



**MILLENNIUM  
CHALLENGE  
CORPORATION**

REDUCING POVERTY THROUGH GROWTH

## **GENDER POLICY**

### **I. INTRODUCTION**

The Millennium Challenge Corporation (MCC) recognizes that gender inequality can be a significant constraint to economic growth and poverty reduction. Consequently, MCC will ensure that gender is considered in the selection of eligible countries and integrated into the development and design of Compact programs, the assessment and implementation of projects funded by the Millennium Challenge Account (MCA), the monitoring of program results, and the evaluation of program impacts.

This document is intended to provide overall guidance to country partners on their responsibilities for the integration of gender<sup>1</sup> in all stages of Compact development and implementation. Additional gender-specific guidance for eligible countries can be found in the country guidance documents listed below.

- Overview of the Compact Process
- Characteristics of a Core Team
- Guidance on Conducting the Consultative Process
- Guidelines for Economic and Beneficiary Analysis of a Compact
- Environmental Guidelines
- Guidelines for Monitoring and Evaluation Plans

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<sup>1</sup> Gender is defined as the social roles, behaviors, and responsibilities assigned to women and men in any society. Unlike biology, gender is mutable, and women's and men's roles, behaviors, and responsibilities change over time and are different in different societies.

- Best Practices in Compact Development
- Project Development Guidelines

## **II. RELATIONSHIP OF POLICY STATEMENT TO MCC'S CORE PRINCIPLES**

MCC's commitment to gender equality is grounded in our mission to promote economic growth and poverty reduction. MCC recognizes that many countries with high levels of gender inequality also experience high levels of poverty. Therefore, in order to maximize the impact of MCA programs on economic growth and poverty reduction, MCC requires that eligible countries utilize an analysis of gender differences and inequalities to inform the development, design, implementation and monitoring of programs funded by MCC.

## **III. RESPECTIVE ROLES AND RESPONSIBILITIES**

### **A. MCA COUNTRY RESPONSIBILITY**

The MCA-eligible country has the primary responsibility for integrating gender into the development, design, implementation, and monitoring of a Compact program. The country is ultimately and primarily responsible for implementing the Compact, including any components designed to address gender inequalities that limit women's or men's opportunities to participate in or benefit from projects.

#### **1. Consultation as a Tool for Gender Integration**

Consultation is a key component of Compact development and implementation. It is also the first entry point and a continuing tool for an eligible country to integrate gender into its Compact program. As such, countries will ensure that both women and men have opportunities for meaningful participation throughout the consultative processes related to a Compact program. This consultative approach will inform program development, design, implementation and monitoring. If the results of prior planning processes are used to develop a country's MCA program priorities, the country will provide evidence of

women's and men's meaningful participation in those planning processes as well as in any consultations held specifically for a Compact.

## **2. Gender Integration Throughout the Stages of a Compact**

- a. Proposal Development and Program Design:** Based on an analysis of gender differences and inequalities, countries will identify project beneficiaries disaggregated by sex and provide an explanation of how Compact program components are designed to take into account gender differences and correct gender inequalities that are constraints to economic growth and poverty reduction in a Compact program.

To meet this requirement, countries may want to utilize internationally recognized gender analytic frameworks such as the Harvard Analytical Framework or the Moser Gender Planning Framework.<sup>2</sup> Whatever tool is utilized, the following basic questions should inform the country's program design:

- (1) What are the policy, legal and socio-cultural constraints to women and men becoming full beneficiaries of MCA investments, and what design elements are required to remove or compensate for these constraints?
- (2) What are the different roles and responsibilities of women and men and how do any differences affect the proposed project? How do these gender differences vary by other demographic and social characteristics of the beneficiary population?

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<sup>2</sup> These tools, and others, can be found in two publications: (1) March, C., Smyth, I., Mukhopadhyay, M. 1999. *A Guide to Gender-Analysis Frameworks*. Oxford: Oxfam Press; and (2) Moser, Caroline O. N. 1993. *Gender Planning and Development: Theory, Practice, and Training*. London: Routledge.

- (3) Are there gender inequalities in access and control of productive resources relevant to the proposed project, and how will they be corrected or mitigated in design?
- (4) How will the proposed projects meet both practical needs and strategic gender interests, or those interests that correct structural inequalities that are impediments to economic growth and poverty reduction in a Compact program?

- b.** Due Diligence and Program Refinement: Countries will analyze the impact of investments on beneficiary groups and refine projects, as needed, to ensure that gender differences and inequalities that limit economic growth and poverty reduction are addressed in project design.

Monitoring and evaluation plans will include provisions to track impacts on specific beneficiary groups, such as women and children, where practicable.

- c.** Compact Implementation: To the maximum extent possible, countries will ensure that sex-disaggregated data will be analyzed in monitoring performance and results and evaluating impacts. Where practicable, data should be analyzed at the household level.

Where projects have specifically addressed gender differences and inequalities in design, countries will monitor indicators of gender equality in a Compact program.

## **B. MCC RESPONSIBILITY**

MCC will consider gender in the selection of eligible countries, in due diligence on program and project design, in its oversight and assessment of Compact implementation, and in the monitoring and evaluation of impacts.

## **1. Selection of MCA Eligible Countries**

Eligibility for MCA assistance is based, to the maximum extent possible, on performance against objective selection criteria measuring a country's commitment to rule justly, invest in its people and encourage economic freedom. Issues of gender equality are incorporated into several of the selection criteria and supplemental information considered by the MCC Board in determining country eligibility.

## **2. Consultation as a Tool for Gender Integration**

MCC will provide guidance to a country on gender and other social considerations in the design of its consultative process and on gender integration in its proposed Compact program.<sup>3</sup> This will occur in the early stages of consultation and development of a country's proposal for MCA funding.

MCC will review the quality and content of a country's consultative process as one component of due diligence. The review will include an assessment of how social/gender analysis informed the country's involvement of different stakeholders and how a country plans to ensure the meaningful participation of women and men as the Compact is developed and the Compact program is implemented.

## **3. Gender Integration Throughout the Stages of a Compact**

- a.** Proposal Development and Program Design: While the eligible country is responsible for proposal development and program design, MCC will provide guidance and other resources, as needed, on gender integration in a Compact program.
- b.** Due Diligence and Program Refinement: MCC's due diligence of the social impacts of all programs involves gender analysis. MCC incorporates gender into the

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<sup>3</sup> Because gender differences are structured by other social variables, gender is considered within the context of other relevant forms of social difference such as age and ethnicity.

assessment of a program's feasibility and assesses the extent to which the proposed program design addresses gender differences and inequalities that limit economic growth and poverty reduction in a Compact program.

MCC will require that the monitoring and evaluation plans have adequately incorporated gender considerations, including, when practicable, the collection of sex-disaggregated data.

- c. Compact Implementation: MCC will integrate gender into its oversight and assessment of a country's performance during implementation. MCC will assess the extent to which Compact programs reflect findings on gender differences and inequalities and meet intended gender outcomes, where relevant.

Additionally, some disbursements of MCA funds may be conditioned upon the satisfaction of targets and progress on indicators measuring project performance.

#### IV. AMENDMENTS

This Policy may be modified or amended from time to time at the discretion of MCC's Chief Executive Officer and supersedes any previous policy on this subject matter.

#### V. APPROVAL

This Policy is effective on the approval date indicated below.

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John J. Danilovich  
Chief Executive Officer

December 11, 2006  
Date