**W20 Special Session 1 “Gender Lens Investing: Emerging Global Trends”**

Co-sponsored by: The Sasakawa Peace Foundation and WE EMPOWER JAPAN

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**Background and Issues**

Achieving the Sustainable Development Goal 5 on gender equality and women’s empowerment is only possible through active participation of the private sector and financial investors. Over the past few years, financial institutions of various kinds are starting to incorporate gender perspectives into their financial analysis and are making investment decisions with a gender lens.

Gender-lens investing (GLI) is seen not just as an effective means for channeling funds towards interventions that advance gender equality and empower women and girls, but also as a strategic tool for investors to identify investment opportunities with unrealized value (like underinvested women entrepreneurs with good growth prospects) and uncovering potential risks (like sexual harassment, low staff retention, value chain abuses). For example, if investors start applying gender lens to their investment analysis, it provides a strong incentive for companies of all sizes to improve the transparency and accountability of their gender equality practices in workplace, markets, and the community.

Financial institutions across the world are taking note and are moving capital towards investment strategies with a gender lens. In 2017, Japan’s Government Pension Investment Fund (GPIF), the largest Pension Fund in the world, selected the MSCI Japan Empowering Women Index (WIN), which only includes those listed companies in Japan that score highly on gender equality performance, for its ESG (Environmental Social and Governance) investment allocation. There are increasing number of similar initiatives at the global level, reflecting great interest and momentum. As of September 2018, there are over three dozen of public market gender lens investment strategies, and more are under development. In private markets, the momentum is even stronger, as the number of funds that incorporate a gender lens strategy have more than doubled in the past couple of years.

Government agencies and development finance institutions (DFIs) have also been active in channeling capital towards investment opportunities that deliberately incorporate gender perspectives into investment analysis and decision-making. The Japan Bank for International Cooperation (JBIC) and Japan International Cooperation Agency (JICA) have signed up for the G7-wide 2X Challenge and are committed to advancing women’s empowerment by investing with a gender lens. Initiatives like Japan ASEAN Women Empowerment Fund (JAWEF), Women Entrepreneurs Finance Initiative (We-Fi), Fund Mujer, and Investing in Women Initiative are other global examples.

To build on these emerging trends, the Sasakawa Peace Foundation and WE EMPOWER JAPAN will jointly organize a W20 Panel on Gender Lens Investing that will bring together leaders from a diverse range of sectors to pursue a collaborative dialogue for identifying means that will best unlock capital, at scale, to achieve women’s empowerment.
Topics

- In the context of the SDGs and ESG investment, discuss strategies for raising awareness amongst investors, companies and media about the global trend of gender lens investing, and highlight good practices.
- Discuss how the Women’s Empowerment Principles (WEPs) could be used as a gender lens strategy for investors.
- Discuss how financial institutions can help advance gender equality and women’s empowerment, and how the institutions will benefit in-turn.
- Find effective solutions to build networks with key stakeholders for advancing the gender lens investing agenda in G20 countries.

1 WE EMPOWER is a global partnership programme, “Promoting Women’s Economic Empowerment at Work through Responsible Business Conduct in G7 Countries,” implemented by the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and the International Labour Organization (ILO), and funded by the European Union.
2 2018, Veris Wealth Partners, Gender Lens Investing: Bending the Arc of Finance for Women and Girls
4 The development finance institutions (DFIs) of G7 countries have signed up for the 2X Challenge in Oct 2018 to mobilize USD 3 billion of investments with a gender lens across the world. https://www.2xchallenge.org/ The official announcement was made in June 2018 at the G7 Leaders’ Summit in Quebec City, Canada.