

**Cifi**

**20** YEARS



# GENDER EQUALITY IN THE FINANCIAL SECTOR

Closing the gender gap at CIFI  
Data analysis from 2021

AUGUST 2022



# GENDER EQUALITY IN THE FINANCIAL SECTOR



## Disclaimer

The terms, references, and data employed in this publication do not express the expression of any opinion concerning the legal status of any country, territory, city, area, or project.

The mention of specific industrial sectors or clients' information does not imply that they are endorsed or recommended to others of a similar nature. Omissions of complete data are excepted; however, all reasonable precautions have been taken by CIFI to verify the information contained in this publication. The responsibility for interpreting and using the material lies with the reader.

# INTRODUCTION

Millions of jobs were lost in Latin America and the Caribbean during the pandemic, most in industries such as hotels, restaurants, transportation, social services, and health, which translated to most female positions lost. In addition, childcare and domestic work responsibilities played a significant role in causing women to leave work and prioritize family endeavors. As a result, 56% of women lost their jobs either temporarily or permanently, a rate 44% higher than for men.

Investments in infrastructure are a resilient and critical path to an inclusive and job-creating recovery, promoting access to more and better services for lower-income households. Thus, we aim to work together to make women more involved in these projects. As part of CIFI's gender strategy to reduce inequality, we enhance competitiveness in the labor market, promote inclusive economic growth, and build equitable societies. The process is two-folded, intending to look inside our business operation and wearing gender-based lenses in all our investments.

CIFI also embraces diversity, rejects discrimination, and promotes women's empowerment through our clients, contributing to a transformational change necessary to achieve gender equality. Gender analysis is of utmost importance in CIFI's portfolio performance, as is the expansion of research to cover other aspects of gender-related impacts to reach the SDGs Goals.

CIFI's Gender Equality policy, its objectives, principles, and commitments, all strive to contribute to achieving gender equality and towards the implementation of three of the Sustainable Development Goals, i.e., SDG No. 5 – Gender Equality; SDG No. 8 -- Decent Work and Economic Growth; and SDG No. 10 – Reduced Inequalities.

- To gain Gender Equality, CIFI strives to ensure that men and women have equal opportunities for representation at all organizational levels and are equally valued and rewarded in the projects we finance. The gender gap must be reduced in all its forms: social, economic, and environmental.
- Decent Work and Economic Growth: For growth to be inclusive, it must consist of decent jobs equally accessible to women and men. The target is to achieve full and productive employment and decent work for all women and men, including young people and people with disabilities, and equal pay for work of equal value, by 2030.
- Reduced Inequalities: Our study reveals that closing the digital gap between men and women is a priority to provide access to better services, a better quality of life in homes, and open the doors for new businesses, ventures, sales, education, professional and technical training, contacts, and references, which vulnerable groups or women can use to find an opportunity to grow, learn, and work.

This Report includes a graph of female jobs created or sustained by projects financed by CIFI from 2018 to 2021; a map showing the coverage of the female employees in the countries of Latin America and the Caribbean where CIFI projects are executed; and a map showing the percentage of female jobs by infrastructure sector. Also, female representation at the decision-making level, project by project, to understand better women's role in project finance and infrastructure, female access to telecommunications, and female access to energy.

In the forthcoming years, CIFI will strive to reduce inequality and increase labor market competitiveness by promoting inclusive economic growth with equitable societies.

# EXECUTIVE SUMMARY



CIFI's business responsibility to respect human rights has been a corporate mandate in our operations regarding health, safety, labor, environment, security, non-discrimination, and equality. One of our primary concerns on these matters focuses on our financing projects, which may have different impacts on women and men differently due to their differentiated socioeconomic roles and different degrees of access to management positions, employment, energy, telecommunications, and other opportunities.

Therefore, our loans' Environmental and Social Monitoring Process follows gender-differentiated statistics in line with international best practices to measure our progress. This is also aligned with CIFI's vision and acknowledgment that Gender Equality is a fundamental element of sustainable development and a desirable outcome for society to enjoy equal rights, opportunities, and access to control resources.

CIFI embraces diversity and rejects any form of discrimination and promotes women's empowerment through our clients, contributing to a transformational change needed to achieve gender equality.

As a result, the purpose of this report is to understand female participation in the intersection of the finance sector and infrastructure development in Latin-American and, through our project's data, assess gender-applicable recommendations to our clients, understand the labor dynamics, reduce gaps in female-work opportunities, size our impact in gender, and generate sensitive-related information to promote equality.

CIFI's Gender Equality Strategy dates from 2019 as a mandate from our Board of Directors, showing the most significant commitment from our company to work towards a more equitable and fair society.

## GENDER EQUALITY DEFINITION

*According to UN Women, **Gender Equality** is defined as "the equal rights, responsibilities and opportunities of women and men and girls and boys. Equality does not mean that women and men will become the same but that women's and men's rights, responsibilities and opportunities will not depend on whether they are born male or female. Gender equality implies that the interests, needs, and priorities of both women and men are considered, recognizing the diversity of different groups of women and men. Gender equality is not a women's issue but should concern and fully engage men as well as women. Equality between women and men is seen both as a human rights issue and as a precondition for, and indicator of, sustainable people-centered development"<sup>1</sup>.*

1. <https://trainingcentre.unwomen.org>

CIFI's gender strategy to reduce inequality must enhance competitiveness in the labor market, promote inclusive economic growth, and try to build equitable societies; the process is two-folded, intending to look inside our business operation and wearing gender-based lenses in all our investments.

As in any sector, data is essential for decision-making; we recognize that part of the solution is collecting high-quality and quantitative data to understand where the gaps and challenges remain. With that in mind, we have been working closely with clients and other key stakeholders to gather information directly from projects.

Consequently, our gender-based assessment tries to understand our investment's impact on women through clients' statistics regarding working conditions, job opportunities, participation in decision-making positions, and beneficiaries from positive effects such as energy or telecommunications. In this way, we not only include concepts of equality but also apply the nondiscrimination and equal opportunity guidelines established in IFC Performance Standard 2, thus respecting personal characteristics unrelated to the job's requirements.



# OUR GENDER EQUALITY POLICY

*"Gender equality makes economic and business sense."*

CIFI acknowledges that **Gender Equality** is a fundamental element of **sustainable development** and a desirable social outcome. Men and women should enjoy **equal rights, opportunities**, and **access** to control resources.

CIFI embraces **diversity**, **rejects** any form of **discrimination**, and promotes **women's empowerment** in our workplace and through our clients, contributing to the **transformational change** needed to achieve gender equality.

## OBJECTIVES

- ✓ To assure that men and women working for CIFI have opportunities for equal representation at different organizational levels and to be equally valued and rewarded in our organization. We strive for these same values in the projects that we finance.
- ✓ To adopt an approach that contributes to reducing the gender gap in all its forms: social, economic, and environmental.

## MAIN PRINCIPLES

At CIFI, we know of the relevance of gender equality and its impact on the global economy. Therefore, our position includes the following:

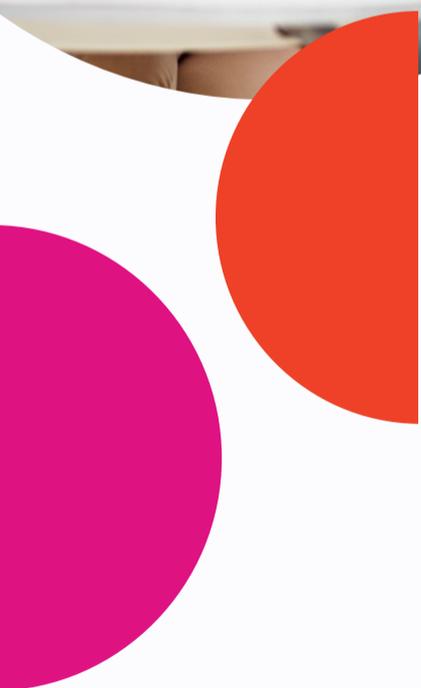
- Gender equality to strengthen CIFI's overall performance.
- Gender equality as a value for the organization; and
- Gender equality contributes to society by building capacities, promoting empowerment, and improving the quality of life of women and men.



## OUR COMMITMENTS

We will provide women and men with the following:

- Access to equal opportunities, including equal remuneration for work with comparable value and access to leadership positions.
- Capacity building for career development, voice, and influence by ensuring that barriers do not exist to women's equal and full participation.
- A culture that rewards inclusiveness and prizes performance regardless of gender.
- An equitable balance in workloads and economic benefits, particularly concerning family and caring responsibilities for both women and men.
- Equal health and safety measures in the workplace.
- A workplace free of discrimination and harassment. We will not tolerate sexual harassment or physical, verbal, or mental abuse at the workplace.
- Mechanisms to receive confidential complaints and provide practical and fair solutions.



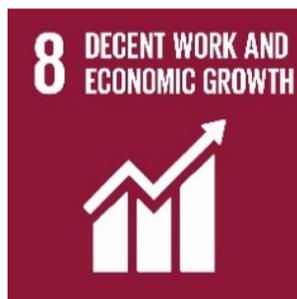


## CONTRIBUTION TO SDGS

The implementation of the Strategy for Gender Equality will contribute to three of the Sustainable Development Goals:



**Implementing strategies regarding female equality in the workplace** and eradicating harmful practices targeted toward women is crucial to ending gender-based discrimination still prevalent in many countries worldwide.



**For growth to be inclusive**, it must consist of decent work equally accessible to women and men.



**It is well documented that income inequality is rising, with the wealthiest 10 percent earning up to 40 percent of total global income.** These widening disparities are a call for action that requires the adoption of policies to promote the economic inclusion of all, regardless of sex.

# WOMEN IN INFRASTRUCTURE JOB OPPORTUNITIES

*Investment in infrastructure drives economic growth and development. According to the calculations of the Infrastructure GAP in Latin America and the Caribbean / Investment needed through 2030 to meet the Sustainable Development Goals study, published by the IDB<sup>2</sup> (Dec, 2021), until 2030 Latin America and the Caribbean need to invest 2,220,736 million dollars in the water and sanitation, energy, transport and telecommunications sectors to expand and maintain the infrastructure necessary to meet the SDGs. Of this total, 59% should be allocated to investments in new infrastructure and 41% to investments in the maintenance and replacement of assets and the end of their useful life. In terms of the investment effort relative to the size of the economy, Latin America and the Caribbean will need to invest in infrastructure at least 3.12% of its GDP each year until 2030. This investment effort also represents a significant opportunity for creating jobs and sharing economic prosperity.*

*Unfortunately, few women benefit from such an opportunity. In LAC countries, women make up only 14 % of the workforce in the transport sector and 3 % in the construction sector. Moreover, low female representation within the construction sector is associated with high wage gaps between women and men.<sup>3</sup>*

## **SDG 8: Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all.**

*Economic growth contributes to sustainable development where it extends, which benefits all people, actively reduces inequalities, and avoids environmental harm.*

2. <https://publications.iadb.org/publications/english/document/The-Infrastructure-Gap-in-Latin-America-and-the-Caribbean-Investment-Needed-Through-2030-to-Meet-the-Sustainable-Development-Goals.pdf>

3. IDB 2019 Linking Gender Equality (Goal 5) with Decent Work and Economic Growth opportunities (Goal 8) through the Development of Infrastructure (Goal 9) in Latin America and the Caribbean (LAC) : Pilot Experiences in Bolivia, Paraguay and Nicaragua | Publications (iadb.org)



**The gender pay gap in the labor force, which stands at 23 percent globally, will only close in 2086 if current trends continue to provide insecure, unsafe, and poorly paid jobs with inclusive growth far out of reach.**

Thus, for growth to be inclusive, decent work must be equally accessible to women and men. Globally, only 63 percent of women aged 25 to 54 are in the labor force compared to 94 percent of men of the same age. Women's participation rate has barely budged in the last 20 years, except in Latin America and the Caribbean, where it rose from 57 percent to 68 percent.

Patterns of occupational segregation mean some occupations remain dominated by men or women, with the latter tending to be lower in status and pay.<sup>4</sup>

## Targets

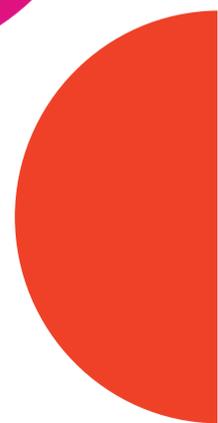
- By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
- Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
- Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms.

4. UN Women - In focus: Women and the Sustainable Development Goals (SDGs): SDG 8: Decent work and economic growth | UN Women – Headquarters

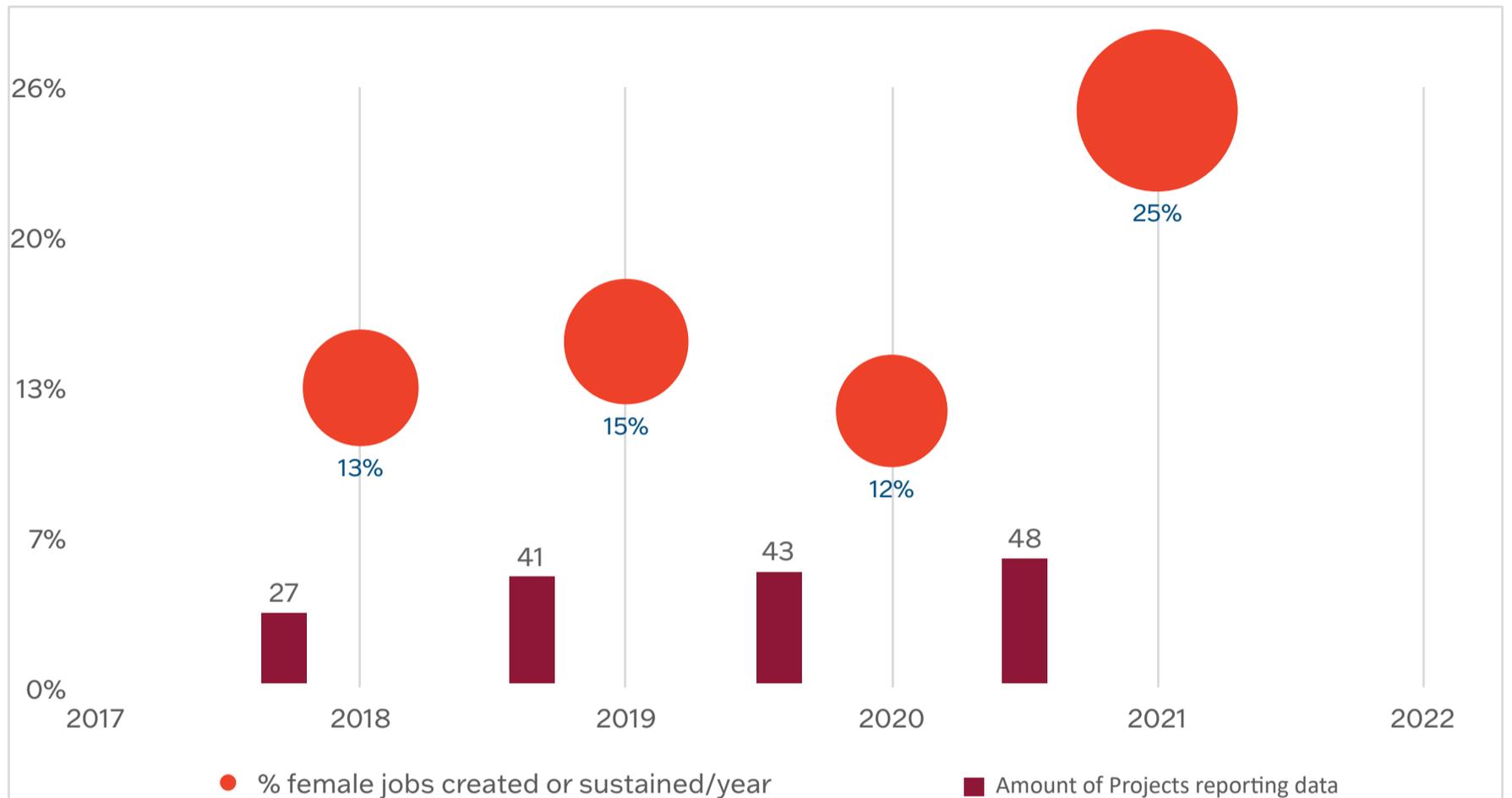




# JOB CREATION THROUGH PROJECT FINANCE



## FEMALE JOBS CREATED OR SUSTAINED BY PROJECTS FINANCED BY CIFI FROM 2018 TO 2021



### % FEMALE JOBS CREATED OR SUSTAINED/YEAR

CIFI has collected employment statistics from projects financed disaggregated by gender since 2018. The figure above reflects the evolution of female hiring in each of the projects in the portfolio per year. The effects of the COVID-19 pandemic and the rate of recovery and reactivation of contracting afterward are noticeable, from 12% in 2020 to 25% in 2021. During the pandemic, women bore the most significant brunt; as primary caregivers at home. In the last two years, they paid the price in the previous with their jobs, incomes, and economic security.

However, in addition to the rate of recovery and reactivation, it is essential to emphasize that according to UN Women<sup>5</sup>, the COVID-19 pandemic has underlined society's dependence on women, both on the front line (especially in the health sector) and in the home. In contrast, it has revealed structural inequalities in all the economic, health, security, and social protection surroundings. Thus, responding to the pandemic requires rectifying historical imbalances and building a resilient world in the interest of all people, with women as the subject of recovery.

In addition, inferences about the percentage of female jobs from total jobs generated in the projects, distributed by country, bring out the following map, which shows the intensity of the female positions in the countries where our projects are executed.

5. <https://interactive.unwomen.org/multimedia/explainer/covid19/es/index.html>

## PERCENTAGE OF FEMALE JOBS BY COUNTRY GENERATED OR SUSTAINED BY CIFI'S INVESTMENTS.





## PERCENTAGE OF FEMALE JOBS BY INFRASTRUCTURE SECTOR

In 2020, the sectors Logistical Centers and Construction & Engineering had the more significant percentages of female jobs, 39% and 27%, respectively. In contrast, in 2021, the sectors Healthcare, Education, Transportation & Logistics, and Construction & Engineering were denoted as those with the most significant impact on female hiring, with percentages around 70%, 51%, 39%, and 37%.

Results might show increasing amounts of female job opportunities over the last few years. However, it cannot be said that there is a noticeable trend across the years due to inconsistent data supply from clients around the pandemic years. Nonetheless, if we compare only the Construction & Engineering sector performance in 2020 and 2021, we can notice a legitimate increase in 2021. The growth might be attributed to the reactivation of economic conditions after the COVID-19 Pandemic's most challenging moments in 2020.

As previously mentioned, in our portfolio, the Healthcare sector (hospitals) has the highest percentage of female jobs, followed by Education (private schools). Biomass and geothermal generation have the highest female participation within the energy sector. Other sectors within logistics and transport, such as airports/seaports, also report a relevant number of female employment.

Considering the significant rate of female employment in hospitals whether this representation is mostly in managerial positions in the healthcare sector remains to be investigated. According to data from the US Bureau of Labor Statistics<sup>6</sup>, recruiting is not the problem, but retention and promotion are. In this sense, we still need to collect data reflecting balanced labor adjustments by gender and involve our clients in how to provide disaggregated data in more detailed levels.

Consequently, it is essential to acknowledge the percentage of female jobs and the proportion of total jobs created and female representation. In this scenario, Health care, energy generation, and transportation have an essential role in the jobs generated in the portfolio. In total, female jobs represent 25.11% of the actual jobs generated through our loans.

6. <https://www.infosalus.com/mujer/noticia-informe-evidencia-mujeres-dominan-sector-salud-no-puestos-directivos-20190206165301.html>, revised in 2022.





Construction



Energy



Healthcare



Leisure and recreation



Oil and Gas



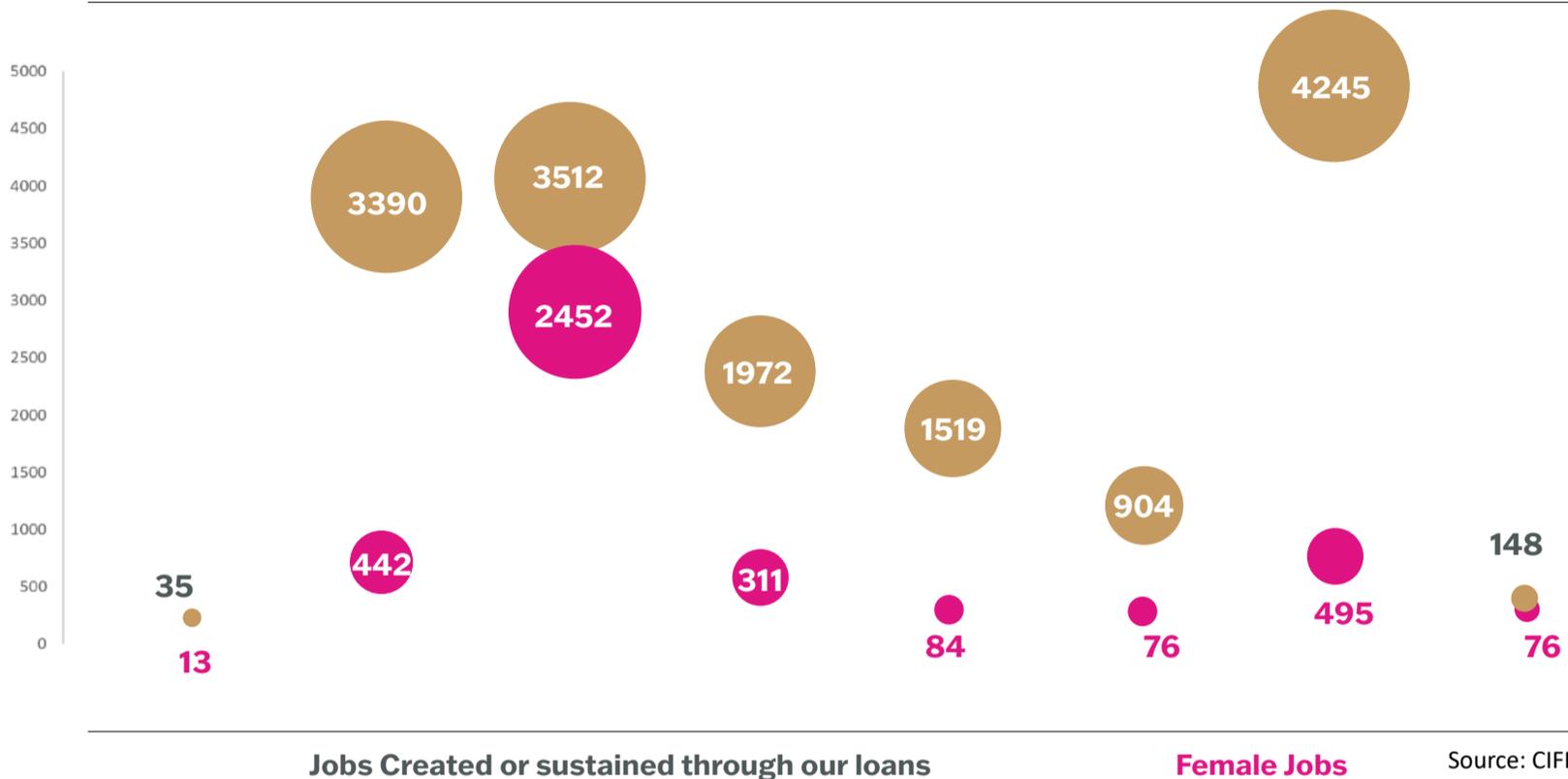
Telecommunications



Transportation



Education



## FEMALE JOBS AND JOBS CREATED OR SUSTAINED THROUGH OUR LOANS BY SECTOR

From our internal assessment of gender equality laws from 2020, it was identified that Argentina, Bolivia, Ecuador, Paraguay, and Peru have laws requiring equal pay for men and women for equal-value work; and Argentina, Brazil, Honduras, Mexico, and Nicaragua have specific rules requiring nondiscrimination based on gender in hiring. The regulatory framework in each country could promote equality and support our projects in promoting and retaining of female employees.

However, we could not identify higher female hiring rates in such countries in our portfolio. **10 out of 48 projects in our portfolio generate over 80% of the total female-reported jobs, of which a single project generates 22% of all female employment reported.**

**According to the International Energy Agency, gender equality is a critical issue in energy sector employment and energy access.** The energy sector remains one of the least gender-diverse sectors and closing this gender gap will be vital as women are key drivers of innovative and inclusive solutions.

# WOMEN IN DECISION MAKING POSITIONS

**A survey by aauw.org<sup>7</sup> showed that among the fortune 500 CEOs in the USA, there are only 7.2% of women and 25% have C-suite jobs in the top 1000 companies. Also, a comprehensive study by Gallup<sup>8</sup> showed that organizations with a gender-diverse workforce perform monumentally better than those dominated by a single gender.**

In the previous section, we investigated the creation and sustenance of female jobs associated with CIFI's investments. However, we thought it pertinent to explore female representation at a decision-making level project by project. We collected information on our projects' boards of directors, senior management officials, and shareholders to better understand women's role in project finance and infrastructure. Future initiatives can be created using this information to attract female-run companies needing our services with data to back them.

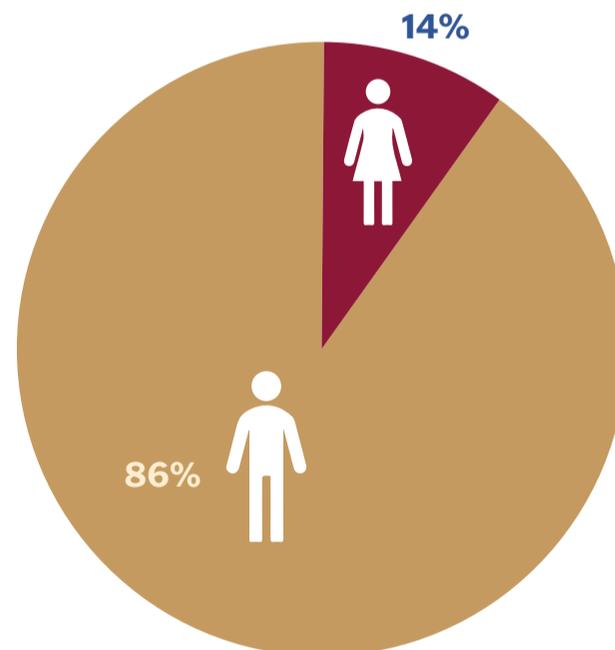
As seen below, the female representation in senior management positions and board members was small and could improve. Regarding project shareholders, the number seems more optimistic when compared with how they exercise their participation.

## PERCENTAGE OF FEMALE POSITIONS IN CIFI PROJECTS' SENIOR MANAGEMENT

### Senior Management Positions

% of senior management positions occupied by women

Source: CIFI, 2022.



The results from our analysis are similar to the IEA study conducted in 2019, where they found that women make up only 13.9% of senior management within the energy and energy utilities composite, which is marginally lower than in the sample from non-energy industries at 15.5%.<sup>9</sup>

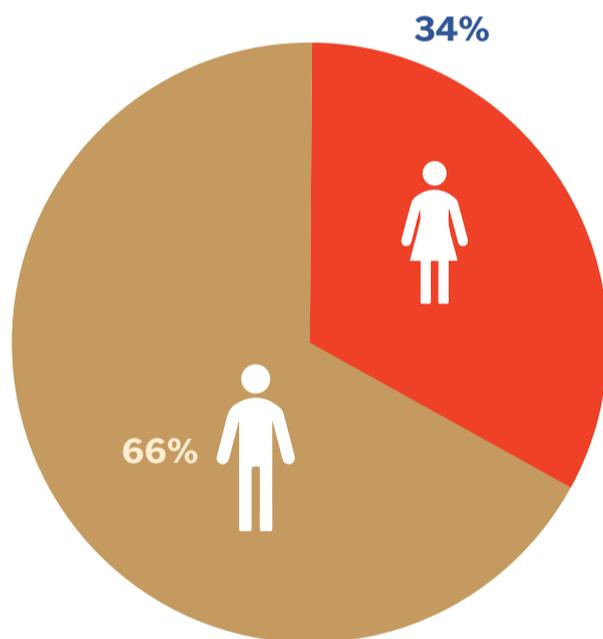
7. <https://www.aauw.org/resources/research/barrier-bias/>

8. <https://www.gallup.com/workplace/236543/business-benefits-gender-diversity.aspx>

9. <https://www.iea.org/topics/energy-and-gender>

## PERCENTAGE OF FEMALE POSITIONS IN CIFI PROJECTS' SHAREHOLDERS

Shareholders

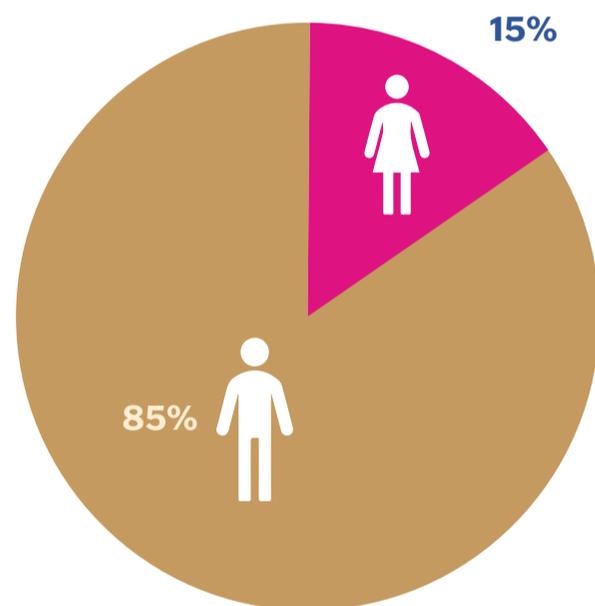


 % of projects with female shareholders

Source: CIFI, 2022.

## PERCENTAGE OF FEMALE POSITIONS ON THE BOARD OF DIRECTORS OF CIFI'S PROJECTS

Board of Directors



 % of board members that are women

Source: CIFI, 2022.

# FEMALE ACCESS TO TELECOMMUNICATIONS

With the COVID-19 pandemic, women are bearing the brunt; not only because they represent an estimated 70 percent of frontline healthcare workers and undertake most of the care work in the home, but because their over-representation in the informal economy and lower pay rates mean the economic downturn hits them significantly harder. In such times of crisis, access to accurate information is lifesaving and life-changing for women, their families, and their communities. Their perspectives, experiences; and ability to organize, lobby, and inform can dramatically improve disaster risk management. We need more innovative and culturally sensitive approaches to empowering women and girls through digital networks, platforms, and technologies.<sup>10</sup>

Thus, closing the digital gap between men and women is a priority, not only to provide access to better services and, therefore, a better quality of life in homes but also to open the doors for new businesses, ventures, sales, education, professional and technical training, contacts, references, among other, which vulnerable groups or women can use to find an opportunity to grow, learn, and work.

The following table shows the potential female population that could have benefited from the installation of telecommunication towers, regarding the coverage area and the population's density in each country categorized by gender.



Female population benefited from telecommunications



COUNTRY	Female population benefited from telecommunications
Bolivia	193,197
Brazil	103,810
Dominican Republic	34,070
Ecuador	2,665,823

Source: CIFI, 2022.<sup>11</sup>

10. Women, ICT and emergency telecommunications: opportunities and constraints. International Telecommunication Union-Development Sector, 2020. <https://www.itu.int/en/ITU-D/Emergency-Telecommunications/Documents/events/2020/Women-ICT-ET/Full-report.pdf>

11. Projects in Bolivia, Brazil, and the Dominican Republic are still under development.

# FEMALE ACCESS TO CLEAN ENERGY

Energy poverty is a worldwide phenomenon with a strong gender dimension. Currently, gender gaps in energy are substantial across the world. Access to affordable, sustainable, clean energy is necessary for gender equality and well-being.<sup>12</sup>

Poverty reduction, shared prosperity and growth cannot be achieved without reducing gender disparities, or without universal access to reliable modern energy, such as clean energy for cooking, and household access to electricity. The lack of energy also limits opportunities, job creation, business development, and access to health and education.

Another important aspect is access to clean energy. Several studies and publications in the health area have reported the health impacts of people exposed to polluting atmospheric emissions. Also, the world is aware of the great demand for energy that the population requires. In this context, delivering power to the people is essential, preferably clean energy from renewable energy sources.

The following table shows the female population that benefits from clean energy, with the inference from the population density by gender in each country.

Sector	Subsector	Detail	Country	The female population benefited from access to energy /per year
Energy	<b>Alternative Fuels</b>	Ethanol	Brazil	37,801
		<b>Gas</b>	Transport and Energy Generation	Guatemala
	<b>Renewable Energy</b>	Biomass	Argentina	20,900
			Belize	23,630
		Geothermal	Nicaragua	455,119
		Hydro	Honduras	42,249
		Solar	Argentina	38,266
			Chile	4,934
			Ecuador	3,144
			EL Salvador	128,454
			Honduras	78,607
			Mexico	9,379
		Panama	6,617	
Wind	Nicaragua	122,777		

**TABLE 21. FEMALE ACCESS TO CLEAN ENERGY (ESTIMATED FROM OUR PORTFOLIO)**

Source: CIFI, 2021.

## THE FEMALE POPULATION BENEFITED FROM ACCESS TO CLEAN ENERGY



577,896

3,144

COUNTRY	Female population benefited from access to clean energy/year
Argentina	59,166
Belize	23,630
Brazil	37,801
Chile	4,934
Ecuador	3,144
El Salvador	128,454
Honduras	120,856
Mexico	9,379
Nicaragua	577,896
Panama	6,617
<b>TOTAL</b>	<b>971,877</b>

Source: CIFI, 2022.



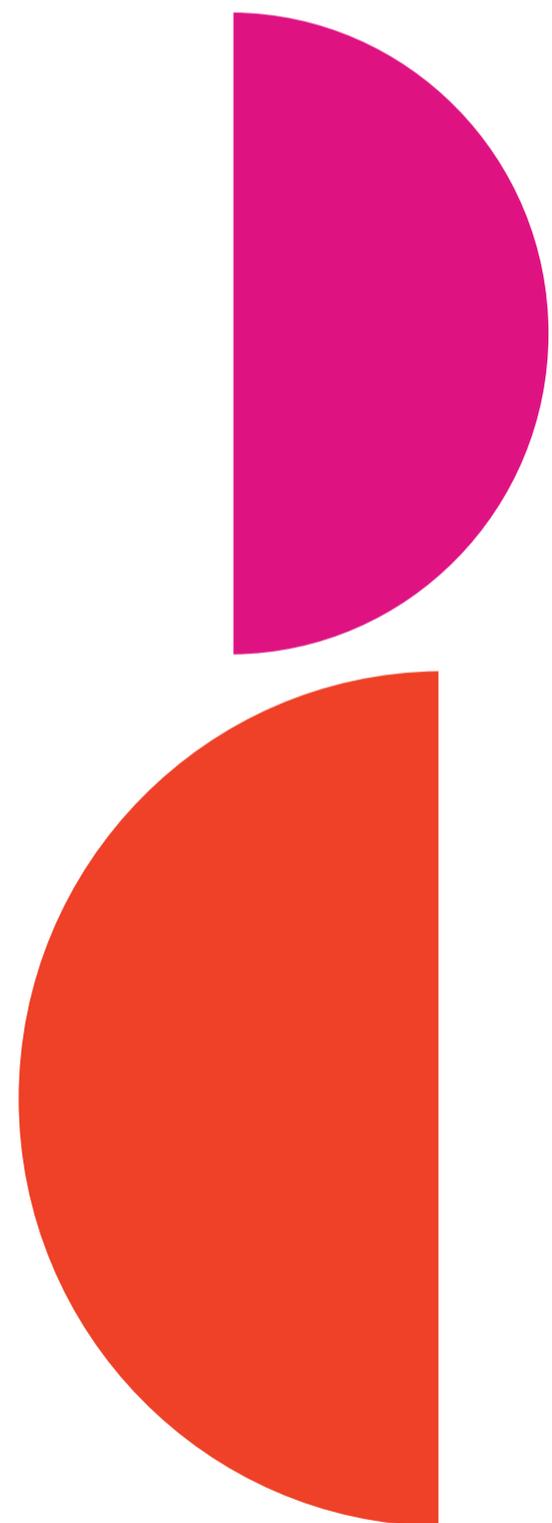
# KEY TAKE-AWAY MESSAGES

CIFI recognizes the need for gender analysis in its portfolio performance and the expansion of research to cover other aspects of gender-related impacts to reach the SDGs Goals.

With the employment data collected from our portfolio, we found that sectors, with over 30% women in their workforce, are Health Care, Education, Construction and Engineering, and certain types of Energy generation. However, the gap remains relevant to reach 50% in all sectors.

For CIFI, having identified this information eases the stride to focus our guidance and contributions on projects that best mark out possibilities of closing the gender gap. To a greater extent, when it is well known that for Latin American and Caribbean countries the development of these infrastructure sectors is critical for their income, providing opportunities to design more inclusive infrastructure and give ways for female mentorship are priority.

Also, representation matters, therefore, women in decision-making positions are key to promoting gender equality, as well as to provide mentorship to the younger cohorts of female professionals. Our efforts to understand trends and promote opportunities for women to lead shows that the reality is more challenging than expected. Only 15% of board directories and management positions are held by women. In the forthcoming years, CIFI will strive to reduce inequality and enhance labor market competitiveness by promoting inclusive economic growth and equitable societies.



*Cifi*

