

**Factsheet: Gender Due Diligence for Buyers' Guide:
Submitted to NCSA by WOCAN 15 March 2024**

In considering high-quality carbon credits, buyers should prioritize projects that not only address climate change mitigation but also align with Sustainable Development Goals (SDGs). This appendix section offers additional guidance and due diligence questions for projects aligned with SDG 5 (gender equality and women's empowerment), which are integral to achieving all goals in the 2030 Sustainable Development Agenda.

WHY WOMEN?

Many carbon mitigation and adaptation activities provide a ready-made opportunity for delivering positive impacts for women and girls while reducing or removing GHG emissions. Evidence suggests that the direct inclusion of women and girls into carbon and climate projects more widely delivers better carbon and climate outcomes and improves project sustainability as evidenced by the facts below:

- Women are at the forefront of climate resilience and adaptation
 - Women offer unique perspectives, expertise, and problem-solving capabilities related to NBS, due to their extensive responsibilities in agricultural production and water and forest management¹. In particular, rural and indigenous women are well-placed to provide for the effective protection of biodiversity and management of nature-based solutions. Studies indicate a correlation between women's inclusion in leadership and decision-making structure and sustainability outcomes on natural resource management and adaptation outcomes.
 - Sustainable forests can give rise to opportunities for women's improved tenure security and livelihoods impacts, enhanced participation in local resource governance (forest committees) and new income-generating activities.²
 - Research of a 'payment for ecosystem services' intervention in Indonesia, Peru, and Tanzania found that 50% of forest user groups with a 50% gender quota conserved more trees and shared payments more equally than those without a gender quota.³
 - Recognition of women's dominant roles in agriculture brings opportunities to invest in building their knowledge of climate-smart agriculture practices and the provision of climate-smart technologies that can improve productivity, generate income, and lessen workloads.
- An integrated Gender + Climate strategy is more effective
 - Many companies manage environmental and social agendas in isolation. Integrating social action such as women's empowerment through education, rights awareness,

¹UNDP Gender and Climate Finance Policy Brief 5. Available at:

<https://www.undp.org/sites/g/files/zskgke326/files/publications/UNDP%20Gender%20and%20Climate%20Finance%20Policy%20Brief%205-WEB.pdf>

²Deliver for Good, 2019. "Invest in Girls and Women to Tackle Climate Change and Conserve the Environment." http://deliverforgood.org/wp-content/uploads/2019/02/2019-10-D4G_Brief_ClimateChange.pdf

³ Women's Environment and Development Organization, 2020. Feminist Climate Finance Brief: Recommendations for Canada's Climate Finance Pledge. Available at:

https://wedo.org/wpcontent/uploads/2020/09/CanadaClimateFinance_FINAL_8312020.pdf

leadership, health or income-generating activities can unlock environmental impacts and *vice versa*, leading to transformative change in a purpose-driven business landscape.⁴

- There are new opportunities within the Voluntary Carbon Market and associated standards for projects that meet robust social and environmental requirements and deliver genuine benefits and opportunities for local communities. Some have identified women’s empowerment as a criterion for high-quality carbon projects.⁵
- Mitigate the risk of exclusion
 - There are considerable opportunities for women to play a bigger role in climate mitigation and adaptation in climate projects. However, their roles in these projects are often not seen and appreciated by carbon project developers, so the potential is unrealized. If ignored, this could endanger the long-term sustainability of climate and supply chain investments if women – as primary stakeholders and providers of supplies and services – are excluded from decision-making and benefit sharing.
 - Businesses can play a more active role by including a gender focus when setting due diligence criteria. Gender bias and even gender-based violence are potential risks to be faced, that add to the risk of women’s exclusion, particularly in NCS sectors that are traditionally male-dominated and often not ‘friendly’ spaces for women such as that of forestry.

WHAT ARE THE CURRENT MARKET LANDSCAPE AND CHALLENGES?

Due to limited market data and few specific markers that have a gender equality or women’s empowerment component within VCM registries, it is difficult to assess the degree to which projects support women’s empowerment and gender equality. Except for the W+ Standard, crediting programmes include gender ‘co-benefits only as labels; VERRA and the Gold Standard use SDGs for labelling ‘co-benefits’ that can include gender considerations.⁶

It is also important to note that standards vary in their interpretation of ‘gender’ vs. ‘women’s empowerment’ and in metrics only the W+ Standard currently requires quantification of gender and/or women’s empowerment outcomes, which makes it challenging to assess the scale of positive outcomes. Here is an overview of the standards that include some attention to gender within their programmes:

1. Gold Standard
2. Plan Vivo
3. [Verra’s Verified Carbon Standard](#) and Climate Community and Biodiversity (CCB) Standard

⁴ Forum for the Future, with Mars and IDH, 2023. Integrating Social and Environmental Sustainability: The business case for integrating agendas. Available at: <https://www.mars.com/sites/g/files/dfsbufz106/files/2023-11/Integrating%20Social%20and%20Environmental%20Sustainability.pdf>

⁵ See page 2 for an overview of the standards: “[Projects and jurisdictional programs that deliver on climate mitigation while also putting biodiversity and people at the center of the solution, especially Indigenous Peoples and local communities \(IPs and LCs\) generate high-quality NCS carbon credits, the focus of this guide.](#)”

⁶ ASEAN Low Carbon Energy Programme, U.K. Government, 2022. Integrating a Gender Lens into Voluntary Carbon Markets, Vol.1, Executive Summary. Accessed at <https://www.wocan.org/wp-content/uploads/2023/07/asean-lcep-integrating-a-gender-lens-in-vcms-volume-l-executive-summary.pdf>.

4. W+ Standard

[The Gold Standard](#) (GS) requires all GS certified mitigation projects to consider gender within project activities. Projects have the option to select SDG 5 as one of the three required for mandatory SDG contributions; 20% of GS projects to date have done so. The Gold Standard also allows projects the option to certify for a higher level of gender results, but only one or two projects have done so to date.

Pricing: In August 2023, the Gold Standard announced the first ever issue of gender responsive carbon credits from a 'safe water' project in Uganda, at USD25 per tonne.

[The Plan Vivo Standard](#) is the largest standard for smallholder and community-forestry projects. Its principles on gender include requirements that smallholders or community groups must not be excluded from participation in the project on the basis of gender, age, income or social status, ethnicity, religion, or any other discriminatory basis, and that community members, including women and members of marginalised groups, must be given an equal opportunity to fill employment positions in the project where job requirements are met or for roles where they can be cost-effectively trained.

It does not have metrics that measure positive gender outcomes, but rather applies environmental and social safeguards policies aimed at ensuring that participants' human rights are respected and that any risks of non-intended negative impacts of projects are managed and addressed.

[Verra's Verified Carbon Standard \(VCS\)](#) has adopted the W+ Standard as an accredited methodology for generating [W+ labelled Verified Carbon Units](#) (VCUs). A VCU label indicates that a carbon unit meets the requirements of other (non-VCS) standards programs or is eligible/qualifies to be traded in specific markets. A VCU can be associated with multiple labels. Projects that follow the respective requirements of each program for registration, validation, and verification are eligible to receive W+ labelled Verified Carbon Units (VCUs). To date, there are a few projects in the pipeline.

[Verra's Climate, Community and Biodiversity \(CCB\)](#) labelled landscape projects lend themselves towards opportunities for women's empowerment, using the Exceptional Community Benefits (Gold Level) as an optional add-in. Projects need to demonstrate "net positive impacts on the well-being of women and that women participate in, or influence decision making and include indicators of impacts on women in the monitoring plan." As of October 2022, 19% of 130 projects verified have met these criteria.

These programmes do not explicitly mention gender or require projects to consider principles of gender equality without providing any guidance on how to do so, nor provide assurance that this will be done. One concern for businesses to be aware of is the quality of monitoring, reporting and verification currently required by crediting programs, particularly those that label attributes or provide tags without requiring robust measurement of baselines and quantification.

[The W+ Standard](#) is the only global standard for quantifying women's empowerment impacts linked to project implementation in ways that are flexible, yet measurable and independently verifiable. Projects need to demonstrate improvement in women's empowerment in one (or more) of six specific categories in relation to: Leadership, Health, Food Security, Time, Income & Assets, and Education & Knowledge to generate W+ credits. The credits are registered on [S&P Global's commodities platform](#)

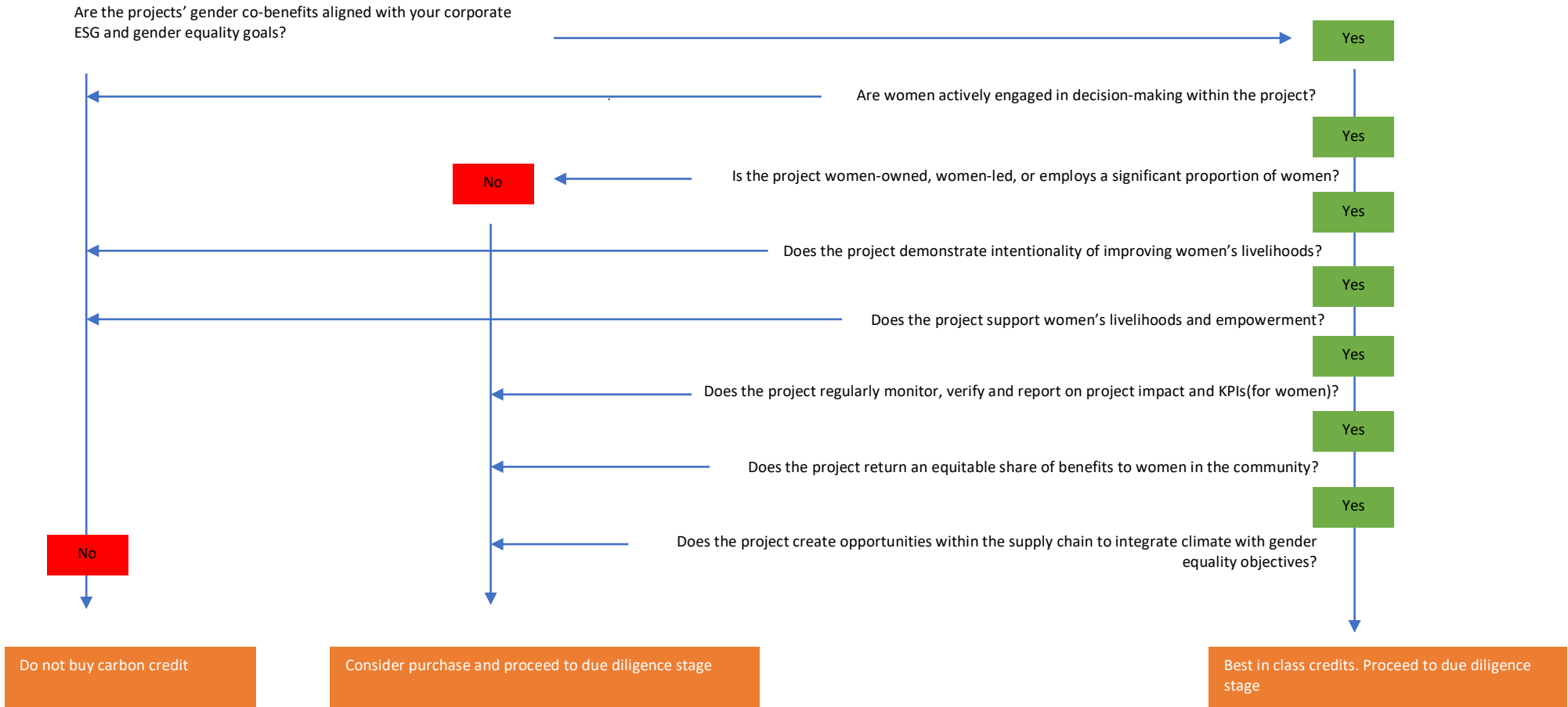
where they can be stacked with other credit types (including carbon, biodiversity, water credits, etc.) and traded individually; or linked with other environmental credit types and traded together.

The W+ Standard is a certification label that can also be applied alongside the monitoring, reporting, and verification procedures of any VCM crediting program to provide a higher level of quantified assessment of gender outcomes. Projects have the option to generate 'stand-alone' W+ credits, or W+ credits linked to carbon credits through joint certification with carbon crediting programs. In the case of projects issuing VCS credits, W+ labeled VCUs are listed as a Certification Label on the [VCS registry](#). While carbon credits incorporating W+ credits are not presently available, WOCAN and VERRA have jointly issued a call for projects already engaged in carbon measurement and interested in integrating the W+ framework.

The W+ Standard also stipulates that at least 20% of proceeds from the sale of credits are returned to women's organizations in the project community, through reliable channels determined during the process of the initial measurement and baseline establishment. This is monitored through subsequent verifications.

Pricing: In mid-2023, stand-alone W+ credits from a regenerative agriculture project in Brazil were traded at a market value of USD20 per credit.

HOW TO SELECT BEST-IN-CLASS CREDITS: DECISION TREE



WHAT QUESTIONS SHOULD I BE ASKING WHEN DOING DUE DILIGENCE FOR PROJECT SELECTION?

To ensure that the project/program effectively supports women's empowerment and gender equality, aligning with the Sustainable Development Goals (SDGs) and specifically contributing to SDG 5 (gender equality), buyers should consider Do No Harm considerations as a minimum requirement. Additionally, we recommend adhering to Positive Contribution criteria, which represent best practices and are considered best-in-class.

Do No Harm

1. The project ensures safeguards to protect women in the community.

Due diligence questions	Example answers
Has the project put in place guidelines and regulations to safeguard women against gender-based violence?	PPD and project developer work policies scope out Do No Harm indicators, including a declaration of non-involvement in any form of discrimination, sexual exploitation, abuse or harassment (SEAH) or any violence or abuse against women.
Has the project established a culturally appropriate grievance mechanism for women that is promoted and made widely accessible? Is there evidence that stakeholders have used this mechanism?	Yes, the project has designed and implemented a grievance mechanism with the input of women in the local community. X stakeholders used the project mechanism for feedback over the past year.
Has the project considered positive and negative impacts on women in the community? Does it describe the impact the project has on them?	The project not only supports activities through which women can be positively impacted but ensures the mitigation of negative impacts. And describes the impact of its activities on women's empowerment and/or gender equality using quantitative indicators.

Positive Contribution

1. The project/program supports women's empowerment and gender equality.

Due diligence questions	Example answers
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Does the project demonstrate intentionality for real empowerment of women within the community?	Project developers have demonstrated intentionality through a Gender Action Plan or Women's Empowerment Plan.
Does the project assess opportunities for improvement in women's lives/livelihood within the scope (project boundary) of the project? Does it list activities and expected benefits for women in the project community?	The project considers one or more of the following criteria (non-exhaustive) in women's empowerment: Education & knowledge Food security Health Time saved Income & assets Leadership

2. The project/program has a gender focus and actively involves women in the community in all processes of decision-making (and the governance structure).

Due diligence questions	Example answers
Does the project describe the number of women benefitting from activities associated with the project?	The project describes the number of women and girls who benefit from activities associated with the project.
Has the project consulted with women in the community? Has the project incorporated the input of gender experts?	The project consults with women in the community regarding how governance and activities within the project help to develop women's education, income, skills in decision-making and leadership/governance. The project includes input from gender experts.
Does the project incorporate and implement local women's inputs and knowledge about climate resilience / climate adaptation solutions?	Women's inputs and knowledge are incorporated in the project design and implementation.
How many women are involved in project governance? What role do women play in the project governance structure? What is the ratio of men to women involved in project governance?	There is a gender equity within governance structures, with at least 50% women appointed to community representative positions. In addition, the project has established or supported women's groups to engage in the project. The project has supported women's leadership training to assure women's active role in governance.

<p>Is the project women-led? Where have women played a leadership role in project design or are actively involved in decision making, including financial and non-financial benefit sharing?</p>	<p>The project is led by a women’s organization or business. Or women’s groups play a role in the decision making.</p>
<p>Has the project invested in employment opportunities for women? Are women paid the same wages as men?</p>	<p>The project employs x women in activities in part time or a full- time roles.</p> <p>Women receive equal pay as men.</p>
<p>Do men and women have the same project rights?</p>	<p>Yes, project assesses roles of men and women on a regular basis to ensure men and women have equal access to opportunities and land ownership (in accordance with community practices).</p> <p>In the cases where women do not own land and are therefore do not have equal rights to carbon benefits, the project has used another way to assure gender equity in benefits from the project. The project assesses the roles of men and women regularly to ensure this.</p>

3. The project/program has action and monitoring plans with clear roles and responsibilities.

Due diligence questions	Example answers
How frequently does the project monitor project impacts and KPIs?	Project monitors and reports on impacts and KPIs on an annual/biannual/quarterly basis. Project has implemented a risk assessment and demonstrates evidence of risk assessment being performed in an effective and timely manner; this has been verified by a third-party audit.
Has the project assigned responsibility for monitoring tasks?	Yes, there is a clear allocation of responsibility for each project impact and KPI. The project generates a Monitoring and Results report.
Does project or program leadership transparently share proof of community benefit sharing through the duration of the project or program?	Yes, project or program provides updates and progress on community benefit sharing on a regular basis.

4. The project/program maintains and takes opportunities to improve women’s land rights.

Due diligence questions	Example answers
Has the project assessed women’s land rights? Do women in the community have rights to own land? Or use it as they like? How does this affect women’s rights to obtain revenue from the sale of carbon credits?	Land rights documentation is available. The project includes both land rights holders as well as land-use rights holders in land rights and benefit sharing decisions, discussions and organization. An equitable and transparent benefit sharing plan is in place with women of the communities.

5. Revenue-sharing occurs transparently and equitably and the project/program has consulted women in the financial planning process.

Due diligence questions	Example answers
Does the project establish equitable sharing of carbon / women’s empowerment benefits with women in the project community? How did it determine the benefit-sharing arrangement? How do benefits flow through to all community levels for equitable sharing?	Women and/or women’s groups in the project area receive a fixed portion of the revenue from the sale of the carbon credits. The mechanism for this arrangement has been determined with inputs from women in these groups.

Is revenue-sharing with women transparent? Where do the carbon rights sit? How does the project assess transparency?	Project has discussed transparency with women, has undergone third-party assessment and is able to share specifics about the revenue-sharing model, with evidence of application.
If monetary: Has project provided proof of payment and proof of receipt (if applicable)?	Yes, project has provided proof of payment and receipt from women and women's groups.
If monetary: How is the project administering the funds? How is it assuring the equitable representation of the community as a whole and that marginalized groups receive a share of the revenue?	Project has worked with local authorities to set up bank accounts in the name of the women's group(s). It has also worked with women's groups to develop an action plan for implementation of activities that are determined by the priorities of these groups.

Conclusion

In conclusion, bridging the gender gap in financial support for women involved in climate stewardship is essential for their meaningful contribution to the success of climate initiatives. A major obstacle is the lack of financial incentives for project developers to integrate gender equality and women's empowerment into their activities. Research has also shown that there is a deficit in the supply of carbon credits that deliver meaningful impacts for women.⁷ Despite this (or perhaps because of this) there exist abundant opportunities for advancing gender equality and women's empowerment within climate projects. Corporate demand for carbon credits that include robust social development objectives not only amplify the impact of climate mitigation efforts but also foster more inclusive and sustainable development outcomes.

⁷ ASEAN Low Carbon Energy Programme, U.K. Government, 2022. Integrating a Gender Lens into Voluntary Carbon Markets, Vol.1, Executive Summary. Accessed at <https://www.wocan.org/wp-content/uploads/2023/07/asean-lcep-integrating-a-gender-lens-in-vcms-volume-l-executive-summary.pdf>.