

# THE BUSINESS CASE FOR GENDER AND ENERGY

## Introduction

Significant progress on energy access has been made in recent years, with the number of people living without electricity dropping from 1.2 billion in 2010 to 840 million in 2017<sup>1</sup>. According to the 2019 UN Sustainable Development Goals (SDG) tracking report, 89% of the world now has electricity, with 131 million people gaining access to electricity each year on average since 2010<sup>2</sup>. It is worth noting that although these findings capture real progress, access does not equal availability. Affordability and reliability of supply remain major challenges for those who have gained access to power in recent years. Remaining energy access inequalities therefore often mirror social divisions along lines of income, race, and gender.

This business case is aimed at companies in the energy sector—companies whose business is the generation, transmission, and retail of power. It highlights how each stage of the energy value chain, from generation to retail, holds different opportunities for gender inclusion and presents evidence to demonstrate how the clean energy transition can strengthen commercial and social outcomes through the inclusion of women as employees, last-mile distributors, consumers, and community stakeholders<sup>3</sup>.

There is a well-established link between access to modern, reliable, and affordable energy and economic development—both at the household level and in economy-wide analyses<sup>4</sup>. In recent years, a growing body of evidence has more specifically linked access to modern, reliable, and affordable energy to positive social, economic, and health outcomes for women. However, persistent gender gaps still remain across the power and energy sector,

Significant progress on energy access has been made in recent years, with the number of **people living without electricity dropping from 1.2 billion in 2010 to 840 million in 2017.**

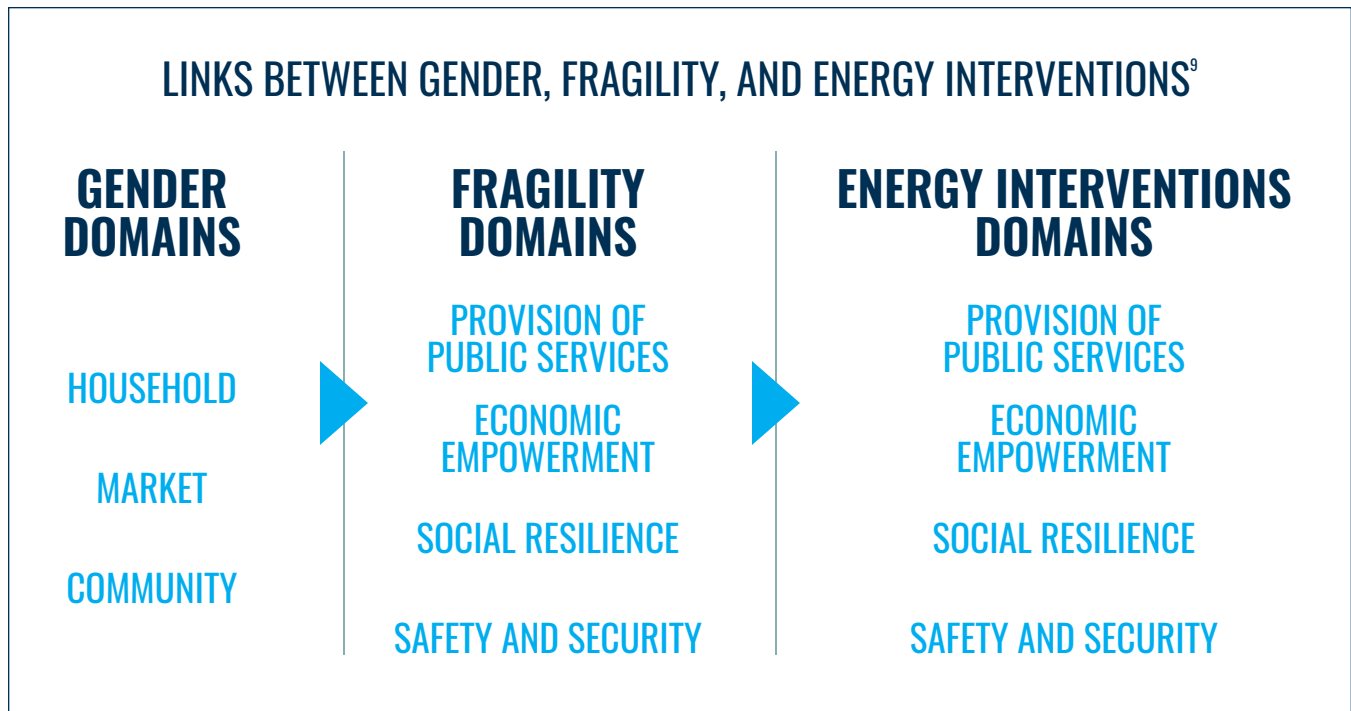
largely reflecting asymmetric access to resources and decision-making power between men and women, as well as differing time use patterns according to gendered roles, needs, and vulnerabilities. This asymmetry means that women are not always able to take advantage of the benefits of reliable power supply in their homes or communities.

**BOX 1 | Energy Stakeholders: Roles and Responsibilities**

Company managers can support more equitable employee recruitment and promotion, improve the inclusivity of company culture, offer equal pay for equal work, provide equitable benefits, and enact flexible work provisions. Company ownership via the board can promote a gender-inclusive agenda and require companies to set gender performance targets. The board can also advocate for a thorough review of company policies not only regarding the workforce but also (for example) suppliers and community engagement. Society (including local communities) are a key stakeholder group with whom it is important for power utilities to engage in a gender-inclusive manner—paying attention to when and how consultations are held and with whom, and designing compensation, employment, community investments, and other benefit streams with the needs of both men and women in mind. Creditors can assess women’s perceptions of the market and better understand their needs as customers, providing financial products accessible to women and lower income groups that can enable power utilities to reach last mile communities and increase the number of women they serve. Companies also have the opportunity to use a gender lens to better understand their direct customer base and harness processes like a gender assessment to identify ways in which their products and services could better meet the needs of both male and female customers, thereby maximizing their commercial outcomes. Suppliers are an important group for companies to consider in a gender review, as evidence suggests that diversifying suppliers (including along gender lines) leads to lower transaction costs and more efficient, better quality contracting for companies. Finally, government has a role to play by investing in education and training opportunities for young people (especially women) so they can acquire the skills to be able to take jobs in the sector, and by ensuring that policies and regulations encourage companies to include gender in all aspects of their operations.



Where there is no reliable energy access, women and girls spend more time collecting firewood for cooking and lighting<sup>5</sup>. Unlit areas pose greater risks of gender-based violence at night<sup>6</sup>. Lack of electricity for health centers can compound care burdens for women and increase their own risk of mortality, particularly during childbirth<sup>7</sup>. Schoolchildren can struggle to do homework at night, and girls in particular may have more domestic work to contribute to in homes without electrification. Businesses—particularly smaller or home-based ventures—are less efficient and less productive in the absence of reliable power<sup>8</sup>. It is not only women who can benefit from direct inclusion in electrification, but also communities, countries, and power utilities which can realize the dividends of greater economic and social empowerment of women.



Within the power and energy sector workforce, the low representation of women creates a mutual economic disadvantage—women miss out on potential employment, and companies miss out on benefiting from half of the potential talent base. Similarly, failure to fully account for the different circumstances and needs of women as consumers leads to lost revenue, weaker customer relationships, and diminished value for service users.

Sustained financial investment is required to ensure that growth in energy supply continues to match demand, as well as to upgrade and maintain the functionality of existing power assets and electricity infrastructure. Currently, power outages and a weak electricity infrastructure are estimated to cost Africa around 2% of GDP annually<sup>10</sup>. The International Energy Agency (IEA) estimates investment needs in electricity generation,

## BOX 2 | Additional Complexities of Energy and Gender in Fragile and Conflict-Affected Situations (FCS)

In emergency or fragile and conflict-affected situations where households may be displaced and/or fractured and energy access is disrupted, women and girls are likely to be most impacted. Loss of energy access may lead displaced families to resort to firewood collection to meet household energy needs. As women and girls are generally responsible for this task, they are more vulnerable to risks of gender-based violence or face hostility from host community members if fuel supplies become depleted. At the same time, there are often missed opportunities to use energy access provision in displacement settings as a means of unlocking the economic potential of displaced/refugee populations, including women in consultations, and building bridges between host and displaced communities.

For companies involved in the energy sector, whether through directly supplying it or via providing financing for consumers to access power, an awareness of the specific challenges faced by female customers in FCS contexts is critical to develop products and services that meet the needs of their markets. In Yemen, for example, research found that women face a host of gender-based barriers to accessing energy. Cultural norms restricting women's ability to leave the home led to an information gap about energy access options, while the lack of reliability of power supply to residential areas (particularly outside of cities) meant that women often struggled to be able to charge their cell phones. Only 15% of women in the communities surveyed said they could participate in decision-making about energy for their home (compared to 57% of men reporting that women are able to participate). Finally, women's ability to secure financing for energy access was extremely poor.

Energy providers which identify appropriate partnerships with well-resourced organizations, including those with expertise in humanitarian contexts and gender inclusion, have the potential to tap into markets with high demand and to make a difference in the lives of women and girls affected by emergencies and conflict.<sup>11</sup>

transmission, and distribution assets across non-OECD markets will total US \$10.2 trillion through 2035<sup>12</sup>, with a financing gap of around \$320 billion<sup>13</sup>. This gap is both a commercial opportunity and an opportunity to realize development gains. However, if these gains are to be maximized, energy sector financing must promote the equal participation of both women and men—allowing for their different challenges, needs, responsibilities and roles.

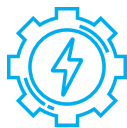


This business case highlights the connections between increasing the number of women in the energy sector workforce and business performance, including how targeting women's preferences and financing needs can expand the customer base



in off-grid markets, ways to use gender-disaggregated data and gender analysis to improve the understanding of energy consumers, and the importance of including women in community investment programs. It concludes with strategies and guidance to address gender gaps in the energy sector management and workforce. Sector level and case study evidence is combined below to highlight some of the most compelling data currently available.

## 1. Increasing Numbers of Women in the Energy Sector Workforce Can Strengthen Business Performance

As employees and managers, women have less representation in the energy sector workforce than men. Globally, female participation in the renewable energy workforce remains low at 32%<sup>14</sup>, with only 28% of women in technical roles<sup>15</sup>. In the conventional energy workforce, the IEA estimates the figure to be even lower, at just 22%<sup>16</sup>. For energy sector senior management positions, the numbers shrink still further (15% of such roles are held by women), while the portion of women on the boards of power and utility companies globally is only 6%<sup>17</sup>. It is not only at large, established utilities where job opportunities are gender skewed. Although smaller-scale renewable energy projects can bring considerable welfare gains to women, employment opportunities are mainly captured by men, which translates into women not gaining access to paid employment. An International Renewable Energy Agency (IRENA) report surveying five hydro and solar companies across Central America and East Africa showed that women made up between 11 to 31% of employees, while a study of 192 small-scale renewable energy projects in developing countries reported that only 3% of these projects addressed gender issues adequately in planning and employment<sup>19</sup>.

|   |   |  |
|---|---|--|
| <p>Female participation in the renewable energy workforce, global average</p>   |  | <p>The IEA estimates female participation in the conventional energy workforce even lower <b>AT JUST 22%.</b></p>  |
| <p><b>32%</b></p>  <p><b>WOMEN</b></p> |  | <p><b>ONLY 15%</b> of energy sector senior management positions are held by women, while the portion of women on the boards of power and utility companies globally is <b>ONLY 6%.</b></p> |

After decades of incremental change, the energy sector in many countries around the world now faces the dual challenges of an aging workforce and aging infrastructure. Meanwhile, in areas of demand that are currently unserved by grid power, new distributed forms of renewable energy can offer the potential for ‘leap-frogging’—providing electricity to remote settlements without the need to construct a grid. At the same time, the clean energy transition requires energy companies to embrace innovative technology and disruptive business models. It also creates opportunities for new players to compete—especially through the rollout of distributed generation like small-scale hydro, wind, and solar—in emerging economies.

Companies in the energy sector are at a critical inflection point, facing a greater need to be resilient in the face of shocks, demand from stakeholders to better reflect social values and improve adherence to safety, an urgent talent shortage, and the need for innovative thinking. As companies navigate the energy transition, gender diversity in the workforce and leadership is an opportunity to be embraced. Energy and power companies must engage and retain more women to ensure that the energy systems of the future address the needs of all consumers. Diversity goes far beyond gender, but as women make up 50% of the potential workforce, improving gender diversity can deliver high impact benefits for companies. With gender diversity comes diversity of thought, experiences, and backgrounds, granting employers new resources to reappraise current challenges, introduce alternative approaches, and rethink old paradigms. A report by Ernst & Young found that utilities with more women in leadership ranks performed better than their peers. Its analysis showed that “the top 20 utilities for gender diversity, with a combined average return on equity (ROE) of 8.5%, significantly outperform the lower 20, with a combined average ROE of 7%.” As the EY report notes, “Given the asset-heavy nature of this industry, a 1.5% difference in ROE between the two groups can translate into millions less in profit.”<sup>18</sup>

### BOX 3 | Vietnam Electricity’s EDGE

In Vietnam, Vietnam Electricity (EVN) is the national utility and the third largest company in the country, employing more than 100,000 workers. Only 21% are female. Recognizing gender equality as a key tool in restructuring the company to gain efficiency, the utility has worked with the World Bank to put in place a gender action plan and set targets for increasing the number of female managers. It now runs a regular Women in Leadership course for female employees, has an active mentor and mentee program, and has successfully gained the gender Economic Dividends for Gender Equality (EDGE) certification. According to managers, these measures have enabled the company to restructure while promoting more talent from within and improving EVN’s workplace culture.<sup>20</sup>

Companies in the energy sector are at a critical inflection point, facing a greater need to be resilient in the face of shocks, demand from stakeholders to better reflect social values and improve adherence to safety, an urgent talent shortage, and the need for innovative thinking. **As companies navigate the energy transition, gender diversity in the workforce and leadership is an opportunity to be embraced.**

Energy companies around the world are starting to put in place their own commitments and initiatives to harness the business advantages of gender equality. Under the US Agency for International Development (USAID) Engendering Utilities Program, seven initial utility partners have increased their number of female employees, reduced bias in hiring, addressed gender pay gaps, and adopted gender equity policies. Launched in 2016, the program now covers 17 utilities in 14 countries globally<sup>21</sup>. In the Pacific region, the Pacific Power Association, in partnership with the World Bank, has initiated efforts among its membership to promote gender equality and increase the recruitment and retention of female talent—particularly in managerial and technical roles. The planned program includes working with high school students, implementing mentoring, peer leadership from nominated gender champions, and best practice guidance training for HR staff in gender-inclusive policy development<sup>22</sup>. The approach of mentoring and support for women in STEM is garnering support in multiple programs and emerging as a model activity for gender inclusion. Mozambique’s utility recently held a Bring your Daughters to Work day, and multiple companies are beginning to sponsor engagement in schools in an effort to reach girls at an early enough age to influence their educational path.

In South Asia, the WePower network is a voluntary women’s professional network in the energy and power sector designed to promote opportunities for female engineers and encourage the development of new female engineering talent<sup>23</sup>. Part of WePower’s mission is to build mentorship bridges between female talent and industry partners, in line with research from the World Bank’s Gender Innovation Lab showing that women are more likely to enter into lucrative, traditionally male-dominated sectors if they have the support of a male ‘insider’ in the shape of someone they know<sup>24</sup>. Male champions or mentoring male managers often become bridge builders and are able to bring a more balanced perspective during hiring and team building. Similar insights also accord with the experience of the Ethiopian Electricity Utility (EEU), as described in Box 4 below<sup>25</sup>.

#### BOX 4 | Ethiopia Electricity Utility's Gender Assessment

In Ethiopia, the Ethiopian Electricity Utility (EEU) carried out a gender assessment as the basis for designing an overhaul of the company's practices for recruiting and retaining female talent. The comprehensive range of measures that resulted included institutional capacity building to implement the gender action plan, partnerships and scholarships with higher education institutions to improve STEM educational opportunities for young women and existing female staff members, a mentorship program for female staff, an enhanced package of parental leave and benefits, strengthened response to gender-based violence and harassment (GBVH) in the workplace, and the establishment of on-site childcare facilities. Among the key lessons learned in implementation are the importance of complementing a gender equality policy with capacity building of the staff charged with putting it into action, the need for deliberate efforts to make STEM training accessible to women, and the need to combine efforts to support women in their care responsibilities with active responses to the workplace challenges they face—especially in terms of technical and leadership skills development.<sup>26</sup>

**Growing evidence also points to the value of employing women in roles as bill collectors and customer service providers, particularly in cultural contexts where it is difficult for men outside of the family to be accepted into homes to read meters.**

In India, Delhi's Tata Power Co. hired 841 women to serve as bill collectors in informal settlements in the city. The result has been a 183% increase in revenue over five years, with minimal cost to the company. Active power connections have risen 40%, as homes with previously illegal connections have become bill-paying power customers<sup>27</sup>. One key factor in the program's success was the ability of women to talk to other women, enter into homes, and leverage their existing relationships of trust in target communities.

Delhi's Tata Power Co. hired 841 women to serve as bill collectors in informal settlements in the city. The result has been a **183% increase in revenue** over five years, with minimal cost.

In Comoros, the World Bank and national utility SONELEC blended social science, gender analyses, and behavior change principles to take an innovative response to reducing commercial losses. More than 100 women were trained to raise awareness about the value of formal connections and paying bills. As a result, outstanding bills dropped by 79% in the first 100 days, and SONELEC intends to continue working with women as role models and change agents<sup>28</sup>.



## 2. Energy Distribution Channels That Target Women's Preferences and Financing Needs Can Expand the Customer Base in Off-Grid Markets

In more remote communities in emerging markets where the extension of grid connections is not commercially viable, the falling cost of solar and battery technology has driven a rapidly expanding off-grid energy access market. A key challenge for companies operating in this space involves managing distribution and servicing issues. Buying solar products is often a longer-term, one-off financial investment, meaning that companies have little justification for maintaining a full-time, dedicated sales staff in remote communities. Although customers realize a substantial cost savings over the long-term, initial costs (whether paid upfront over in installments with a loan) are a serious proposition to consider. Various emerging case studies and evidence suggest that employing women in energy distribution channels can help boost business outcomes, as detailed below. It is also important to note that, particularly in remote last mile settings, appropriate precautions and measures should be taken to ensure the safety of women technicians and to prevent gender-based violence or harassment issues.

**According to research by off-grid solar provider Fenix International, women last mile distributors are better at bringing in new clients than men.** Fenix reports that female sales agents are more adept at expanding their network of customers by a factor of 25%<sup>29</sup>. Many off-grid solar companies use a business model that relies on their last mile distributors accessing working capital loans to purchase inventory upfront. Multi-country data from microfinance institutions suggests that women are generally a better credit risk for lenders and have better repayment rates than men<sup>30</sup>. Multiple models are emerging in this space, from Solar Sisters to Solar Suitcase, leveraging the idea of women as ideal agents to reach last mile consumers and develop a local market in hard to access regions.

### BOX 5 | Solar Sahelis: Female Entrepreneurs Tackling Last-Mile Sales

IFC's Lighting Asia and Lighting India programs, in partnership with solar products distributor Frontier Markets, developed a network of female entrepreneurs ("Solar Sahelis") to tackle last mile sales. The women are organized in self-help groups, but operate as self-employed sales agents on commission, working with rural households to help them fund and purchase appropriate high quality off-grid products and offering education to customers on productive uses of electricity. By the end of an 18-month period, the Solar Sahelis accounted for over 30% of Frontier Markets' overall sales—a number that has continued to grow. The program attributes its success to leveraging the relationships of trust that women had in local communities, as well as noting that energy purchase decisions are often made by women, making female sales agents better positioned to access this market segment.<sup>31</sup>

In micro-grid projects, several companies are embracing the opportunity to train and employ women as key technical and service staff for last mile service delivery—recognizing the relationship capital that women may have within their communities and in particular with other female household decision-makers and energy users. One such example is Earthspark in Haiti. While many electricians and technicians in Haiti tend to be men, EarthSpark has trained women in home installations and basic troubleshooting for customer issues. All major contractors working with EarthSpark must ensure that at least 20% of their workforce is women and must document worker wages by gender. The company’s policy is based on its observations of the gender dynamics around electrification, which found that local women were often underrepresented in decision-making processes. Pointing out that bringing energy access into an unserved community is by definition a rupture of the existing culture, Earthspark believes this disruption also creates an opening to thoughtfully engineer “pro-women” outcomes. The company states: “Not only is serving women’s needs an important tool in reducing extreme poverty, it also improves the viability of rural electrification business models. It is thus imminently within EarthSpark International’s mission to use a ‘feminist electrification’ lens in grid development planning and operations.”<sup>32</sup>

Multi-country data from microfinance institutions suggests that **women are generally a better credit risk for lenders and have better repayment rates than men.**

### 3. Incorporating Gender-Disaggregated Data and Gender Analysis to Improve Understanding of Energy Consumers

Whether on or off-grid, power and energy companies have a strong interest in capturing the greatest possible market share in their existing service areas and in new areas of potential expansion. Gaining a thorough understanding of the gender-differentiated needs of men and women as consumers—and the barriers they face in connecting to, using, and paying for power—is therefore a strategic area of focus for business development. It can improve policy and pricing decisions and allow companies to better market and target energy services and products to the end user, as well as potentially tap into underserved markets and opportunities.

**Enhancing productive uses of energy for female business owners and farmers.** Energy access can support income earning for women’s enterprises by extending the working day or enhancing agro-processing, manufacturing, or service delivery. In turn, greater income earning generates higher demand for energy services and can translate to greater profitability for power providers. Mechanized community-level

assets and services, such as electric water pumping and grain grinding, yield time savings and reduce the labor burden of women, which can allow them to set up their own small enterprises and/or increase available leisure time. Encouraging women's greater productive use of electricity—including by offering affordable financing to purchase more energy-efficient appliances that women prefer—can, over time, also contribute to the financial viability of energy providers. Experience, however, has shown that it is not enough to simply extend the electricity grid or provide access to off-grid technologies and expect outcomes such as enhanced productive uses of energy. In addition, underlying gender gaps between women and men constrain the ability of women-owned enterprises to thrive and livelihoods to be enhanced. For example, in the agriculture sector women's access to resources and community participation is often mediated through men, either fathers or husbands, and their agricultural contributions often go unrecognized, which limits productivity gains through energy access. Energy providers engaged in extending access to underserved or low-income areas can therefore benefit from carrying out a gender assessment to identify supporting interventions that could enhance the uptake of their services among women. They may also wish to explore potential partnerships with local organizations or government authorities that have the skills and capacity to (for example) extend finance or facilitate greater access to resources by women.

**Electrification of households and communities can impact women and men very differently, amplifying existing disparities in access to capital, resources, and patterns of time use.** Access to affordable electricity can help reduce the burden of drudgery for household chores, which typically falls on women—allowing them to spend more time on income

generation or leisure activities. For example, one study in Nicaragua found that access to reliable electricity increases the propensity of rural women to work outside the home by approximately 23%<sup>33</sup>. Research from South Africa suggests that rural electrification raised female employment by 9.5%, likely because it released women from drudgery and catalyzed some social /economic norms shifting<sup>34</sup>. In Brazil, women and men who had access to electricity were around 10% more likely to be employed than those who did not. For women in particular, access to electrical appliances is also key. Women with a washing machine, for example, are 6.4% more likely to be employed than women without; for men, the effect is negligible<sup>35</sup>. Companies can thus benefit from instigating a virtuous cycle, whereby increasing the access of women and men to electricity feeds increased demand and greater consumption of electricity within homes and businesses.

**In Brazil, women and men who had access to electricity were around**



**10% MORE LIKELY TO BE EMPLOYED THAN THOSE WHO DID NOT.**

Gender assessments—or even just including gender-specific questions in surveys and energy audits—can be useful tools in helping companies to identify where gender-smart strategies are needed to ensure the whole community benefits from the ability to connect to power at an affordable rate.

Promotional messaging for consumers should also reflect the different needs and uses of electricity by women and men, and the most accessible channels of communication open to them (taking into account, for example, varying levels of literacy, access to the internet, and ownership of devices like radios). In Uganda’s rural electrification program, gender-inclusive promotional messaging is combined with the option for low-income households to select ready boards—an electrical panel that contains provisions for electrical outlets and lighting sockets. Ready boards lower costs for consumers by dispensing with the need for standard meters and conventional in-house wiring, particularly helping female-headed households to gain connections. It is projected that the sale of carbon credits from the program will subsidize the cost of the ready boards for low-income households<sup>36</sup>. Promotional messaging can also improve the adoption of new technology. In Mexico, an advertisement campaign called ‘Cambio el Viejo’ was designed around the theme of changing “your old man for a new man”—the metaphor being used in jest to target female householders and persuade them to upgrade from their old fridge to a new energy-efficient one.

#### 4. Social License to Operate and the Inclusion of Women in Power Company Community Investment Programs

Power companies—particularly those involved in generation and transmission projects where land acquisition is required in areas where people are already living and working—have a strong incentive to work on securing their social license to operate<sup>37</sup>. Gaining the support and buy-in of local communities is essential to reduce operational risk, promote positive development impacts, and to establish good relationships with governments and shareholders/investors. In large infrastructure projects including those in the energy sector, there are often gender disparities in terms of the distribution of risks and opportunities. While communities have an important role to play in supporting gender inclusion through education, community life, and in consultation around investment projects, companies often have the resources and expertise to help encourage and support this process via their engagement. Failing to take gender into account can have far reaching consequences. In the absence of gender-inclusive design measures, project planning and consultation can end up working through de facto local power structures, further excluding women from decision-making and removing their perspectives and needs from consideration. As a result, men may capture the majority of project benefits such as employment and compensation.

The asymmetry in employment opportunities can be compounded by the nature of the energy sector. Many jobs created are skilled positions and require training in specific technical fields such as engineering, where women have (to date) been more poorly represented. Women may also bear additional risks such as loss of access to agricultural land, which they are less likely to hold formal title to, and therefore less likely to be compensated for. In addition, women and girls could also be exposed to an increased risk of sexual harassment, assault, and exploitation with the influx of men and cash into the local economy during project construction. It is therefore critical that power companies consider gender inclusion as a cornerstone of their engagement with local stakeholders.

A case in point is the World Bank-funded Moroccan concentrated solar power (CSP) project at Noor-Ouarzazate, where a study found that the local communities made choices that benefited everyone, including women and children. For example, instead of cash compensation for the land lost, which would benefit only male landowners, the community opted for investments in basic amenities and social services for all, such as drainage and irrigation channels, drinking water facilities, community centers, and mobile health caravans. Some projects, like the construction of a dormitory for female students and sport and camp programs for children, directly and positively impact women. While the project boosted employment opportunities, the study found that women still faced challenges in finding jobs because of inadequate qualifications and adverse gender norms in rural areas. Women represent only 4% of the CSP facility's workforce. However, provisions for a safe and positive work environment for women made it possible for them to work in a range of positions within the complex, encompassing traditional activities such as catering, cleaning, and administration, with some holding more technical roles in quality control and the health and safety unit, and in highly skilled positions such as topographers and welders. Without these provisions, their participation in the workforce would be even lower<sup>38</sup>.

### BOX 6 | PNG Power: Investing in Electrification

In Papua New Guinea (PNG), the national utility PNG Power undertook the PNG Town Electrification Investment Program in partnership with the Asian Development Bank. The program includes ensuring 30% female participation in community consultations, offering skills training for village committees and households (with a minimum participation threshold of 50% women), ensuring 50% female participation in village power and water committees, providing jobs for women in project construction and ongoing maintenance, guaranteeing equal pay for equal work, implementing an HIV/AIDS awareness campaign to mitigate risks, and rolling out gender awareness and capacity-building training for the energy utility.



Gender-inclusive stakeholder engagement should be mainstreamed throughout the project cycle. In projects requiring large-scale resettlement and livelihood compensation (such as the construction of a hydropower dam), disparities in land and inheritance rights stemming from legal or customary barriers often impede women. Applying a gender lens can help to ensure all community members are supported to rebuild their lives and reduce the likelihood of protests or shutdowns. For example, the resettlement that occurred during the construction of the Nam Theum 2 Dam in Laos affected 6,300 people in 17 communities. The power company hired gender specialists led by the Laos Women's Union to ensure the women were able to participate in all phases of the project. As a result, the Social Development Plan and the Resettlement Action Plan included provisions such as issuing land titles jointly to women and men, as well as joint compensation for those who were resettled. Alternative livelihoods were also created for the most vulnerable resettled households, including livelihood activities traditionally carried out by women, such as raising chickens and producing handicrafts<sup>39</sup>. It is important to note that cultural norms and context vary from place to place. It may be necessary to strike a balance between compensation processes that ensure gender inclusion while at the same time avoiding creating tensions between the sexes that make women the unintended target of resentment or violence.

## 5. Strategies to Address Gender Gaps: What Should Energy Sector Companies Do?

### 1. Companies can increase representation of women in power sector management and workforce by:

- Commissioning a gender advisor to carry out comprehensive gender assessments to examine all areas of their operations, supply chain, workforce, and (where applicable) products and services for customers<sup>40</sup>. Companies may either hire a gender advisor or offer the responsibility and title of gender champion to existing senior staff, alongside training to fulfill the role<sup>41</sup>. Gender assessments should be tailored to each company, but they typically include applying a gender inclusion lens to examining work environments, facilities, company policies, and systems of performance evaluation, and identifying opportunities for gender inclusivity with all key stakeholders external to the company, such as contractors and suppliers<sup>42</sup>. Gender assessments can be carried out in house, or by hiring consultants if there is not internal expertise. In this process, it is important to consider whether the local context and cultural norms are such that women interviewees would be more comfortable speaking with female researchers and hire the field team

accordingly. (**Relevant Tools:** See [TOOL 1.2: Develop a Business Case for Gender Diversity](#), [TOOL 1.3: Gender Audit: Introduction, Process, and Tools](#), [TOOL 1.4: Terms of Reference for Gender Audit](#), and [TOOL 1.6: Pay Gap Survey Guidance and Terms of Reference](#).)

- Developing a gender action plan in response to the recommendations outlined in the gender assessment to support active gender representation in the workforce. This may include reviewing and updating human resources policies to better support active recruitment of women, equitable retention and pay of men and women, equitable promotion opportunities and access to leadership and mentoring programs, and a family friendly work culture that includes prioritizing gender-equitable family leave and supporting employees with childcare options<sup>43</sup>. Throughout this process, strong support from the executive level of the company is absolutely critical in ensuring sufficient follow through, resourcing, and monitoring as the action plan is implemented. (**Relevant Tools:** See [TOOL 1.8: Gender Policy Guidance and Sample Gender Policy](#), [TOOL 1.9: Establish a Gender Equity Strategy](#), [TOOL 1.11: Develop Human Resources Policies and Programs to Support a Gender-Inclusive Workforce](#), and [TOOL 1.12: Set Gender Recruitment Targets](#).)
- Investing in upgrading facilities to create a workplace that is both welcoming to and inclusive of women in order to reach greater parity in workforce numbers. This may include providing separate bathroom and showering areas, secure and private accommodation for men and women, and offering lactation areas for breastfeeding mothers. Companies may also consider offering on-site or employer sponsored childcare, for which the IFC has produced a comprehensive guide covering advice on how to gauge quality, financial sustainability, and results measurement<sup>44</sup>.
- Recruiting expertise to put in place zero-tolerance policies towards sexual harassment and assault, including development of clear policies and codes of conduct, to be signed by all employees as well as contractors<sup>45</sup>. (**Relevant Tools:** See [TOOL 4.12: GBVH and Respectful Workplaces Guidelines and Sample Policy](#).)
- Joining local, national, and international sector networks with other power companies to foster good practice, share experiences, and leverage opportunities to share costs (for example with training programs, or in efforts to engage with schools and universities).

**BOX 7 | The Waka Mere Commitment to Action**

In the Solomon Islands, IFC and the Solomon Islands Chamber of Commerce and Industry (SICCI) have launched the Waka Mere Commitment to Action, working in partnership with local companies to improve business outcomes by advancing workplace equality. Solomon Power, the national utility, is among the cohort of participating companies which undertook three commitments: promoting women in leadership, building respectful and supportive workplaces, and increasing opportunities for women in non-traditional jobs. Findings from assessments revealed that gender-based violence in particular is costing participating businesses up to two weeks of work per employee per year. Companies in the program are therefore implementing a range of measures including codes of conduct, support and training for staff, and coordinating with local partner organizations with specialist expertise in this field.

## 2. Companies can create opportunities to hire women in the energy supply chain in off-grid markets by:

- Identifying potential female last-mile distributors in partnership with local women's associations or NGO groups, and providing training /capacity building for local women entrepreneurs and women-owned businesses that focuses on basic business, financial management, and technical skills, as well as building peer-support networks.
- Partnering with local finance institutions such as microcredit organizations to help female sales agents access working capital loans and expand their businesses.

**BOX 8 | Solomon Power and Solar Grids: Opportunities for Women**

As part of the World Bank Solomon Islands Electricity Access and Renewable Energy Extension Project, Solomon Power is providing training for rural women to do basic cleaning and grounds maintenance at the sites of community solar grids. The program has a target that 80% of such positions will be held by women, employed by the national utility, by the end of the program.

- Assessing procurement policies and contract awards to disaggregate data by gender and identify opportunities to increase access to business for small and medium enterprises and female contractors. This may also include unbundling contracts to make it easier for small businesses to compete and training groups of women in basic maintenance for solar assets. (Relevant Tools: See **TOOL 2.2: Self Assessment of Supply Chain Gender Diversity and Inclusion**, **TOOL 2.3: Considerations in Defining Criteria for 'Women-Owned Businesses'**, **TOOL 2.4: Developing the Business Case for Increasing Engagement with Women-Owned Businesses**, **TOOL 2.5: Developing a Code of Conduct for Increasing Engagement with Women-Owned Businesses**, and **TOOL 2.6: Developing a Comprehensive Gender Diversity Supply Chain Program**.)

### 3. Companies can differentiate service and product offerings to incorporate gender-diverse consumer needs by:

- Identifying distinct needs and preferences for energy products/services by men and women, including gender-specific barriers or constraints to increasing energy demand.
- Disaggregating consumer data by gender and identifying female-headed households.
- Redesigning or creating new products, services, and platforms to retain and/or increase the number of female customers, including diversifying payment methods through the use of mobile money, pay as you go, and increasing options for top-up purchasing near to the home.
- Partnering with women's savings groups and cooperatives, which can serve as an outlet for raising awareness and a source of consumer financing to help women cover the cost of down payments for solar lighting and other household solar investments.

### 4. Companies can incorporate gender inclusion into community investment and stakeholder management plans by:

- Following community norms to hold gender-sensitive consultations (such as gender-segregated consultations vs. gender-inclusive ones) to ensure that all stages of project design and implementation account for men's and women's different access to project benefits and risks. (Relevant Tools: See **TOOL 3.7: Facilitate Gender-Equitable Participation in Consultations on Infrastructure Operations**.)

- Integrating gender into the methodology and analysis of baseline community and social impact assessments, as well as community consultations, compensation, participatory monitoring, and grievance mechanisms. This may include measures such as ensuring equal representation and participation in planning and meetings and employing women as part of the community relations team. (Relevant Tools: See [TOOL 3.3: Rapid Gender and User Engagement Company Self-Assessment](#), [TOOL 3.4: Terms of Reference for Independent Gender Expert](#), [TOOL 3.5: Integrate Gender Concerns into Baseline Community Assessments](#), and [TOOL 3.6: Integrate Gender Concerns into Social Impact Assessments](#).)
- Ensuring that compensation for land and livelihoods lost is gender inclusive and takes into consideration customary land use rights and informal livelihood strategies, as well as taking care to pay out monies owed to both men and women who are impacted. (Relevant Tools: See [TOOL 3.9: Guidance Note on Gender Responsive Livelihoods Restoration](#), [TOOL 3.10: Ensure Gender Sensitivity in Participatory Monitoring and Evaluation and Grievance Mechanisms](#), and [TOOL 3.11: Design a Gender-Sensitive Resettlement Process](#).)
- Seeking out opportunities to train and employ women as well as men during the construction and operation phases of energy and power projects. (Relevant Tools: See [TOOL 3.13: Create Local Economic Development and Empowerment Opportunities for Women](#).)
- Integrating gender and GBVH into planning assessments and the design of services that are rolled out which require GBVH mitigation strategies. (Relevant Tools: See [TOOL 4.2: Develop a Business Case for Respectful Workplaces](#), [TOOL 4.3: Guidelines for Identifying and Assessing Available GBVH Data](#), [TOOL 4.5: Service Provider Guidelines](#), [TOOL 4.8: Terms of Reference for GBVH and Respectful Workplace Assessment](#), [TOOL 4.12: GBVH and Respectful Workplaces Guidelines and Sample Policy](#), and [TOOL 4.13: Raising Awareness and Communication of GBVH Commitments and Approaches](#).)



## APPLICABLE PERFORMANCE STANDARDS

IFC's Environmental and Social Performance Standards define IFC clients' responsibilities for managing their environmental and social risks. The following performance standards particularly (but not exclusively) apply to power projects.

### PERFORMANCE STANDARD 1: Assessment and Management of Environmental and Social Risks and Impact

Environmental and social responsibility is critically important in today's global economy. An environmental and social management system (ESMS) helps companies integrate plans and standards into their core operations so they can anticipate environmental and social risks posed by their business activities and avoid, minimize, and compensate for such impacts as necessary. A good management system provides for consultation with stakeholders and a means for complaints from workers and local communities to be addressed.

### PERFORMANCE STANDARD 2: Labor and Working Conditions

For any business, its workforce is its most valuable asset. A sound worker-management relationship is key to the success of any enterprise. PS2 asks that companies treat their workers fairly, provide safe and healthy working conditions, avoid the use of child or forced labor, and identify risks in their primary supply chain.

### PERFORMANCE STANDARD 4: Community Health, Safety, and Security

Business activities and infrastructure projects may expose local communities to increased risks and adverse impacts related to worksite accidents, hazardous materials, spread of diseases, or interactions with private security personnel. PS4 helps companies adopt responsible practices to reduce such risks, including emergency preparedness and response, security force management, and design safety measures.

### PERFORMANCE STANDARD 5: Land Acquisition and Involuntary Resettlement

When companies seek to acquire land for their business activities, it can lead to relocation and loss of shelter or livelihoods for communities or individual households. Involuntary resettlement occurs when affected people do not have the right to refuse land acquisition and are displaced, which may result in long-term hardship and impoverishment as well as social stress. PS5 advises companies to avoid involuntary resettlement wherever possible and to minimize its impact on those displaced through mitigation measures such as fair compensation and improvements to living conditions. Active community engagement throughout the process is essential.

## Endnotes

- 1 IEA et al., [Tracking SDG 7: The 2019 Energy Progress Report](#).
- 2 Ibid.
- 3 In this business case, as throughout the toolkit, the sector is referred to as the 'energy' sector. This encompasses both energy generation and power provision. Although the energy sector refers to a broader spectrum of activities than the power sector encompasses, for practical purposes in the toolkit, both 'power' and 'energy' are used depending on context and data being quoted.
- 4 David I. Stern, Paul J. Burke and Stephan B. Bruns, ["The Impact of Electricity on Economic Development: A Macroeconomic Perspective,"](#) 2016.
- 5 Clean Cooking Alliance, ["Women Spend 374 Hours Each Year Collecting Firewood in India, Study Finds,"](#) 2015.
- 6 UN Women, ["Better lighting, wider pavements: steps towards preventing sexual violence in New Delhi,"](#) 2013.
- 7 World Health Organization (WHO) and World Bank, [Access to Modern Energy Services for Health Facilities in Resource-constrained Settings: A Review of Status, Significance, Challenges and Measurement](#). Geneva: WHO, 2015 [reprint with changes]; Jem Porcaro, Sumi Mehta, Matthew Shupler, Sarah Kissel, Michaela Pfeiffer, Carlos Francisco C. Dora, and Heather Adair-Rohani, [Modern Energy Access and Health, State of Electricity Reports](#) (Washington, DC: World Bank, 2017); World Health Organization (WHO), Health and Sustainable Development. Energy Access and Resilience, 2019.
- 8 United Nations, [Accelerating SDG 7 Achievement, SDG 7 Policy Briefs in Support of the High-Level Political Forum](#), 2019.
- 9 World Bank, [Gender in Energy Interventions in Fragile and Conflict Affected Situations](#), 2020.
- 10 Thomas Barnebeck Andersen and Carl-Johan Dalgaard, ["Power outages and economic growth in Africa,"](#) *Energy Economics*, 2012.
- 11 Samantha Constant and Elisabeth Meier, ["Promoting Financial Inclusion and Access to Solar Energy among Women in Yemen,"](#) World Bank, 2020.
- 12 GCPA, ["Private Investing in the Power Sector in Emerging Markets,"](#) 2016.
- 13 IFC, ["Closing the SDG Financing Gap: Trends and Data,"](#) IFC EM Compass Series, Note 73, October 2019
- 14 IRENA, [Renewable Energy: A Gender Perspective](#), 2019.
- 15 IRENA, [Renewable Energy and Jobs—Annual Review](#), 2017.
- 16 IEA, [Energy and gender: A critical issue in energy sector employment and energy access](#).
- 17 EY, ["Could gender equality be the innovation boost utilities need?"](#) 2019.
- 18 EY, Talent at the Table: Power and Utilities Index 2015.
- 19 Julia Terrapon-Pfaff, Carmen Dienst, and Willington Ortiz, ["The Role of Gender Concerns in the Planning of Small-Scale Energy Projects in Developing Countries,"](#) 2015.
- 20 EVN, ["World Bank sending letter of congratulations on EVNHCMC's Global Gender Equality Certificate,"](#) 2018.
- 21 USAID, Engendering Utilities Program.
- 22 To learn more, visit the [PPA Gender Portal](#).
- 23 To learn more about WePower, visit the World Bank's [Collaboration for Development \(C4D\)](#) site.
- 24 Gender Innovation Lab, ["The Africa region: Gender Innovation Lab's findings on social norms,"](#) 2018.
- 25 Alicia Hammond and Inka Schomer, [Stepping Up Women's STEM Careers in Infrastructure \(Vol. 2\): Case Studies](#). Washington, DC: World Bank Group, 2020.
- 26 Inka Schomer, [Ethiopia Broadens Opportunities for Women in the Energy Sector](#), World Bank, 2020.
- 27 Bloomberg, ["The Army of Women Battling India's \\$10 Billion Power Problem,"](#) *Businessweek*, 2017.
- 28 The World Bank, ["Empowering Women to Reduce an Energy Utility's Commercial Losses,"](#) 2019.
- 29 Greentech Media, ["Why Gender Is Key to African Off-Grid Solar Energy Sales,"](#) 2018.
- 30 Bert D'Espallier, Isabelle Guérin, and Roy Mersland, ["Women and Repayment in Microfinance: A Global Analysis,"](#)

- World Development*, 39(5):758-772 May 2011.
- <sup>31</sup> IFC, [Case Study: Women Entrepreneurs Light the Way for Solar Products in India](#), 2017.
- <sup>32</sup> EarthSpark International, [“Feminist Electrification: Gender Planning for Pro-Women Outcomes in Rural Electrification.”](#) Nov. 12, 2018.
- <sup>33</sup> Louise Grogan and Asha Sadanand, [Rural Electrification and Employment in Poor Countries: Evidence from Nicaragua](#), *World Development*, Vol. 43, 2013.
- <sup>34</sup> Taryn Dinkelman, [“The Effects of Rural Electrification on Employment: New Evidence from South Africa,”](#) *American Economic Review*, 101:7, December 2011.
- <sup>35</sup> Daniele Coen-Pirani, Alexis Leon, and Steven Lugauer, [“The Effect of Household Appliances on Female Labor Force Participation: Evidence from Micro Data,”](#) 2013
- <sup>36</sup> Carbon Initiative for Development (Ci-Dev), [“Uganda: Rural Electrification.”](#)
- <sup>37</sup> While there isn't a universally accepted definition, social license to operate is the idea that there is more to running a business successfully and sustainably than legal and regulatory compliance, and that companies need to earn the support of the community and society in which they operate. It means ongoing acceptance by the people who live in the area of impact or influence of a project; it is also a form of risk management against delays, conflict, and additional costs ([World Bank 2014](#)).
- <sup>38</sup> World Bank, [“Beyond Electricity: How Morocco’s Solar Plant is Benefiting Communities and Women and Shaping The Region’s Future.”](#) April 2018.
- <sup>39</sup> World Bank, [“Nam Theun 2 Project Overview,”](#) 2019.
- <sup>40</sup> For details and guidance on what a gender audit of the workforce involves and how to carry it out, see Tool Suite 1, Tools 1.3 and 1.4.
- <sup>41</sup> For more details and guidance on the role of a gender equity champion, see Tool Suite 1, Tool 1.10.
- <sup>42</sup> For more details and guidance on how companies can carry out self-assessments on gender diversity in their supply chains, see Tool Suite 2, Tool 2.2.
- <sup>43</sup> For more details and guidance on how companies can take practical action to increase gender diversity in their workforces, see Tool Suite 1, Tools 1.8–1.21.
- <sup>44</sup> IFC, [“Guide for Employer-Supported Childcare.”](#)
- <sup>45</sup> For more details and guidance on what companies can do to prevent and address sexual harassment and sexual violence, please see Tool Suite 4.

For more information, please contact Adriana Eftimie ([aeftimie@ifc.org](mailto:aeftimie@ifc.org)) or Katherine Heller ([kheller@ifc.org](mailto:kheller@ifc.org)) or find out more at [commdev.org/infra-gender-toolkit](http://commdev.org/infra-gender-toolkit).