



Policy and Evaluation Committee

For consideration

Subsequently Committee of the Whole, if so agreed

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Remarks: Distributed herewith is the profile for a new IDB Operational Policy on Gender Equality which, if approved, will replace the Policy on Women in Development (OP-761) approved in 1987.

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DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK
VICE PRESIDENCY FOR SECTORS AND KNOWLEDGE
SOCIAL SECTOR

DRAFT

**OPERATIONAL POLICY ON GENDER EQUALITY IN
DEVELOPMENT**

7 MAY 2010

CONTENTS

I.	INTRODUCTION	1
II.	SCOPE.....	2
III.	OBJECTIVES	2
IV.	POLICY DIRECTIVES	2
	A. Proactive action	2
	1. Direct investment in gender equality.....	3
	2. Mainstreaming of gender equality.....	4
	B. Preventive action	5
V.	IMPLEMENTATION AND COMPLIANCE	6
VI.	MONITORING REPORTS.....	8

ANNEXES

Annex I Monitoring indicators for the Policy

I. INTRODUCTION

- 1.1 Gender equality contributes to poverty reduction and results in higher levels of human capital for future generations. Equality between men and women also has intrinsic value, and is firmly supported by the governments of Latin America and the Caribbean. To date, every one of the Bank's member countries in the region has backed the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW, 1979), the Inter-American Convention on the Prevention, Punishment, and Eradication of Violence against Women (Belem do Pará, 1994), the Beijing Platform for Action (1995), and the Millennium Development Goals (2000).
- 1.2 In 1987, the Bank approved its Operational Policy on Women in Development (OP-761), recognizing that the advancement of women was a priority development goal and undertaking to support the member countries in their efforts to achieve greater integration of women in all stages of the development process and to improve their socioeconomic status. At the time it was approved, this Policy provided the necessary guidance for the Bank to begin its work in this area and supported the member countries' efforts in this regard.
- 1.3 The progress made in implementing Operational Policy OP-761 in recent years has been reflected mainly in an increase in the number and quality of Bank operations incorporating gender issues and in portfolio innovation, through projects that specifically address new gender issues. Overall, the Bank has made the greatest strides in its social sector investments and microenterprise support. At the same time, it has encountered challenges to progress in addressing gender issues in the design of projects supporting infrastructure, economic opportunities and competitiveness, and institutional capacity of the State; and in the execution and evaluation of the gender elements included in projects.¹
- 1.4 More than two decades into its implementation, Operational Policy OP-761 needed to be updated in order to enhance the Bank's contribution to equality between men and women in Latin America and the Caribbean. This new Policy takes into account the Bank's experience supporting the integration of women as leaders, participants, and beneficiaries in development; reflects gains in the region in terms of the status of women and gender equality, as well as emerging challenges; integrates a gender perspective that seeks equal conditions and opportunities for women and men to reach their social, economic, political, and cultural potential; and sets out specific mechanisms for ensuring effective implementation of the Policy and the evaluation of its results. This Operational Policy on Gender Equality in Development replaces Operational Policy OP-761.

¹ Reports to the Board of Executive Directors on the Implementation of the Bank's Women in Development Policy. The most recent of these reports spanned the period 2002-2005 (document GN-2249-1). <http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=975142>

II. SCOPE

- 2.1 This Policy applies to the Inter-American Development Bank and the Multilateral Investment Fund and covers the Bank's country strategies as well as its development interventions via its financial operations in the public and private sector (sovereign and non-sovereign guaranteed), and knowledge and institutional capacity-building products.

III. OBJECTIVES

- 3.1 The objective of the Policy is to strengthen the Bank's response to the goals and commitments of its member countries in Latin America and the Caribbean to promote gender equality and the empowerment of women. The Bank's actions under this Policy will contribute to meeting the Millennium Development Goals, particularly Goal 3,² and complying with international agreements on this topic. They will also further the Bank's institutional priorities and its mission to accelerate economic and social development in its regional member countries.

IV. POLICY DIRECTIVES

- 4.1 This Policy identifies two lines of action: (i) proactive action, which actively promotes gender equality and the empowerment of women through all the Bank's development interventions; and (ii) preventive action, which introduces safeguards to prevent or mitigate adverse impacts on women or men due to gender resulting from the Bank's actions through its financial operations.
- 4.2 For purposes of this Policy, *gender equality*³ means that women and men enjoy the same conditions and opportunities to exercise their rights and reach their social, economic, political, and cultural potential. The Policy recognizes that the pursuit of equality requires actions aimed at *equity*, which implies providing and distributing benefits and/or resources in a way that narrows the existing gaps between men and women. The *empowerment of women* is understood to mean expanding the rights, resources, and capacity of women to make decisions and act independently in social, economic, and political spheres.
- A. Proactive action**
- 4.3 This Policy distinguishes between two facets of proactive action: (i) direct investment in areas strategic to gender equality, and (ii) mainstreaming the gender perspective in development interventions.
- 4.4 For both facets, the Bank will support specific actions aimed at: (i) addressing the specific needs of both women and men, recognizing that, because of gender

² Millennium Development Goal 3 is to promote gender equality and empower women.

³ The term *gender* refers to the behavioral characteristics and roles that are socially attributed to women and men in a given historical, cultural, and socioeconomic context, beyond their biological differences, and that help shape the responsibilities, opportunities, and barriers encountered by women and men.

differences, women and men enjoy different advantages and face different barriers to participating in and benefiting from development; and (ii) investment in the empowerment of women as a key factor in accelerating progress toward gender equality, recognizing that inequality affects women to a larger extent.

- 4.5 The Policy recognizes that gender inequalities interact with other inequalities that are based on socioeconomic, ethnic, and racial factors, exacerbating the barriers and vulnerabilities of poor, indigenous, and Afro-descendent women. For this reason, the Bank will pay particular attention to these groups.

1. Direct investment in gender equality

- 4.6 The Bank will support its borrowing member countries by developing a specific portfolio of financial operations whose primary objectives are to address strategic gender issues, generate knowledge to enhance value added in this area, and build institutional capacity.

- 4.7 Where relevant, the Bank will conduct studies on specific gender issues that will serve as a foundation for the dialogue related to country strategies. If gender is included as a specific priority area for the Bank and government in the respective country strategy, the analysis performed will inform the programming process in order to identify interventions for direct investment.

- 4.8 Direct investment will emphasize innovation, the development of good practices, and impact evaluation in addressing gender issues. The Bank will set priorities for direct investment, depending on the development intervention, as follows:

- a. **Financial operations.** The Bank will give priority to direct investment in areas with a significant impact on gender equality and the empowerment of women, including equality in the labor market, child care, social security reform, participation and leadership of women in decision-making, promotion of reproductive health, at-risk youth, and prevention of gender-based violence.
- b. **Knowledge and capacity-building products.** The Bank will promote generating the necessary information and analysis to support direct investment, test innovative proposals, or evaluate potentially successful interventions with a view to supporting evidence-based policy measures for gender equality. It will also promote collecting statistical information and analysis aimed at examining the barriers to and opportunities for progress toward gender equality and the empowerment of women. Lastly, the Bank will support building the institutional capacity of public and private stakeholders to promote gender equality.

2. Mainstreaming of gender equality

- 4.9 In its support of the borrowing member countries, the Bank will actively seek opportunities to mainstream the gender perspective as a strategic dimension of its development interventions and will incorporate actions to address this issue.
- 4.10 For the purposes of this Policy, *gender mainstreaming* is the process of ensuring that gender equality and the needs of women and men are heard and addressed in the design, implementation, monitoring, and evaluation of the Bank's interventions, with special emphasis on loan operations, given their importance within the institution. Mainstreaming entails identifying the most significant gender issues in the countries of the region, so as to reflect them in the programming exercises that guide the strategic areas of collaboration between the Bank and its borrowing member countries.
- 4.11 To promote equal access to and the effective delivery of project benefits, the Bank will take into account the analytical and operational implications of the following considerations, among others:
- a. The human life cycle, which entails recognizing the barriers to gender equality and the specific needs of young girls and boys, adolescent girls and boys, adult women and men, and older women and men. It also requires timing interventions so as to foster successful transitions between the various life stages, to prevent an accumulation of gender inequalities and poverty over the course of people's lives.
 - b. The diversity of households and family structures, which requires particular attention to domestic partners, female-headed households, and the presence of secondary families formed by single parents within extended households.
 - c. Gender differences in the use of time, meaning that participation in and enjoyment of project benefits may be affected by the unequal amount of time devoted by women and men to domestic chores, economic activities, and other responsibilities.
 - d. Motherhood and fatherhood, requiring projects to be adapted to the specific needs of fathers and mothers in terms of access to project benefits and to encourage responsible parenthood and equal participation in child-care duties.
 - e. The productive roles of women, which need to be factored into the design of activities to expand economic opportunities, including activities to raise productivity and enhance competitiveness.
 - f. Inequalities in terms of decision-making capacity and the exercise of power, usually in favor of men, which entails supporting women's access to decision-making in the public and private spheres, to ensure their full participation and leadership in development.
- 4.12 Where relevant, the Bank will incorporate gender issues in sector studies that support the preparation of country strategies. If gender is included in the analysis of a specific priority area for the Bank and government in the respective country

strategy, the analysis will inform the programming process in order to identify interventions to promote gender equality through sector investment.

4.13 **Application of mainstreaming.** Gender equality mainstreaming will be applied systematically in all Bank development interventions. The Bank will require an analysis of its interventions' potential contribution to gender equality. Where relevant, the Bank will incorporate specific actions to strengthen that contribution. Mainstreaming will take specific forms, depending on the development intervention in question:

- a. **Financial operations.** The Bank will require an analysis of the relevance of gender issues during preparation of its operations. Where the analysis so indicates, it will ensure that concrete actions to address priority issues and measures to facilitate implementation are incorporated.
- b. **Knowledge and capacity-building products.** The Bank will promote gender analysis in its analytical production overall, including relevant macroeconomic and sector studies. It will support building institutional capacity, including that of government institutions, the private sector, and civil society, in order to promote the analysis and mainstreaming of gender in policies and programs, and it will bolster the analytic and operational capacity of Bank staff in gender issues.

B. Preventive action

4.14 The Bank will conduct its financial operations so as to identify and address adverse impacts and the risk of gender-based exclusion, include women and men in consultation processes, and comply with applicable legislation relating to equality between men and women. Its financial operations must, throughout all phases of the project cycle, adhere to the safeguards set forth in this Policy.

4.15 **Adverse impacts.** In designing its operations, the Bank will introduce measures to prevent, avoid, or mitigate any adverse impacts and/or risks of gender-based exclusion identified in the project risk analysis. These risks may include:

- a. Introducing unequal requirements for access to project-derived benefits and economic opportunities, including paid work, training, credit, or business opportunities. Projects will apply the principles of nondiscrimination, equal treatment, and equal pay for equal work.
- b. Disregarding the right of women to inherit and own land, homes, and other assets or natural resources. The Bank will recognize women's ownership rights regardless of marital status and will adopt measures to ensure their access to the documents they need to exercise this right.
- c. Introducing unpaid work unevenly. Where appropriate for the implementation of a project, volunteer work or community contributions will be organized to provide the conditions for equitable participation of men and women in the identified tasks.

- d. Introducing conditions that restrict the participation of women or men in project activities and benefits based on pregnancy, maternity/paternity leave, or marital status. The Bank will ensure that these conditions do not limit the access of women or men, as the case may be, to project participation and benefits.
 - e. Increasing the risk of violence, sexual exploitation or human trafficking, and sexually transmitted diseases. Where such risks are identified, the Bank will support measures such as: communication and awareness campaigns, development of community prevention plans, health services, codes of ethics, and surveillance systems.
- 4.16 **Consultation and effective participation of women and men.** The Bank will equitably⁴ involve the women and men affected by projects and their organizations in project-related consultations in a gender-sensitive and socio-culturally appropriate manner. In consultations on country strategies, when relevant, the Bank will promote the equitable participation of women and men, as well as of government entities and NGOs that promote gender equality.
- 4.17 **Women's rights.** The Bank will recognize, in any cultural or ethnic context, the right to equality between women and men, as well as the specific rights of women, as established in the national legislation of the regional member countries and in applicable international agreements.
- 4.18 Under this Policy, the Bank's support of affirmative action specifically targeted to women or men with the goal of closing existing gender gaps, meeting specific gender-based needs of either group, or ensuring the participation of either group in consultations will not constitute discrimination or exclusion.
- 4.19 **Application of safeguards and risk analysis.** The Bank will assess operations' potential adverse impacts on gender equality beginning in the early stages of preparation. If impacts of this nature are identified, the Bank will incorporate a gender analysis into its social impact and risk assessments. Where the analysis so indicates, the Bank will include measures to prevent or mitigate these impacts in the risk management plans and will monitor those measures.

V. IMPLEMENTATION AND COMPLIANCE

- 5.1 **Management for results.** The Bank will require specific indicators on gender equality to be set out in the results matrix of country strategies, operations, and knowledge and capacity-building products that have identified gender equality as a priority area under the country strategy or as a relevant issue in projects or knowledge and capacity-building products. In measuring the effectiveness of

⁴ Equitable participation by women and men means that, depending on the context, any possible efforts are made to reflect the relative percentages of women and men's participation in the operation's sector, or in the affected population. From a redistribution standpoint, equitable participation also means that participation is balanced so as to correct pre-existing gaps or discrimination and make progress towards equality.

- projects, the Bank will record potential gender equality benefits.⁵ The Bank will collect sex-disaggregated beneficiary data for those projects that identify direct beneficiaries. These indicators will help to measure the progress and outcomes of included actions and to assess their impact on gender equality. In addition, the Bank will require indicators that measure the Bank's contribution to regional objectives and its corporate effectiveness to be sex-disaggregated.
- 5.2 **Operational guidelines.** The Bank will develop guidelines to encourage the application of know-how and lessons learned regarding gender issues to development interventions and to provide sector methodological guides for program design and implementation. Moreover, these will provide guidance in determining the relevance of integrating gender issues into projects and will offer criteria for determining the risk of negative impacts or gender-based exclusion in the Bank's operations and suggested courses of action.
- 5.3 **Action plans.** The Bank will develop periodic action plans, including a results framework, in order to ensure that the Policy is applied and to measure progress and results.⁶ All divisions and units responsible for the operations and activities covered by this Policy will take part in developing the plans. These plans will define priority areas of action and specific targets to be met each period.
- 5.4 **Monitoring indicators.** The Bank will develop two types of indicators for monitoring the Policy: (i) indicators that measure the Bank's effort to comply with the Policy; these will be defined in the operational guidelines;⁷ and (ii) indicators for measuring fulfillment of the targets in the action plan for each period; these will be set forth in the results framework of the action plans.
- 5.5 **Consistency with other safeguard policies.** The Bank will apply this Policy in a manner consistent with its safeguard policies. These include the Disclosure of Information Policy (OP-102), the Operational Policy on Indigenous Peoples (OP-765), the Environment and Safeguards Compliance Policy (OP-703), and the Operational Policy on Involuntary Resettlement (OP-710), as well as other safeguard policies that the Bank may consider in the future. This Policy will be included in the Independent Consultation and Investigation Mechanism.
- 5.6 **Coordination and external consultation.** Implementation of the Policy will be facilitated by the inclusion of gender equality issues in consultations with civil society and in harmonization exercises with other multilateral development agencies and bilateral donors. Also, in keeping with the Paris Declaration and the interagency commitment to the Millennium Development Goals, the Bank will consult and coordinate implementation of the Policy with other development agencies.

⁵ This measurement will be included in the Development Effectiveness Matrix (DEM).

⁶ The first of these plans will be finalized before this Policy takes effect.

⁷ Annex I includes a list of the indicators that have been identified preliminarily.

- 5.7 **Corporate responsibility.** The Bank's commitment to gender equality in its technical and financial support for the region should also be reflected in the promotion of gender equality, diversity, and work-family balance in the Bank's human resource management and in its institutional environment.
- 5.8 **Entry into force.** This Policy will take effect six months after its approval by the Bank's Board of Executive Directors, to provide the needed time for adjustments to the institution's procedures.

VI. MONITORING REPORTS

- 6.1 The Bank will track and monitor the gains and progress made in implementing the Policy and action plans.
- a. The Bank will report to the Board of Executive Directors on execution and attainment of the objectives of the Policy and its action plans, three years after the Policy takes effect. That report will be made available to the public on the Bank's website.
 - b. The Bank will report on the Policy's monitoring indicators in the annual report that reviews the Bank's corporate performance on managing for development results.⁸
 - c. The Policy's monitoring indicators will be incorporated into the reports that enable Management to monitor attainment of the outputs related to corporate results.⁹

⁸ At the date of approval of this Policy, this report is the Development Effectiveness Overview (DEO).

⁹ At the date of approval of this Policy, these reports are the quarterly and annual business reviews.

Monitoring indicators for the Policy

The Bank will systematically compile data for the following indicators related to the Policy's two main directives:¹

- a. Indicators of proactive action for gender equality:
 - Country strategies and programming papers that include gender-related results in their results matrix (number and percentage)
 - Financial operations that invest directly in gender equality (number, percentage, and dollar amount)
 - Financial operations that include gender-related results in their results matrix (number, percentage, and dollar amount, by sector)
 - Knowledge and capacity-building products that include gender-related results (directly or mainstreamed) in their results matrix (number, percentage, and dollar amount, by sector)
 - Operational inputs that include gender-related results (directly or mainstreamed) in their results matrix (number, percentage, and dollar amount, by sector)
- b. Indicators of preventive action for gender equality:
 - Loan operations that identify potential adverse gender impacts and include prevention or mitigation measures (number and percentage)
- c. Indicators for monitoring project outcomes:
 - Project monitoring reports and loan results reports for lending operations that include specific gender-related results in their results matrix (number and percentage)
 - Project monitoring reports that disaggregate project beneficiaries by sex (number and percentage)
 - Project completion reports that report satisfactory results for actions to foster gender equality in operations that invest directly in gender equality (number and percentage, by sector)
 - Project completion reports that report satisfactory results for actions to foster gender equality in operations that include specific gender-related results in their results matrix (number and percentage, by sector).

¹ The selected indicators make it possible to monitor all of the Bank's development instruments through existing measurement systems, but should not be considered exclusive. The Bank can revise the proposed indicators to improve measurement of its progress in executing the Policy. Moreover, it can add new indicators in its monitoring reports.