



EnGenDER

Enabling Gender-Responsive Disaster Recovery,
Climate and Environmental Resilience in the Caribbean

Gender Inequality of Climate Change and Disaster Risk in Financial Sector

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Gender & Climate Change Resilience Series

7 of 18



Natural hazards and climate change impact women and men differently due to differences in societal expectations of their roles and responsibilities in families and communities, and the means by which they earn their livelihoods. Women generally have lower

incomes, less access to credit and decision-making authority, and limited control over resources, which increases their vulnerabilities to many natural hazards and climate change impacts. The impacts of climate change and disasters often magnify existing gender inequalities between women and men; thus, the approach to policy development and service delivery by institutions needs to take into consideration gendered differences. In particular, climate change and disaster risk preparation and response demand initiatives that identify and address existing gendered differences to ensure that women and girls, and men and boys have equal access to disaster risk resilience and climate change and environmental solutions.



CLIMATE CHANGE

a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time period.



DISASTER

a serious disruption of the functioning of a community or a society at any scale due to hazardous events interacting with conditions of exposure, vulnerability and capacity, leading to one or more of the following: human, material, economic and environmental losses and impacts.



HAZARD

a process, phenomenon or human activity that may cause loss of life, injury or other health impact, property damage, social and economic disruption or environmental degradation. Hazards maybe natural, anthropogenic or socionatural in origin.

Through a series of comprehensive studies, the United Nations Entity for Gender Equality and Empowerment of Women (UN Women), under the Enabling Gender-Responsive Disaster Recovery, Climate and Environmental Resilience in the Caribbean (EnGenDER) Project has identified gender inequality of climate change and disaster risk impacts

across the financial sector. The financial sector is a section of the economy made up of firms and institutions that provide financial services to commercial and retail customers. This sector comprises a broad range of industries, including banks, investment companies, insurance companies and real estate firms.

Why a Gender Lens (Analysis)?

When the financial sector is compromised due to the impact of climate change and disasters, this has a significant impact on women. In the Caribbean, men have traditionally been seen as the head of households, thus institutions and policies have been designed to benefit men; this presents challenges for women, particularly female-headed households, when their families and communities are impacted by climate change and disasters. Thus, it is important that female-headed households are taken into consideration when countries are developing climate change and disaster risk reduction policies; however, research conducted by UN Women revealed that financial sector policies are not always gender-responsive.

For instance, in the Caribbean, men are typically holders of land ownership titles, as a result, women are often denied loans in the aftermath of disasters; these are loans that are required for recovery. In some cases, women are not even allowed to apply for loans from legitimate institutions; thus, they are often forced to turn to private lenders, which can put them at greater financial risk due to high interest rates and unrealistic repayment terms. It is also notable that women and girls are usually excluded from land inheritance and/or land ownership, which increases women's financial vulnerabilities over their lifetime.



Climate Change and Disaster Risks

Across the Caribbean, an analysis of gender inequality due to the impacts of climate change and natural hazards on financial sectors revealed:



Women generally head larger households than men and are at increased risk of unemployment. In situations where mothers are not employed, it is difficult for them to meet the nutritional needs of their children, along with other basic needs.



Women's responsibilities for unpaid care work increases and women are often forced to be absent from paid work to care for their children due to school closures in the aftermath of a disaster.



Pregnant mothers are less likely to have private health insurance coverage, which puts additional pressure and financial stress on their households when disasters cause damage.

Coping Mechanisms Identified

In the Caribbean, women and men who have been impacted by climate change events and hazards have adapted and coped in one or more of the following ways:



Taken on two jobs to meet financial requirements.



Turned to microfinancing solutions and traditional finance schemes (e.g., 'sou sou', 'box-hand', and 'partner' schemes) and/or illegal pyramid schemes.



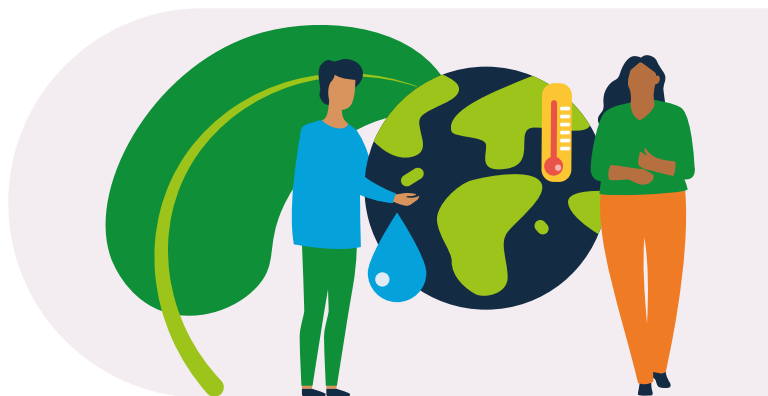
Accessed government assistance through social development programmes.



Relied on family and friends for financial support and/or remittances.

Opportunities for Gender-Responsive Disaster Resilience

What can be done to ensure that climate change policies and strategies are gender-responsive? What can be done to reduce the gendered risks for vulnerable populations?



Policymakers can:



Explore de-risking mechanisms that can allow banking and insurance institutions to play a more active role in the development of gender-responsive instruments to promote resilience building.



Promote entrepreneurial programmes and social protection mechanisms that can help women rebuild their resource base.



Ensure that eligibility for training programmes and microcredits are not dependent upon land ownership status or gender.



Integrate gender into national financial policies and plans.



Prioritize collection and use of sex-disaggregated data and data on gender issues in the financial sector.

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