

## Concept note Gender learning brief (tentative)

### 1. Background

#### The Land Degradation Neutrality Fund

The Land Degradation Neutrality Fund, co-promoted by the UNCCD, is a first-of-its-kind fund investing in profit-generating sustainable land management and land restoration projects that contribute to SDG 15.3. The Fund is managed by Mirova and provides long-term debt and equity financing for sustainable land use projects that reduce or reverse land degradation. It is structured as a blended finance fund, pooling resources from both public and private investors committed to the goal of stopping land degradation. The fund has a lifetime of 15 years, and has a linked Technical Assistance Facility (TAF) run by IDH, which is in its fifth and final year of operation. This final year will be used among other to highlight relevant learnings from operating the LDN TAF. It is against this backdrop that a Learning brief on Gender is proposed.

### 2. Context

#### SDG 5: Achieve gender equality and empower all women and girls

As governments and donors aim to align their policies and regulations with the SDGs, investors are similarly poised to follow suit. This applies even more so to impact investors or fund that strive to attain impact with their investments beyond the financial. Focus may differ from investor to investor, but in general most aim to address SDG 5 as a cross-cutting issue: *Achieving gender equality and empower all women and girls.*

### 3. Target audiences

#### Investor community

The LDN fund has felt that throughout the journey, the Investor community has been asking about gender impacts and, whether and/or how, these manifest in the context of investments that primarily focus on sustainable land use. This publication aims to illustrate this by taking a closer look at the LDN fund, its portfolio, its processes and interactions (incl. TA). Practical examples from the portfolio will be used to illustrate the journey.

#### Other practitioners

The latter will make the publication interesting for other actors such as those providing TA, those involved in implementing projects, or members of the general public.

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## 4. Narrative

### Role impact investors: financing the transition

Both companies and impact investors seem to agree that the role of impact investors lies within the period of transition that companies undergo from Business-as-Usual to more sustainable business models. This transition from the previous way of working to the envisioned model requires a lot of learning (and de-learning), capacity building and investment in the required skills and assets. This also pertains to transitioning from gender blind operations to becoming genuinely gender responsive.

### Gender in the Land Degradation Neutrality Fund

**Mainstreaming gender equality and women's empowerment in investment decisions:** In order to achieve systemic, lasting change we look at both internal firm level policies, and at how the fund mainstreams gender considerations in operations. LDN applies a gender lens in deal origination, due diligence, deal structuring and portfolio management and measures progress and impact. [Illustrate Impact with annual E&S KPI reporting when it comes in in Q1 2024.]

**Importance of TA for amplifying non-market benefits:** LDN-TAF consistently provides gender components as part of the TA provided. This can take shape as training or awareness raising, all the way down to practical interventions specifically targeted at empowerment, access and agency. [cases/boxes TA]

**Systemic change<sup>1</sup>:** The TA interventions are designed to initiate **transformative change** that ushers the current system to a state that better suits the needs of the women involved. Through TA these changes are adopted, take impact and build resilience over time, and eventually when we see crowding in of other actors in the system expanding or responding to the practice.

### Conclusion

LDN Fund has a multilevel approach to gender, engraining it in the investment decision process, and further guiding the trajectory with TA. The availability of a separate TA facility allows the exploration of requirements for impacts beyond the direct focus of the Fund, allowing due attention to co-benefits, in this case specifically of impact in terms of gender.

## 5. Intended outcomes

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<sup>1</sup> (Potentially: Six practical steps to assess systemic change / Adopt Adapt Expand Respond framework for measuring systemic change?)



The publication will answer a direct ask from the investors interested in the Fund, and simultaneously provide an empirical example of addressing Gender holistically through internal management and TA support. One could argue that a TA Facility increases the likelihood of co-benefits (such as gender impacts) to come to fruition. The latter will be useful not only to investors, but to the TA community and other practitioners as well.

**Outcome 1: Investors become aware of the gender related impacts of the fund.**

**Outcome 2: The LDN Fund will be able to better articulate the practical impact it has on Gender across its portfolio.**

**Outcome 3: Provide an example of how a TAF enhances co-benefits besides reducing risk.**