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# Gender Assessment

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## **FP080: Zambia Renewable Energy Financing Framework**

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## **GENDER ASSESSMENT AND ACTION PLAN**

### **ZAMBIA RENEWABLE ENERGY FINANCING FRAMEWORK**

## **1. Introduction**

This gender assessment provides a summary of the gender equality situation in Zambia with a specific focus on women's financial inclusion in the energy sector. The assessment identifies potential entry points to promote women's participation as business leaders and owners in renewable and clean energy.

## **2. Background**

Zambia has a population of 16.5 million people, growing at a rate of 2.9% per annum with females accounting for 50.7 percent of the total population and males accounting for 49.3%. Majority of the population lives in rural areas accounting for 60.5%. Of the total number of households 77.5% are headed by males with 22.5% headed by females. Due to rapid population growth, which is estimated to be 2.8% per annum, Zambia has a high population of young people (45.4% of Zambians are below the age of 15 years).

Zambia's National Development Plans set out ambitious goals including those on gender equality. Gender responsive sustainable development is one of the principles that underpin Zambia's Vision 2030. Zambia continues to grow steadily in the recent past however, this growth has not translated into significant reduction of poverty. The majority of the population continues to live in poverty, with pervasive inequalities between women and men. Women still dominate the informal and low value-add sectors of the Zambian economy and are mainly employed in family agriculture. On the enterprise side, women entrepreneurs are also most present in low value adding sectors, and dominate the informal economy. Zambia is therefore unfavorably ranked in global and regional Gender equality measurements. In the most recent Gender Inequality Index (GII), Zambia scores value of 0.526, ranking it 124th out of 157 countries. Zambia is also ranked third highest country with cases of child marriages in the SADC region, according to Girls Not Brides with 42 percent of women aged 20-24 years married by the age of 18, many of whom live in rural areas among the poor and marginalised communities. Zambia therefore has a higher gender inequality than the average in Sub Saharan Africa and other medium human development countries.

## **3. The Gender Policy Framework in Zambia**

The new constitution signed into law in February 2016 sets out a new affirmative framework for a largely 30% equality rule for elective and appointive positions while recognizing equal rights and the establishment of a Gender Equality Commission. Other progressive laws include the Gender Equity and Equality Act (GEEA) of 2015 which seeks to domesticate some of the women's rights and gender provisions in regional, continental and international instruments to which Zambia is party to. The National Policy on Gender formulated on 2014 is the key framework for the implementation of gender equality commitments. This policy lists the strategy and actions to be implemented by government ministries and agencies in 15 different fields to achieve gender equality, which includes the area of energy access. Progress has also been made in regard to women's human rights. The Penal code was revised in 2005 making punishments for sexual violence more severe. However, enforcement of these laws and policies remains a challenge.

## **4. Education and Health**

Net enrollment rate for girls in primary education is similar to that for boys, however the dropout rates for girls increase as they advance into higher grades mainly due to pregnancy. The Zambia Demographic and Health Survey reports that 28.5% of girls aged 15–19 have ever been pregnant or had a live birth. However, the number of girl dropouts increases with higher grades and the net enrolment ratio for boys in the 10th through 12th grades is much higher than that for girls (33.5% for boys and 25.6% for girls). Although financial difficulty is the principal reason given for dropping-out overall, pregnancy is the overwhelming reason for girls. 58% of girls who drop out in the 10th through 12th grades cite pregnancy as the reason. These rates are higher in rural areas, where 37% report ever being pregnant.

The prevalence rate of HIV among women of 15.1% is much higher than the 11.4% for men and may be attributable to customs which are disadvantageous for women. Maternal mortality is estimated to be 398 deaths/100,000 live births. Approximately 4.2 million rural Zambians do not have access to safe water, and women and girls generally take on the work of finding and collecting water- a chore that can take up to six hours a day. The time and energy spent collecting water is an opportunity cost to girls' education and women's economic activities

## **5. Women's Participation in the Economy**

The African Union Gender Scorecard on Zambia shows that there are dimensions where Zambia has made impressive progress in the advancement of gender equality. These include women's health, their participation in business, and access to credit. However inequalities still persist in some areas. Labour force participation rate for women is 78.3%, against 95.0 % for men. The overall labour force participation for women in Zambia is relatively high compared to other African countries, but most of these women are engaged in agriculture for self-consumption and their labour in such an informal sector cannot be said to generate sufficient income for livelihood improvement. Most of these women are involved in crop production for home consumption and their farming activities do not produce any tangible income. Those who are able to produce surplus for sale are faced with challenges of markets.

In addition to agriculture, many women, especially those in the urban areas are involved in micro and small businesses which are characterized by informality. An employment survey In Zambia in 2014 reported that 84% of female employment is in the informal sector with majority of women running unregistered businesses. This informality means that they have limited access to information, training and finance that would help them grow their businesses. Whilst financial inclusion for women is increasing in Zambia, this remains at the basic levels of access to bank accounts and micro loans.

Pervasive inequalities are observed in land ownership as indicated by a score of 2 out of 10 on the African gender scorecard. Another area where slow progress is observed is the participation in politics where women only account for only 12.7% of members of the Lower house of parliament.

Figure 1. Zambia Gender Score Card 2015



Source: ECA Zambia Profile 2016

## 6. Challenges and Entry Points for Mainstreaming Gender

The participation of women in the energy sector value chain in Zambia is very limited, especially as entrepreneurs or business leaders in renewable energy. In terms of energy access, the majority rural population is especially energy poor – over 90% of rural Zambians are without access to energy. Poor women are especially constrained considering their role in the provision of cooking energy and productive uses of for energy for rural enterprises. Yet evidence shows that women’s experiences and knowledge are critical in addressing climate change. They have extensive knowledge on weather patterns, ecosystems and management of natural resources. Four entry points for mainstreaming gender are elaborated below.

i. ***Women’s entrepreneurship in clean energy***

Both the Zambia National Energy Policy (2008) and the National Gender Policy (2014) recognize the intersection of gender, energy access and energy systems development. However both policies do not elaborate specific actions to advance gender equality in the energy sector. Development of clean and climate resilient energy systems requires the participation of all stakeholders including women who are often missing in the energy industry. There is limited documentation of the participation of women in the renewable sector in Zambia, however it is assumed that the participation is minimal. Notwithstanding the low participation of women, there are emerging women in the sector as the case of Likonge Makai highlighted in the box above.

**Case study: Likonge Makai Young Female Clean Energy Social Entrepreneur**

Likonge Makai received her Master’s in Energy Systems in Nepal at Kathmandu University. Her enterprise focusses on effective, affordable and efficient energy to allow even the poorest people in remote rural areas Zambia to have access to clean and sustainable energy. She founded Lichi Community Solutions Ltd., a non-profit organization. She is currently working with rural communities that do not have grid power, helping them gain access to electricity. Some of the projects by LiCHI include setting up of energy kiosks powered by solar photovoltaic panels that serve many purposes. One of the kiosks consists of six 300-watt, north-facing solar panels, a charge controller, four 12-volt, sealed lead-acid batteries arranged in series-parallel to create a 24VDC bus, a 2000 VA inverter, a battery monitor and a data broadcast and monitoring system developed by KWH for remote monitoring. The kiosk offers mobile phone charging at a rate of 2 ZMW (US\$0.20) per charge. Other electronic devices such as radios are recharged at 5 ZMW (US\$0.50) per charge.

Despite their low participation, women have a significant role to play in the energy sector including as from policy makers and executives of private sector partners, to utility managers and employees of power plants and distribution systems, to renewable energy entrepreneurs and customers of electricity services. With support for skills development and training, it is expected that there will be an increase in the number of women adopting clean energy technologies and growth in the number of women entrepreneurs in the energy sector.

ii. ***Women’s Access to Climate Financing***

Access to finance is a major challenge for women businesses across all sectors of enterprise. The limited access to financing means that women entrepreneurs in Zambia are more likely to be in, and remain in the informal economy and low value added activities. Specific constraints facing women, include their lower levels of asset ownership and traditional forms of collateral to collateral to obtain credit. The figure below summarises barriers to the growth of women’s businesses.

**Figure 2: Challenges to Women’s Entrepreneurship**

<b>Issue:</b>	<b>Impact:</b>	<b>Origins:</b>
<b>Meta</b>		
<b>Dual legal system that discriminates against women.</b>	Limits access and legal redress in starting and growing a business.	Social norms that influence women’s ability to access the same legal rights as men.
<b>Women do not have the same opportunity to enter ‘non-traditional’ business sectors.</b>	Limits women’s ability to enter certain sectors that may offer higher value added businesses	Socio-cultural norms and lifecycle factors that limit the sectors in which women operate.
<b>Macro</b>		
<b>Lack of voice and influence</b>	Limited ability to influence enabling policies through social dialogue.	Social norms which influence women’s ability to speak out, organize, and limit their mobility.
<b>Access to relevant business development services</b>	Low growth, and uncompetitive business practices which perpetuate a lack of decent work.	Delivery channels and range of BDS not tailored to women’s needs. Demand side weaknesses from women entrepreneurs.
<b>Access to vocational skills.</b>	Stuck in low value activities which perpetuate a lack of decent work.	Social norms that lead to poor attitudes to non-traditional skills training (both by women and TEVET Institutions).
<b>Limited business skills and technologies</b>	Low growth, uncompetitive business practices, and lower levels of innovation.	Lower levels of education and skills training. Modern technologies require capital investment.
<b>Micro</b>		
<b>Access to lucrative markets</b>	Low growth and sustainability.	Less social and financial capital than men and limited time mobility due to women’s multiple roles.
<b>Access to finance beyond microfinance</b>	Low growth and tenuous working capital.	Access to collateral and attitudes of Financial Institutions in lending to women entrepreneurs.
<b>Vulnerability to graft and gender based violence</b>	Lower profits, less mobility and risk-taking behaviour.	Masculine domination as a societal norm; limited negotiation strategies by women.

The Bank of Zambia has made significant strides in spearheading financial inclusion for women. In 2001 the Bank developed a Gender policy with a commitment to promote and enhance gender equity and equality in the governance of the Bank and the financial sector to contribute to sustainable development. Building on this one of the objectives in the Bank of Zambia’s current Strategic Plan (2016 – 2019) is “to entrench gender mainstreaming within the Bank of Zambia and the financial sector, to contribute to gender equality in Zambia”. This strategic plan therefore provides a framework against which gender can be mainstreamed in the project.

The Bank of Zambia has worked with the International Labour Organization (ILO) to train several of its senior level staff in the Bank Supervision Department on a tool which provides a methodology for a gender-based service quality check. It aims to facilitate business support agencies, financial institutions and government departments to conduct a systematic assessment of the extent to which they target and serve women entrepreneurs, their needs and their potentialities. The Bank of Zambia staff trainers have in turn trained selected officers in the commercial banks in the country. To date, three cohorts have received the training. Additionally, the trainers have

conducted checks at four banks in Zambia to determine the gender-responsiveness of the banks in their product and service offering.

It is therefore important to work to improve women's access to financial resources to help them make the transition from micro-scale, informal operations to larger businesses that are recognized within the formal sector. With accessible financing opportunities, it is easier for women to get involved in new energy-related businesses, for example by producing and marketing more efficient stoves; selling and installing solar-home products- like in the case of Lichi Community Solutions; managing village-level power systems (including micro hydropower generators, wind turbines and multifunctional platforms); constructing and marketing biogas digesters; or producing biodiesel fuels from locally grown crops.

### *iii. Women's employment*

Many Zambian women especially those in the urban areas are involved in micro and small businesses which are characterized by informality. An employment survey In Zambia in 2014 reported that 84% of female employment is in the informal sector with majority of women running unregistered businesses. This informality means that they have limited access to information, training and finance that would help them grow their businesses. The informal nature of women's businesses also means they are unable to tap into the business opportunities Even though data is currently not available, it is recognized that women's employment in the energy sector is low, with similarities with the construction sector. Women represent only 6% of the 3,069 National Construction Council graded contractors, but they tend to be in lower value activities at the National Council of Construction's (NCC) Grades 5 and 6. Some of the challenges contributing to the low participation of women in the sector include the arduous registration process for businesses, skills base for women in the sector, and the lack of social capital that allows women's movement and interaction in male dominated sectors. The project will therefore support apprenticeship for young women in the energy sector related occupations.

### *iv. Knowledge building*

There is a dearth of data and knowledge on the participation of women and other vulnerable persons in the area of clean energy. The project will therefore support a process to build a body of knowledge on women in energy in Zambia.

## **7. Conclusion**

The participation of women into all levels of the energy value chain will lead to more effective clean energy initiatives, unlock greater return on investments, and expand the prospects of reducing emissions.