating a gender lens, intersectional inequalities are insufficiently addressed. Women and girls are not a homogenous group but can face multiple inequalities that interact to produce distinct and compounded forms of marginalisation.<sup>26</sup> Applying an intersectional lens is essential to understand who is excluded, why the exclusion persists, and how climate finance can be redesigned to be more equitable and just. This requires increased collection and use of gender-age-disability disaggregated data, as a starting point, along with consideration of factors such as geography, indigeneity, ethnicity, sexuality, economic status, and informality.

These barriers have an impact on how strongly resources focus on gender equality outcomes, and how they facilitate (or hinder) access to funding for local organisations, including WROs and WLOs.

## A feminist vision for climate finance

The current climate finance system shows a clear gap between growing financial needs and stronger commitments to gender equality, and the reality that funding remains limited and power structures largely unchanged. **A feminist approach to climate finance prioritizes equity, the redistribution of power, and intersectionality**, while placing the 5Rs of care – recognize, reduce, redistribute, reward, and represent unpaid and underpaid care work - at the centre of transforming both economic and climate systems.<sup>27</sup> **It shifts the focus from simply mobilizing finance to transforming financial systems and structures** so they are more equitable and responsive to people's lived realities.

In recent years, there has been an encouraging shift towards the inclusion of gender justice in climate negotiations. The adoption of the Belém Gender Action Plan (GAP) by the UNFCCC during COP30 in Brazil is a case in point. The Belém GAP also explicitly recognises how “multidimensional

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<sup>25</sup> Organisation for Economic Co-operation and Development (OECD) (2025). “Handbook on the OECD DAC gender equality policy marker: 2025 edition” (DCD/DAC/GEN(2025)2). Handbook. [https://one.oecd.org/document/DCD/DAC/GEN\(2025\)2/en/pdf](https://one.oecd.org/document/DCD/DAC/GEN(2025)2/en/pdf): The OECD DAC gender equality policy marker provides the primary framework for tracking gender integration in climate-related ODA, distinguishing between activities where gender is a principal objective and those where it is a significant objective, or not an objective at all.

<sup>26</sup> Organization for Economic Co-operation and Development (OECD) (2022). “The gender equality and environment intersection”. Working paper. [https://www.oecd.org/en/publications/the-gender-equality-and-environment-intersection\\_c16d8fe8-en.html](https://www.oecd.org/en/publications/the-gender-equality-and-environment-intersection_c16d8fe8-en.html)

<sup>27</sup> CARE International (2024). “Building caring economies as a pathway to economic and gender justice”. Report. <https://www.careinternational.org.uk/what-we-do/policy-and-advocacy/building-caring-economies/>

factors” create barriers for advancing gender-responsive climate action.<sup>28</sup> Dedicated funding mechanisms that explicitly prioritize gender equality and feminist climate solutions are also emerging. These include initiatives such as the Gender-Just Climate Solutions Scale Fund,<sup>29</sup> which provides flexible, feminist funding to community-led climate initiatives; GAGGA,<sup>30</sup> a network organisation distributing climate funding directly to women-led organisations on the frontlines; and the Jane Fonda Gender and Climate Justice Fund, which supports women-led climate and energy justice solutions.<sup>31</sup> These funds reflect a shift toward more flexible, locally led, and justice-oriented financing that is better able to reach frontline communities and feminist organisations. In parallel, broader funding mechanisms are increasingly integrating gender equality criteria into their portfolios, including large scale investment platforms like the 2X Challenge or MDBs and IFIs.



A loan from LendwithCare helped Cambodian farmer Born relocate from a flood-prone area and grow her income by purchasing an additional plot of land ©

This needs to be complemented by a shift in funding away from mitigation towards greater investment in adaptation, and by accelerating access to funding for local, grassroots and women-rights and -led organisations. Women and girls play a critical role in local adaptation strategies, natural resource management, and community resilience building, yet women-led organisations remain significantly underfunded.

Data further show that women’s participation in climate governance, including in national delegations to UN climate negotiations, remains low. Over the last two decades, women’s participation as Party delegates has only increased by only 9 percentage points (from 31% at COP14 to 40% at COP30).<sup>32</sup> Women are also underrepresented in senior negotiation roles, particularly in finance and technical streams. This impacts climate finance decision-making, as limited representation constrains the integration of gender-responsive priorities and the inclusion of lived experiences in policy outcomes and financial allocation. The time has come to turn the positive tone of more gender responsive policies into prioritising and implementing truly just and inclusive climate action.

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<sup>28</sup> United Nations Framework Convention on Climate Change (UNFCCC) Conference of Parties (COP). (30 March 2026). “Report of the Conference of the Parties on its thirtieth session, held in Belém from 10 to 25 November 2025. Addendum. Part two: Action taken by the Conference of the Parties at its thirtieth session”. Session and meeting reports. <https://unfccc.int/documents/655276>

<sup>29</sup> See Women’s Environment and Development Organization’s (WEDO) Gender-Just Climate Solutions Scale Fund: <https://wedo.org/what-we-do/initiatives/gender-just-climate-solutions-scale-fund/>

<sup>30</sup> See Global Alliance for Green and Gender Action (GAGGA): <https://gaggaalliance.org/>

<sup>31</sup> See Frontline Women’s Fund’s Jane Fonda Gender and Climate Justice Fund: <https://frontlinewomensfund.org/gender-and-climate-justice/>

<sup>32</sup> Saeed, J. (23 December 2025). “From Participation to Power: What COP30 Reveals about Gender and Climate Leadership”. Blog. <https://wedo.org/resources/from-participation-to-power-what-cop30-reveals-about-gender-and-climate-leadership>

The following case studies demonstrate how to accelerate a shift towards increased, locally-led, feminist climate funding, with strong impacts on gender equality. Two case studies - **one on public climate funding**, and **one on private sector funding** - highlight best practices and lessons learned. Together, they provide **decision-makers in governments, multilateral agencies and the private sector with practical guidance to integrate gender equality objectives across investments, while also expanding access to funding for local stakeholders.**

## **II. Best practice case studies: advancing equitable financing for climate action across stakeholders and resources**

Ensuring that climate finance reaches the people most affected by climate change - particularly women, youth, and marginalized communities in global majority countries - and is accessible to local expert stakeholders requires intentional design, institutional reform, and strong accountability mechanisms, all grounded in a consistent focus on gender equality. The case studies below demonstrate what can be done and what is still needed.

### **2.1. Public climate finance**

Public climate finance, in the form of ODA or other grant-based funding, remains the most critical resource for advancing gender equality. Though climate finance was intended to be additional to ODA commitments, climate, gender and other development priorities are largely drawn from the same shrinking budget.

ODA can be directly targeted at core sectors for gender equality - such as care, the social sectors, GBV services, or women-led climate adaptation measures - and directed at the most marginalised groups which are harder to reach through generalised, profit-oriented programmes.

Public financing is increasingly structured in gender-responsive ways. Climate related ODA more frequently applies the OECD DAC gender marker, while gender equality considerations are being more systematically integrated into countries' Nationally Determined Contributions (NDCs) and adaptation plans. Grants enable high-impact initiatives that directly reach people with the highest needs - for example community-based adaptation projects or women-led natural resource management programmes. However, gaps remain of course - most climate related ODA projects still integrate gender equality as a secondary rather than a primary objective when reporting against the gender marker, and direct funding to WLOs and WROs remains rare. The next case study shows how ODA can directly fund women-led adaptation measures.

## Case Study 1: South Africa's Small Grants Facility for Women's Rights Organisations



Through CARE's Enhancing Community Resilience and Sustainability Zimbabwe, Rosie gained equal land rights and decision-making power with her husband and improved her income and quality of life by growing drought tolerant crops. © CARE

The South African National Biodiversity Institute's (SANBI) Adaptation Fund and associated Small Grants Facility<sup>33</sup> is a multi-stakeholder adaptation programme that supports community-based interventions to strengthen drought resilience, water security, sustainable livelihoods, ecosystem restoration, and climate-resilient agriculture in South Africa. **Donor countries such as Belgium, Germany, Spain, Sweden and Switzerland channel their ODA funding through the multilateral Adaptation Fund,**<sup>34</sup> which supports locally-led, community-level adaptation initiatives in climate vulnerable regions via the Small Grants Facility.

**These small grants are directly awarded to local organisations.** At the design stage, barriers to access are intentionally reduced by simplifying

application and reporting processes, introducing flexible implementation timelines, and providing ongoing mentoring, technical assistance and institutional capacity strengthening throughout the funding cycle. These measures have been particularly helpful in expanding access to funding for grassroots and women-led community groups.<sup>35</sup>

The 2014-2020 small grant programme "Taking Adaptation to the Ground: A Small Grants Facility for Enabling Local Level Responses to Climate Change" supported community-based adaptation projects. It primarily benefitted rural and economically marginalised communities, including women smallholder farmers, subsistence agricultural households, and communities vulnerable to climate impacts. The Small Grants Facility promoted locally led adaptation by lowering fiduciary and compliance barriers, making it easier for grassroots actors to access funding. Projects were selected based on their alignment with existing local knowledge systems, community leadership structures, and locally rooted adaptation practices. Because women were primarily responsible for food, water collection, caregiving responsibilities, and community wellbeing, they formed the majority of project participants and the initiative helped expand opportunities for women's leadership in climate action.

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<sup>33</sup> South Africa National Biology Institute (SANBI) (n.d.). "The Community Adaptation Small Grants Facility." Webpage. <https://www.sanbi.org/biodiversity/science-into-policy-action/nie-adaptation-fund/small-grants-facility/>

<sup>34</sup> Adaptation Fund (2021). "Taking adaptation to the ground: A Small Grants Facility for enabling local-led responses to climate change". Webpage. <https://www.adaptation-fund.org/project/taking-adaptation-to-the-ground-a-small-grants-facility-for-enabling-local-level-responses-to-climate-change/>

<sup>35</sup> South Africa National Biology Institute (SANBI) (22 August 2022). "WOMEN IN CLIMATE CHANGE CONTRIBUTES TO SUSTAINABLE DEVELOPMENT". Article. <https://www.sanbi.org/news/women-in-climate-change-contributes-to-sustainable-development/>

In some projects, women's local ecological knowledge and lived experiences informed adaptation strategies related to water management, food systems, and environmental stewardship.

Through these measures, the programme reached vulnerable populations that are often overlooked by large infrastructure-focused climate finance investments. Small grants enabled communities to implement context-specific adaptation interventions, and combined direct grant support with capacity-building and participatory governance approaches. It helped strengthen trust, local participation, ownership, and the long-term sustainability of adaptation interventions.



Members of the "Mata Masu Dubara" women's group initiated by CARE a few decades ago, based on the indigenous "Habbanae" farming model. © CARE Niger

The successes of the small grant projects highlight what is needed to **ensure grassroots women's organisations can access funding and that projects reach marginalised groups**. At the same time, they highlight the persistent structural barriers within international climate finance settings, including complex financial systems, highly technical proposal requirements, cumbersome financial reporting obligations, procurement systems, and adaptation risk assessments processes. This is further often coupled with an underrecognition of the value of local expertise, knowledge



Empowered by CARE's Partners for Resilience program, Fanta became a leading advocate for women's land rights in her village through collective action © Makmende Media

systems, and community structures. Many grassroots groups lack the institutional capacity, staffing, financial systems or technical expertise needed to navigate these donor-driven compliance frameworks. The Small Grants Programme addressed these successfully through support from intermediary organisations, such as SouthSouthNorth, which supported grassroots organisations through the application, implementation and reporting processes. Putting grassroots WROs in leadership roles also led to more sustainable results. The evidence confirmed that locally led adaptation processes are more effective, equitable, and sustainable when women and marginalised groups are meaningfully engaged in decision-making and adaptation governance.<sup>36</sup>

<sup>36</sup> Tye, S., Hajra Mukasa, C., Kratzer, B., Businge, G., Atieno, R., Nyarotso Wamalwa, R., O'Connor, R., Trivedi, A., Cogger, T., and Elwell, N. (2023). "Strengthening gender equity in locally led adaptation processes in Africa". Working paper. World Resources Institute. <https://www.wri.org/research/strengthening-gender-equity-locally-led-adaptation-processes-africa>

## Recommendations:

To integrate gender equality into public climate finance and facilitate access for local stakeholders, decision-makers should:

- **Increase the share of climate ODA with gender equality as a significant objective to 88% of initiatives**, in line with the Global Acceleration Plan target.<sup>37</sup> Additionally, 20% of all ODA should focus on gender as a primary target, and 85-90% of ODA should at least systematically integrate it, in line with the OECD DAC marker.
- **Scale up grant-based, new and additional climate finance**, which is by design best placed to tackle inequalities, and **counter silos by embedding gender-responsive budgeting across all climate finance allocations and sectors**.<sup>38</sup>
- **Move from gender-sensitive toward more transformative approaches** - climate finance programmes should explicitly address structural inequalities affecting women, including decision-making power, unpaid care work, ownership and land rights, and economic exclusion.
- **Deepen collaboration with feminist climate activists and grassroots organisations and strengthen direct access and locally led adaptation** - women's rights organisations and grassroots groups should be recognized not only as project implementers but as decision-makers and strategic partners within climate finance governance systems.
- **Ensure sustainable and flexible funding models** - short-term grants are insufficient for addressing increasing adaptation challenges. Long-term, multi-year, flexible, and trust-based funding approaches are needed to support sustained community resilience.
- **Value local knowledge and lived experience** - adaptation interventions are more effective when rooted in community-based approaches and locally led approaches, local realities, community priorities, and Indigenous and women's knowledge systems.



Known locally for her innovative use of containers, VSLA member Esther Alu grows produce in her small garden, Ghana © Laura Noel

<sup>37</sup> UN Women (2021). "Action Coalitions GLOBAL ACCELERATION PLAN". Report.

<https://forum.generationequality.org/sites/default/files/2021-06/UNW%20-%20GAP%20Report%20-%20EN.pdf>

<sup>38</sup> Women's Environment and Development Organization (WEDO) (2024). "Dimensions of Climate Finance". Policy brief.

<https://wedo.org/resources/dimensions-of-feminist-climate-finance>

## 2.2. Private sector financing

Private sector financing captures various modalities - from mobilised private finance which often “blends” i.e. brings together public and private forms of financing, to private sector stakeholders investing in climate mitigation and adaptation, or gender-lens investing. Unlike ODA and tax investments, these types of resource flows are also motivated by profitability criteria. In the climate finance space, public providers tend to mobilise private capital primarily through instruments such as direct investment in companies, guarantees and syndicated loans, which together accounted for over 70% of private climate finance mobilised between 2016 and 2024.<sup>39</sup> As a result, the majority of the private finance mobilised by developed countries flowed directly through commercially-driven companies. In contrast, gender-lens investors like the Criterion Institute or Acumen are increasingly aligning sustainable development investments with equality objectives, helping to bridge the gap between profitability and social inclusion.

Although private sector finance does not inherently prioritise equality objectives, it can be deliberately structured to deliver positive gender equality outcomes. The gender-lens investment case study below illustrates how this can be achieved.

### Case Study 2: Acumen’s d.light programme: gender-lens investing for inclusive climate solutions



Two trainees in CARE’s technical and vocational education and training - addressing roads and renewable energy, Somalia © CARE

Acumen is a global nonprofit impact investor which invests in sustainable development and climate resilience through “patient capital”: long-term, impact-oriented investments in businesses serving low-income communities across Africa, Asia, and Latin America. One of its most recognised climate-related investments is *d.light*,<sup>40</sup> an off-grid solar enterprise providing affordable clean energy solutions to underserved households in Sub-Saharan Africa. *d.light* distributes off-grid solar products - such as lanterns, home solar systems, mobile charging units, and energy technologies capable of powering lights, radios, and small appliances - to rural and peri-urban energy poor households. These households typically have limited or no access to reliable electricity and rely on kerosene, candles, disposable

batteries, and diesel generators for lighting and small-scale energy needs. A key feature of *d.light*’s model is its pay-as-you-go (PAYGO) system, which allows households to make small incremental payments through mobile money platforms rather than paying large upfront costs.

<sup>39</sup> Organization for Economic Co-operation and Development (OECD) (2024). “Integrating climate action into development finance”. Report. [https://www.oecd.org/en/publications/integrating-climate-action-into-development-finance\\_41d16c83-en.html](https://www.oecd.org/en/publications/integrating-climate-action-into-development-finance_41d16c83-en.html)

<sup>40</sup> Acumen (n.d.). “*d.light*”. Webpage. <https://acumen.org/case-studies/d-light/>

The **“patient capital” investment model** - which prioritises long-term social impact alongside financial sustainability over short-term commercial returns - combined with d.light’s **pay-as-you-go model**, plays a critical role in advancing equitable outcomes and extending access to underserved and marginalised communities. They significantly lower barriers to clean energy access for low-income communities, particularly in rural areas where formal banking, electricity infrastructure, and credit systems are limited.

Another key insight from Acumen’s d.light model is that **locally grounded, trust-building efforts** were central to the success of its off-grid solar programmes. D.light recruited local sales agents, women entrepreneurs, youth leaders, and community mobilizers from within target communities to act as trusted intermediaries between households and the program. They helped explain how solar technologies worked in local languages, conducted community demonstrations, and maintained ongoing relationships with households long after installation. This continuous local presence strengthened accountability, improved customer confidence, increased repayment rates, and enabled quicker responses to technical or financial challenges. In contrast, more highly commercialized and rapidly scaled approaches often weakened these community relationships by prioritizing short-term sales over long-term engagement and responsiveness to local realities. Acumen’s “patient capital” model specifically emphasized building distribution networks, customer support systems, and locally embedded engagement strategies as essential components for successful energy access expansion in underserved communities.

Within the **communities reached**, women-headed households, informal traders, small-scale farmers, and youth were among the groups that experienced some of the most immediate benefits from improved access to solar energy systems. Women entrepreneurs, with home-based businesses such as food stalls, sewing businesses, hair salons, and informal retail activities, reported that improved lighting extended business operating hours and reduced expenditure previously spent on kerosene, candles, or battery charging.<sup>41</sup> Further benefits included children being able to study after dark, while broader off-grid energy studies associate solar lighting adoption with improved household safety, health-related improvements and reduced fire risks linked to paraffin and kerosene lamp use. The Acumen d.light programme thus supported the reduction of carbon emissions while improving household resilience, health, safety, and wellbeing.

Despite these benefits, there are **structural limitations of market-led climate finance for the poorest and most marginalised households**. Although incremental payment models reduce upfront costs, households experiencing chronic unemployment, food insecurity, climate shocks, indebtedness, or unstable informal livelihoods may still struggle to maintain even relatively small recurring repayments.<sup>42</sup> In this context, market-based inclusion models may improve energy access for the “working poor” while continuing to exclude households experiencing extreme poverty and multi-dimensional vulnerabilities.

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<sup>41</sup> d.light (n.d.). “Social Impact”. Webpage. <https://www.dlight.com/social-impact>

<sup>42</sup>Johnson, O. W., Han, J. Y.-C., Knight, A.-L., Mortensen, S., Aung, M. T., Boyland, M. and Resurrección, B. P. (2020). “Intersectionality and energy transitions: A review of gender, social equity and low-carbon energy.” *Energy Research & Social Science*, 70. <https://doi.org/10.1016/j.erss.2020.101774>

There are further limitations of private sector climate finance models. **Women are often primarily incorporated into programme strategies as consumers, borrowers, or market participants, without sufficiently addressing deeper gendered power relations.** These limitations are often built in at the design stage. The primary objective of the investment model was to scale off-grid clean energy access through commercially viable market mechanisms rather than to directly transform gender relations. As a result, gender inclusion was framed through women's access to products, affordability, and participation in energy markets rather than through explicit gender equality objectives such as women's ownership, leadership, political participation, or redistribution of unpaid care responsibilities. While some gender-lens investment principles were incorporated over time, these were not always embedded at the outset or as core accountability or financing conditions.

The case study shows that private sector investments in climate action can strengthen their contributions to gender equality, if equality criteria are embedded at the design stage, and priority is given to local access, expertise and connections.

## **Recommendations:**

**To integrate gender equality into private sector climate finance and facilitate access for local stakeholders, decision makers should:**

- Focus on **“patient capital” approaches** in order to reach underserved markets: long-term, flexible investment models enable private sector finance to operate in rural and low-income communities often considered too risky by commercial financiers.
- **Consider affordability for the poorest and most marginalised groups**, where it remains a structural barrier: if affordability is not directly addressed, commercial inclusion mechanisms will not adequately address the exclusion of ultra-poor households. Blended finance models combining private investment with grants or subsidies may be necessary to reach the poorest and most marginalised populations sustainably.
- Focus on **community trust and local distribution systems**: local sales agents and embedded community networks can improve technology uptake and customer confidence, particularly in rural areas where trust in unfamiliar technologies tends to be low.
- **Shift from participation to meaningful gender inclusion**: future private sector climate finance initiatives should set clear targets for equitable inclusion, track outcomes using data disaggregated by gender, age and disability, strengthen pathways for women's leadership, and more fully address disparities in unpaid care work and decision-making power.

- Address the gendered limitations of market-based approaches by **embedding mandatory equality criteria from the design stage, and prioritising local access, expertise and connections.**
- **Streamline all reporting standards for climate finance and the integration of gender equality:** multilateral and mobilised private finance should be reported on in the same way as is done for public finance, with a target percentage of projects with gender equality as a significant objective being adopted.
- Take the nature of resources into account when designing outcomes: private sector finance can play a complementary role but cannot replace public finance and ODA. As such, **ensure robust public investment, social protection measures, and explicitly redistributive approaches are in place to support market-driven climate efforts and ensure benefits reach the poorest and most marginalised communities.**

### III. Feminist climate finance at scale: what works and how to build on it across resource contexts

These case studies illustrate how financing models can advance equity goals and improve access for local stakeholders. They show where public and private climate models can work in tandem, while also underscoring the limitations of relying solely on private finance to achieve gender equality outcomes. Public climate finance, and the accountability that accompanies it, plays an indispensable role in addressing structural gender inequalities. At the same time, all forms of financing can accelerate gender equitable outcomes, if they are designed with gender equality and local accessibility criteria from the outset. **We already know what works across different financing contexts: embedding gender equality considerations throughout finance and programme design, implementation, and monitoring, and placing local stakeholders - with the strongest community knowledge and relationships - at the centre of decision making and delivery.**

Around the world, there is **strong evidence of locally driven, gender-responsive climate solutions operating with impact**, despite chronic underfunding and limited institutional support. In West Africa, women-led agroecology movements such as the Réseau des Femmes pour le Développement Durable en Afrique and farmer networks supported through ENDA Pronat have helped scale community-based agroecological farming practices across multiple countries, strengthening food sovereignty, seed diversity, and climate resilience among rural women farmers.<sup>43</sup> In Southern Africa, Indigenous and rural women’s seed preservation initiatives - including community seed banks supported by Participatory Ecological Land Use Management (PELUM

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<sup>43</sup> ECOWAS (2021). “Agroecology Program in West Africa: 2021 Activity Report”. Activity report. <https://www.araa.org/sites/default/files/2024-06/Rapport%20annuel%202021%20PAE%20Ang%20.pdf>

Zimbabwe) and the Rural Women's Assembly - continue to protect biodiversity, preserve Indigenous seed knowledge, and strengthen adaptation to drought and climate variability.<sup>44</sup> These initiatives are particularly significant because they position women not only as beneficiaries of climate action, but as custodians of ecological knowledge, cultural heritage, and local adaptation systems.



Odette, 19, leads a VSLA meeting as an official role model for CARE and H&M Foundations' global campaign, Burundi © Makmende Media / CARE

Community-based models such as Village Savings and Loan Associations (VSLAs), which are widely implemented across the continent by organisations like CARE International, further address financial inclusion barriers and implement effective climate solutions.<sup>45</sup> These locally governed mechanisms enable women and marginalised groups to access small amounts of capital for climate-resilient livelihoods, particularly in contexts where formal financial services are inaccessible. By strengthening financial inclusion and local economic resilience, such models provide an important entry point for linking climate finance with everyday livelihood strategies.

At the same time, grassroots feminist networks across the continent are building (financial) resilience through mutual aid systems, solidarity economies, community care structures, and locally rooted climate justice organising. Organisations and movements such as the African Women's Development Fund, the WoMin African Alliance, and the Rural Women's Assembly have supported women-led responses to climate shocks, food insecurity, water access challenges, and livelihood crises through feminist organising approaches grounded in collective care, land rights, and economic justice.<sup>46</sup>

Taken together, these practices demonstrate that **locally led feminist and community-based climate solutions already exist at scale**. The key challenge lies not in a lack of solutions, but in the failure of finance systems to adequately support and scale them. Approaches that are flexible, locally controlled, gender-responsive, and grounded in trust consistently outperform top-down, technocratic models. These practices remain under-recognised and underfunded within

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<sup>44</sup> Participatory Ecological Land Use Management (PELUM Zimbabwe) (2023). "Celebrating the Wonder of Millets". Newsletter. <https://pelumassociations.org/wp-content/uploads/2024/01/Newsletter-July-Sept-2023.pdf>;

Rural Women's Assembly (28 July 2025). "RWA Lesotho: Roots of Resistance: How Rural Women are Reclaiming Land, Seeds and Climate Justice". Blog. <https://www.ruralwomensassembly.org/rwa-lesotho-roots-of-resistance-how-rural-women-are-reclaiming-land-seeds-and-climate-justice/>

<sup>45</sup> CARE International (n.d.). "Village Savings and Loans Associations". Webpage. <https://www.care-international.org/what-we-do/womens-economic-justice/village-savings-and-loans-associations>

<sup>46</sup> African Women's Development Fund (23 April 2020). "Envisioning a Feminist Earth: African women lead the way". Blog. <https://awdf.org/envisioning-a-feminist-earth-african-women-lead-the-way/>

mainstream climate finance systems, pointing to an urgent need for a **systemic shift toward more inclusive and feminist financing models**.

Going forward, decision makers should pair private investment with stronger public accountability, gender-equitable frameworks, and community-centered development approaches. It is essential to safeguard limited ODA resources for core gender-equality sectors - such as care, health, education, climate adaptation and efforts to address gender-based violence - while also tackling structural inequalities to advance lasting systemic change. Feminist research on climate justice and inclusive energy transitions shows that effective climate finance must go beyond mobilizing capital and deploying technologies. It must ensure that financing systems are equitable, participatory, rights-based, and responsive to the lived experiences of historically marginalized communities.<sup>47</sup> This body of work also highlights the importance of meaningful participation, strong accountability mechanisms, redistributive investment strategies, and recognition of local knowledge systems rather than treating gender inclusion as a secondary social co-benefit.<sup>48</sup>



A women's group in Indonesia meets as part of CARE Nederland's Partners for Resilience Program  
© Makmende Media

<sup>47</sup>Turquet, L., Tabbush, C., Staab, S., Williams, L. and Howell, B. (2023). "Feminist climate justice: A framework for action". Research paper. UN Women. <https://www.unwomen.org/en/digital-library/publications/2023/11/feminist-climate-justice-a-framework-for-action>

<sup>48</sup> Women's Environment and Development Organization (WEDO) (2024). "Dimensions of Climate Finance". Policy brief. <https://wedo.org/resources/dimensions-of-feminist-climate-finance>

## Recommendations:

**To accelerate a systemic shift toward more inclusive and feminist climate finance models, decision makers across governments, multilateral agencies and the private sector should:**

- **Integrate gender equality across public and private climate finance resources**, from design, implementation to reporting and evaluation. Detailed recommendations on how to do this are specified in section II on best practice.
- **Scale up grant-based new and additional climate finance, including to complement private sector climate finance.** At least 88% of public grant-based finance should have gender equality as a significant objective. It should also be grounded in equity and the polluter-pays principles and can for example include measures such as redirecting fossil fuel subsidies and fair and progressive taxation measures.
- **Accelerate community based and locally led approaches and facilitate direct access to financing for local organisations** who hold knowledge and expertise for efficient climate solutions in their communities. This requires simplified accreditation pathways, tailored to grassroots actors, decentralized decision-making structures that enable community-led approaches, and stronger recognition of local and community level expertise.
- **Increase flexible and context-responsive financing.** This includes the use of readiness funds, small grants, revolving funds, and community-managed finance mechanisms, reduced administrative burden and reporting requirements and multi-year, predictable funding.
- **Embed equity criteria across funding decisions from the beginning:** Climate finance should include mandatory gender and social inclusion indicators, focus on the most vulnerable and marginalised groups, incorporate intersectional analysis from the outset, and use gender-age-disability disaggregated data throughout design, implementation, monitoring and evaluation.
- **Ensure participatory design and accountability:** Ensure women's co-leadership in climate finance and the co-creation of projects with affected communities, establish community-led monitoring and feedback systems, support community-based approaches and increase transparency in funding allocation and disbursement.
- **Break down silos and ensure coherence in climate action:** national frameworks such as NAPs, NDCs, and Action Plans should be systematically aligned with streamlined reporting processes to enhance the impact of climate action, with gender equality criteria at the centre.

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CARE Nederland is a member of the CARE International confederation. Founded in 1945, CARE is a leading humanitarian and development organisation fighting global poverty and providing lifesaving assistance in emergencies. In 100 countries around the world, CARE places special focus on working alongside poor girls and women because, equipped with the proper resources, they have the power to help lift whole families and entire communities out of poverty. To learn more, [www.carenederland.org](http://www.carenederland.org).