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**Estonia:**

Estonian Green  
Movement-FoE

**Georgia:**

Green Alternative

**Hungary:**

Nature Protection Club of  
Eotvos Lorand University  
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**Lithuania:**

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**Macedonia:**

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**Poland:**

Polish Green Network  
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**Russia:**

Sakhalin Environment  
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**Slovakia:**

Friends of the Earth -  
Center for Environmental  
Public Advocacy  
(FoE-CEPA)

**Ukraine:**

National Ecological Centre  
of Ukraine (NECU)

CEE Bankwatch Network's  
mission is to prevent  
environmentally and  
socially harmful impacts of  
international development  
finance, and to promote  
alternative solutions and  
public participation.

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**CEE Bankwatch Network COMMENTS  
to the EBRD's Draft Strategy for the Promotion of Gender Equality**

CEE Bankwatch Network (Bankwatch) is an international non-governmental organisation with 16 member organisations from countries across central and eastern Europe. Our vision is an environmentally, socially and economically just world, built on solidarity, participation and respect for the Earth's ecological limits. To make this vision become reality we are working to prevent the environmentally and socially harmful impacts of international development finance, and to promote alternative solutions and public participation. Bankwatch was formally set up in 1995 to monitor the activities of international financial institutions and with 20 years of experience of campaigning on EBRD financed projects and engaging in policy processes, it has a unique perspective on the institution.

**Introduction**

Bankwatch welcomes the undertaking by the EBRD to develop its Strategy for the Promotion of Gender Equality (the Strategy), building on lessons learned during the implementation of the bank's Strategic Gender Initiative (SGI) since 2013. Efforts in the right direction have been made by the bank over the past few years, like the introduction of the inclusion indicators in 2013 and strengthening institutional capacity to mainstream gender across the bank's investments and policy dialogue. The draft of the Strategy proposes a robust theory of change and pragmatic operational approaches, outlining a wide set of activities and a strategic focus on the three main 'accesses' to 1) finance, 2) employment and skills, and 3) services.

Nevertheless, the draft is unclear or appears to lack consistency in some parts and the below comments and recommendations propose some improvements. More importantly, the EBRD's failure to take a rights-based approach to gender equality has resulted in a limited vision of gender equality of economic opportunity "*as a key tool*" for promoting efficient market transition. By making the business case for gender equality this approach may ensure stronger ownership of the Strategy by the bank, but it is a missed opportunity for aligning the Strategy with the bank's unique Sustainable Development mandate. Without a persuasive presentation of the EBRD's strategic approach to safeguarding gender rights, the draft of the Strategy lacks justification for choosing to promote women while refusing to protect them.

## 1) Gender equality: a tool or a goal?

The draft of the Strategy provides the following definition on Gender Equality in the Glossary part at the end of the document (p.57): “*Gender equality is the goal or final objective where women and men have equal conditions for realising their full human rights and for contributing to, and benefiting from economic, social, cultural and political development.*”

However, the draft of the Strategy is unclear if Gender Equality is an objective or merely a tool. For example, in its Executive Summary the draft of the Strategy reduces gender equality to:

- *a principal element in the promotion of sound business management and critical to the advancement of sustainable transition in the countries where the EBRD invests.*

Then the draft introduces the concept of Gender Equality of Economic Opportunity, again stressing on its instrumentalisation for achieving a well-functioning market economy:

- *By focussing on reducing gender-based inequalities, it commits the EBRD to the promotion of equality of economic opportunity. This commitment is rooted in the principle that the full and efficient use of economic resources is an intrinsic characteristic of a well-functioning market economy.*
- *gender equality of opportunity as a key tool for promoting transition to efficient markets.*

The introduction of the Strategy then concludes that:

- *while “gender equality encompasses diverse and pressing needs, the EBRD’s role in addressing gender equality is principally through the promotion of equality of opportunity and guided by its transition mandate.”*

In section 2.3. Operational Approaches, Figure 2 - Theory of Change has as an ultimate goal “*Equality of Economic Opportunity*”. In the Performance Monitoring Framework we have “*Overall Objective: Increase Women's Economic Empowerment & Gender Equality of Opportunity*”.

### **Recommendation 1:**

The EBRD Strategy for the Promotion of Gender Equality should explicitly list among its Objectives the following one:

*The EBRD will promote gender equality, both internally and through its investments and policy dialogue, by providing conditions for women and men for realising their full human rights and for contributing to, and benefiting from economic, social, cultural and political development.*

## 2) What are the Strategy's Objectives?

As already pointed above, the draft of the Strategy lacks clear identification and consistency on the Strategy's objectives. Chances are that even the most elaborate strategy will fall short of achieving its aspirations, if it lacks clearly defined objectives. The draft of the Strategy contains the section 2.1. Objectives, where they are clearly stated:

- *Enhance the EBRD’s operational performance and delivery in the promotion of gender equality in its CoOs; and*
- *Contribute to creating an enabling environment that can address the constraints which gender inequality places on transition.*

Although these same objectives are repeated in the Executive Summary, it is confusing by listing four sets of bullet points headed with:

- *[...] the Strategy for the Promotion of Gender Equality therefore seeks to:* repetition of the above objectives.
- *It builds on:* OK, clear.
- *The Bank, via this Strategy, will:* repetition of the second objective, but adding 'effectively engage both women and men' and 'pay due attention to the role of social and cultural norms' and 'measure impact and results'.
- *It will do this by:* What are these really?

As mentioned above, throughout the draft of the Strategy, the goal posts are changing and different sections suggest different sets of strategic objectives. A strategy that lacks clearly stated objectives leaves too much space for personal interpretations and may thus result in discordant opinions within the institution as to what the strategy aims to achieve and how, which may hinder its implementation.

**Recommendation 2:**

Additionally to listing Gender Equality as a stand-alone strategic objective, the Strategy should present its objectives clearly and consistently, both in the Executive Summary and throughout the Strategy.

**3) Is Sustainable Development part of the Strategy?**

The draft of the Strategy states that *'the Bank's work to promote gender equality is most relevant to transition impact, Additionality and sustainability'* and therefore it excludes the fourth of the EBRD's key principles – Sound Banking, from the Strategic Fit elaboration. Then in three sentences it suggests that the EBRD's Environmental and Social Policy (ESP), not the Strategy, is relevant to Sustainability.

If compared to the dominating narrative in the draft of the Strategy of how gender equality of opportunity can help market transition, the link between gender and sustainable development is vague, perhaps because it is considered to be obvious. However, in view of the diverging definitions and perceptions of sustainability (for example some equate it or use it interchangeably with sustainable growth, climate action etc.), a clearer explanation of the EBRD's mandate and approach, especially through the gender prism, is necessary.

**Recommendation 3:**

The Strategy should elaborate on how promoting gender equality relates to the bank's mandate on Sustainable Development, similarly to the way it defines and details its links to Transition and Additionality.

**4) Interface between the Strategy and the ESP?**

The point that the Strategy is not about gender safeguards, but about gender opportunities, was made loud and clear during the Strategy consultations. The Environmental and Social Policy (ESP) is expected to do the gender safeguarding, in spite of the fact that its focus on gender is marginal or selective at best.

The draft of the Strategy lacks assessment of the EBRD's experience in safeguarding gender rights, as neither the 1.3. Lessons Learned nor the 2.3.2. Gender Approach within the EBRD Investment Project Cycle sections discuss at any meaningful length the EBRD's experience with gender impact assessment, gender mitigation measures and the incorporation of gender in ESAPs and SEPs. This creates the impression that this experience either does not exist or it does not matter, and as a result, the draft of the Strategy lacks justification for choosing to promote women while refusing to protect them.

**Recommendation 4:**

The interface between the Strategy and the ESP should be defined clearly and justified. The Strategy should provide information on the experience to date with gender impact assessment, gender mitigation measures and the incorporation of gender in ESAPs and SEPs.

## **5) Access to employment and skills**

On one hand, the section 2.3.4. Three 'Accesses' is very clearly laid out and justified with the business case for each 'Access'. The proposed Responses are well designed and illustrate how the whole Strategy comes together and makes sense. The section includes some very progressive language, for example: additional resources needed for disadvantaged / minority groups; dialogue with CSOs; development of knowledge and skills that women require to access justice and legal remedies; support for freedom of association and forms of gender-responsive collective bargaining; support for workers awareness-raising about their gender rights.

On the other hand, the part on Access to Employment and Skills falls short of discussing and addressing the fact that employment no longer provides a guarantee against poverty and exclusion. Analysis<sup>1</sup> of thirteen research projects on inequality in the EU, published in 2010 by DG Research of the European Commission, finds that one third of working adults in the EU member states are in poverty. Additionally, with relevance to the Strategy is the finding that non-standard forms of work (shorter hours, intermittent and temporary work) are associated with widening earnings inequality and the expansion of in-work poverty, and due to women's over representation in non-standard work, women are put at a greater risk of poverty than men.

Additionally, the DG Research report suggests that for the last three decades worker's wages have not kept up with the increasing labour productivity, which has caused raising inequality and poverty in the EU during time of sustained growth (before the crisis). A 2014 White House report<sup>2</sup> also argues that raising the minimum wage is especially important for women, who are more highly concentrated in low-wage sectors, and that it will help reduce poverty among women and their families, as well as make progress towards closing the gender pay gap.

### **Recommendation 5:**

Therefore, additionally to access to employment, the Strategy should stress the importance of the quality of employment and the need for decent pay, especially in the low-wage sectors. With regards to 'flexible working schemes' and non-standard jobs, the Strategy should target policy-makers and employers to remove the association between non-standard hours and low pay, in order to address wage inequality and close the gender pay gap.

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1 Perrons & Plomien, 2010, *Why socio-economic inequalities increase? Facts and policy responses in Europe*, European Commission DG Research, URL:

[https://ec.europa.eu/research/social-sciences/pdf/policy\\_reviews/policy-review-inequalities\\_en.pdf](https://ec.europa.eu/research/social-sciences/pdf/policy_reviews/policy-review-inequalities_en.pdf)

2 The White House, 2014, *The Impact of Raising the Minimum Wage on Women*, URL:

<http://big.assets.huffingtonpost.com/whitehouseminimumwage.pdf>