CRITERION INSTITUTE

KENYA

Geographies Briefs

Addressing Gender-Based Violence in Kenya Through Targeted Investments

Empowering impact investors to apply a gender-based violence lens and encouraging the coordination of their investments to reduce gender-based violence in Kenya

Impact investors who want to promote Kenyan women's economic empowerment must address gender-based violence as part of their larger strategy. Otherwise, the prevalence of gender-based violence will continue to entrench gender injustices effectively eroding advances made through other attempts to establish positive gender norms. Impact investors, therefore, have the power to address both gender-based violence and women's economic empowerment by incorporating a gender-based violence lens into their screening, structuring, and analyzing of investments.

By naming gender-based violence as an impact screening criteria and implementing gender-based violence considerations across their investment processes, impact investors can better direct their financing towards opportunities that are more responsive to those affected by violence. This will help investors reach their broader women's economic empowerment goals. Likewise, by working with intermediaries to share deal flow data, create benchmarks to determine good industry practices, and create knowledge products to capture learnings, impact investors can better position their investments to yield positive and sustainable results for both populations affected by violence and other investors. This coordination will result in more collective, targeted pressure being placed on investees and industries to shift their practices, as well as a greater motivation to explore what else is possible in using finance to address different types of gender-based violence.

Once impact investors in Kenya are coordinated, they are better positioned to move their capital towards financing the reduction of gender-based violence. This mobilization will signal that they are ready to use their power to address complex gender issues and understand the political, regulatory, operational, and reputational costs to their portfolio of failing to do so. This targeting will demonstrate how impact investors' understanding of conditions in a local context can shift their analysis of risks, expected impact outcomes, and subsequently, the direction of their capital.

The economic aftershocks of COVID-19 have eroded many of the women's economic empowerment gains that had previously benefited Kenyan women and girls. Amongst these setbacks is an increase in the incident count and severity of gender-based violence. As it is operationally unfeasible and counterproductive to prosecute every gender-based violence perpetrator, impact investors can help to effectively reset Kenyan society by flowing their capital to initiatives that tackle gender-based violence from multiple vantage points. Intermediaries can also coordinate impact investors' initiatives by ensuring that capital and influence address different types of gender-based violence in an informed manner.

1

Impact investors ask current investees to collect data on the unique needs of those affected by gender-based violence to gain a better understanding of the extent of the problems and clarity on what types of support are needed.

2

Impact investors experiment with different screens and terms to determine which mechanisms have the greatest impacts on different types of violence and for various segments of the population.

3

Intermediaries publish information related to deal flow data and create benchmarks to determine good industry practices.

4

Intermediaries support impact investors in collectively analyzing the results of their investments and documenting their learnings for a broader investor audience.

While the incident count and severity of gender-based violence is currently on the rise in Kenya, this rocky period does not have to be permanent state. Impact investors can help to change the trajectory of Kenyan society by embracing their power, flowing capital to where it is most helpful, experimenting with new investment structures, and working with intermediaries to coordinate their respective approaches. In doing so, impact investors are well-poised to leverage finance to reduce the prevalence and intensity of gender-based violence In Kenya.

Impact investors successfully reduce the prevalence and intensity of gender-based violence in Kenya. Kenyan girls and women no longer feel that gender-based violence is an entrenched gender injustice and are optimistic that their futures selves will experience a higher quality of life. Likewise, impact investors are educated, empowered, and mobilized to target their capital in new ways and towards addressing more multidimensional gender-based violence issues.

Audience:	Private investors
Geography:	Kenya
Types of capital:	Private equities and private debt
Investment approaches:	Due diligence and process metrics

Resources

Criterion Institute's Process Metrices That Analyze Power Dynamics in Investing

Criterion Institute's Mitigating the Risks of Gender-Based Violence: A Due Diligence Guide for Investing

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