Gender Equality for a Sustainable Future:

Experiences from the Energy and Mining Sectors























Institutional Remarks

UN Women supports the private sector in designing and implementing policies that promote gender equality and the incorporation of more women in the labor market, under equal conditions and without discrimination, to achieve their full potential. This support is carried out through a strategic line of work that aims to improve women's economic empowerment by promoting the implementation of the Women's Empowerment Principles (WEPs) that support the actions of the United Nations in this regard. Among such initiatives in Chile is the "Win-Win: Gender equality means good business" Programme.

Mining and energy are strategic productive sectors for Chile and many other countries in the region and are also sectors in which women have traditionally been under-represented. The current context caused by the COVID-19 crisis and the evolution towards the 4.0 economy attest to the importance for the business sector to count on skilled human capital and diverse talent to find solutions to today's challenges. Gender equality and the incorporation of women in these sectors is therefore of vital importance from the point of view of human rights and smart investments.

Working in partnerships and building spaces for exchange and reflection, such as the Intersectoral Dialogue upon which this document is based, is essential to analyze in greater depth the challenges and opportunities to foster the incorporation and full participation of women in the workplace in such vital sectors as energy and mining.

In the current context characterized by increasing climate and environmental risks, the effects of the COVID-19 pandemic and the acceleration of the energy transition, where the extraction of mineral resources becomes a renewed opportunity for the region, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), through the Regional Cooperation for the Sustainable Management of Mining resources in the Andean Countries (MinSus) Programme promotes the development of more sustainable mining and responsible supply chains, in line with the 2030 Agenda for Sustainable Development.

One of the pillars of the German cooperation, which considers gender inequalities an obstacle to sustainable development, is the equal distribution of the benefits of the extractive industries. The tools and instruments of the BMZ and GIZ seek to mainstream a gender perspective in mining as part of Germany's commitment to applying the 2030 Agenda. Similarly, the German strategy on raw materials, revised in 2020, signifies the essential link between gender equality and sustainable development.

The mining and energy sectors must move towards gender equality. Governments have the opportunity to embrace the change towards a more sustainable future and economy to address the systemic gender discrimination in society.



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Presentation of the Programmes

The Intersectoral Dialogue "The role of women in building more sustainable economies: Experiences from the mining and energy sectors" and this document are the result of a collaboration between the "Win-Win: Gender equality means good business" Programme, and the Regional Cooperation Programme for the Sustainable Management of Mining Resources in the Andean Countries (MinSus), as a follow-up to their activities on the role of the business sector in the incorporation of women in the economic recovery and the responsible and sustainable supply chains of mineral resources.



The "Win-Win: Gender equality means good business" Programme

The "Win-Win" Programme was created in 2018 as a result of a strategic partnership between UN Women, the International Labor Organization (ILO), and the financial support of the European Union, to promote women's empowerment to achieve sustainable, equitable, and inclusive economic development in the six countries where its actions are implemented: Argentina, Brazil, Chile, Costa Rica, Jamaica, and Uruguay.

The Win-Win Programme contributes to women's empowerment and leadership and advances the 2030 Agenda for Sustainable Development by recognizing women as partners in development and increasing the commitment of the business sector with gender equality and women's empowerment to strengthen the ability of organizations to put these commitments into practice.

The Programme promotes the <u>Women's Empowerment Principles</u> (WEPs), created in 2010 by UN Women and the Global Compact to guide companies on women's empowerment in the workplace, labor market, and community. The WEPs community is currently comprised of more than 5000 companies committed to gender equality worldwide.



The MinSus Programme

Since 2014, the Regional Cooperation for the Sustainable Management of Mining Resources in the Andean Countries (**MinSus**) Programme seeks to provide guidance to Bolivia, Chile, Colombia, Ecuador, and Peru in more sustainable mining practices and set the basis to promote transparent mining supply chains in line with the 2030 Agenda. The Programme, implemented by the **Deutsche Gesellschaft für Internationale Zusammenarbeit** (GIZ) and funded by the **German Federal Ministry for Economic Cooperation and Development** (BMZ), works under three main pillars.

On the one hand, it promotes the development of responsible and sustainable mining supply chains facilitating access to information and transparency. On the other hand, it promotes respect for human rights in mining activities and fosters gender equality in the sector. And finally, it encourages innovation and technological transfer in mining, focusing on water use and energy efficiency, as well as promoting decarbonization in the industry.

The Programme aims to promote the potential of the mining sector to encourage sustainable development in the Andean region through a multi-stakeholder approach that includes civil society organizations, Ombudsman Offices, mining companies, business trade associations, governments, and international institutions in partnership with the Programme's regional counterpart, the United Nations Economic Commission for Latin America and the Caribbean (ECLAC).





Background Information

In 2015, the 193 Member States of the United Nations agreed on the 2030 Agenda for Sustainable Development. Composed of 17 Sustainable Development Goals (SDGs), this Agenda provides a roadmap to achieve inclusive societies, and end poverty and inequality. Gender equality is not only a human right, but also one of the essential foundations to build a peaceful, prosperous, and sustainable world. This is why promoting gender equality is addressed through SDG 5, and is integral to achieving all SDGs.

Despite progress in promoting women's economic empowerment and labour force participation in the last decade, considerable gender gaps and inequalities persist and have a direct impact on women's ability to exercise economic autonomy. These include substantial participation gaps in numerous economic sectors, the types of positions they occupy within organizations, persistent salary gaps for equal work, and the higher proportion of informality amongst the businesses they lead.

In line with these tendencies, several critical bottlenecks have yet to be overcome to incorporate women in employment and leadership positions, especially in male-dominated sectors. Gender stereotypes when choosing a course of study tend to segment women to certain economic areas. Further, the disproportionate unpaid care work women undertake reduce their availability to partake in paid work. Globally, women devote 2.6 times more time to unpaid care and housework work than men (UN Women, 2018)^{1.} This number is higher in Latin America and the Caribbean, where women devote 2.8 hours of unpaid work for each hour carried out by men (ECLAC, 2020)². In Colombia, women who work in mines, quarries, energy, and gas supply, spend on average 13 more hours a week on housework when compared to men who are employed in the same sector (EconEstudio & Aequales, 2019)³

Beyond imbalances in the use of time, additional considerations further complicate the incorporation and full participation of women in the labor market. These include gender stereotypes and biases that influence recruitment processes and tend to restrict women to specific areas within organizations, often in positions of lesser responsibility, as well as working hours, operational and infrastructural conditions.

The significant and unprecedented pressure imposed by the COVID-19 pandemic has contributed to increasing inequalities and the multiple forms of discrimination women face, representing a serious threat to their employment and income (WEPs, 2020).4 The pandemic has been responsible for reversing gains in women's labour market participation, for instance in Chile participation fell from 53% to 41% in the first months of the pandemic, reaching 46% in the quarter between February-April 2021 (INE, 2021). Some of the reasons behind the drop in women's participation include their involvement in some of the sectors most affected by the crisis, school closures and the unequal distribution of housework and the care of children, seniors, and sick household members. According to the Longitudinal Research Center of the Catholic University of Chile, during the pandemic, women in Chile spent on average 14 more hours each week to care for children under 14, and five additional hours to assist other people in their homes each week, compared to men (UC, 2020).6 It is important to highlight that the lower rates of participation of women in paid work does not imply that their responsibilities or their contribution to the country have decreased.

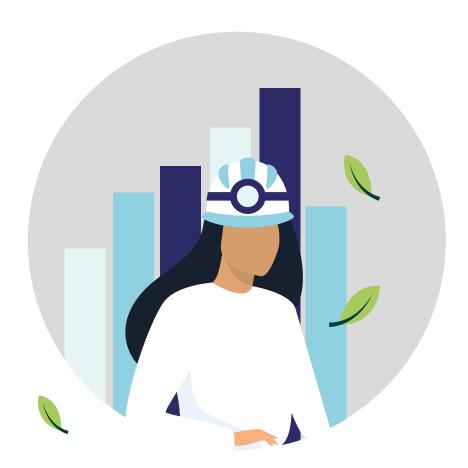
In the face of this complex scenario, María Noel Vaeza, UN Women Regional Director for the Americas and the Caribbean, affirmed in a high-level panel on women's inclusion in the economic recovery that "we must contribute to countries' economic recovery by incorporating women in all industries with great urgency," especially in strategic sectors and those traditionally led by men, such as mining and energy.²



The contribution of the energy and mining sectors to the region's economies is undeniable. Latin America and the Caribbean hold more than 60% of the world's lithium reserves, approximately 40% of copper, and more than 30% of nickel and silver, providing the region with a competitive edge in extractive activities. The economic weight of mining in countries across the region makes this sector a significant engine of growth, although with marked heterogeneity among countries. In 2018, the mining sector contributed 4.4% to the added value of the region. Nevertheless, in some Andean countries, the contribution of this sector exceeds 10%, such as the case of Bolivia (13.2%), Chile (10,8%), and Peru (10.1%) (ECLAC, 2019).⁸ Similarly, the mining sector consolidates 20% of exports in some countries, with an even higher percentage in Chile and Peru where this sector represented more than half of total exports in 2017 and 50% in Bolivia (ECLAC, 2018).⁹

The energy sector also represents a source of economic growth and human development. The region's energy matrix is mainly comprised of hydrocarbons, with natural gas (34%) and oil (31%) as main drivers (OLADE, 2018). Transportation is the most energy-intensive sector, with 52% consumption, followed by the industry sector with 18% (Heinrich Boll Stiftung, 2020). According to the International Renewable Energy Agency (IRENA), 75% of electrical energy generated in the region is produced from renewable sources, mainly hydroelectricity (REN 21, 2017). Access to power is key to the development of all primary, secondary, tertiary, manufacturing, mobility, and transportation activities and contributes to reducing poverty. Over the last ten years, the region's installed electrical capacity has increased more than 50% (ECLAC, 2020). It is estimated that currently, 97% of the population in Latin America has access to electricity. However, approximately 65 million people still fall short of their basic energy needs and live in energy poverty.

Women's participation in both sectors is limited. In mining for instance, women's participation in Andean countries is far below the rates registered in traditional mining countries such as Canada and Australia, ranging from 6.3% in Peru to 8.6% in Chile, and 10% in Ecuador.





In the energy sector, women represent merely 19.7% of the industry's workforce in Latin America (IDB, 2018)¹⁴, and represent 23% in Chile (Ministry of Energy of Chile, 2020)¹⁵. Achieving substantial change and equal insertion requires concerted action. For instance, in Colombia, several companies in the industry have earned the Equipares Seal which guarantees hiring practices and technical and professional trainings free of gender bias. In Chile, the Ministry of Energy has promoted the "Energy+Women" public-private plan to increase the incorporation of women and to eliminate barriers that contribute to gender gaps in the sector. The Ministry of Energy and Mining in Peru has also developed the "Emerging Women Leaders" Programme to implement new gender-sensitive structures, cultures, and work environment.

Equal participation of men and women in both sectors is a key element to achieving a fair transition in the energy and mining sectors, which is considered an imperative to promote social development, environmental preservation, the creation of green jobs, and the redistribution of the industry's benefits to accelerate the progress towards the achievement of the SDGs.

Environmental and gender factors, both drivers of a fair transition, are usually addressed individually, without delving into the multidimensional relationship that exists between women and natural resources. Women are dependent on natural resources for the provision of food and care, and are also most vulnerable to the impacts of climate change. ¹⁶ Unequal access to property and control over natural resources leads to lower participation of women in decision-making processes, further exacerbating the unfair distribution of work, particularly care work, between women and men. This in turn fosters greater dependency on natural resources and increases women's vulnerability and difficulty to access and control these resources. For instance, households that are unable to secure clean energy sources for cooking rely mostly on women to spend time gathering firewood, and experience the negative health effects of smoke when burned. The impact of mining on water availability also intensifies gender inequality (IFC, 2018). ¹² When water is unavailable in households, the responsibility of securing water is also distributed unequally: 72% women and 28% men (IDB, 2016)¹⁸.





The energy and mining sectors are at the center of a much-needed global energy transition. The World Bank (2017)¹⁹ estimates that this transition will involve an increase of up to 500% in the demand for minerals necessary to develop renewable energies and batteries for electromobility. The transition towards a sustainable and decarbonized economic system cannot be achieved without promoting responsible mineral supply chains.

These sustainable chains are being promoted by significant changes in consumer perception. Consumers increasingly want to know about the origin of their products and look for evidence of the benefits or impacts of their purchasing decisions on people and communities. Governments, the business sector, and financial institutions hold an essential role in addressing the risks and differentiated challenges faced by women in the supply chains to support equitable development and a fair transition that is responsible in its impacts on the communities that depend on extractive activities. There is a calling to integrate human rights due diligence with a gender perspective (PWYP, 2020)²⁰_L addressing rights, security, health, and wellbeing of women working in these supply chains (KIT, 2017).²¹

Analyzing, assessing, and addressing women's economic inclusion in these chains is therefore vital, and can be achieved by adopting best practices, such as subscribing to the Women's Empowerment Principles, pursuing certifications such as the UNDP Gender Equality Seal, and promoting accountability and transparency, to position women as agents of change to transform the energy and mining supply chains, rather than as bystanders of the negative impacts of energy transition and mining activity.





The Intersectoral dialogue "The role of women in building more sustainable economies: Experiences from the mining and energy sectors"

Given the current scenario and challenges, UN Women and GIZ, through the Win-Win and MinSus Programmes, met on May 20th, 2021, to hold the intersectoral dialogue "The role of women in building more sustainable economies: Experiences from the mining and energy sectors", to promote public policies and business strategies that contribute to better prepare, incorporate and increase the visibility of women in the mining and energy sectors that contribute to innovative and triple impact solutions that address the challenges to move towards more sustainable economies.

Following opening remarks by both Programmes, the Dialogue continued with the interventions of:



María Inés Salamanca

UN Women Coordinator in Chile and Partnerships and Resource Mobilization Specialist for the Americas and the Caribbean



Elisabeth Winkelmeier-Becker

Parliamentary State Secretary at the Federal German Ministry of Economic Affairs and Energy

They shared insights and reflections regarding the role of women in building and fostering the transition towards the sustainable economy of the future, and the role of transparency in promoting green economic growth. These interventions were followed by two discussion panels. The **first panel** presented gender-responsive public policies in the mining and energy sectors that contribute, in an innovative manner, to the development of green solutions, with the participation of:



María Cristina Güell

Coordinator of the 2050 National Mining Policy at the Ministry of Mining of Chile



Ege Tekinbas

Gender Equality Advisor with the Intergovernmental Forum on Mining, Minerals, Metals, and Sustainable Development (IGF)



Marie Paz Rodríguez Mier

r Gender Equality Leader in the ntal Environmental and Social rals, Affairs Office of the Ministry of Mines and Energy of Colombia.

The **second panel** presented experiences from the business sector, with industry leaders commenting on the role of women in promoting innovative solutions in the energy and mining sectors. Panelists included:



Rosa María Soto

Global Sustainability Manager of Acciona Energía



Verónica Nohara

Country Manager of Minera Don Nicolás



Olivia Heuts

Vicepresident of H2 Chile A.G.



Loreto Acevedo

Founder and CIO of InDiMin.



The **first panel** highlighted progress made in formulating a new generation of comprehensive public policies in the mining and energy sectors that address women's physical and economic autonomy, as well as autonomy in decision-making and their interrelation. The panel outlined the gender guidelines for the energy and mining sector²² launched in 2020 by the Ministry of Mines and Energy of Colombia and further delved into the creation of Chile's 2050 National Mining Policy, that mainstreams gender by increasing the participation of women through an inclusive process. The panel highlighted the need for such public policies to differentiate their approach depending on the scale of operations. Artisanal and Small-Scale Mining (ASM) employs up to 30% of women in some countries of the region, and more than 70% in Colombia, compared to 8.8% of direct jobs created by industrial mining in this country. Despite the greater insertion of women in ASM, they generally hold the lowest-paid jobs under the most precarious conditions²³. They also have fewer chances of securing formal employment than men in the mining sector.

Rapid technological advancements and the increase in the demand for minerals and metals to achieve the energy transition are creating significant changes in the composition of the mining workforce. New work conditions may advance the position of women in the mining sector, given that some of the physical and technical barriers that have been used as a justification to exclude them, have largely been eliminated. For example, the increase in the use of new technologies will displace some tasks to remotely-located and controlled high-end technology rooms that offer new working arrangements that differ from the traditional shift systems that make work-life balance difficult, while allowing a reduction in women's exposure to health, security, and gender violence-related risks. Considerable challenges persist, however, in fostering greater inclusion of women in science, technology, engineering and mathematics programmes, so that they can acquire the new set of skills required to work in the future of the mining industry.²⁴ According to the IGF, the most significant challenges will fall on women from local communities. While new technologies may offer better work conditions to highly qualified women, this will be at the expense of women from the communities.²⁵

The **second panel** emphasized the importance of promoting strategies to improve gender equality within organizations in both sectors, highlighting the importance that women's leadership plays in generating change and promoting innovative solutions that contribute to a fair transition.

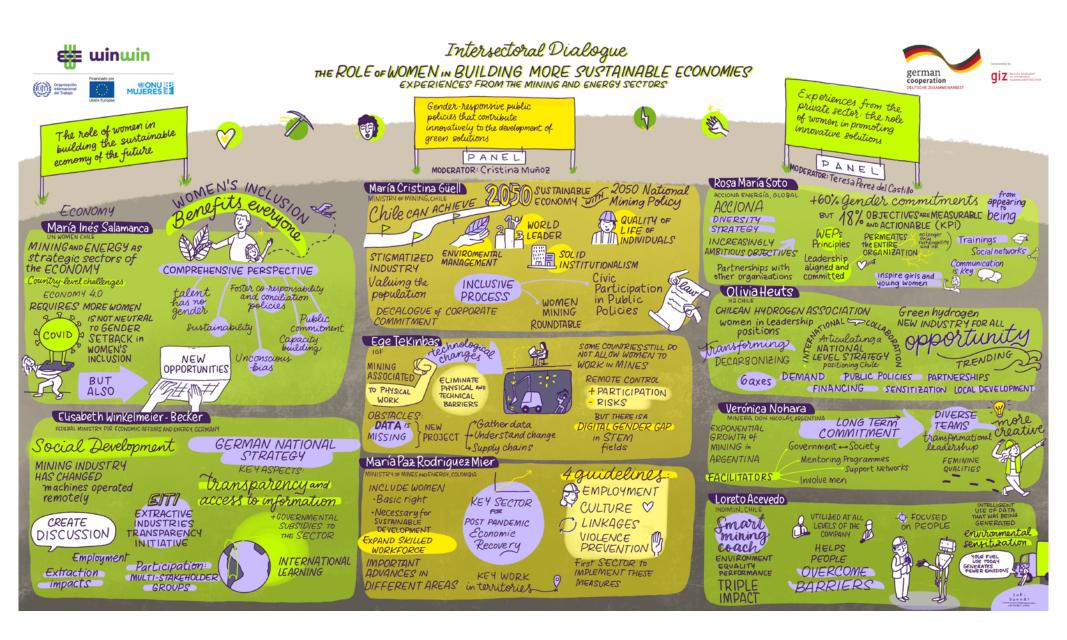
The practical cases emphasized that successful organizational change strategies that promote policies and actions to drive the incorporation of women in organizations must be taken and supported from the organization's leadership, in alignment with the Women's Empowerment Principles (WEPs). When leaders act to integrate a gender perspective in all their decision-making processes and action areas, gender-sensitive management models emerge enabling organizations to be more responsive, diverse, and inclusive environments.

Additionally, women's leadership at all levels is also essential to mobilize change within organizations, as they become role models for other women and shatter existing stereotypes regarding the ability of women to serve as leaders and occupy varied roles, while putting their talents and perspective at the service of companies to contribute to finding solutions. Fostering and encouraging this type of leadership through continuous education, support networks, and mentoring programmes is of tremendous importance. Women's leadership also plays a vital role in addressing topics that impact workers regardless of their gender, such as flexible work hours, coresponsibility, and work-life balance, which are topics of great importance at present, and benefit men and women alike.

²⁴ The OECD states that young women from its member countries, including Mexico, Chile, and Colombia, often achieve higher education levels than young men, but they are still less inclined to study in STEM fields. Data collected in 2014 and 2015 indicate that in Colombia, 36% of women graduated in STEM areas, while 57% of women chose other undergraduate study programmes.

²⁵The IGF, in collaboration with ILO, IWiM and UNDP's EGP, will launch a new Programme "Mujeres y la Minería del Futuro" (Women and Mining of the Future). The project will be developed in three phases, starting with an analysis of the current state of employment, education, and competencies in large-scale mining for both men and women in Canada, Mexico, Chile, Colombia, Australia, Mongolia, Kyrgyzstan, Sweden, Ghana, South Africa, and Peru.

The main ideas presented during the Dialogue have been consolidated in the following visual summary developed by the illustrator, <u>Sofi Donner</u>.



Recommendations and conclusions



The policies of the future in the mining and energy sectors must guarantee the equal insertion of women and men, the equal distribution of the benefits generated by these activities, and ensure that the differentiated impacts, especially environmental impacts, do not increase gender gaps.

Energy and mining public and corporate policies must adequately recognize the plurality of women and the intersectional nature of discrimination. It is necessary to continue calling to attention the characteristics, situations, and forms of marginalization women face due to their differentiated conditions.

Likewise, it is critical for both public actors and the business community to take on commitments and develop strategies, policies, and actions that contribute to reverting current trends, and promote opportunities for the full participation of women in the mining and energy sectors. The main lines of action highlighted during the intersectoral dialogue are summarized below:

RECOMMENDED APPROACHES

PUBLIC AND PRIVATE SECTOR



Raise awareness on gender equality

Sensitize and educate on gender equality, diversity, inclusion and identify and mitigate unconscious bias at all organizational levels.



Adopt explicit policies that promote gender equality

Adopt explicit and relevant policies in public and private companies, including diversity and inclusion, co-responsibility, conciliation, work flexibility, equal pay, unbiased recruitment, and gender violence, among others.



Incorporate women in supply and value chains.

Promote the incorporation of women-led businesses and companies with a high proportion of women employees, in large companies' supply chains to ensure equal distribution of benefits²⁶



The energy and mining sectors present an opportunity to include more women in their operations, whereby building greater diversity and inclusion in both industries, and moving the needle towards sustainability and a green transition. According to the ILO and the IDB (2020)²⁹, more than 80% of the positions created in decarbonization Programmes will be exclusively in male-dominated sectors, and women will only benefit from the creation of new jobs if these sectors address the current segregation. Women's under-representation deprives the energy transition of talent, whereby limiting the transformational change needed to achieve climate goals and the SDGs. Women's equal participation in employment means good business for companies, the economy, development, and the environment. As highlighted in the World Bank's World Development Report (2012)³⁰, greater gender equality enhances productivity and improves development outcomes for the next generations. In 2009, during the global financial crisis, a McKinsey & Company³¹ survey concluded that female leaders represent a competitive advantage during and following crises. Similarly, having a higher percentage of women in decision-making positions increases innovation and profitability, reduces risk, and improves sustainability practices. 32

The energy transition is essential to build a more sustainable future and achieving this goal is in everyone's interest. All countries should promote energy transition strategies as a critical element in stimulus packages. These strategies will have greater probabilities of success if women play a central and equal role.

This document was developed with the financial support of the European Union. Its content is of the exclusive responsibility of the "Win-Win" Programme and does not necessarily reflect the opinion of the European Union.

This document is also part of the activities of the "Regional Cooperation for the Sustainable Management of Mining Resources in Andean countries" Programme funded by the German Federal Ministry for Economic Cooperation and Development (BMZ) and implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

Acknowledgements

This study was developed thanks to the support of María Inés Salamanca, UN Women Coordinator in Chile and Partnerships and Resource Mobilization Specialist for the Americas and the Caribbean, and Nicolas Maennling, Principal Advisor of the MinSus Programme at the GIZ. We appreciate the kind collaboration of all the panelists who shared their expertise, as well as everyone who participated in the Dialogue. The technical coordination of the document was led by Isabelle Turcotte on behalf of UN Women, and Cristina Muñoz on behalf of GIZ, with the collaboration of Paz García, Maricel Sauterel, Fanny Peralta, Lican Martínez and América Rodríguez.





Win-Win Programme

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MinSus Programme

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