



FORMATIVE EVALUATION OF UN WOMEN'S WORK IN SUSTAINABLE FINANCE



ACKNOWLEDGEMENTS

This evaluation report was informed and enriched by the participation of over 100 stakeholders, including UN Women personnel, partners and key industry experts who are working to drive gender-responsive financing forward. We are appreciative of their valuable contributions that have greatly informed and enriched the evaluation.

The evaluation was conducted by the UN Women Independent Evaluation Service (IES). The IES team included Ekaterina Dorodnykh, Evaluation Specialist; Ross Tanner, Evaluation Specialist; Anita Mohammad, Research Assistant; Aileen Allen, Evaluation Consultant; and Milena Bacalja Perianes, Sustainable Finance Evaluation Consultant.

We are grateful to the Internal and External Reference Group members for their thoughtful comments and insights and for investing significant time and effort to ensure that the

evaluation is of maximum value and use to the organization. The evaluation benefitted tremendously from colleagues working in UN Women Regional and Country Offices; the Policy, Programme and Intergovernmental Division; and the Strategic Partnership Division. In particular, we would like to thank the Sustainable Finance Team for their engagement throughout the evaluation process, and Qing Xu, who was the focal point for this evaluation.

Finally, we would like to thank all those who engaged or participated in this evaluation, be it through responding to a survey; making themselves available for interviews; or participating in the consultation process. We are grateful for your contributions, which have without doubt enriched this report.

EVALUATION TEAM:

Ekaterina Dorodnykh, Evaluation Specialist and co-Team Lead

Ross Tanner, Evaluation Specialist and co-Team Lead

Anita Mohammad, Research Assistant

Aileen Allen, Evaluation Consultant

Milena Bacalja Perianes, Sustainable Finance Evaluation Consultant

EVALUATION MANAGEMENT:

UN Women Independent Evaluation, Audit and Investigation Services (IEAIS)

Inga Sniukaite, Chief, UN Women Independent Evaluation Service (IES)

Lisa Sutton, Director, UN Women Independent Evaluation, Audit and Investigation Services (IEAIS)

Copy-editing: **Catherine Simes**

Design and layout: **Yamrote A. Haileselassie**

Produced by the Independent Evaluation Service (IES) of the UN Women Independent Evaluation, Audit and Investigation Services (IEAIS)

© 2025 UN Women. All rights reserved.

Cover photo: ©UN Women/Fahad Kaizer

Disclaimer: The analysis and recommendations of this report are those of the UN Women Independent Evaluation, Audit and Investigation Services (IEAIS) and do not necessarily reflect the views of UN Women. This is an independent publication by the UN Women Independent Evaluation, Audit and Investigation Services (IEAIS).

FORMATIVE EVALUATION OF UN WOMEN'S WORK IN SUSTAINABLE FINANCE



INDEPENDENT EVALUATION, AUDIT AND INVESTIGATION SERVICES (IEAIS)

Independent Evaluation Service (IES)

UN Women

New York, April 2025

FOREWORD

Financing for gender equality is critical for achieving gender equality and the empowerment of all women and girls. Adequate and sustained financial resources are essential for implementing gender-responsive policies; providing public services and infrastructure; improving the quality and access to services; and supporting gender-transformative programming. Despite growing recognition of the importance of financing for gender equality, investments remain inadequate to achieve Sustainable Development Goal (SDG) 5. Addressing this gap involves mobilizing and influencing both public and private financial resources and collaboration across governments, financial institutions, civil society and the private sector. Importantly, there is growing recognition that alternative or innovative financing mechanisms can also be leveraged to help close the financing gap for gender equality.

UN Women's sustainable finance portfolio began substantively in 2020 to advance the development and growth of alternative finance mechanisms for gender equality. Through this portfolio, UN Women has worked to catalyse new sources of financing; supported the development of sustainable finance instruments; and engaged key stakeholders in the financial ecosystem. UN Women has also played a key role in raising awareness and building capacity for mainstreaming gender into key financing

frameworks. These efforts have laid a strong foundation for leveraging capital towards achieving gender equality, demonstrating the potential of finance as a tool for development and gender equality.

This formative evaluation of UN Women's sustainable finance work examines both recent achievements and challenges, and highlights key opportunity areas that could be explored as this work evolves. It underscores the importance of articulating a clear organizational strategy or roadmap, strengthening internal capacity and deepening engagement with both public and private-sector actors. The evaluation calls for greater collaboration with civil society and women's rights organizations to ensure that financing strategies align with the needs and aspirations of women and girls and support implementation of the leave no one behind principle.

The financing for development landscape will continue to evolve and UN Women should continue to advocate for and drive financing solutions that place gender equality at the centre of sustainable development efforts. In order to achieve SDG 5, sustainable finance must prioritize the empowerment of women and girls and ensure that finance contributes meaningfully to a more equitable world.



Lisa Sutton

Director, Independent Evaluation, Audit and Investigation Services (IEAIS)

CONTENTS

ACRONYMS	vi
EXECUTIVE SUMMARY	vii
1. BACKGROUND	1
2. EVALUATION CONTEXT	5
3. PORTFOLIO ANALYSIS	8
4. FINDINGS AND OPPORTUNITIES	10
4.1 UN Women’s sustainable finance work	11
4.2 UN Women’s value add	19
4.3 Current challenges	22
4.4 Opportunities for the future	27
5. LESSONS LEARNED	39
6. CONCLUSIONS	40
7. RECOMMENDATIONS	44

ACRONYMS

FAO	Food and Agriculture Organization
IEAIS	Independent Evaluation, Audit and Investigation Services
IES	Independent Evaluation Service
ODA	Official Development Assistance
SDG	Sustainable Development Goal
UN	United Nations
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
UNESCO	United Nations Educational, Scientific and Cultural Organization
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women



EXECUTIVE SUMMARY



FORMATIVE EVALUATION OF UN WOMEN'S WORK IN SUSTAINABLE FINANCE

Photo: ©UN Women/Fahad Kaizer

Background

The purpose of this corporate formative evaluation was to enhance organizational learning from UN Women's work on sustainable finance; inform future development of the sustainable finance portfolio; and support strategic decision-making in this area.

The evaluation focused on UN Women's contributions to the sustainable finance agenda as laid out in the Addis Ababa Action Agenda. Considering the significance of UN Women's collaborations with other organizations, the evaluation also focused on the role of partnerships in driving change.

The evaluation covers work from the inception of UN Women's sustainable finance portfolio in 2020 until data collection in mid-2024. The sustainable finance portfolio refers to all sustainable finance work across UN Women and encompasses work at headquarters, Regional and Country Offices.

The primary users of this evaluation are UN Women management, programme personnel and partners. Secondary users are expected to derive useful lessons on effective and promising strategies and practices in sustainable finance, and include other UN agencies, rights holders, government stakeholders, donors, civil society organizations and implementation partners.

Evaluation approach and methodology

The evaluation team implemented a mixed-methods approach, combining qualitative methods (key informant interviews and document review) and quantitative methods (financial and resources data and a survey), and incorporating the principles of gender-responsive evaluation and the "leave no one behind" perspective. The evaluation team analysed UN Women's work on sustainable finance at the global level through UN Women's global Sustainable Finance Programme, as well as work in 13 countries, one Multi-Country Office and one Regional Office. In total, 57 internal and external stakeholders were interviewed.

Context

Financing for gender equality is central to the advancement and achievement of Sustainable Development Goal (SDG) 5. Adequate financial resources are essential for implementation of gender-responsive policies and programmes that address gender disparities, advance women and girls' empowerment and improve access to gender-responsive services. Although globally there has been growth in investments, financing for gender equality remains inadequate to achieve SDG 5 targets. There is recognition that increasing financing for gender equality requires collaboration with and commitments from governments, financial institutions, civil society, the private sector and other development partners.

Financing for gender equality is situated within the broader context of financing for development as reflected in the Addis Ababa Action Agenda, the primary global framework for financing sustainable development and implementing the 2030 Agenda.

Since 2020, UN Women has worked on sustainable finance, focusing on innovating alternative mechanisms and catalysing new sources of financing for gender equality and women's empowerment.

DATA COLLECTED FOR THIS EVALUATION

Mixed method approach



Qualitative and quantitative data collected and triangulated

57 stakeholders engaged



Semi-structured interviews of UN Women personnel, partners and external experts

145+ documents reviewed



Desk review, review of UN Women financial information, network mapping of key actors

Insights from the field



Regional study and analysis of UN Women's work in 11 countries

1 online survey



Internal UN Women survey of Sustainable Finance Network members (N=33/76; 43% response rate)

2 deep-dive studies



Deeper dive: Mexico's work on the Sustainable Taxonomy; Kyrgyzstan's work on a gender bond

Conclusions

CONCLUSION 1:

UN Women's sustainable finance portfolio has achieved tangible results at global, regional and country levels. Elevating this work requires articulation of a clear vision of what UN Women aims to achieve in line with the global call for financing for development; defined priorities against different industries and types of financing instruments; and a refined organization-wide sustainable finance strategy with clear outcomes and metrics. This strategy should be actively communicated with internal and external stakeholders.

During the evaluation period, evidence shows that UN Women established strategic partnerships and networks across the financial market ecosystem; supported the development of sustainable finance instruments and mechanisms with government and financial institutions; enhanced the knowledge base for gender equality and sustainable finance; raised awareness on global standards, strategies and instruments to advance gender equality in finance; and strengthened the capacity of governments and market infrastructure institutions to mainstream gender into their policy and regulatory work. Within UN Women there are a range of views on the role the Entity plays in leveraging sustainable finance for gender equality. This underscores the need for UN Women to refine and put in place an organization-wide sustainable finance strategy and theory of change. These must be communicated across the Entity to strengthen internal understanding of this specialized area of work.

CONCLUSION 2:

UN Women's sustainable finance work cuts across a number of financing initiatives. Of these initiatives, the integration of a gender lens into blended finance arrangements, impact investments, or within green finance could be further explored through partnerships and activities to advance UN Women's objectives.

While UN Women's work on sustainable finance has aligned with the commitments reflected in the Addis Ababa Action Agenda, the Entity is still refining its role in this field, including the types of capital and actors which UN Women has a comparative advantage in influencing. Evidence from the evaluation, together with industry insights and research, points towards emerging investments such as impact investing, thematic areas such as green finance (including climate finance, nature-based solutions and other environment-related financing areas) and blended finance mechanisms as promising (non-exhaustive) opportunities for UN Women to expand its work. Additionally, the Entity would benefit from exploring the full spectrum of capital and financial instruments that could meet supply and demand for gender lens investing based on market conditions. Given UN Women's initial work to define the gender bond market, this instrument continues to dominate internal perceptions of UN Women's sustainable finance work, underscoring the need to expand the range of financial instruments and to communicate the refined strategy and showcase progress across the organization. Finally, regardless of which spectrum of financing initiatives and range of instruments UN Women engages with, there is a strong need to improve monitoring, evaluation and learning from a gender perspective, and to carry out industry-wide evaluations or assessments of existing and piloted gender-responsive financial instruments.

CONCLUSION 3:

Developing a foundational level of capacity in sustainable finance, especially at Regional and Country Office levels, would provide UN Women with the competency to engage with financial institutions, identify opportunities and support the design, delivery and scale-up of its sustainable finance work.

Data from external key informant interviews suggests that together with UN Women's legitimacy, convening power and relationships with governments and other key regional and national-level actors, UN Women's gender expertise is seen as a value add in influencing financial

institutions and fostering an enabling policy and regulatory environment for sustainable finance. However, both external and internal stakeholders identified technical capacity gaps for engaging with the private sector as a challenge to advancing sustainable finance work at regional and country levels. While UN Women personnel are not expected to become financial experts, basic capacity-building to engage in sustainable finance discussions and understand the landscape is required across the organization, together with other strategies that would strengthen the knowledge and capability of Regional and Country Offices to deliver on sustainable finance.

CONCLUSION 4:

UN Women's sustainable finance portfolio requires a more coherent approach to leverage existing relationships with the public sector to build gender-responsive infrastructure for financing and to develop new strategic and suitable relationships with relevant private-sector actors to crowd in more capital. The future of gender financing requires greater bridge-building across public and private-sector actors, particularly the blending of capital to generate substantive gender equality outcomes. UN Women is uniquely positioned to play this role.

Global, regional and country initiatives on sustainable finance show that UN Women has engaged with governments and a variety of private-sector actors across the financial market ecosystem. While there is evidence of policy and regulatory work, there is room to better leverage UN Women's relationships with governments, and public institutions more broadly, to expand work around gender-responsive market infrastructure, and to better leverage said relationships to build bridges between public and private-sector actors for gender financing in general. This would exploit UN Women's convening and bridge-building role between the development and finance worlds, as highlighted by stakeholders. Evidence points to organic engagement with private and/or financial-sector actors, albeit expected given the incipient nature of sustainable finance work. Adopting a more strategic approach to identifying private-sector actors aligned with UN Women's mandate and strategic vision for sustainable finance is recommended. Finally, while the evidence points to minimal engagement of women and women's rights organizations, those working on feminist economics and economic empowerment can play a role in bringing women's voices to the conversation around gender finance.

CONCLUSION 5:

Further investments in UN Women's sustainable finance work from donors and internally will improve the Entity's ability to influence global capital flows towards more gender-responsive investments.

Mobilizing funding for UN Women's sustainable finance work remains challenging. With the support of Luxembourg, the global Sustainable Finance Programme has been funded to June 2026. The evidence shows a piecemeal approach to resource mobilization, which has limited the depth and scope of activities and partnerships. A refined corporate strategy that crystallizes UN Women's vision for what it wants to achieve in advancing gender-aligned sustainable finance is needed to mobilize resources, especially institutional support, whether at the global level or through regional and country Strategic Notes. Amplifying and showcasing the work undertaken thus far, which in some cases is not widely known within UN Women, and fostering exchanges of experiences across countries could help galvanize donor interest.

CONCLUSION 6:

There is a call to action and appetite from both internal UN Women stakeholders and external industry actors that UN Women be more bold, intentional, innovative and market-leading in its sustainable finance work as the leading global body on gender equality and women's rights. With shifting financial landscapes, UN Women is well suited to drive this work forward to ensure that gender continues to be prioritized across financing agendas.

UN Women's status as a global leader on gender equality, based on its gender expertise; relationships with a wide array of actors at global, regional and country levels; and its legitimacy is seen as an asset for bridging the gender and finance worlds. Evidence points to a dearth of knowledge among private and public-sector actors in the financial market ecosystem on how to operationalize a gender perspective in financial products, market infrastructure, financial policies and regulations tailored to women's needs and broader gender equality goals. The extent to which UN Women can develop a corporate-wide strategy on sustainable finance; fill capacity gaps, especially at the country level; lay out a clear engagement strategy with private-sector actors that addresses the issue of risk; and more strategically leverage its relationships, will place the Entity in a better position to meet stakeholders' demands for a more prominent role in advancing sustainable finance.

Recommendations



RECOMMENDATION 1: Refine and communicate a vision and cohesive strategy or roadmap for UN Women's sustainable finance work to guide headquarters, Regional and Country Offices.



RECOMMENDATION 2: Strategically and efficiently strengthen internal capacity at country and regional levels and increase organizational coherence to deliver on sustainable finance work.



RECOMMENDATION 3: Strengthen strategic partnerships with private and public financial actors.



RECOMMENDATION 4: Explore new opportunities that leverage existing expertise to accelerate UN Women's contributions to advancing sustainable finance for gender equality.



RECOMMENDATION 5: Involve civil society, especially women and feminist organizations, in the co-design, consultation and implementation of sustainable finance instruments and tools.



RECOMMENDATION 6: As a matter of priority, identify more diverse funding sources for UN Women's sustainable finance portfolio to facilitate strategic planning and implementation of activities.



Photo: ©UN Women/James Ochweri

1. BACKGROUND

1.1 Purpose, objectives and scope

The purpose of this corporate formative evaluation was to enhance organizational learning from UN Women's sustainable finance work; inform future development of the sustainable finance portfolio; and support strategic decision-making in this area.

The objectives of the evaluation were to:

- Identify and assess the range of sustainable finance work undertaken at headquarters, regional and country levels, and understand UN Women's role and areas of comparative advantage.
- Identify challenges facing the future development of UN Women's sustainable finance portfolio and ways to address these challenges.
- Identify potential opportunities which are tangible, realistic and impactful to advance this area of work.
- Make recommendations related to future programming and strategic development of the sustainable finance portfolio.

The scope of the evaluation covers work from inception of the sustainable finance portfolio in 2020 until data collection was completed in mid-2024.

It is important to note that the evaluation refers to:

1. **UN Women's "sustainable finance portfolio"** which includes all work on sustainable finance at headquarters, Regional and Country Offices across UN Women.
2. **UN Women's "global Sustainable Finance Programme"** which is a specific programme funded by the Government of Luxembourg. This programme sits within the sustainable finance portfolio and is focused on work at the global level (e.g. establishing global-level partnerships, working with global standard-setting organizations). The global Sustainable Finance Programme does not have responsibility or oversight of the sustainable finance work happening in regions and countries, which are funded separately.

Findings throughout will indicate whether they refer to the global Sustainable Finance Programme alone or the broader sustainable finance portfolio.

The evaluation focused on UN Women's sustainable finance portfolio within the broader context of financing for development, aligning with the Addis Ababa Action Agenda. It examines the portfolio's contributions to promoting sustainable investment and driving innovative financing to enhance gender outcomes. Considering the significance of UN Women's collaborations with other organizations, the evaluation also focused on the role of partnerships in driving change.

The primary users of this evaluation are intended to be UN Women management, programme personnel and partners. Secondary users are expected to derive useful lessons on effective and promising strategies and practices, and include other UN agencies, rights holders, government stakeholders, donors, civil society and implementation partners.

THE KEY EVALUATION QUESTIONS WERE:

1. What work has UN Women undertaken within sustainable finance, what was the organization's role and what has been achieved?
2. What is UN Women's comparative advantage and value add within sustainable finance?
 - a. How can UN Women's sustainable finance work be integrated coherently within the organization?
3. What financial instruments and mechanisms can UN Women leverage and influence for financing for gender equality?
 - a. What partnerships are necessary to advance these opportunities?
 - b. What capacity is required to advance these opportunities?
 - c. How can the voices of women, civil society and feminist movements be brought into conversations on sustainable finance?

1.2 Evaluation approach and methodology

To analyse UN Women's contribution to advancing sustainable finance for gender equality, the evaluation team implemented a mixed-methods approach, combining qualitative methods (key informant interviews, a survey and document review) and quantitative methods (financial and resources data, survey). A mixed-methods approach made it possible to capture granular data from semi-structured interviews with key informants and to situate relevant documentary data, allowing the evaluation team to triangulate the data appropriately (see Figure 1).

Both primary and secondary data sources were consulted to gather evidence to address the questions developed for this evaluation. The detailed evaluation matrix with data sources and tools for data collection is presented in Annexes 6 and 7.

Key informant interviews: The evaluation team engaged 58 stakeholders through semi-structured interviews, including 33 UN Women personnel and 25 external stakeholders (see Figure 2 for the types of stakeholders consulted and Annex 8 for a mapping of stakeholders). All interviews were undertaken virtually.

Internal survey: An online survey was conducted with members of UN Women's Sustainable Finance Network. The survey was completed by 33 of the 76 stakeholders who received the survey (43 per cent response rate – see Annex 7).

Country and regional data collection: The evaluation team analysed UN Women's work on sustainable finance in 11 countries (Brazil, China, Colombia, Ecuador, Egypt, El Salvador, Iceland, India, Indonesia, Morocco and Senegal), the Caribbean Multi-Country Office and the West and Central Africa Regional Office to explore past and ongoing activities conducted at country level within the sustainable finance portfolio. The evaluation team also conducted two deep-dive studies to explore UN Women's work on sustainable taxonomy in Mexico and work on a gender bond in Kyrgyzstan. The Results Management System (RMS) was also reviewed to understand UN Women's engagement in sustainable finance across the organization.

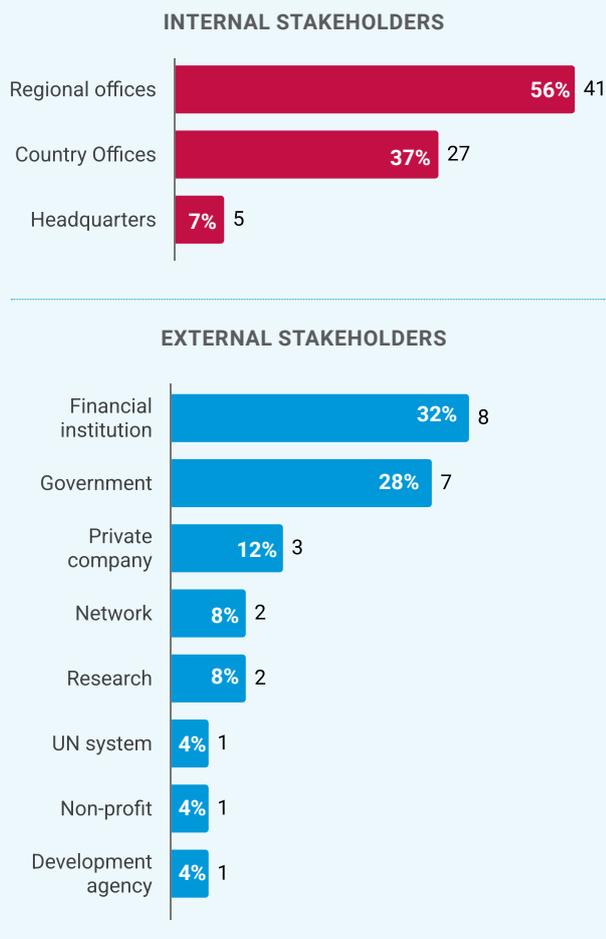
Desk review: A desk review was conducted which included academic literature on finance, gender lens investing, innovative finance and related topics; expert papers; the Report of the Secretary-General and other documents from the Commission on the Status of Women (CSW68, 2024); donor reports; strategic planning documents; knowledge products, such as guidance documents and toolkits for gender lens investment products; landscape analyses; and frameworks related to sustainable finance and other key documents (see Annex 12).

Qualitative analysis was conducted on data collected from interviews, open-ended survey questions, key programme documents and other sources. NVivo was utilized to code written interview notes and key documents, and to undertake further qualitative data analysis.

FIGURE 1. Sources and methodology for data collection



Source: Created by the evaluation team

FIGURE 2. Types of stakeholders consulted

Source: Compiled by the evaluation team

1.3 Ethics, gender equality and no one left behind

The evaluation team adopted a gender-responsive and human rights-based approach, in alignment with the UN Women Evaluation Policy, the United Nations Evaluation Group (UNEG) guidance on Integrating Human Rights and Gender Equality in Evaluation, UNEG Ethical Guidelines,¹ the UNEG Code of Conduct for Evaluation in the UN System² and the recent UNEG Guidance on Integrating Disability Inclusion in Evaluation.³

In the conduct of evaluations, managing data systematically and with integrity ensures that the rights, safety and welfare of stakeholders is maintained along with their confidentiality. All data collected for this evaluation were stored and managed confidentially, in accordance with IES Data Management Guidance, and as described in the accompanying data management plan (see Annex 11).⁴

Data collection was designed to capture the diverse values and perspectives of duty bearers and rights holders to capture a more complete, fair and unbiased assessment. The corresponding findings, conclusions and recommendations discuss strengthening leave no one behind principles in this area of work.

1.4 Evaluation constraints and limitations

UN Women's ongoing global Sustainable Finance Programme (situated within the sustainable finance portfolio) began in 2022 and has an expected completion date of 2025. Therefore, the full results of the programme are not yet known. Not all interventions assessed in the evaluation are part of this formal programme and some interventions are not classified as sustainable finance initiatives but are nonetheless an important part of UN Women's sustainable finance work at country and regional level. Lessons from these interventions also informed the evaluation findings.

This formative evaluation is an important stage in understanding the potential depth and breadth of outcomes within the sustainable finance portfolio; how effectively work in this area has been integrated into the broader UN Women Strategic Plan; and how well it is understood among stakeholders. While it is difficult to assess impact-level results, the evaluation's proposed methodology sought to uncover and present some "emerging trends" to illustrate potential opportunities for future work.

The evaluation team also anticipated challenges in gathering direct inputs from stakeholders and beneficiaries who may have been impacted by UN Women's sustainable finance work. The narrow scope of this evaluation and the relatively short history of sustainable finance work at UN Women were key limitations in evaluating UN Women's performance in this area.

In summary, while some challenges are anticipated in attributing causality to UN Women's efforts, the evaluation team assessed that a formative evaluation of UN Women's contribution to advancing financing for gender equality was feasible given the available documentation and data sources.

¹ UNEG, [UNEG Ethical Guidelines for Evaluation | UNEG](#)

² UNEG, <http://www.unevaluation.org/document/detail/100>

³ UNEG, <http://unevaluation.org/document/detail/3050>

⁴ See Annex 1 for a link to the Inception Report annexes, which include the data management plan for this evaluation.



Photo: ©UN Women/Ploy Phutpheng

2. EVALUATION CONTEXT

Financing for gender equality is central to the advancement and achievement of SDG 5. Adequate financial resources are essential for implementation of gender-responsive policies and programmes that address gender disparities, advance women and girls' empowerment and improve access to gender-responsive services. Although globally there has been growth in investments, financing for gender equality remains inadequate to achieve SDG 5 targets. There is recognition that increasing financing for gender equality requires collaboration with and commitments from governments, financial institutions, civil society, the private sector and other development partners.

Official Development Assistance (ODA) from members of the Development Assistance Committee and public finance from governments were, are and will remain important sources of development finance, especially in least developed countries. On average, in 2020–2021, Development Assistance Committee members committed 44 per cent of their bilateral allocable ODA per year for gender equality (US\$ 57.4 billion). However, only 4 per cent of total bilateral aid was dedicated to programmes with gender equality as the principal objective, representing a decrease compared to 2018–2019. Bilateral allocable ODA to women's rights organizations and movements, and bilateral aid dedicated to ending violence against women and girls both decreased compared to the previous period. Only 27 countries have comprehensive systems to track and make budgetary allocations for gender equality and women's empowerment.⁵ The weight of debt is dragging down development globally and has compressed government fiscal spaces. As of 2023, almost 40 per cent of the developing world is in "serious debt distress." The number of additional people falling into extreme poverty in countries in or at high risk of entering debt distress is estimated to be 175 million by 2030, including 89 million women and girls.⁶

Financing for gender equality is situated within the broader efforts of financing for development. At the heart of this agenda is the Addis Ababa Action Agenda which was adopted at the Third International Conference on Financing for Development in July 2015 and subsequently endorsed by the UN General Assembly. The Addis Ababa Action Agenda is the primary global framework for financing sustainable development and implementing the 2030 Agenda for Sustainable Development by aligning

financing flows and policies with economic, social and environmental priorities. It provides a comprehensive set of policy recommendations and measures across international development cooperation, domestic resource mobilization, trade and technology, debt sustainability and private sector engagement, with a focus on promoting sustainable investment.

The Pact for the Future, agreed in 2024, further highlighted member states' commitment to accelerating reform of the international architecture to mobilize financing for the SDGs. The pact identifies the need to "support developing countries to catalyse increased private sector investment in sustainable development, including by promoting inclusive and innovative finance mechanisms and partnerships and by creating a more enabling domestic and international regulatory and investment environment, and through the catalytic use of public financing."⁷

The Addis Ababa Action Agenda outlined relevant sources of finance required for attainment of the SDGs, including domestic revenues in developing countries, ODA and private investment (both foreign and domestic). While more traditional mechanisms such as ODA and institutional donors offer opportunities to enhance financing for gender equality, sustainable financial mechanisms are increasingly offering new financing options, often focused on private investment, that can potentially be leveraged to accelerate progress towards SDG 5.

Sustainable finance includes financing instruments and mechanisms that mobilize, govern or distribute funds beyond traditional ODA and public spending. These instruments and mechanisms include inclusive financial services, use of proceeds debt, impact venture capitalism or private equity funds, blended finance or public–private partnerships and performance-based payments, among others.⁸

As part of the scoping process, the evaluation analysed what constituted sustainable finance in the context of UN Women's work. It includes a diverse set of activities, stakeholders and investment trends operating across the spectrum of capital, which contributes to the landscape of financing for gender equality and women's empowerment, but may or may not describe its work as "sustainable finance."⁹

⁵ Progress on the Sustainable Development Goals: The gender snapshot (2023). UN Women.

⁶ Development finance for gender equality and women's empowerment (2024). OECD <https://www.oecd.org/dac/financing-sustainable-development/development-finance-topics/development-finance-for-gender-equality-and-women-s-empowerment.htm>

⁷ Pact for the Future, Global Digital Compact and Declaration on Future Generations (2024). United Nations.

⁸ UN Women Sustainable Finance Portfolio, (2023; PowerPoint Presentation). Within the UN, "innovative finance" is often used interchangeably with "sustainable finance" to refer to identifying new and novel ways to mobilize funds for gender equality. See Annex 1 for a link to the Inception Report annexes and Annex 2 for a glossary of sustainable finance terms.

⁹ "Gender finance" is the field of finance viewed from the perspective of gender lens and gender-smart investing, i.e. applying gender analysis to financial analysis to inform investment decision-making. <https://www.2xglobal.org/new-to-gender-lens-investing/what-is-gli>

The evaluation uses the term “sustainable finance” to refer to interventions and programming in UN Women’s portfolio which are focused on exploring alternative financial instruments and mechanisms, complementary to ODA and public and philanthropic capital distributed through traditional grant-making processes. This work often involves the private sector, public development banks and other financial sector actors. Informed by the global Sustainable Finance Portfolio Strategy, “UN Women’s sustainable finance portfolio aims at innovating alternative mechanisms and catalyzing new sources for financing gender equality and women’s empowerment.”¹⁰

Work under the sustainable finance portfolio is focused on financial mechanisms, instruments and flows which are targeted at gender equality or could be adapted to increase gender outcomes.¹¹ It involves leveraging capital – public, private and philanthropic – in both public and private markets to ensure that financial systems and capital flows actively contribute to a more inclusive, equitable and sustainable world. The evaluation focused on private-sector or financial-sector actors and financial mechanisms operating in financial markets (as aligned with the Sustainable Finance Portfolio Strategy), which could advance financing for gender outcomes within the wider sustainable financing system.¹² The evaluation analysed financing resources across different investors and how these resources engage in a variety of complex relationships and/or transactions which can facilitate gender

outcomes. Figure 3 presents a spectrum of investment types which depict a diverse investment base spanning from an exclusive focus on return to an exclusive focus on impact.¹³

This evaluation report also refers to emerging investment approaches such as impact investing; thematic areas such as green finance, including climate finance and nature-based financing; and innovative financial structures, including blended finance, that could be aligned, mobilized, leveraged or influenced to create gender outcomes (see Annex 2). Different stakeholders within UN Women, and those in the broader financial ecosystem, may utilize or align with any or all of these financial initiatives; therefore, the evaluation focused on alternative mechanisms and new sources of capital for financing gender equality and women’s empowerment regardless of the specific classification or categorization.

This inclusive approach ensures the formative evaluation can map and understand the diverse landscape of potential interventions that the sustainable finance portfolio may undertake in the future; and engage with aligned stakeholders who may not see themselves as part of the field of sustainable finance. The evaluation focused on identifying those opportunities best suited to UN Women’s value add and those which reflect the future of financial systems and capital markets around gender-related financing and investments.

FIGURE 3. Spectrum of capital

APPROACH	TRADITIONAL INVESTMENTS	RESPONSIBLE INVESTMENTS			PHILANTHROPY		
	Return only	Negative screening	ESG integration	Impact driven			
Focus				Financial first	Impact first	Impact only	
Financial goals	Target competitive risk-adjusted financial returns			Accepts low risk-adjusted returns	Accepts partial/full capital loss		
Features	Manage Environmental, Social and Governance (ESG) risks						
				Pursues ESG opportunities			
				Intentionality: delivering impact is central to underlying assets/investments			
Impact management project goals	Act to avoid harm			Impact investments are measured and reported			
	May or do cause harm						
		Benefit all stakeholders					
					Contribute to solutions		

¹⁰ Overview UN Women Sustainable Finance Portfolio (2023). UN Women.

¹¹ Gender Finance Booklet; Financial Centers for Sustainability Network (2023). UN Women.

¹² UN Women defines this work as sustainable finance; however, other financial agendas/taxonomies are utilized by different actors which could include financial flows that facilitate gender outcomes, such as gender lens investing, innovative finance or blended finance (to name a few).

¹³ Empowering Women, Building Sustainable Assets: Strengthening the depth of gender lens investing across asset classes (2024). Bocconi University, Phenix Capital Group, Politecnico di Milano and UN Women.

3. PORTFOLIO ANALYSIS

UN Women's sustainable finance portfolio is relatively new: substantive work commenced in 2020 to explore approaches to advance the development and growth of alternative finance mechanisms for gender equality. A senior adviser on innovative finance was hired, followed by the creation of an internal Innovative Finance Network, bringing together 73 UN Women personnel from headquarters, Regional and Country Offices interested and engaged in sustainable finance work.¹⁴ Initially, work was predominantly focused on knowledge production, partnership building and technical support in relation to gender bonds.

Knowledge products: UN Women supported the development of several knowledge products; for example, in partnership with the International Finance Corporation and International Capital Market Association, UN Women launched a guide on the issuance of sustainable bonds to advance gender equality.¹⁵ UN Women also published a report on public development banks and gender equality in partnership with Agence Française de Développement.¹⁶ In Latin America, UN Women produced a report on venture capital and private equity investment funds' investments with a gender lens in the region.¹⁷ In partnership with Financial Sector Deepening Africa, UN Women developed a landscape analysis and feasibility assessment study on gender bonds in Sub-Saharan Africa.¹⁸

Partnership building: UN Women worked to increase partnerships in the sustainable finance space; for example, co-chairing the Finance in Common Coalition on Gender Equality and Women Empowerment in Development Banks¹⁹ as part of the global network of 500+ public development banks.²⁰ Today, UN Women serves as co-chair of the Finance in Common Gender Coalition on Gender Equality and Women's Empowerment in Development Banks, one of 13 thematic Finance in Common coalitions, which seeks to advance public development banks' understanding, commitments and actions to advance gender equality and women's empowerment. The evaluation team also identified several memorandums of

understanding between UN Women and its partners at various stages of development from planned to signed agreements (see Annex 5).

Technical support: UN Women supported the scoping of gender bond issuance opportunities in several countries, including Colombia, Ecuador, Mexico, Morocco, Egypt, Iceland, Indonesia and India. Thus far, UN Women's support has resulted in the issuance of a sovereign gender bond by Iceland and advances in the work of the other seven countries mentioned above. For example, in Egypt, UN Women and UNDP supported the Ministry of Finance in integrating gender consideration into their SDG bond framework. In Colombia, UN Women established a partnership with the national government to provide technical assistance for the introduction of gender target integration through its green, sustainable and social bond framework, including framework structuring and developing target indicators and tracking progress.²¹

From 2022, UN Women's sustainable finance portfolio expanded its focus to include a greater number of financial instruments and mechanisms (while maintaining its initial focus on gender bonds). Coinciding with this, UN Women received funding for a new programme, the global Sustainable Finance Programme (2022–June 2026), with funding from the Government of the Grand Duchy of Luxembourg in the amount of EUR 4,000,000.

¹⁴ This portfolio of work was initially called innovative finance but, in 2021, UN Women started to use the term sustainable finance instead. The network was chaired by the former Deputy Executive Director for Resource Management, UN System Coordination, Sustainability and Partnerships.

¹⁵ International Finance Corporation, International Capital Market Association. Bonds to Bridge the Gender Gap: A Practitioner's Guide to Using Sustainable Debt for Gender Equality (2021). UN Women.

¹⁶ Public Development Banks Driving Gender Equality: An Overview of Practices and Measurement Frameworks (2021). UN Women and Agence Française de Développement.

¹⁷ Catalysing Equality: How Venture Capital, Private Equity Fund Managers and Impact Investors are applying a gender lens in Latin America and the Caribbean (2021). UN Women.

¹⁸ Gender Bonds: Scoping Study Summary (2020). Financial Sector Development Africa, UN Women.

¹⁹ The Finance in Common Gender Coalition now includes 89 members: multilateral development banks, national development banks, subnational development banks and ecosystem partners.

²⁰ Update on International Financial Institutions. UN Women Executive Board (2023). UN Women.

²¹ Scaling Capital for Gender Equality: Annual report (2021). UN Women Sustainable Finance.

The expected outcome of UN Women's sustainable finance portfolio is to orient private financing flows towards gender equality and women's empowerment outcomes.²² To accomplish this, the global Sustainable Finance Programme operates through three inter-linked pillars of work:

- Convening and partnerships that aim to influence capital direction and discourse around financing for gender equality, strengthening commitments and knowledge-sharing on sustainable finance for SDG 5 with global actors from the public and private sector, as well as civil society.
- Market infrastructure and standard setting for gender lens investing principles, standards and guidelines to promote the growth of a credible, transparent and transformative gender lens investment market.
- Technical assistance and capacity-building to support countries and other partners in developing innovative and impactful gender financing instruments in sovereign, public and private finance.

Annex 4 shows the distribution of the budget by key outcomes, where convening and partnerships and technical assistance/capacity-building are the areas with the highest budget allocation, US\$ 1,422,351 and US\$ 1,373,303, respectively.

The global Sustainable Finance Programme will end in June 2026. UN Women is planning to continue Phase II of the programme by building on existing progress and

lessons learned.²³ Phase II of the programme is currently under development by the Sustainable Finance team with the goal of extending country-level assistance and supporting regional, national and local partners in a sustainable manner. UN Women is seeking EUR 30 million of funding over five years (2026–2030) for Phase II of its Sustainable Finance Programme. Efforts are currently focused on consultations with the Government of the Grand Duchy of Luxembourg, relevant member states and other donors and stakeholders throughout 2024 and 2025 to refine UN Women's forward-looking programmatic efforts in this area and to secure the funding needed to sustain and scale the results achieved to date.

To better understand resourcing of this programme, the evaluation team analysed financial data available through the Quantum portal in July 2024. Analysis of the budget for UN Women's global Sustainable Finance Programme showed that the first tranche of funds was received in 2022 at US\$ 1,391,077 and had a US\$ 112,384 or 8.1 per cent financial delivery rate by the end of 2022 as the official start of the programme was July 2022. In 2023, a further allocation of US\$ 1,416,450 was made, with 49 per cent financial delivery rate by the end of the year. In 2023, two recruitments were completed under UN Women's global Sustainable Finance Programme (P4 and P2). This boosted the team's capacity to accelerate the pace of delivery, despite a P5 position still being vacant.²⁴ In 2024, another tranche of US\$ 1,410,951 was committed, and the programme requested a no-cost extension until 30 June 2026 (see Table 1).

TABLE 1: Budget allocation for UN Women's global Sustainable Finance Programme²⁵

Year	Budget amount received (US\$)	Expenses (US\$)	Financial delivery (%)
2022	1,391,077	112,703	8.1
2023	1,416,450	697,784	49
2024	1,410,951 (committed)	452,446	n/a

Source: Compiled by the evaluation team based on Project Delivery Report, Quantum, UN Women, July, 2024

²² UN Women Sustainable Finance Portfolio, (2023; PowerPoint Presentation). UN Women.

²³ UN Women's Sustainable Finance Programme Donor Report, Report Number 2 (2024). UN Women. The financial/budget execution figures presented in Table 1 do not capture the full extent of UN Women's total sustainable finance portfolio across the organization but refer only for UN Women's global Sustainable Finance Programme.

²⁴ At the time of publication, this position had been filled.

²⁵ This data is for the global Sustainable Finance Programme only and not inclusive of funding for other work at region and country levels within the sustainable finance portfolio.



Photo: © UN Women/İlkin Eskipehlivan

4. FINDINGS AND OPPORTUNITIES

4.1 UN Women's sustainable finance work

Evaluation question 1. What work has UN Women undertaken within sustainable finance, what was the organization's role and what has been achieved?

FINDING 1

UN Women has undertaken a range of sustainable finance work at country, regional and global levels. This work encompasses a variety of sectors and a diverse set of private and public partners. Although the work is nascent, tangible accomplishments exist, often at an output level.

UN Women has developed and undertaken a range of sustainable finance work at country, regional and head-quarters levels, which has involved varied roles and a diverse range of partnerships across the public and private sectors.

To guide the evaluation's understanding of the sustainable finance portfolio across global, regional and country levels, the evaluation team reconstructed a sustainable finance causal model (see Figure 4 below). The model conceptualizes UN Women's work in this area and maps activities as they relate to potential outcome areas (see Annex 3).

FIGURE 4. Reconstructed causal model – sustainable finance portfolio



The model outlines the sustainable finance portfolio's contribution to UN Women's Strategic Plan 2022 – 2025, specifically the financing for gender equality systemic outcome (long-term outcome). The sustainable finance portfolio contributes to this outcome area with the objective of increasing the volume and quality of capital that promotes gender equality and the empowerment of women (intermediate outcome).²⁶

There are two key streams of work under this outcome (short to medium-term outcomes):

1. Support market infrastructure and the enabling environment for gender-responsive financing.
2. Work with financial institutions and governments to design and deliver sustainable finance instruments and mechanisms.

The following summarizes UN Women's work under these outcome areas, including any results achieved.

Short-medium outcome area 1: Support market infrastructure and the enabling environment for gender-responsive financing

1.1 Strategic partnerships, networks and coordination bodies

UN Women has participated in and co-led several global, regional and country-level networks to advance sustainable finance with key public and private stakeholders.

As co-chair²⁷ of the Finance in Common Summit Coalition for gender equality and women's empowerment in development banks, together with a rotating development bank co-chair (such as the Agence Française de Développement etc.), UN Women has contributed to building an understanding of and generating commitments to advance gender equality and women's empowerment among public development banks. During UN Women's time as co-chair, 44 development banks have signed the *Paris Development Banks Statement on Gender Equality and Women's Empowerment* (2022). With four overarching goals, the declaration calls for "accelerating the realization of gender equality and the empowerment of all women and girls through the international financial system."²⁸

²⁶ This is reflected in the Integrated Results and Resources Framework indicator 0.2.4: Number of innovative financing instruments introduced that include gender equality objectives.

²⁷ The co-Chair of Finance in Common Summit gender coalition changes every year – Agence Française de Développement was the co-chair in 2021, AfDB in 2022, IDB in 2023 and AIIB in 2024.

²⁸ [Paris Development Banks Statement on Gender Equality and Women's Empowerment](#).

²⁹ Overview of the Sustainable Finance Portfolio. UN Women.

³⁰ [Principles for Responsible Banking – United Nations Environment – Finance Initiative](#)

³¹ UNEP FI and UN Women. 2024. *Advancing Gender Equality and Women's Empowerment: Target-Setting Guidance For Banks*. Geneva and New York.

³² [Luxembourg Gender Finance Task Force](#)

³³ [Infographic - The Gender Finance Task Force action plan](#)

UN Women is also engaged in coordination efforts within the UN system. In 2022, the United Nations Thematic Bond Community of Practice was launched, chaired by the United Nations Economic and Social Commission for Asia and the Pacific, UNDP and UN Women, with support from the Joint SDG Fund and Development Coordination Office. The Community of Practice shared best practices and provided a forum for collaboration on thematic bonds.²⁹

UN Women has partnered with the United Nations Environment Programme Finance Initiative to co-convene a group of banks that are signatories to the Women's Empowerment Principles and/or the Principles for Responsible Banking.³⁰ In collaboration with a working group of 20 banks, the two agencies have jointly published new guidance on gender equality for the banking industry.³¹

Under the leadership of the Executive Office of the Secretary-General, sustainable finance focal points from multiple UN agencies gathered during United Nations General Assembly 79 (September 2024) to discuss the direction of sustainable finance work across the UN system. Future gatherings are planned for 2025, with a possibility that a Sustainable Finance Focal Points Network may be established.

UN Women has also participated in national-level forums to advance gender-responsive sustainable finance initiatives. For example, UN Women was invited to join the Luxembourg Gender Finance Task Force, formed in 2023 by the Luxembourg Ministry of Finance to identify key opportunities within gender finance and to develop ideas for gender finance within Luxembourg.³² The action plan, announced in 2024, focuses on seven key areas: elevating women in leadership in finance; training and reskilling opportunities for women and girls; fostering gender-focused products and services; measuring gender balance within Luxembourg's financial sector; providing a working definition of gender finance to promote common dialogue; driving innovation and promoting gender lens investing; and encouraging awareness and dialogue.³³

In Egypt, alongside UNDP, UN Women was invited to join an inter-ministerial working group on sustainable finance. As described below, the working group contributed to the country's Sovereign Sustainable Financing Framework.

Other engagements with strategic networks, partnerships and bodies are captured below if the engagement led to a particular outcome.

1.2 Knowledge products

UN Women has contributed to the development of several sustainable finance knowledge products with the aim of enhancing the global knowledge base on gender equality and sustainable finance and contributing to the development of principles, standards and guidelines for sustainable finance, particularly in relation to gender bonds.

With the International Capital Market Association and the International Finance Corporation, UN Women produced *Bonds to Bridge the Gender Gap: A Practitioner's Guide to Using Sustainable Debt for Gender Equality* (2021).³⁴ The guide aims to influence the debt-market ecosystem by providing corporate and sovereign issuers with guidance on how to use bonds to credibly access financing for projects and strategies that advance gender equality objectives.³⁵ The guide was cited by several stakeholders as filling an important knowledge gap,³⁶ and has been referenced in other frameworks, such as Egypt's Sovereign Sustainable Financing Framework, and a Gender Equality Annex to Iceland's Sovereign Sustainable Financing Framework, a foundational document which supported the subsequent issuance of the world's first sovereign gender bond in June 2024.

In 2020, UN Women and Financial Sector Deepening Africa published *Viability of Gender Bonds in Africa Landscape Analysis* to assess the viability of gender bonds within Africa. Building on this landscape analysis and *Bonds to Bridge the Gender Gap*, UN Women, Financial Sector Development Africa, British International Investment and Parallele Finance published *Gender Bonds: A Toolkit for the Design and Issuance of Gender Bonds in Africa* (2024),³⁷ which was designed to provide guidance on gender bonds contextualized to the African context.

In partnership with the Luxembourg Stock Exchange, UN Women produced a *Case Study Series: Innovative Financing for Gender Equality via Bonds* (2023), which is intended to encourage innovation by highlighting innovative financing instruments from 11 countries.

These bond-related knowledge products have been cited as seminal studies and guides informing the gender bond market.

UN Women has also produced several documents on gender lens investing. As part of the EU-funded Win-Win Programme: Gender equality means good business, UN Women and Value for Women³⁸ developed *Catalysing Equality: How Venture Capital, Private Equity Fund Managers and Impact Investors are applying a gender lens in Latin America and the Caribbean*. The report describes gender lens investing practices by venture capital and private equity investment funds in Latin America, identifying promising practices.³⁹

Together with Phenix Capital, Politecnico di Milano/Tiresia and Università Bocconi, UN Women published *Empowering Women, Building Sustainable Assets: Strengthening the Depth of Gender Lens Investing Across Asset Classes* (2024).⁴⁰ The report describes gender lens investing and its potential to allocate capital with the intention of addressing gender equality; identifies the risks associated with gender lens investing; and highlights the increasing number of funds and institutional investors incorporating gender considerations into their strategies. This is further articulated through selected examples and case studies.

1.3 Taxonomies and sustainable finance frameworks

The Ministry of Finance in Mexico invited UN Women to serve as a member of the Thematic Technical Group focused on gender equality within the Mexican Sustainable Taxonomy, which developed the approach for the taxonomy's gender equality objective. In consultation with technical experts from government, financial institutions, academia and civil society, the taxonomy is designed to mobilize capital for sustainable activities, particularly around climate change, gender equality and access to basic services.⁴¹ UN Women's contribution focused on the Gender Equality Index, which utilizes questionnaires to measure an organization's degree of

³⁴ Funded by Japan. The guide builds on existing global frameworks: the Social Bond Principles, the Sustainability Bond Guidelines and the Sustainability-linked Bond Principles.

³⁵ [Bonds to Bridge the Gender Gap: A Practitioner's Guide to Using Sustainable Debt for Gender Equality - November \(2021\). ICMA, UN Women, IFC.](#)

³⁶ For example, see *The Growing Trend of Gender Bonds in 2022*. Dechert LLP (2022). [The Growing Trend of Gender Bonds in 2022](#)

³⁷ Funded by Luxembourg Aid & Development.

³⁸ Global advisory firm driving business innovation and leadership to advance gender inclusion in emerging markets.

³⁹ *Catalysing Equality: How Venture Capital, Private Equity Fund Managers and Impact Investors are applying a gender lens in Latin America and the Caribbean* (2021). UN Women and Value for Women.

⁴⁰ Funded by Luxembourg Aid & Development.

⁴¹ [Taxonom_a_Sostenible_de_M_xico_.pdf](#)

alignment with three gender equality pillars: decent work, well-being and social inclusion. The taxonomy has been developed and is currently moving towards implementation at national level.

In Egypt, the Ministry of Finance published its *Sovereign Sustainable Financing Framework* in 2022, which provides additional environmental and social projects to the previous financing framework.⁴² The framework outlines the use of sovereign debt instruments to fund pre-identified green or social projects (including gender equality). Alongside UNDP, UN Women supported the framework as part of an inter-ministerial working group on sustainable finance. UN Women particularly contributed to integrating gender considerations into development of the Egypt Sovereign Sustainable Financing Framework, which supports the issuance of gender bonds and/or social bonds with a gender equality component. This entailed engagement in inter-ministerial dialogues on thematic focus areas for gender bonds; identification of projects for the gender equality portfolio; and developing the monitoring process.

In Senegal, UN Women is supporting the Ministry of Finance and Ministry of the Environment in developing a green taxonomy that integrates gender equality considerations, which is a step towards the potential issuance of green bonds (with gender equality integrated) in the future. This work remains ongoing.

UN Women partnered with the Climate Bonds Initiative to contribute technical expertise to development of the Climate Bond Resilience Taxonomy (2024).⁴³ The taxonomy is designed to provide a more transparent and systematic way of defining and identifying climate resilience investments. As part of a 30-member advisory group, UN Women participated in bi-weekly meetings and was noted for bringing its unique gender perspective to the discussion. While some gender elements are integrated in the first publication of the taxonomy, the Climate Bonds Initiative plans to create a technical working group with support from UN Women to conduct a review of the taxonomy and update it from a gender perspective.

Short-medium outcome area 2: Work with financial institutions and governments to design and deliver sustainable finance products and services

1.4 Sustainable finance instruments and mechanisms

UN Women has supported government and financial institutions' efforts to develop and implement sustainable finance instruments and mechanisms.

Gender bonds and other debt instruments

As the original focus area of the sustainable finance portfolio, conceptualizing and piloting gender bonds began in 2020 with some notable achievements to date. A significant achievement was the creation of the world's first sovereign gender equality bond, issued by Iceland in June 2024. The EUR 50 million bond bears a 3.4 per cent fixed-rate coupon and has a three-year maturity.⁴⁴ According to key informants, UN Women's engagement at both the senior leadership and technical level were important contributors to the development of the gender bond market. UN Women experts worked alongside local counterparts to provide guidance on how gender equality could be integrated within the bond framework. Prior to the bond's issuance, UN Women provided technical support to the *Annex to Iceland's Sovereign Sustainable Financing Framework: Financing for Gender Equality*, which helped lay the foundation for the bond. The annex highlights Iceland's gender priorities, which include gender mainstreaming in the administrative system, labour market and equal pay; gender-based and sexual violence; gender equality in education and culture, sports and youth activities; men and equality; and contributing to gender equality and the empowerment of women and girls in developing countries.⁴⁵

In Kyrgyzstan, UN Women worked with the Bank of Asia, the Institute for Economic Policy Research of the Kyrgyz Republic, Astana International Financial Centre's Green Finance Centre, the Kyrgyz Stock Exchange and Senti to support the first financial institution gender bond in the country. The bond was issued by the Bank of Asia, a private commercial bank, in November 2022.

⁴² [Egypt Sovereign Sustainable Financing Framework_vF](#)

⁴³ [CBI_Res_Meth_24_03C.pdf](#)

⁴⁴ [Government of Iceland | First sovereign gender bond issued by Iceland.](#)

⁴⁵ [Iceland's Sovereign Gender Equality Financing Framework - Annex 28.04.2023 - 2.pdf](#)

Structured as a use-of-proceeds bond, proceeds were directed towards projects that support women entrepreneurs and increase access to finance for women-led businesses. Stakeholders recognized UN Women's strength in advancing gender bonds as an instrument for leveraging capital markets to align with gender objectives and as a bridge-builder bringing together private and public-sector actors. According to interviewed stakeholders, 36 per cent of the bonds were purchased raising approximately KGS 29 million (approximately US\$ 330,000) of KGS 82 million (approximately US\$ 940,000).⁴⁶ The interest rate of issued gender bonds was 11 per cent, while other financial products had interest rates of 14–18 per cent. Country-level stakeholders considered this issuance a success given there was no precedent of gender bonds or green bonds in Kyrgyzstan and, in general, a more limited understanding of gender equality within the financial sector. Based on this experience, in 2024, the Bank of Asia issued the second cohort of social bonds, which contained a gender component.

Innovative mechanisms for accessing credit

UN Women has used both financial and technical resources to support innovative financing mechanisms at national level which contribute to the ability of women entrepreneurs to access financing.

In the Bahamas, through a joint programme with FAO, UNDP and UNESCO, UN Women supported the Bahamas Development Bank with funding to provide concessionary interest financing for up to two years on loans to specific populations.⁴⁷ UN Women's financial contribution through programme funding supported a reduction in the interest rate on loans to micro, small and medium enterprises run by women, youth or people living with a disability. FAO had an incubator programme to support potential applicants develop the business documentation required to meet loan criteria. The programme is being rolled out with a goal of funding 25 entrepreneurs through the initial launch.

In several countries, UN Women has supported access to finance for women in agriculture and women-owned micro, small and medium enterprises through technical assistance. For example, in India, UN Women supported the State Bank of India with the launch of a collateral-free loan with simplified application processes. In Senegal, UN Women supported the Banque Nationale de Paris Paribas through its Senegalese operations, Banque Internationale pour le Commerce et l'Industrie du Sénégal,

in developing dedicated lines of credit for women rice producers with different financial products depending on their role within the supply chain. In Latin America, UN Women supported a multi-country economic empowerment programme for rural women which included a multi-donor guaranteed fund designed with the Central American Bank for Economic Integration. The fund allows rural women to access financing for their micro, small and medium enterprises.

Other innovative approaches

In India, UN Women supported an outcome-based funding model to scale a clean energy pilot project. The project provided women with solar dryers for agricultural products and assured market access through a guarantee, taking the form of a buy-back provision for dried products, which ensured income for the women. The pilot model showed increased income of the participants. After the pilot with 60 women, the UN Women Country Office would like to scale the model to 10,000 women in partnership with the State Bank of India and other investors. As the business model guarantees assured income to women, the State Bank of India is keen to bear the capital investment at a subsidized rate to women, thereby playing the role of risk investor. The bank will provide women with subsidized capital investment based on achievement of particular outcomes linked to price, weight of dried agriculture products, net income earned by the women entrepreneurs, asset ownership and training completion.

1.5 Awareness, advocacy and capacity strengthening

UN Women has undertaken work to raise awareness about sustainable finance; advocate for the prioritization of gender equality in financing decisions; and strengthen the capacity of financial institutions to integrate gender equality within organizational policies, instruments and mechanisms.

In several countries, UN Women used workshops or training as an entry point to raise awareness of sustainable finance, develop partnerships and build momentum for gender-based financial products. For example, in the Caribbean, UN Women developed and conducted workshops with interested financial institutions on gender lens investing. In China, UN Women has held several capacity-strengthening events, including two salons focused on sustainable finance and the integration of gender equality into environmental, social and governance⁴⁸ practices. In Kyrgyzstan, UN Women held a seminar on sustainable

⁴⁶ Conversion calculated based on the exchange rate in November 2022.

⁴⁷ Under the agreement, UN Women provided US\$ 100,000 to reduce interest rates for certain borrowers from 6 per cent to 0-2 per cent depending on the number of eligibility criteria the borrower met. Additional funding came from other UN partners and funds raised by the Bahamas Development Bank.

⁴⁸ Environmental, social and governance investing principles prioritize environmental and social issues and corporate governance.

stock exchanges after the launch of the gender bond. Other offices, such as the Indonesia Country Office, noted that awareness and commitment from government stakeholders developed faster than the private sector and further engagement with the private sector is needed to develop an understanding of sustainable finance products, such as gender bonds.

In other instances, UN Women engaged with key stakeholders in national forums to raise the profile of sustainable finance in a strategic manner. In Morocco, UN Women participated in a sustainable finance conference with the Ministry of Finance and co-hosted other public and private financial actors.

Through the global Sustainable Finance Programme, UN Women has continued its advocacy work by participating in conferences, round tables and other events, including a Conference of the Parties side event, UNDP Sustainable Finance Hub's Financial Centres for Sustainability Gender Working Group, World Bank

Gender and Development Advisory Council Meeting, an International Monetary Fund panel on empowering women in the global economy and the Building Bridges Summit on Gender Lens Investing.⁴⁹ There have also been some awareness-raising events to promote the use of key knowledge products, including work with Financial Sector Deepening Africa to promote the gender bonds toolkit developed for the African context.⁵⁰

In partnership with the World Federation of Exchanges, United Nations Global Compact, the Sustainable Stock Exchange Initiative and the International Finance Corporation, UN Women has continued to support the Ring the Bell for Gender Equality initiative. The initiative, which started 10 years ago, is designed to highlight the role that the private sector can play in advancing gender equality and women's empowerment and the attainment of the SDGs. It also raises awareness of the Women's Empowerment Principles, which 30 stock exchanges have signed.

FINDING 2

UN Women's sustainable finance work is not widely understood or clearly articulated across the Entity.

Interviews and survey data revealed that the breadth of UN Women's sustainable finance work was not widely understood across the organization. This evaluation provides the first overview of the breadth of initiatives being pursued and results achieved related to UN Women's sustainable finance work. Consequently, the portfolio's initial focus on advancing the development of gender bonds continues to be perceived as a dominant area of sustainable finance work within UN Women. Although there are efforts to expand beyond gender bonds, with a variety of work being undertaken (see Finding 1), many personnel are not aware of this conscious transition.

In part, this misconception is due to the technical nature of the portfolio; the strong interlinkages between sustainable finance and other terminologies and financing initiatives; and sustainable finance activities being integrated into other programme areas. The evaluation found limited in-house understanding of the sustainable finance sector, its various themes, approaches and related industries. At times, sustainable finance work was conflated with resource mobilization directly for UN Women. Across stakeholders, sustainable finance was interpreted differently: for example, inclusive finance was viewed as part of

the sustainable finance umbrella by some stakeholders but not others. For some, sustainable finance referred specifically to corporate environmental, social and governance practices; while others viewed it as predominately climate and environment-related; and some interpreted it more broadly to refer to financing for the SDGs and the 2030 Agenda. UN Women's work in this space was most frequently conflated with gender-based budgeting and procurement, which is not a direct part of the sustainable finance portfolio. Considering the nascency of the portfolio, which consists of a range of small-scale work, this is not unexpected.

UN Women is still defining its priorities to advance sustainable finance for gender equality, aligned to its comparative advantage. This includes identifying what specifically UN Women's work in this area involves (i.e. what UN Women's role is, what parts of the financial system and groups of market actors it could influence and for what purpose) and how this relates or potentially overlaps with other teams within the Entity (e.g. work with public-sector actors, climate finance and financial inclusion). The lack of a clear definition of sustainable finance has contributed to limited buy-in across the organization;

⁴⁹ UN Women Sustainable Finance Programme Donor Report (2023). UN Women.

⁵⁰ Gender Bonds: A Toolkit for the Design and Issuance of Gender Bonds in Africa (2024). UN Women, Financial Sector Development Africa, British International Investment and Parallele Finance.

integration with broader financing for gender equality work; identification of the most promising areas of work; and developing the most fit-for-purpose partnerships. Finally, personnel's lack of awareness of the portfolio's breadth is due to a lack of consistent and close communication internally on the portfolio's work and accomplishments. Greater awareness-raising, communication and information-sharing is needed, particularly

with senior management and personnel working in other areas of financing for gender equality, including those working on governance/gender-responsive budgeting. Communication could take several forms (e.g. webinars, regional-level workshops, briefs, strategic documents or other media items) and should showcase the global Sustainable Finance Programme alongside work at regional and country levels.

FINDING 3

Sustainable finance work at headquarters is strategically guided and is becoming increasingly deliberate in its interventions, while country-level work has developed in a more organic manner.

The evaluation found that the sustainable finance portfolio has developed and progressed at different rates across different levels of the organization. UN Women does not currently have a clear, shared strategy around sustainable finance which includes a vision, theory of change and synergized approaches to ensure work in headquarters, regions and countries is aligned and contributes coherently to UN Women's objectives.

At headquarters, work has progressed largely through strategic planning, which is most evident through the creation of the global Sustainable Finance Programme. Two documents in particular, the Prodoc for UN Women's global Sustainable Finance Programme⁵¹ and an overview document on UN Women's sustainable finance portfolio (in draft),⁵² highlight the planned direction of UN Women's work from a global perspective. These documents articulate the rationale for sustainable finance work under three broad areas: convening and partnerships, market infrastructure and standard setting, and technical assistance and capacity-building. They also identify illustrative potential instruments and mechanisms to influence, including bonds, blended finance, equity finance and inclusive finance (loans and digital financial services). However, guidance and translation of this strategy is not yet available or routinely shared with Regional and Country Offices, where work has developed in a more organic manner. The lack of a shared strategy has impacted the portfolio in the following key ways:

- how easily the work is understood internally (see Figure 5);
- the ease and willingness of uptake at country/regional level;

- UN Women's visibility in this space as a key actor; and
- reporting on UN Women's broader framework and indicators.

Work at the country level has developed more organically, depending on the opportunities available. In many countries, unique opportunities were seized as they were identified and were not necessarily connected to a broader sustainable finance strategy at the corporate level.

Some countries have taken a more systematic approach to sustainable finance by conducting localized landscaping analyses to guide country-level sustainable finance work. UN Women China, for example, collaborated with a non-profit think tank, the International Institute of Green Finance, to conduct its landscape analysis. The analysis identified key private, public, civil society and academic stakeholders and identified key opportunities and entry points for UN Women, including institutions for networking and capacity strengthening on sustainable finance. The analysis also mapped gender inclusion within private-sector environmental, social and governance frameworks and supported the development of a country-specific theory of change. In Senegal, UN Women is undertaking a similar ecosystem mapping exercise on the main governmental and private-sector finance mechanisms and actors, with a particular focus on supporting women-led small and medium enterprises in the green economy. Such organic development of the portfolio is expected in a nascent area of work. It has resulted in a collection of varied experiences and has allowed the organization to experiment with different sectors and stakeholders and seize opportunities as they arise.

⁵¹ Prodoc: UN Women's Sustainable Finance Programme (2022). UN Women.

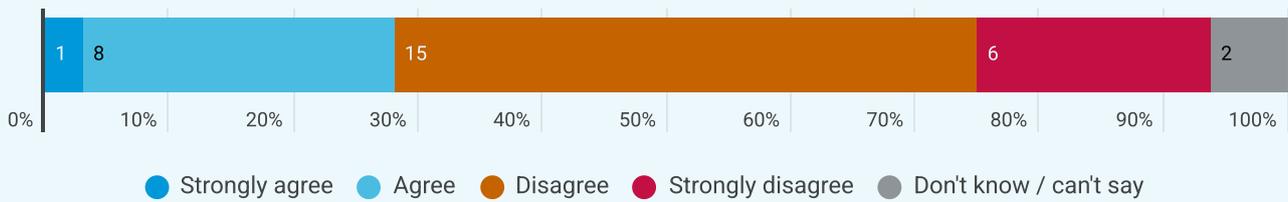
⁵² Explainer - Overview of Sustainable Finance Portfolio V2 Draft (2023). UN Women.

However, Country Offices might therefore be pursuing relationships or piloting financial mechanisms which are not aligned with a set, agreed-upon strategy.

This organic development is also dependent on personnel’s knowledge and ability to identify sustainable finance opportunities. Given uneven capacity in this area, opportunities may be missed.

Overall, the diverse portfolio provides a foundation for UN Women to more clearly refine its work in this area, improve strategic planning and communicate the breadth of its work.

FIGURE 5. Understanding of UN Women’s sustainable finance portfolio among personnel (Total responses: 33)



Note. Internal Survey Question 7 – To what extent do you agree with the following statement: UN Women’s sustainable finance portfolio is well understood by personnel across the organization. Source: Sustainable Finance online survey conducted by the evaluation team (August 2024)



Photo: ©UN Women Africa

4.2 UN Women's value add

Evaluation question 2. What is UN Women's comparative advantage and value add within sustainable finance?

FINDING 4

While UN Women is not known for its sustainable finance expertise, actors in the space see UN Women's gender expertise as invaluable within the sector to build awareness of gender considerations in finance, mobilize stakeholders, catalyse gender-focused instruments and bring gender focus to existing financial products (e.g. green finance).

Among the external stakeholders interviewed, UN Women is viewed as a leading entity with strong gender expertise in raising awareness and incorporating gender equality considerations into financial decisions, tools and instruments. UN Women's reputation on gender issues and incorporating gender considerations into financial initiatives is appreciated by partners, ensuring that gender equity remains at the forefront of global finance.

A key aspect of UN Women's success lies in its ability to unite public and private-sector actors at national and international levels, fostering innovative partnerships that advance gender equality through financial mechanisms. By leveraging a broad and diverse network, UN Women has positioned itself as a critical "bridge builder," connecting the financial sector with the goals of gender equality and women's empowerment. For instance, UN Women's engagement in the Finance in Common Network of Public Development Banks,⁵³ Women's Empowerment Principles⁵⁴ and its role in the "Ring the Bell for Gender Equality" events in collaboration with stock exchanges around the world exemplify how the organization brings different stakeholders together. Through initiatives such as the launch of gender bonds in Kyrgyzstan and Iceland, UN Women has demonstrated the viability and importance of gender-focused financial products.

The evaluation found that UN Women is viewed as lending legitimacy to gender-focused financial tools and instruments through the Entity's involvement. UN Women's initiatives are seen as pivotal in catalysing greater interest in gender-focused financial instruments and ensuring that gender considerations are included in dialogues on sustainable finance, especially at the national level. For example, UN Women's work with development banks in China, including the Asian Infrastructure Investment Bank and the New Development Bank, aimed to integrate gender strategies and actions within large-scale development projects in China and emphasized the importance of gender action plans in finance and development.

UN Women's gender expertise and strong partnerships with the public and private sectors position the Entity as a transformative leader in pursuing gender-focused finance initiatives and embracing more established green finance initiatives globally. For example, UN Women coordinates women's participation in the green economy agenda in West and Central Africa and convenes public-sector institutions, the private sector and women's organizations in collaboration with the African Development Bank; is in partnership with the Climate Bonds Initiative at the global level to pursue green finance-related priorities; and the Global Green Growth Institute to develop solutions to improve women's access to green finance.

⁵³ Finance in Common is the global network of all public development banks, which aims to align financial flows with the 2030 Agenda and Paris Agreement for Climate Change

⁵⁴ The Women's Empowerment Principles are a set of principles offering guidance to businesses on how to advance gender equality and women's empowerment in the workplace, marketplace and community. Established by UN Women and the UN Global Compact, the Women's Empowerment Principles are informed by international labour and human rights standards and grounded in the recognition that businesses have a stake in, and a responsibility for, gender equality and women's empowerment.

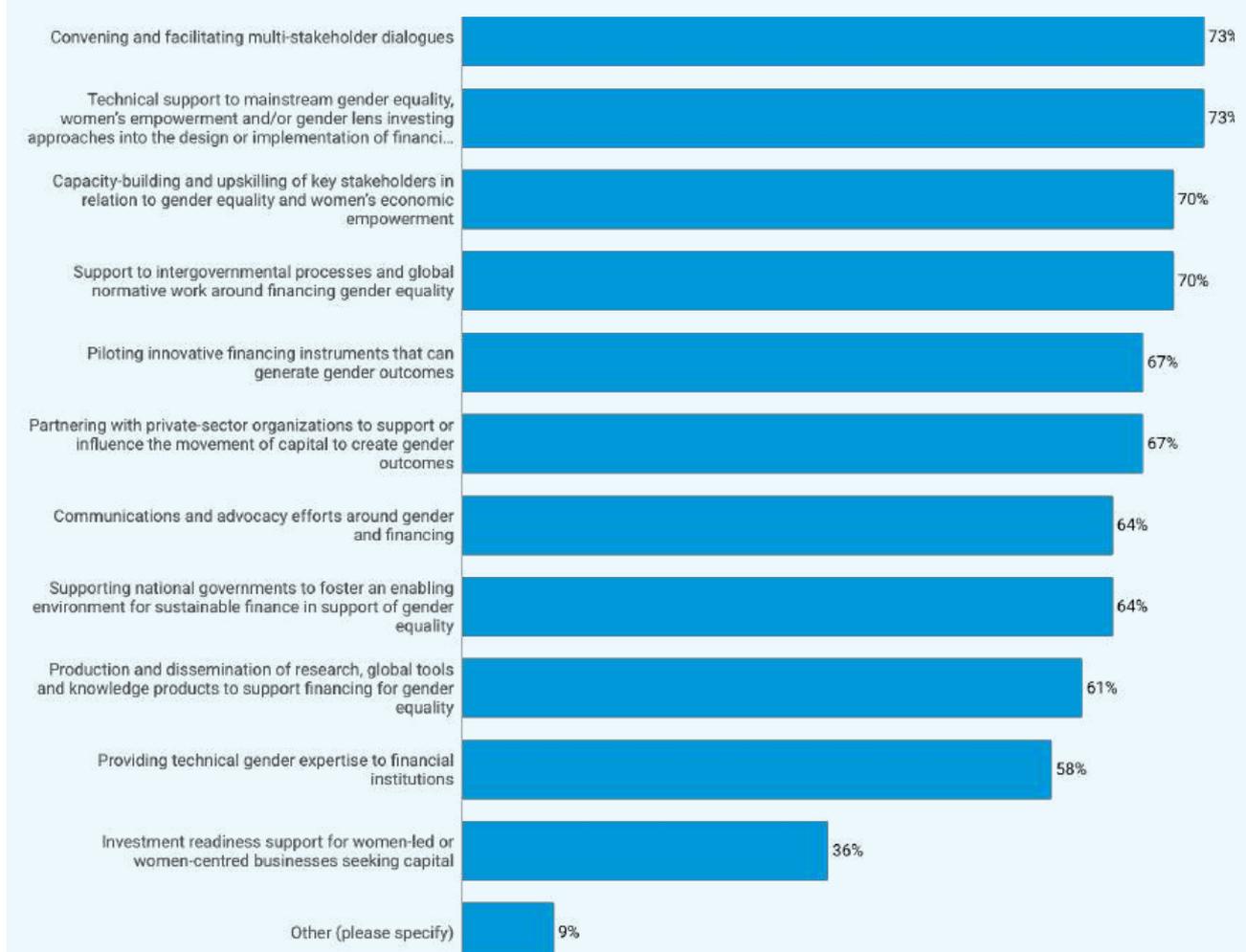
FINDING 5

UN Women has valuable expertise, reputation and relationships at national and regional levels in policy, advocacy and regulatory work which could be instrumental in creating an enabling environment to facilitate gender-responsive investments. However, there is a need to strengthen UN Women’s local technical capacity to deliver, especially at the country level.

UN Women has the capacity and foundation to capitalize on existing relationships with government partners on gender-responsive budgeting and procurement to foster work on removing barriers to gender financing, markets and access to finance. UN Women is also uniquely positioned to advise financial actors to design gender-focused market infrastructure and instruments. These collaborations create a strong foundation for UN Women to

address barriers to gender financing and diversify financial resources for gender equality. Convening multi-stakeholder dialogues and technical assistance incorporating gender-focused approaches to financial instruments were identified by 73 per cent of survey respondents as two activities that UN Women is most suited to support under its sustainable finance portfolio (see Figure 6).

FIGURE 6. Activities that UN Women is believed to be best suited to support under its sustainable finance portfolio (Total responses: 33)



Note. Internal Survey Question 13 – Please indicate which of the following activities you think UN Women is most suited to supporting under its sustainable finance portfolio. Source: Sustainable Finance online survey conducted by the evaluation team (August 2024)

Enabling environment

Advocacy and engagement with national governments are essential to advancing gender-focused finance. In addition to advocacy, UN Women partners directly with governments including Iceland, Egypt, Morocco and Indonesia, to promote gender bonds and other initiatives that support gender financing. In El Salvador, for example, UN Women has promoted revolving fund initiatives, guarantee funds and credit funds with business assistance in alliance with financial institutions and Central American integration system institutions. In partnership with Citi Bank in China, UN Women launched the Contribution Deposit for institutional clients to support gender equality initiatives in China.

By fostering government buy-in and political support, UN Women has advanced a supportive environment for these initiatives, enhancing their long-term sustainability and impact. In 2022, in Kyrgyzstan, UN Women received support from the government through collaboration with the Institute for Economic Policy Research of the Kyrgyz Republic and financial partners to promote the gender

bonds initiative. However, in Colombia, a change of national priorities due to the new administration affected UN Women's efforts in promoting gender bonds as there was a shift in national priorities.

Capacity development

UN Women's in-country presence and strong reputation create a unique role in promoting financing for gender equality. Interviewed external stakeholders suggested that UN Women does not need to "become a financial expert" but rather act as an intermediary between local stakeholders convening key experts and facilitating expertise through the Entity's in-country presence and brand reputation. However, to maintain and expand its sustainable finance initiatives, some UN Women Country Office personnel require a foundational level of understanding and access to technical capacity-building on sustainable finance to pursue this work further. Such technical capacity-building should be prioritized based on country priorities and needs.

FINDING 6

The internal division of UN Women's work with public and private sectors prevents a coherent approach to sustainable finance. The Sustainable Finance team focuses on private finance and financial sector development, and is housed in UN Women's Economic Empowerment section, while the team focused on gender-responsive budgeting and public financial management sits in the Entity's Governance and Participation section.

UN Women has an internal division of work where gender-responsive budgeting and public financial management is hosted by the Governance and Participation section, while sustainable finance and engagement with financial institutions (both public and private) are hosted in the Economic Empowerment section. While the two sections share common stakeholders, e.g. national ministries of finance, one team is focused on gender-responsive budgeting while the other

works on funding and financial sector development. The separation of work between the two teams creates additional complexity for UN Women to coherently integrate sustainable finance within the organization and leverage the network of gender-based budgeting for partnerships with the private sector and advance gender-focused financial products.

4.3 Current challenges

FINDING 7

Greater efforts are required to increase UN Women's credibility within the sector in terms of actual and/or perceived capacity gaps that may hinder UN Women's ability to deliver on sustainable finance.

Some stakeholders questioned UN Women's suitability and credibility to pursue sustainable finance initiatives, especially compared to other UN agencies. While some internal perceptions are that UN Women does not have the capacity or experience at the country level, external stakeholders interviewed saw UN Women's gender expertise and role as essential to advancing the gender mandate inside of financing dialogues. UN Women does have basic financial expertise, and external stakeholders acknowledged the relevance and quality of UN Women's technical inputs into instruments, knowledge products and technical discussions.

Nonetheless, capacity gaps should be addressed. Overall organizational capacity on sustainable finance is disparate, with a lack of base knowledge to enable country and regional colleagues to easily identify opportunities and synergies in their work, and/or lead initiatives with buy-in from senior leadership. In-depth financial expertise at the local level is often provided by consultants. While this model has successfully advanced some activities (such as technical support to Mexico's taxonomy), it has raised some concerns in terms of sustainability for partners, particularly the impact of consultant turnover on institutional knowledge.

External and internal stakeholders do not expect UN Women to become financial experts, rather that the Entity facilitates relationships, knowledge and expertise to drive the gender agenda.

UN Women could consider increasing Regional and Country Office capacity on sustainable finance to improve the ability of colleagues to scale up sustainable finance work at the local level. Importantly, this should include increasing the accessibility and socialization of available technical expertise from existing UN Women experts in sustainable finance.

Providing opportunities for basic capacity-building, learning and networking around sustainable finance would help develop a common understanding of its importance to UN Women's mission. This could include re-engaging the internal Sustainable Finance Network with regular meetings and events.

Opportunities to improve capacity and credibility could include:

- Enhancing knowledge of UN Women's sustainable finance work across the organization.
- Developing the right partnerships with key stakeholders that lead to complementary expertise.
- Creating clear processes, structures and a talent pool that provides UN Women with access to financial expertise when needed.
- Strategically positioning consultants for priority interventions and contexts to support Country and Regional Offices to deliver.

FINDING 8

There is internal scepticism regarding the relevance and continued prioritization of gender bonds as the central focus of UN Women's sustainable finance portfolio with concerns raised about the difficulties, expertise and effectiveness of gender bonds alone.

To date, the development of gender bonds has been a large focus of UN Women's sustainable finance work. UN Women has been influential in driving interest, improving awareness and creating tools to facilitate gender bonds. However, the evaluation found a level of scepticism, from both internal and external stakeholders, on the viability of gender bonds as the best or only focus of UN Women's sustainable finance work.

Several challenges were identified which need to be addressed to expand this work in the future, with distinct approaches to pursuing corporate and sovereign bonds.

First, gender bonds require significant technical, financial and human resources to make it to market. In particular, sovereign gender bonds require highly technical input and are most effective when there is a high level of engagement from UN Women and political will from government counterparts. This was a critical factor in the success of the Icelandic gender bond where high-level political engagement and strong political appetite drove action. In other countries, such as Brazil, Morocco, Egypt and Colombia, UN Women's work on gender bonds did not fully develop. Several factors may have contributed to the lack of progress, including:

- a lack of local political buy-in for bonds or a change in government that deprioritized further action;
- limited gender financing mandate and/or expertise at government level; and
- a lack of local expertise in UN Women Country Offices to leverage and drive initial conversations.

Second, the evaluation found that the demand for both corporate and sovereign gender bonds varies across countries and is best suited to particular market contexts where they may not be most impactful. Stakeholders indicated that gender bonds are most likely

to be initiated (and successful) in markets where there is already political appetite for gender financing and therefore may not be the most suitable use of UN Women's resources. The evaluation found that there is a misperception and concerns around pursuing debt financing in emerging markets. Some academic scholarship reinforces concerns about the gendered impact of the debt burden on low and middle-income countries – whose current external debt mainly comes from bonds.⁵⁵ This is a challenge for UN Women's work on this instrument. UN Women does not encourage unsustainable sovereign debt. Rather, engagement and any issuance of gender bonds should take place within the pre-established and pre-approved debt ceiling of the country which has already been approved in a previous budget cycle by a government's treasury and/or parliament; where there is existing commitment; and when the local government is in a position to borrow in the capital market.

Finally, market demand for gender bonds remains limited, with considerably more interest at regional and country level in climate and green bonds. Climate and green demands continue to grow globally. In 2023, the issuance of green, sustainability, sustainability-linked and social bonds in emerging markets surged by 81 per cent.^{56 57}

The lack of systematic tracking of gender bond issuance, such as those for green bonds, and misconceptions about gender bonds affects the ability to sufficiently measure demand. Greater analysis and tracking of the gender bond market is needed, which may be an area of potential partnership for UN Women in the future.

With greater local appetite among governments, and interest from the private sector in gender and green bonds, mainstreaming gender considerations into climate and broader social and sustainable bonds could be a more complementary strategy depending on the context.⁵⁸

TABLE 2: Sovereign gender bonds in two contexts

⁵⁵ Papers presented at the sixty-eighth session of the Commission on the Status of Women (CSW68): 'Accelerating the achievement of gender equality and the empowerment of all women and girls by addressing poverty and strengthening institutions and financing with a gender perspective' – Expert Group Meeting: A gender lens for the international monetary and financial system. Truly feminist reforms needed. by Christina Laskaridis

⁵⁶ International Finance Corporation – Amundi (2024) Emerging Market Green Bonds

⁵⁷ Although the term gender bonds is used strategically for visibility and to build momentum in the market, they are a type of social, sustainability or sustainability-linked bond and may or may not be included in these numbers.

⁵⁸ ADB Briefs: Gender Bonds: From Incidental to Center Stage, No.243, Feb, 2024 Gender Bonds: From Incidental to Center Stage (2023). <https://adb.org/sites/default/files/publication/861396/adb-brief-243-gender-bonds-incidental-center-stage.pdf>

Iceland	Egypt
<p>Technical capacity: Strong technical capacity and leadership from the Ministry of Finance, including the development of a technical working group to drive the project forward.</p> <p>Political will: Gender equality was high on the political agenda, with previous gender work including gender-responsive budgeting going back to 2011. Key government stakeholders were receptive to the idea of a gender bond when UN Women introduced the concept to the government. Political-level discussions maintained political will and moved the process forward.</p> <p>Main concerns: Iceland was well placed politically and technically to develop and issue a gender bond; however, the need for gender financing is not perceived to be as strong. Many countries with a greater need for financing for gender equality are not economically (due to high debt loads), politically or technically prepared to develop a gender bond.</p>	<p>Technical capacity: Alongside UNDP, UN Women is assisting the Ministry of Finance in developing a bond framework which would support issuance of a gender bond. Challenges related to the change of focal points in the Ministry (retirement) and the need for additional gender sensitization and awareness-raising. A sustainable financing working group inside the Ministry and an inter-ministerial group with UN Women and UNDP's presence was created.</p> <p>Political will: After Egypt became the first country in the region to issue sovereign green bonds, UN Women assessed interest in issuing further thematic bonds, especially to support the national gender equality agenda.</p> <p>Main concerns: As the interest of the Ministry of Finance and the debt sustainability profile evolved away from debt financing broadly due to national economic trends, rather than pursuing a new gender bond, UN Women sought to ensure that projects selected for inclusion in subsequent potential sovereign bonds would include gender equality indicators and supported the mapping of such alignment with SDG gender equality targets and indicators.</p>

FINDING 9

Working with the private sector is essential to the sustainable finance agenda; however, challenges include the lack of clearly defined private stakeholders and engagement methods; low risk appetite across UN Women; actual risks in working with private-sector actors; and pushback from civil society.

A critical lever in sustainable finance is working closely with the private sector to either catalyse new capital or influence the movement of existing capital. However, working with the private sector has been contentious and risky for UN Women, with the tendency for UN Women to remain risk averse in this area of work.

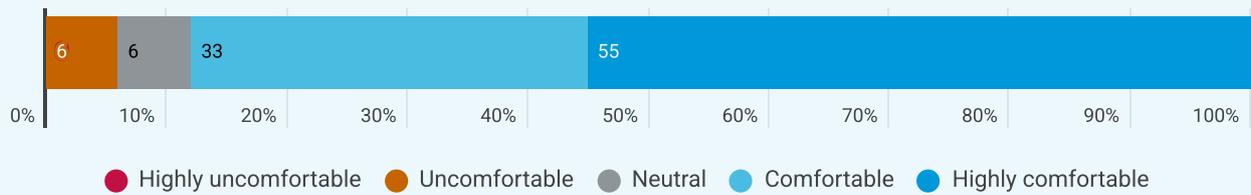
The evaluation found multiple examples of private-sector engagement on sustainable finance, including close working relationships with banks and financial institutes at the local level. For example, in Senegal, a partnership was formed with a commercial bank, Banque Internationale pour le Commerce et l'Industrie du Sénégal, to lower the risk of lending for women entrepreneurs from the Women's Rice Producers Network of the North. This led to the approval of a credit line of EUR 500,000, which was combined with financial literacy and information on agricultural insurance and business development for network members. The loan allowed the Women's Rice

Producers Network of the North to improve its bargaining power and purchase conditions by buying in bulk and strengthening its transformation unit.

In Kyrgyzstan, the Country Office is working with the Bank of Asia (a private bank) on issuance of a second social bond. In El Salvador, UN Women has promoted revolving fund initiatives, guarantee funds and credit funds with business assistance in alliance with financial institutions and Central American integration system institutions. In China, UN Women, in partnership with Citi Bank, launched Contribution Deposit for institutional clients to support gender equality initiatives in China. Broadly speaking, survey respondents⁵⁹ believed UN Women should partner with or influence the private sector (see Figure 7), with the majority indicating that UN Women has a role to play in supporting feminist agendas within the private sector (see Figure 8).

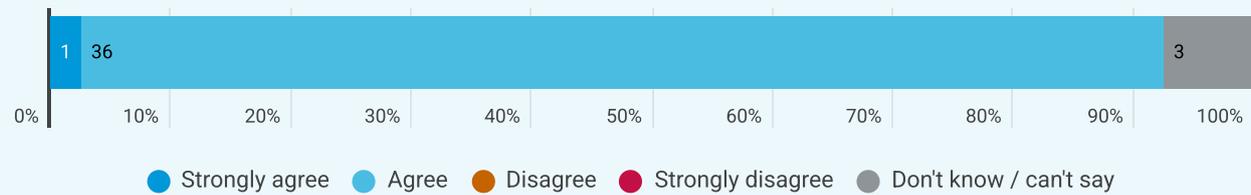
⁵⁹ Note: possibility of selection bias as respondents belong to the Sustainable Finance Network.

FIGURE 7. Level of comfort with UN Women engaging with the private sector through its sustainable finance work (Total responses: 33)



Note: Internal Survey Question 14 - How comfortable are you with UN Women partnering with, or seeking to influence the private sector to finance gender equality? Source: Sustainable Finance online survey conducted by the evaluation team (August 2024)

FIGURE 8. Belief that the private sector can play a role in supporting feminist agendas (Total responses: 33)



Note: Internal Survey Question 16 - Do you think the private sector can play a role in supporting feminist agendas? Source: Sustainable Finance online survey conducted by the evaluation team (August 2024)

While those working in, and close to sustainable finance initiatives see the advantage and importance of working closely with the private sector to advance gender equality outcomes, there is a general sentiment of caution across the UN Women personnel interviewed in relation to the private sector and ongoing questions of if, and how, UN Women should expand these relationships.

Controversy stemming from UN Women’s previously proposed partnership with BlackRock is one driver of this hesitancy, which if not addressed and clarified could stifle UN Women’s ability to drive this work further with well-vetted private-sector partners.

UN Women’s stakeholders understand the importance of working with the private sector to accelerate financing for gender equality; however, there is a need to more appropriately define and communicate UN Women’s relationship with the private sector and private-sector engagement, and better leverage UN Women’s Private Sector Engagement Strategy – a mechanism to ensure rigorous due diligence is conducted. This includes ensuring the strategy is fit-for-purpose in how it is

applied with appropriate checks and balances, while also continuing to enable meaningful engagement with key players. Additional enhancements are required to the strategy to enable it to be fully utilized by the Sustainable Finance team.

Despite the recently revised Private Sector Engagement Policy, UN Women’s general risk appetite remains low in relation to engagement with financial-sector actors, which will continue to limit the scope and potential impact of the portfolio.

The sustainable finance portfolio could better refine a clear set of relationships with private-sector actors (particularly financial stakeholders) based on the strategic goals of the portfolio; repurposing of existing relationships in the ecosystem; and identification of new partners, which could be catalytic and complementary to UN Women’s gender expertise.

Future opportunities to improve relationships with the private sector are outlined in the Opportunities for the Future section below.

FINDING 10**Engaging with civil society and feminist organizations has been limited and comes with challenges which must be thoughtfully navigated to ensure UN Women's work on sustainable finance is inclusive, effective and successful.**

To date, civil society and feminist organizations have not been intentionally brought into UN Women's sustainable finance work, which is not surprising considering the early nature of this work.

The evaluation noted a perception that feminist civil society tended to be highly critical of the private sector and, as demonstrated by the backlash against the proposed BlackRock partnership, resistant to UN Women pursuing work or relationships they see as threatening to UN Women's agenda.

Civil society and feminist organizations can play a key role in sustainable finance initiatives, and this role should be developed in the future by identifying key organizations that understand and can support the sustainable finance portfolio.

Partners should be brought in strategically to support specific objectives. Civil society partners should have complementary expertise and values-alignment for the type of engagement and objective as opposed to adopting a generic strategy of engaging a broad base of civil society organizations.

Additional efforts could be made to build capacity and prepare civil society organizations to engage in this area of work, similar to the training and capacity-building provided to civil society to engage in gender-based budgeting with local governments.

FINDING 11**The lack of funding available to support UN Women's sustainable finance work is a key barrier to enabling and mainstreaming approaches.**

To date, funding for sustainable finance activities has been fragmented, which has affected the depth, breadth and time it takes for UN Women to support and implement activities.

Financing from the Luxembourg Government for the global Sustainable Finance Programme (2022–June 2026),⁶⁰ has allowed UN Women headquarters to advance a more programmatic approach and has provided opportunities to pilot ideas which demonstrate that outputs are contributing to a common agenda. However, at country and regional levels, personnel have used core resources or integrated interventions into existing programmes. This may have affected interest and the capacity to pursue relevant opportunities, given resource constraints.

UN Women has developed partnerships in this space and identified impactful opportunities but had to either fund-raise to support the work (which at times led to delays) or depend on in-kind contributions from partners. The ability of UN Women to form the right partnerships and deliver outcomes has been affected by a lack of funding that ensures ownership, prioritization and greater direction.

More institutional donors are needed to support this work; however, to draw them in, UN Women needs to develop a coherent sustainability strategy and vision for what it wants to achieve.

Core funding is essential to sustain a portfolio that is intentional, strategic and impactful – shifting from activities and outputs to outcome-level change. This includes being able to allocate funding to partners to deliver on UN Women's priorities and support interventions at country and regional levels as they arise.

⁶⁰ The global Sustainable Finance Programme was extended until 30 June 2026.

4.4 Opportunities for the future

Evaluation question 3: What financial instruments and mechanisms can UN Women leverage and influence for financing for gender equality?

The following opportunities are potential areas of work to inform internal discussions on future priorities based on internal appetite and expertise, potential funder interest and demand at country and regional levels. This section is intended to serve as a menu of options, not suggestions that need to be developed in their entirety. At the same time, it is not an exhaustive list of all the opportunities that UN Women could pursue in the future.

Some opportunity areas are more naturally aligned with UN Women's current work and capacity, which could be pursued in the short term. Others may require a medium to long-term approach to allow for greater investment of resources or time to build the right partnerships to deliver effectively. It is important that UN Women balance what it can achieve now, with where it can be most influential considering the changing global landscape for sustainable financing, potential market demand and the need for gender-focused financing. This may require pushing current thinking to ensure that UN Women has a unique value proposition, is responding to a changing landscape and moving beyond familiar frameworks.

Opportunities should be understood as likely to be delivered in partnership with other UN agencies and multilateral organizations, relevant industry experts, local stakeholders and/or government counterparts. UN Women would not be an implementer but rather a *facilitator* of these areas through its partnerships, convenings and/or technical expertise.

It should be emphasized that UN Women does not influence stakeholders or market players' decisions on which instrument would or should be chosen but seeks to provide technical assistance and advisory support to align instruments and mechanisms with development objectives. Therefore, the following section should be read as opportunities to collaborate with diverse stakeholders to innovate around alternative mechanisms and catalyse new sources for financing gender equality and women's empowerment that are suited to the local context, driven by market demand and centred on the needs of women and girls.



Photo: ©UN Women/Ploy Phutpheng

OPPORTUNITY AREA 1: GENDER LENS INVESTING AND GENDER FINANCING⁶¹

UN Women's sustainable finance work could more actively and intentionally focus on engaging with gender lens impact investing, working with impact investment stakeholders to influence the movement of capital for gender equality outcomes.

RATIONALE

Globally, there has been considerable growth in gender lens impact investing funds and products across both public and private markets. The private gender lens investing market is estimated to be worth a minimum of US\$ 7.9 billion growing from US\$ 6 billion in 2021.⁶² Both assets and the total number of funds operating with a gender lens investing approach are increasing globally, with 273 funds estimated to be operating as of 2024, an increase of 67 funds since 2021.⁶³ Gender lens impact investing products are also available within public markets and comprise gender lens equity funds and gender lens fixed-income funds and vehicles. As of 2023, 44 gender lens equity funds are available to individual investors giving a total of US\$ 4.27 billion in assets under management.⁶⁴

While the gender lens impact investing market is growing exponentially, UN Women still needs to define its role in this growing field of activity and what parts and actors within the market it could influence and for what purpose. Those operating in the gender lens impact investing market do not automatically see themselves as part of the sustainable finance field, especially gender lens impact investors in private markets.

Governments, multilaterals and development finance institutions are the major drivers of growth in gender lens investing.⁶⁵ The largest source of gender lens investing capital in private markets originates from development finance institutions who act as limited partners in funds and influence the demand for capital. This includes the deployment of new capital from governments

towards commercial investments that can create gender outcomes, but unfortunately may also include the redirection of capital from traditional development programmes. Therefore, influencing and/or engaging with this field is essential for UN Women to continue to achieve its mandate for financing gender equality.

Additionally, there is likely to be existing buy-in and values alignment with gender being a primary and/or secondary objective of investors within gender lens investing. In its next phase, the global Sustainable Finance Programme could support ecosystem strengthening efforts in gender lens investing that would facilitate more supply and demand for gender finance from private investors already active in these spaces.

POTENTIAL INTERVENTIONS FOR UN WOMEN

Improving the capacity of financial actors to monitor and measure gender equality outcomes achieved with gender impact financial instruments

Through collaboration with stakeholders, UN Women can support the development of gender-sensitive indicators and tools that ensure financial products align with equity goals, or enhance efforts to build taxonomies and/or frameworks around particular financing instruments. This would not only strengthen accountability but also demonstrate the transformative potential of integrating gender considerations into financial systems, fostering inclusive and sustainable growth.

This work could include:

- Translation and socialization of investors' gender financing-related guidance, tools and resources for local contexts to support national stakeholders to monitor and measure gender equality outcomes.
- Socializing and strengthening existing industry standards (particularly 2X criteria and Global Impact Investing Network and IRIS+ metrics).⁶⁶
- Supporting the development of robust evaluation methods for gender-related financial products or investment vehicles.

⁶¹ The definition of gender lens investing refers to the integration of gender analysis into a new or existing investment process for better social and financial outcomes. "Gender finance" is the field of finance viewed from the perspective of gender lens and gender-smart investing. Reference to these markets refers to investments made in public and private markets across different asset classes <https://www.2xglobal.org/new-to-gender-lens-investing/what-is-gli>

⁶² Tracking gender lens investing activity in private markets (2024). 2X Global, Sagana project Catalyst: <https://www.2xglobal.org/knowledge-hub-blog/projectcatalyst>

⁶³ *Ibid*

⁶⁴ Gender lens Investing Q4 2024: Q4 and Year in Review Executive Summary (2023). Parallele Finance. <https://parallelefinance.com/gender-lens-investing-review/>

⁶⁵ Tracking gender lens investing activity in private markets (2024). 2X Global, Sagana project Catalyst: <https://www.2xglobal.org/knowledge-hub-blog/projectcatalyst>

⁶⁶ These are the two most commonly adopted impact investing standards for gender lens investing which have been developed in consultation with gender experts. While not perfect, they form the basis of Limited Partners, fund and investee reporting globally.

Provision of gender technical expertise to ensure greater accountability on the quality and depth of gender outcomes being generated by new funds, instruments and/or mechanisms

Technical assistance is a key driver in achieving development outcomes. A study by Convergence shows that 63 per cent of blended finance transactions with technical assistance have created benefits for low-income populations.⁶⁷ In order for investors and/or their investees to mainstream gender into their strategies or operations, the provision of tailored and strategic gender-focused technical assistance is essential. Half of the gender lens investing funds captured in the 2024 Project Catalyst report indicated that post-investment support and technical assistance are used to help their portfolio achieve gender-specific outcomes.⁶⁸ This could be an area where UN Women could inform the design or delivery of technical assistance, especially when funding is derived from public sources such as development finance institutions, international financial institutions, or multilateral development banks.

Expanding the accessibility of knowledge products and research on gender lens investing and gender financing at the local level

As a facilitator, UN Women can play a role in working to better disseminate, socialize and localize research, lessons learned and tools at the local level. This could be through

digital knowledge hubs, online events and/or awareness-raising at key financing convenings. This should include both a focus on UN Women's own products and how they are adopted by the broader financing industry, as well as ensuring that work at the country level is being informed by the global knowledge base. UN Women could also consider supporting external stakeholders in the development of a multi-stakeholder, public knowledge platform to bridge different industry players and memberships that may currently be situated behind membership-related paywalls for private investors or financial actors only.

Co-lead country and regional-level convenings around gender lens investing

UN Women should continue to strengthen its convening efforts with a focus on co-leading, country and regional-level public-private convenings on gender lens investing and gender financing to foster collaboration and strategic action. At the local level, UN Women could facilitate better coordination among industry stakeholders, including investors, financial institutions and policymakers, ensuring alignment and tailored interventions that build and strengthen gender-sensitive markets. By leveraging its expertise and convening power, UN Women is well suited to supporting context-specific, market-building initiatives that address systemic barriers and unlock opportunities for gender-equitable investments.

KEY CONSIDERATIONS/ POSSIBLE NEXT STEPS



Identify targeted markets and investors UN Women could influence within the gender lens investing ecosystem considering its existing relationships and the Private Sector Engagement Strategy.



Define whether the focus of this work centres on contributing to global discourse and engaging in broad market building, national/regional localization gender lens investing objectives, or working with particular financial actors and government counterparts in-country to implement priority projects.



Carefully consider how different global, regional and national stakeholders engage with gender lens investing or the sustainable finance sector with different strategies and priorities at headquarters versus regional or country level to right-size approaches.



Localize gender lens investing efforts within UN Women contexts, which is critical to ensure prioritization where there is appetite and demand from the local financial ecosystem (e.g. China), local governments and/or donor prioritization in a particular region (e.g. [Australia in the Asia-Pacific region see Australian Development Investments](#)).

⁶⁷ Blending with Technical Assistance (2023). Convergence Technical Assistance Blended Finance - Convergence Resources | Convergence

⁶⁸ Tracking gender lens investing activity in private markets (2024). 2X Global, Sagana project Catalyst: <https://www.2xglobal.org/knowledge-hub-blog/projectcatalyst>

OPPORTUNITY AREA 2: GENDER-SMART CLIMATE FINANCE⁶⁹

UN Women could build upon its existing work in climate finance and the green and blue economy to influence financing in climate-focused and nature-based areas; integrate gender considerations into green bonds; and influence the sustainable and green finance taxonomies, standards and knowledge products which are being used to inform public and private nature, environment and climate-focused investors to mainstream and/or integrate gender.⁷⁰

RATIONALE

Within a short period, the volume of capital in climate finance has far exceeded that in gender lens investing, with climate objective-aligned finance flows estimated at US\$ 1.3 trillion in 2022/2023 almost doubling from the previous period.⁷¹ The majority of this funding stems from public sources, including national development financial institutions, governments and multilaterals at US\$ 638 billion.⁷² With considerable investment being driven by governments and public actors there is strategic interest for UN Women to prioritize this work and ensure that this finance also contributes to gender-related outcomes and is allocated in a gender-responsive manner.

Many countries have set ambitious climate targets with dedicated funding mechanisms that can be influenced to generate gender outcomes or be additional sources of financing for gender-focused organizations. Some international funding mechanisms, such as the Green Climate Fund⁷³ and

Global Environment Facility,⁷⁴ have adopted gender policies and action plans to ensure that women and marginalized groups are included in climate-related decision-making and benefit from funded projects. While progress has been made, more consistent implementation and the scaling up of gender-responsive financing mechanisms is needed.⁷⁵

Gender and climate are intrinsically linked, therefore bridging these financing agendas is a social and economic imperative for those committed to social change. Evidence suggests that climate change is a threat multiplier for gender issues, exacerbating women and girls' existing vulnerabilities.⁷⁶ Therefore, climate action and more importantly finance is a critical lever for change in terms of gender equality. Inclusive adaptation is essential to an equity agenda; however, women's meaningful participation in local-level climate action is also a benefit multiplier that improves the effectiveness of

climate finance when it is gender-smart.⁷⁷ Drawing together gender and climate objectives is an "impact amplifier" rather than a trade-off, which can mitigate financial risks, deliver stronger business value and generate social outcomes.⁷⁸

There is growing demand from UN Women stakeholders for UN Women to expand its role in pursuing gender-smart climate finance initiatives (as well as broader green finance initiatives). UN Women has an existing portfolio of work in pursuing gender-smart climate finance which the Sustainable Finance team should build upon. The sustainable finance agenda could focus on influencing private capital market players in the climate finance space as complementary to ongoing work, as well as ensuring adequate grant-based or concessional capital is available alongside new private and/or blended funds so that the needs of the most vulnerable are also being addressed in these structures.⁷⁹

⁶⁹ This opportunity area encompasses both climate and green finance. While the evaluation team acknowledges that climate finance is a subset of green finance, research and spending estimates specifically use "climate finance" to refer to a distinct sub-sector or group of actors. "Green finance" is used as a forward-looking term, aligning with UN Women's broader strategic framework and future opportunities for engagement.

⁷⁰ This recommendation is in line with the [Corporate evaluation of UN Women's contribution to women's economic empowerment by advancing gender-responsive laws, frameworks, policies and partnerships](#), which states that UN Women also needs to strengthen its capacity on climate change if it plans to expand work in this area (including in gender-sensitive approaches to the transition to green and blue economies and climate-resilient agriculture).

⁷¹ [Global Landscape for Climate Finance \(2023\)](#). Landscape of Climate Finance in 2012/2022 (2023). CPI.

⁷² *Ibid.*

⁷³ The Green Climate Fund, in partnership with UN Women, developed a [manual](#) for mainstreaming gender into Green Climate Fund projects. It also guides partners on how to include socially excluded and vulnerable communities in all aspects of climate finance.

⁷⁴ The Global Environment Facility launched [The GEF Gender Partnership](#), a dedicated platform for knowledge exchange and learning about gender mainstreaming and integration into environmental projects. It offers a variety of publicly available research reports and practical guides.

⁷⁵ UN Women's Corporate Formative Evaluation of UN Women's Work in the area of Climate Change discusses some of UN Women's previous work with the Green Climate Fund and Global Environment Facility. The evaluation highlighted the need to "strengthen the gender responsiveness of climate funding mechanisms; increase the level of financing for gender equality and climate change; improve access to climate finance by women's organizations" (pg 28).

⁷⁶ [Explainer: How gender inequality and climate change are interconnected \(2022\)](#). UN Women.

⁷⁷ [Inclusive Adaptation: A Benefit Multiplier for Climate Action and Women, Peace and Security \(2022\)](#). GIWPS.

⁷⁸ [Gender and Climate Investment: A Strategy for Unlocking a Sustainable Future \(2022\)](#). Gender Smart.

⁷⁹ Achampong, L. (2023). Gender-responsive climate finance: The key to just climate action and tackling inequalities. CSW Expert Group Meeting Paper. UN Women. Available at: <https://www.unwomen.org/sites/default/files/2023-11/achampong.pdf>

POTENTIAL INTERVENTIONS AND APPROACHES

There is a clear impact case for gender and climate; however, greater investments are needed to bridge the gender equality and climate change nexus which could be a strategic area of investment for UN Women's sustainable finance work to ensure more gender-responsive climate finance and could potentially lead to additional capital to directly fund gender-focused projects. Interventions and actions could include:

- **Continuing to develop targeted research and evidence-building to understand the gender–climate nexus, particularly by region and thematic area, with a focus on innovative and blended finance.** Investments in knowledge products is a critical need to facilitate gender-smart climate finance. This could be utilized: a) to guide evidence-based policymaking and advocacy with national governments; b) by civil society organizations trying to influence national and regional climate agendas; c) to inform resource allocation and commitments in new climate financing mechanisms; and d) to develop case studies/business of climate and gender investment outcomes that can help influence investors.
- **Market mapping and showcasing of existing or future investment opportunities, particularly by thematic areas and region.** To facilitate investment in the gender-smart climate space, UN Women could map the landscape to identify current and future opportunities that require financing, showcasing investment opportunities and the potential social returns on investment. This includes categorizing projects and sectors where investments can make the most impact from a gender lens as well as identifying gaps in the overall ecosystem where new solutions are needed.
- **Developing practical tools to support governments and financial actors to invest across the gender–climate nexus.** This could include guidance on standardizing gender considerations in the development of climate-focused or nature-based financing mechanisms, approaches to assessing gender and climate outcomes, and tools to inform and improve monitoring and evaluations. These tools could include checklists, scorecards, guidelines and frameworks that help investors evaluate the gender and climate impacts of potential projects. For example, a practical toolkit might include a due diligence checklist to assess gender equity in clean energy projects, or a guide for integrating gender-sensitive indicators in the monitoring and evaluation of climate investments. These tools will provide a clear pathway for investors who want to align their portfolios with both gender equality and climate and environment goals.
- **Localizing convenings and networking across gender lens investing and green finance.** UN Women could support and work with local stakeholders on convenings and networking events that bring together stakeholders from the gender lens investing and green finance communities. This should focus on assessing and prioritizing gender and climate commitments based on the local context. UN Women would be well suited to drawing feminist and civil society organizations into these spaces to ensure an inclusive and just transition is embedded into any new commitments, mechanisms and/or solutions.
- **Supporting and fostering entrepreneurship and innovation that leads to the development of investable opportunities.** This involves identifying and supporting women-led projects or enterprises that contribute to climate resilience, mitigation or adaptation. UN Women could collaborate with local and regional organizations to help incubate, scale and support these projects, making them investment ready. UN Women's Gender Labs could be a mechanism through which this work occurs.⁸⁰ A robust pipeline provides investors with tangible opportunities to engage, reducing the perceived risk of investing in gender-focused climate initiatives. This work should closely align with UN Women's Economic Empowerment programming at national and regional levels.
- **Driving gender-responsive finance dialogues and considerations through UN Women's engagement in high-level finance forums.** Building upon UN Women's existing work on integrating gender and climate, the Sustainable Finance team should look to integrate its priorities into organizational advocacy efforts in key global forums with an eye towards its work with banks, financial institutions and other private market investors particularly focused on innovative and blended finance, which are key mechanisms for both climate and gender financing. This should include key events in which UN Women is already actively engaged including: the United Nations Climate Change Conference, the World Economic Forum, UNFCCC, UNCBD, UNCCD and DRR. External partners indicated the importance of UN Women utilizing its resources to mainstream gender into the main conference agenda/conversations rather than hosting gender-focused events which usually attract those stakeholders which are already vision-aligned.

⁸⁰ In 2024, UN Women and the Government of Australia launched a new transformative initiative – the UN Women Gender Action Lab: Innovation and Impact for Gender Equality in the Asia-Pacific Region, powered by the Women's Empowerment Principles. This initiative aims to foster private-sector innovations and concrete actions that advance gender equality and women's empowerment and build more inclusive economies across the region.

- **Driving gender considerations in the development of climate and green bonds, particularly at national and regional levels.** Green bonds have become a popular mechanism for financing climate-related projects, but integrating gender considerations into these financial instruments is still nascent. UN Women could work with governments, financial institutions and development banks to ensure that gender indicators are embedded in green bond frameworks. This work is currently pursued by the West and Central Africa Regional Office, which could provide lessons on how to replicate the approach in other contexts. This could involve creating gender-specific criteria for project selection and reporting requirements that track the benefits for women and girls.
- **Setting targets and tracking actual financing mobilized and/or influenced.** To ensure accountability and demonstrate impact, UN Women could set specific targets for financing mobilized through its efforts in gender-smart climate finance. This includes establishing benchmarks for investment volumes in women-led climate and green projects; tracking the proportion of climate funds that integrate gender considerations; and reporting on gender outcomes achieved through these investments. By regularly publishing data and progress reports, UN Women can build credibility, attract more stakeholders and drive the accountability of climate finance institutions to integrate gender considerations effectively.

KEY CONSIDERATIONS/ POSSIBLE NEXT STEPS



The Sustainable Finance team could align its efforts on gender-smart climate finance (and green finance more broadly) with UN Women's broader work in gender-responsive green and blue economies, and climate action initiatives, to identify priority areas of activity.



Assess local appetite for gender lens investing and gender-smart finance and adopt an appropriate approach based on which is most likely to align with the political climate and market infrastructure.



Define a base set of expectations for gender-smart finance activity.



Photo: © Axel Fassio/CIFOR

OPPORTUNITY AREA 3: INNOVATIVE APPROACHES TO SUSTAINABLE FINANCE WORK

UN Women's work on sustainable finance would benefit from more diverse and innovative financing approaches in line with gender objectives, exploring the full spectrum of investment and a diverse set of instruments that could meet supply and demand based on the market context.

RATIONALE

Innovation is essential for UN Women's sustainable finance agenda and to drive impactful change both in terms of the financing mechanisms the Entity could be exploring and its approaches to delivering the work. There are diverse approaches that UN Women could pursue to advance its sustainable finance work which need to be further explored and developed to suit objectives at headquarters, Regional and Country Offices and ensure that the types of financing are contextualized.

Exploring a wider set of financing mechanisms would enable the Entity to bridge financing gaps and pursue different

financing agendas that are best suited to local markets and the appetite of different investors and funders. Adopting innovative approaches or exploring new intervention areas is important to enhance efficiency with limited budgets; mainstream sustainable finance initiatives into other programming; and capitalize on UN Women's networks and expertise but with an eye towards the sustainable finance portfolio.

UN Women does not seek to influence stakeholders or market players' decisions on which instrument is chosen; however, the Entity provides technical assistance and advisory support to align instruments

with gender outcomes. The evaluation found many pilot approaches at country and regional levels, particularly in working more closely with financial institutions or with UN Women playing a role in facilitating (not structuring) the development and growth of financial instruments aligning with gender objectives, which should be further explored in a more expanded programme approach. This is particularly important at country and regional levels where there is interest in pursuing sustainable finance and testing and/or scaling innovative approaches in response to the needs and demands of local market players.

POTENTIAL INTERVENTIONS AND APPROACHES

GENDER BONDS

Technical assistance in advancing the gender bond market has been a major component of UN Women's sustainable finance work given gender bonds' alignment with the Entity's mission to promote gender equality and empower women, considering the existing portfolio of work in this area and given the potential opportunities in the global sustainable bond market. These financial instruments channel capital directly towards projects that advance women's economic participation, access to resources and social well-being. In the markets where gender bonds may be most impactful, greater guidance and expertise is needed, particularly convening local stakeholders, raising awareness, building buy-in and facilitating market development, rather than transaction structuring. UN Women is uniquely positioned to support and guide the development, implementation and management of gender bonds. UN Women can help ensure these bonds are gender impactful, raise awareness among investors and drive measurable progress towards gender equality goals, while reinforcing the Entity's leadership in innovative financing for women's empowerment.

Awareness-raising should be carried out and ensure where there is greater intentionality of facilitating bonds onto markets, this is in contexts where there is local appetite. Areas of focus could include:

- Strengthening the availability and accessibility of a knowledge base and practical tools that support governments to create gender bonds.
- Working with governments to advocate for the creation of incentives, subsidies and tax reductions to encourage issuance of and investment in corporate bonds or by private investors.

- Awareness-raising, advocacy and influencing local stakeholders to build up the domestic market system for bonds among local actors.
- Strengthening the integration of gender considerations into green, sustainable and social or sustainability-linked bonds with standards and guidance around development, issuance and measurement to inform the process.

UN Women should be aware of some of the challenges related to gender bonds both identified in this report (see Finding 8) but also as evidenced by critiques of gender bonds. Authors such as Ghosh (2024) and Laskaridis (2024), suggest bonds can contribute to the existing impact of the debt burden on low and middle-income countries – whose current external debt mainly comes from bonds – and call for a structural reform of the monetary and financial system from a gender perspective to mitigate economic instability and protect women's human rights.

Market trends for gender bonds suggest there is a growing appetite for these instruments among some stakeholders, including the 2X Global certification process on gender bonds which is currently under way, as well as the Orange Bond Initiative. Generally, bonds remain a large asset class that could drive large volumes of capital towards the SDGs, including SDG 5. UN Women has an important role to play in strengthening the transparency and accountability of this growing market.

It is important that further work on gender bonds addresses some of the misperceptions, scepticism and concerns that surround debt financing, gender issues and low-middle income countries to ensure full buy-in internally and with civil society.

BLENDED FINANCE

Blended finance is an important structure that UN Women could more intentionally explore when expanding its sustainable finance work. Blended finance can be a lever that creates social outcomes because it leverages diverse sources of capital – public, private and philanthropic – to incentivize investments in social issues while aligning and leveraging the different risk/return profiles of investors. Blended finance is an increasingly popular trend among governments, foundations, multilaterals, development financial institutions and private-sector actors.

By combining public, philanthropic and private capital, blended finance can de-risk investments in gender-sensitive projects, incentivizing private-sector participation in areas traditionally overlooked due to perceived high risks or low returns. This approach is in line with UN Women's focus to amplify its impact and catalyse large-scale investments from a new set of investors who may not have otherwise engaged with the financing or gender equality agenda.

Gender outcomes are proving to be a key priority for blended finance transactions. According to the 2020 Organisation for Economic Co-operation and Development Survey on Blended Finance Funds and Facilities, 77 per cent

of the capital from blended finance vehicles dedicated to gender equality belonged to governments and development agencies.⁸¹ Development financial institutions often use financial incentives and legal requirements to ensure that their investees adhere to expectations around gender risk management practices and to facilitate intentional gender outcomes (to differing levels).

This work should align with UN Women's broader Women's Economic Empowerment programming including areas such as:

- Supporting the design and implementation of blended finance, technical assistance facilities that provide grants to support funds and/or investees to achieve/measure gender outcomes.
- Partnering with relevant stakeholders to enable the design of revolving loan funds that meet the real financing needs of women-led, small and medium-sized enterprises (see El Salvador example in Finding 5).
- Continuing to pilot and/or scale existing approaches (see Annex 4) that focus on the development of financing guarantees at local level for banks that develop products for women-led small and medium-sized enterprises.

OTHER INNOVATIVE FINANCE

While there is no single agreed definition of innovative financing, it is generally accepted to include financing mechanisms and solutions that mobilize, govern or distribute funds beyond ODA. Several key concepts are usually associated with innovative finance: mechanisms that bridge public, private and philanthropic funding approaches to solve social problems; catalytic financing mechanisms; and non-traditional applications of financing or structures.⁸² Key to innovative financing is engaging non-traditional partners in financing with a particular focus on engaging the private sector.⁸³

In further exploring innovative finance (beyond gender bonds which are a form of innovative finance), UN Women could scale existing mechanisms that have been tested in the current sustainable finance portfolio, but also include the design of new instruments which are fit-for-purpose within the contexts in which it works.⁸⁴

The evaluation found some criticism of innovative finance in terms of questioning how innovative the mechanisms actually are, but it is worthwhile noting that applying a mechanism in a new market can be innovative in itself.

UN Women should further explore lessons from the existing portfolio and more actively pursue opportunities in innovative finance.⁸⁵ This could include:

- Support for the designing and piloting of new innovative financial instruments, i.e. playing a key role in catalysing investors, de-risking these structures and/or offering concessionary capital or complementary programming to achieve gender outcomes (see Finding 1 for more information on UN Women's work with the Bahamas Development Bank).
- Convening stakeholders and co-hosting design sprints which could lead to the creation of new financial instruments at national level.

⁸¹ Dembele, F., T. Randall, D. Vilalta and V. Bangun (2022), "Blended finance funds and facilities: 2020 survey results", [OECD Development Co-operation Working Papers, No. 107](#), OECD Publishing, Paris.

⁸² https://www.un.org/sites/un2.un.org/files/innovative_fincancing_14_march.pdf

⁸³ <https://www.convergence.finance/resource/the-abcs-of-innovative-finance/view>

⁸⁴ An example of this can be drawn from the Menstrual Health Trade Finance Vehicle supported by Pacific Rise and the Australian Department of Foreign Affairs and Trade, and implemented by Red Hat Capital which helped menstrual health enterprises streamline supply chains and reduce the costs of reusable menstrual product materials by leveraging the power of economies of scale via consolidated group buying. This innovative mechanism was co-designed with women-led enterprises to solve explicit challenges facing women-led enterprises in the Pacific. https://tradefinancevehicle.online/wp-content/uploads/2022/08/3f-Case-Study-MHTFV-July-2021_FINALWeb-1.pdf

⁸⁵ Note that blended and innovative finance have overlapping financial instruments or mechanisms. Blended finance involves mixing different sources of capital, such as public funds, concessional capital and private investment through proven approaches with the focus of de-risking investments for the private sector and crowding in its capital. Innovative finance usually refers to the creation of new financial instruments, mechanisms or market solutions to attract funding. However, when "innovative mechanisms" are applied in new contexts/markets they can still be referred to as innovative finance. Some financing mechanisms are used in both blended and innovative finance because they involve creative ways to mobilize capital for impactful projects.

- Supporting investors to launch instruments that serve the capital needs of businesses, not investors, to help close the financing gap for women-led small-to-medium enterprises
- Research and guidance to support investors in developing and deploying gender-linked rebates and/or impact incentives for investors to ensure gender outcomes are achieved.
- Supporting advocacy for concessionary interest financing with national financial stakeholders and regulators who may be investing and/or lending who invest in female-led small and medium-sized enterprises, especially with state-backed financial institutions (see El Salvador example in Finding 5).

KEY CONSIDERATIONS/ POSSIBLE NEXT STEPS



Develop a diverse approach to gender-financing mechanisms in sustainable finance, focusing on prioritizing mechanisms that address specific gender financing gaps at the country or regional level with an eye towards stakeholder interest, investor appetite, market regulation and alignment with partners.



The strategy for headquarters-led work versus country/regional-level work is likely to differ with the need to provide guidance and options at the country/regional level of what can be explored and how this work can be integrated into existing programmes.



The country and regional-level approach could be informed by feasibility studies to align financing approaches with local capacities and market appetites, including adapting the sustainable finance strategy to the socioeconomic and regulatory contexts of each region or country.



Consider identifying an approach or allocating a portion of the budget and/or programme approach which is focused on experimentation, piloting and design of innovative instruments versus replication or scaling of proven approaches.



Pursue particular financial instruments requiring the development of suitable partnerships with expertise to complement and support implementation. Decisions around financing instruments should also take into account suggestions and recommendations laid out by partnership opportunity areas.



Photo: ©UN Women/Pathumporn Thongking

OPPORTUNITY AREA 4: FUTURE PARTNERSHIPS FOR SUCCESS

UN Women's sustainable finance portfolio could have a more coherent approach to leveraging existing relationships and developing new fit-for-purpose partnerships that enable UN Women to achieve specific outcomes in this area.

RATIONALE

To enable success, the Entity could focus on building diverse and strategic alliances with key stakeholders, including financial institutions, private-sector players, government bodies and other development agencies. This means prioritizing partnerships that bring technical expertise, market insights and innovative solutions to the table which complement UN Women's value add.

Leveraging existing partnerships to foster capacity-building, knowledge exchange and joint advocacy can create a more resilient ecosystem, facilitating the mobilization of capital towards sustainable finance projects and ensuring long-term success.

Partnerships are essential to UN Women's success in its sustainable finance work and utilizing existing relationships or strategically developing new relationships is important to be effective and efficient with limited resources.

POTENTIAL INTERVENTIONS AND APPROACHES

PUBLIC SECTOR

UN Women has a diverse set of local relationships that could be better leveraged or expanded at the national level to contribute to advancing UN Women's sustainable finance work. The Sustainable Finance team could capitalize on UN Women's local presence to strategically enhance local capacity and provide technical support to public-sector actors to inform the domestic flow of funds to become more gender-responsive and promote gender equality, including:

- Closer relationships with ministries of finance and other state-backed financial institutions (e.g. public development banks, public commercial banks) which may already exist or could be developed as an extension of connections with governments.
- Work with local authorities and regulators to create a regulatory environment that enables innovation in financing and/or supports gender-responsive instruments to reach markets.
- Support financial regulators, securities exchanges and capital market authorities to encourage the adoption of gender-responsive financial products on the market.

Work with the public sector could focus on expanding the sector's policy and advocacy work to include a focus on building an enabling environment for gender financing, regulation and guidance that facilitates gender investments.

This would focus on strengthening the Sustainable Finance team's existing efforts in the market infrastructure and enabling environment for the gender-responsive financing pillar (see reconstructed causal model) to support a regulatory and policy environment that enables public and private investors to undertake gender financing. This would leverage UN Women's strong expertise and national networks to engage in policy and advocacy work around gender financing, markets and access to financing. This would also improve the regulatory environment for other actors to be able to design and launch gender-responsive financial instruments. The relationships and expertise for gender-based budgeting and procurement would be complementary to this line of work.

There is also an opportunity for UN Women to better leverage its sustainable finance work with international financial institutions and leading multilateral development banks and identify them as a key stakeholder group. International financial institutions and multilateral development banks have set out their individual plans to better leverage their balance sheets to bring in private finance and enable blended finance at scale – engagement with individual international financial institutions and multilateral development banks is therefore a critical area of work to be further developed within UN Women's sustainable finance portfolio.

PRIVATE SECTOR

Working with the private sector is essential to advancing the sustainable finance agenda, yet it has proven challenging for UN Women due to several factors, including the lack of clearly defined private stakeholders and engagement strategies; a generally low-risk appetite; actual risks associated with certain private-sector partnerships; and resistance from civil society.

Updating the approach to private-sector relationships is critical because it would allow UN Women to navigate risks more effectively, identify strategic partners and better align with feminist agendas. This would help to catalyse new capital and influence the flow of existing capital, driving greater impact in sustainable finance initiatives.

One country noted that, under the current approach, many commercial financial institutions are considered private-sector entities therefore are excluded from partnership consideration or local/Regional Offices face considerable barriers in pursuing these partnerships. Given their critical role in sustainable finance and potential to drive funding towards gender equality and women's empowerment, alternative partnership engagement strategies with commercial financial institutions may be required.

The concept of gender finance is not very well understood among local financial institutions, banks and intermediaries; therefore, UN Women has an important role to play in convening, educating and building capacity around gender financing.

The types of financial actors that may be better suited to UN Women's working style, relationships and/or presence include state, national, development and community banks; international financial institutions; stock exchanges; and alliances/networks of private-sector organizations and financial intermediaries serving the missing middle.

Priorities for working more closely with the private sector could include:

- Convening, advocacy and capacity-building around gender financing of financial actors at national level by developing a tailored curriculum and/or approach delivered at national level or partnering with suitable technical partners for this work.
- Providing expertise, tools and methods to better evaluate gender outcomes for different financial instruments.
- Working with private-sector actors, banks and/or financial institutes to conduct gender assessments and develop gender action plans.
- Supporting local financial actors to become gender-aware/responsive and develop gender-responsive financing opportunities.

CIVIL SOCIETY AND FEMINIST MOVEMENTS

Engaging with civil society and feminist organizations on the sustainable finance agenda has been limited, with challenges that need careful navigation to ensure inclusivity and effectiveness. Historically, these groups have not been central to the agenda, partly due to their critical stance on private-sector partnerships and concerns over how such relationships align with UN Women's goals. However, civil society and feminist organizations play a vital role in sustainable finance, and UN Women needs to focus on identifying partners who understand and support this agenda. Involving the right partners with the appropriate expertise and values alignment is crucial, rather than taking a broad or generic approach. Investing in capacity-building for these groups, similar to past efforts in gender-based budgeting, can prepare them for meaningful engagement in sustainable finance.

Working with civil society is important because it brings critical perspectives, enhances accountability and ensures that sustainable finance efforts are inclusive and aligned

with feminist principles. Such collaborations can strengthen the legitimacy and impact of the agenda, making it more equitable and effective.

Particular roles for civil society and feminist organizations to enable sustainable finance

- Draw civil society and feminist organizations into financial spaces and strengthen their ability to engage in and influence financial dialogue.
- Key thematic areas or lenses in the financing sector that are well suited to UN Women's work with civil society include the care economy; justice, equity, diversity and inclusion; power and equity in systems of finance; and female entrepreneurship.
- Encourage and build the capacity of civil society and feminist organizations to be able to co-design and/or support implementation of innovative financing instruments.
- Ensure civil society and feminist organizations are at the table when reshaping regulatory policy.

KEY CONSIDERATIONS /POSSIBLE NEXT STEPS



A comprehensive mapping of existing relationships is critical to leverage these relationships and identify new partnerships that could enable the sustainable finance agenda.



Assess the relevance and evaluate partnerships' alignment with the sustainable finance agenda and its potential to contribute to gender-responsive financial initiatives.



Focus on cross-sectoral engagement to ensure a mix of stakeholders from the public, private and civil society sectors to diversify potential avenues for collaboration.



Consider the different partnership needs at headquarters, regional and country levels, with a clear partnerships strategy that supports all levels.



Photo: ©UN Women Americas and the Caribbean

5. LESSONS LEARNED

FACTORS OF SUCCESS



Political connections, advocacy and engaging with top leadership played a crucial role in pursuing sustainable finance at the national level, while success was enhanced by securing both political buy-in and technical support.



UN Women's technical expertise and practical guidance, tools and frameworks enabled different stakeholders to explore gender-responsive finance instruments and mechanisms such as gender bonds and integrate gender considerations into sustainable finance taxonomies.



The UN Women brand and reputation lent credibility and legitimacy to projects, making it easier to engage stakeholders across the public and private sectors.



Effective partnerships with diverse stakeholders, particularly leveraging local presence and national networks, were key to being able to convene public and private-sector actors that might not traditionally collaborate.

LESSONS LEARNED



Country and Regional Offices require greater guidance and toolkits to support them in identifying and pursuing sustainable finance opportunities with the public and private sectors, suitable for the local context. This may differ from the headquarters sustainable finance agenda.



UN Women's sustainable finance work should have looked at a diverse base of gender-financing mechanisms suited to local regulatory environments, and which respond to local needs and demand for gender capital.



Changes in the political landscape can bolster or hamper local efforts to pursue particular gender-financing mechanisms.



External stakeholders do not expect UN Women to become financial experts. Instead, the Entity's credibility lies in acting as a facilitator of relationships, knowledge and expertise to drive gender integration in sustainable finance.



Photo: ©UN Women/Guilherme Valle

6. CONCLUSIONS

CONCLUSION 1

UN Women's sustainable finance portfolio has achieved tangible results at global, regional and country levels. Elevating this work requires articulation of a clear vision of what UN Women aims to achieve in line with the global call for financing for development; defined priorities against different industries and types of financing instruments; and a refined organization-wide sustainable finance strategy with clear outcomes and metrics. This strategy should be actively communicated with internal and external stakeholders.

FINDINGS 1, 2, 3, 6 AND OPPORTUNITY AREAS 1, 2, 3

During the evaluation period, evidence shows that UN Women established strategic partnerships and networks across the financial market ecosystem; supported the development of sustainable finance instruments and mechanisms with government and financial institutions; enhanced the knowledge base for gender equality and sustainable finance; raised awareness on global standards, strategies and instruments to advance gender equality in finance; and strengthened the capacity of governments and market infrastructure institutions to mainstream gender into their policy and regulatory work.

Within UN Women there are a range of views on the role the Entity plays in leveraging sustainable finance for gender equality. This underscores the need for UN Women to refine and put in place an organization-wide sustainable finance strategy and theory of change.

The strategy and theory of change must be communicated across the Entity to strengthen internal understanding of this specialized area of work. In particular, there is a need to communicate the strategy to several audiences:

- internal UN Women stakeholders at headquarters, Regional and Country Offices;
- other UN agencies and public sector financial institutions, including multilateral development banks and international finance institutions;
- private-sector actors across the financial ecosystem; and
- civil society organizations, particularly those engaged in sustainable finance work.

CONCLUSION 2:

UN Women's sustainable finance work cuts across a number of financing initiatives. Of these initiatives, the integration of a gender lens into blended finance arrangements, impact investments, or within green finance could be further explored through partnerships and activities to advance UN Women's objectives.

FINDINGS 1, 8 AND OPPORTUNITY AREAS 1, 2, 3, 4

While UN Women's work on sustainable finance has aligned with the commitments reflected in the Addis Ababa Action Agenda, the Entity is still refining its role in this field, including the types of capital, thematic areas and actors which UN Women has a comparative advantage in influencing. Evidence from the evaluation, together with industry insights and research, points towards emerging investments such as impact investing, thematic areas such as green finance (including climate finance, nature-based solutions and other environment-related financing areas) and blended finance mechanisms as promising (non-exhaustive) opportunities for UN Women to expand its work. Additionally, the Entity would benefit from exploring the full spectrum of capital and financial instruments that could meet supply and demand for gender lens investing based on market conditions. Given UN Women's initial work to define the gender bond market, this instrument continues to dominate internal perceptions of UN Women's sustainable finance work, underscoring the need to expand the range of financial instruments and to communicate the refined strategy and showcase progress across the organization. Finally, it is important to note that regardless of which spectrum of financing initiatives and range of instruments UN Women engages with, there is a strong need to improve monitoring, evaluation and learning from a gender perspective, and to carry out industry-wide evaluations or assessments of existing and piloted gender-responsive financial instruments.

CONCLUSION 3:

Developing a foundational level of capacity in sustainable finance, especially at Regional and Country Office levels, would provide UN Women with the competency to engage with financial institutions, identify opportunities and support the design, delivery and scale-up of its sustainable finance work.

FINDINGS 4, 5, 7 AND OPPORTUNITY AREAS 1, 2, 3

Data from external key informant interviews suggests that together with its legitimacy, convening power and relationships with governments and other key regional and national-level actors, UN Women's gender expertise is seen as a value add in influencing financial institutions and fostering an enabling policy and regulatory environment for sustainable finance. However, both external and internal stakeholders identified technical capacity gaps for engaging with the private sector as a challenge to advancing sustainable finance work at regional and country levels. While UN Women personnel are not expected to become financial experts, basic capacity-building to engage in sustainable finance dialogues and understand the landscape is required across the organization, together with other strategies that would strengthen the knowledge and capability of Regional and Country Offices to deliver on sustainable finance.

CONCLUSION 4:

UN Women's sustainable finance portfolio requires a more coherent approach to leverage existing relationships with the public sector to build gender-responsive infrastructure for financing and to develop new strategic and suitable relationships with relevant private-sector actors to crowd in more capital. The future of gender financing requires greater bridge-building across public and private-sector actors, particularly the blending of capital to generate substantive gender equality outcomes. UN Women is uniquely positioned to play this role.

FINDINGS 9, 10 AND OPPORTUNITY AREAS 1, 2, 3, 4

Global, regional and country initiatives on sustainable finance show that UN Women has engaged with governments and a variety of private-sector actors across the financial market ecosystem. While there is evidence of policy and regulatory work, there is room to better leverage UN Women's relationships with governments, and public institutions more broadly, to expand work on gender-sensitive market infrastructure, and to better leverage said relationships to build bridges between public and private-sector actors for gender financing in general. This would exploit UN Women's convening and bridge-building role between the development and finance worlds, as highlighted by stakeholders. Evidence also points to organic engagement with private and/or financial-sector actors, albeit expected given the incipient nature of UN Women's sustainable finance work. Adopting a clearly defined strategic approach to identifying private-sector actors aligned with UN Women's mandate and strategic vision for sustainable finance is recommended. Finally, while the evidence points to minimal engagement of women and women's rights organizations, those working on feminist economics and economic empowerment can play a role in bringing women's voices to the conversation around gender finance.

CONCLUSION 5:

Further investments in UN Women's sustainable finance work from donors and internally will improve the Entity's ability to influence global capital flows towards more gender-responsive investments.

FINDING 11 AND OPPORTUNITY AREAS 1, 2, 3

Mobilizing funding for UN Women's sustainable finance work remains challenging. With the support of Luxembourg, the global Sustainable Finance Programme has been funded to June 2026. The evidence shows the need for a defined and strategic approach to resource mobilization across regions and countries. A refined corporate strategy that determines UN Women's vision for what it wants to achieve in advancing sustainable finance is needed to mobilize resources, especially institutional support, whether at the global level or through regional and country Strategic Notes. Amplifying and showcasing the work undertaken thus far, which in some cases is not even widely known within UN Women, and fostering exchanges of experiences across countries could help galvanize donor interest.

CONCLUSION 6:

There is a call to action and appetite from both internal UN Women stakeholders and external industry actors that UN Women be more bold, intentional, innovative and market-leading in its sustainable finance work as the leading global body on gender equality and women's rights. With shifting financial landscapes, UN Women is well suited to drive this work forward to ensure that gender continues to be prioritized across financing agendas.

FINDINGS 4, 5, 7, 9 AND OPPORTUNITY AREAS 1, 2, 3

UN Women's status as a global leader on gender equality, based on its gender expertise; relationships with a wide array of actors at global, regional and country levels; and its legitimacy, is seen as an asset for bridging the gender and finance worlds. The evidence points to a dearth of knowledge among private and public-sector actors in the financial market ecosystem on how to operationalize a gender perspective in financial products, market infrastructure, financial policies and regulations tailored to women's needs and broader gender equality goals. The extent to which UN Women can develop a corporate-wide strategy on sustainable finance; fill capacity gaps, especially at the country level; lay out a clear engagement strategy with private-sector actors that addresses the issue of risk; and more strategically leverage its relationships, will place the Entity in a better position to meet stakeholders' demands for a more prominent role in advancing sustainable finance.



Photo: ©UN Women/Pathumporn Thongking

7. RECOMMENDATIONS

RECOMMENDATION 1

Refine and communicate a vision and cohesive strategy or roadmap for UN Women's sustainable finance work to guide headquarters, Regional and Country Offices.

Based on

CONCLUSION 1

Priority

HIGH

Timeframe

SHORT-TERM

Suggested steps that could be taken:

1. Develop a clear definition and understanding of UN Women's sustainable finance work, including how UN Women operates across multiple sustainable finance initiatives; the types of capital, sectors and actors within financial markets UN Women could influence; UN Women's value proposition comparative to other UN agencies and international organizations; and the key partners UN Women seeks to engage.
2. Collaboratively develop a theory of change with clear objectives, outcomes, interventions and indicators to articulate UN Women's approach to advance sustainable finance for gender equality. Development of the theory of change should include internal stakeholders from headquarters, Regional and Country Offices, as well as external stakeholders from the public and private sectors, including civil society.
3. Use the theory of change as the basis for a cohesive strategy or roadmap that guides work at each level of the organization (see Annex 3). Integrate the vision and strategy/roadmap within the corporate strategic planning process and next Strategic Plan 2026–2029 by including key elements of the strategy/roadmap within the Strategic Plan framework and by ensuring appropriate indicators for output and outcome reporting.
4. Identify and work with champions from Executive and senior leadership to communicate, boost results and accelerate the portfolio's influence.
5. Communicate UN Women's approach and accomplishments in this area internally and externally.
6. Strengthen integration across all financing for gender equality work.

To be led by: UN Women's Sustainable Finance team (Economic Empowerment section), in consultation with Country and Regional Offices.

Impact: High – Having a common strategy on sustainable finance will serve to guide and bring greater cohesion to the Entity's work and clarify expected results and desired impact.

Difficulty: Easy/Medium – The Sustainable Finance team has initiated a discussion to develop a strategy or roadmap for this area of work; however, it will be critical to engage Country and Regional Offices in the process.

If not implemented: Work at the country level will continue on an organic basis without a clear connection to an organization-wide vision on what UN Women is trying to achieve through its work in sustainable finance. The lack of a strategy or roadmap may also impact fundraising and efforts to diversify donors; make it harder to identify capacity needs; and cause the organization to miss out on synergies across countries, regions and headquarters.

RECOMMENDATION 2

Strategically and efficiently strengthen internal capacity at country and regional levels and increase organizational coherence to deliver on sustainable finance work.

Based on

CONCLUSIONS 3, 6

Priority

HIGH

Timeframe

MEDIUM-TERM

Suggested steps that could be taken:

1. Develop a human resourcing capacity strategy that aligns with the refined sustainable finance strategy/roadmap, and which outlines capacity needs at global, regional and country levels
2. Provide capacity-building and learning opportunities to equip personnel with relevant knowledge and skills to engage in and communicate with sustainable finance ecosystems.
3. Establish more frequent and consistent meetings of the informal network on sustainable finance for learning, exchange and support.
4. Improve processes for accessing and distributing in-house, headquarters-level expertise and technical support to Regional and Country Offices.
5. Outsource expertise to pre-screened local consultants with aligned values and expectations who can be deployed to work at country and regional levels.
6. Create greater linkages among all personnel working on financing for gender equality by integrating the financing work undertaken by the Economic Empowerment and Leadership and Governance sections to ensure a coherent approach and synergy towards financing for gender equality. This could be accomplished through greater networking and communication among sections or through more formal coalescing of financing for gender equality personnel.

To be led by: UN Women's Sustainable Finance team (Economic Empowerment section), Governance section (suggested step 6)

Impact: High – Building internal capacities to deliver on sustainable finance will enable UN Women to more effectively engage with the sustainable finance agenda, especially at country and regional levels, and be better positioned to seize new opportunities.

Difficulty: Medium – UN Women's Sustainable Finance team at headquarters has the expertise to build internal capacity to deliver on sustainable finance, including through a more strategic use of the informal network on sustainable finance for learning purposes and accessing technical support. However, given the team's workload, this will require reprioritizing demands in the short term and strong coordination with Country and Regional Offices.

If not implemented: UN Women will miss out on strategic opportunities for engaging with key players in the financial market ecosystem, particularly private-sector actors, to influence the sustainable finance agenda and drive public and private capital towards advancing gender equality goals.

RECOMMENDATION 3

Strengthen strategic partnerships with private and public financial actors.

Based on

CONCLUSIONS 4, 6

Priority

MEDIUM

Timeframe

MEDIUM-TERM

Suggested steps that could be taken:

1. Develop a partnership engagement strategy for the sustainable finance portfolio. Through the development of a theory of change and sustainable finance strategy/roadmap, identify the key public and private stakeholders UN Women must engage to achieve its portfolio's objectives, building on previous work, partnerships formed across the organization and evaluation findings.
2. Leverage the Private Sector Engagement Policy and Strategy to manage risks and form new private-sector partnerships related to sustainable finance work. Clearly articulate the rationale and vision for private-sector partnerships in this area, linking back to a theory of change, the sustainable finance strategy/roadmap and UN Women's Strategic Plan.
3. Identify opportunities to bring civil society and feminist organizations into sustainable finance spaces to engage in and influence sustainable finance mechanisms, instruments and approaches.
4. Identify a financial technical partner to jointly run country-level capacity strengthening sessions with key stakeholders around gender financing/sustainable financing, which would become the basis for upskilling local stakeholders.

To be led by: UN Women's Sustainable Finance team (Economic Empowerment section) and relevant Country and Regional Offices in consultation with UN Women's Sustainable Finance team at headquarters.

Impact: Medium – Developing strategic partnerships with public and private-sector actors, especially with those that are value aligned, will allow UN Women to broaden its reach and impact.

Difficulty: Medium/High – While greater clarity on who and how to engage with private-sector actors and further leveraging of public-sector actors will enable UN Women to strengthen strategic partnerships, other organizational aspects such as internal capacity and level of risk tolerance will need to be concurrently addressed.

If not implemented: Actual and perceived risks of engaging with the private sector may continue to limit the scope of UN Women's work in sustainable finance, and the development of partnerships that are adequate but not necessarily strategic may make it more challenging to scale up efforts and impact.

RECOMMENDATION 4

Explore new opportunities that leverage existing expertise to accelerate UN Women's contributions to advancing sustainable finance for gender equality.

Based on

CONCLUSIONS 2, 6

Priority

MEDIUM

Timeframe

MEDIUM-TERM

Suggested steps that could be taken:

1. Use the opportunities identified in the evaluation – and others – to support discussions on future priorities for the sustainable finance portfolio.
2. Through partnership, refine a diverse base of demonstrative gender-responsive/transformative sustainable finance instruments.
3. Use UN Women's Sustainable Finance Network to share potential opportunities, determine strategic fit and identify capacity needs and availability.
4. Develop a diagnostic tool to assess country readiness for engaging in sustainable finance, including a maturity framework outlining what is achievable across different stages with recommendations for action.
5. Identify and fill critical knowledge gaps in the sustainable finance landscape.
6. Explore other opportunities identified in the report (see section 4.4).

To be led by: UN Women's Sustainable Finance team (Economic Empowerment section), in consultation and coordination with relevant Country and Regional Offices.

Impact: Medium – Exploring new opportunities that leverage existing expertise will contribute to consolidating UN Women's role where it provides most value add to the sustainable finance agenda and better position the Entity before key stakeholders, including donors.

Difficulty: Low/Medium – UN Women's Sustainable Finance team is well positioned to take the lead and work with interested Regional and Country Offices but will require opportunities to be accompanied by resources for their effective delivery/concretization.

If not implemented: UN Women will not be as effective in influencing the sustainable finance agenda and its portfolio may not grow.

RECOMMENDATION 5

Involve civil society, especially women and feminist organizations, in the co-design, consultation and implementation of sustainable finance instruments and tools.

Based on

CONCLUSION 4

Priority

MEDIUM/HIGH

Timeframe

MEDIUM-TERM

Suggested steps that could be taken:

1. Include civil society organizations in the development of a sustainable finance theory of change and strategy. Identify stakeholders engaged in key areas of sustainable finance work, such as climate finance, the care economy and economic empowerment.
2. Communicate UN Women's sustainable finance vision and approach to civil society stakeholders to promote engagement and buy-in.
3. Engage civil society in sustainable finance dialogues to ensure that the development and implementation of financial mechanisms, tools and approaches are responsive to the diverse needs of women and girls and promote gender equality.
4. Involve civil society and feminist organizations in strategic partnerships on gender-focused finance and communicate publicly how and why UN Women partners with private-sector actors.

To be led by: UN Women's Sustainable Finance team (Economic Empowerment section) and relevant Country and Regional Offices as per guidance from the former.

Impact: Medium – Bringing in women's voices will contribute to tailoring innovative financing instruments to women's actual needs and inform policy and regulatory debates on sustainable finance for substantive impact.

Difficulty: High – Sustainable finance is not a typically niche area of expertise for women's rights and feminist organizations and ensuring their meaningful engagement, while needed, requires navigating various challenges.

If not implemented: Women's voices will continue to be sidelined from or underrepresented in the sustainable finance agenda and make it less responsive and impactful in terms of serving women's actual needs.

RECOMMENDATION 6

As a matter of priority, identify more diverse funding sources for UN Women's sustainable finance portfolio to facilitate strategic planning and implementation of activities.

Based on

CONCLUSIONS 1, 5

Priority

HIGH

Timeframe

MEDIUM-TERM

Suggested steps that could be taken:

1. Develop a resource mobilization strategy that outlines approaches for funding the sustainable finance strategy/roadmap.
2. Identify and approach external donors to ensure adequate funding to support the next programme phase and implementation of a sustainable finance strategy/roadmap (e.g. Sustainable Finance Programme phase II, country and regional-level work).
3. Develop and utilize an organization-wide vision, strategy and theory of change to engage potential donors.
4. Continue to engage in core work to implement, measure, document and showcase sustainable finance work and its contribution to UN Women's Strategic Plan and mission.

To be led by: UN Women's Sustainable Finance team (Economic Empowerment section) in coordination with Country and Regional Offices engaged or interested in engaging in this area of work.

Impact: High – Mobilizing resources for the sustainable finance portfolio would allow UN Women to strengthen and expand its work on sustainable finance in a more strategic way.

Difficulty: Medium – This is a growing agenda given the current scenario of ODA and there is a demand, especially among private-sector actors, to mainstream gender into innovative financial products. However, this does not necessarily translate into mobilization of resources for UN Women in support of its work.

If not implemented: UN Women's portfolio will continue to grow on a piecemeal, opportunistic and less strategic basis.

Produced by the Independent Evaluation Service (IES) of the UN Women Independent Evaluation, Audit and Investigation Services (IEAIS)

The UN Women Independent Evaluation Service is co-located with the Internal Audit and Investigation Services under the Independent Evaluation, Audit and Investigation Services (IEAIS). The UN Women Independent Evaluation Service's main purpose is to enhance accountability, inform decision-making, and contribute to learning about the best ways to achieve gender equality and women's empowerment through the organization's mandate, including its normative, operational, and coordination work. The Independent Evaluation Service also works to strengthen capacities for gender-responsive evaluation within UN entities, governments, and civil society organizations.

© 2025 UN Women. All rights reserved.

Disclaimer: The analysis and recommendations of this report are those of the UN Women Independent Evaluation, Audit and Investigation Services (IEAIS) and do not necessarily reflect the views of UN Women. This is an independent publication by the UN Women Independent Evaluation, Audit and Investigation Services (IEAIS).

**UN WOMEN IS THE UN ORGANIZATION
DEDICATED TO GENDER EQUALITY
AND THE EMPOWERMENT OF
WOMEN. A GLOBAL CHAMPION FOR
WOMEN AND GIRLS, UN WOMEN
WAS ESTABLISHED TO ACCELERATE
PROGRESS ON MEETING THEIR NEEDS
WORLDWIDE.**

UN Women supports UN Member States as they set global standards for achieving gender equality, and works with governments and civil society to design laws, policies, programmes and services needed to ensure that the standards are effectively implemented and truly benefit women and girls worldwide. It works globally to make the vision of the Sustainable Development Goals a reality for women and girls and stands behind women's equal participation in all aspects of life, focusing on four strategic priorities: Women lead, participate in and benefit equally from governance systems; Women have income security, decent work and economic autonomy; All women and girls live a life free from all forms of violence; Women and girls contribute to and have greater influence in building sustainable peace and resilience, and benefit equally from the prevention of natural disasters and conflicts and humanitarian action. UN Women also coordinates and promotes the UN system's work in advancing gender equality.



220 East 42nd Street
New York, New York 10017, USA
Tel: 212-906-6400
Fax: 212-906-6705

www.unwomen.org
www.facebook.com/unwomen
www.x.com/un_women
www.youtube.com/unwomen
www.flickr.com/unwomen