



**CLIMATE JUSTICE FOR WOMEN IN TIMOR-LESTE:
TRACKING CLIMATE FINANCE
TO BUILD RESILIENCE**



OXFAM



Photo . Oxfam in Timor-Leste

AUTHORS

Teall Crossen | Climate Change and Climate Finance Adviser, Oxfam in Timor-Leste

Lucio Savio | Climate Justice Program Manager, Oxfam in Timor-Leste

Tim Young | Research and Analysis Adviser, Oxfam in Timor-Leste

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FOR MORE INFORMATION

Oxfam in Timor-Leste

Facebook: <https://www.facebook.com/oxfamtimorleste>

Web: <https://asia.oxfam.org/countries/oxfam-timor-leste-east-timor>

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EXECUTIVE SUMMARY

Oxfam calls on climate finance decision-makers in Timor-Leste to turn commitments into action and increase climate finance directly supporting women to build resilience to climate change.

Timor-Leste is highly vulnerable to climate change, with extreme weather—intense rainfall, cyclones, and prolonged droughts—threatening food and water security, and public health. These impacts hit rural communities and marginalised groups hardest, deepening poverty and inequality. Women face heightened risks, including gender-based violence, increased agricultural burdens, and displacement from climate disasters.

Despite their crucial role in climate resilience—including leading agroforestry, savings groups, and disaster preparedness—women are largely overlooked in climate finance. In Timor-Leste, only 2.4% of funding prioritises gender equality, and a mere 0.4% directly supports women's organisations. Without targeted investment, climate finance risks reinforcing existing inequalities instead of strengthening women's resilience. Greater transparency and accountability are also needed to track where funds go and who they benefit on the ground.

RECOMMENDATIONS

Bilateral Partners, Green Climate Fund, Global Environment Facility, World Bank and Asian Development Bank:

Commit to more climate finance promoting gender equality

- Commit at least 10% of climate finance towards projects where gender equality is the principal objective; and ensure all projects have gender equality as a significant objective.
- Create a clear strategy to integrate gender equality into climate finance decisions.

Support women's groups with dedicated climate finance

- Commit an additional 10% of climate finance to support women-led projects, including women's cooperatives, small enterprises and community groups, and include clear targets for women's engagement in climate-resilient agriculture, fisheries, community-based adaptation, mitigation, disaster preparedness and response planning.

Increase transparency and accountability in reporting climate finance and gender

- Report more detailed information on climate finance commitments to allow independent verification, including on gender equality.

Government of Timor-Leste:

Make information on climate finance accessible

- Develop an online platform that provides information in Tetun on all climate finance provided to Timor-Leste to enable tracking of climate finance flows, including gender equality scores.



INTRODUCTION

TIMOR-LESTE IS HIGHLY VULNERABLE TO CLIMATE CHANGE

Timor-Leste faces significant climate impacts, including more intense rainfall and cyclones that cause severe flooding and landslides, as well as prolonged and extreme droughts.¹ With 70% of Timorese families relying on agriculture, shifting rainfall patterns and rising temperatures threaten food and water security, reducing crop yields and impacting public health. Climate change is set to deepen existing poverty and inequality, with rural communities and marginalised groups bearing the heaviest burden.

CLIMATE CHANGE EXACERBATES GENDER INEQUALITIES

Climate change disproportionately impacts women and other vulnerable groups. In the aftermath of climate-driven disasters, women face a heightened risk of gender-based violence, adverse health effects, and limited access to safe drinking water and reliable nutrition. Structural inequalities also leave many women without the financial resources or secure land rights needed for recovery, making it even harder to rebuild their lives.²

Recent field research led by Oxfam in Timor-Leste identified that climate impacts – including damage caused by Cyclone Seroja, floods, landslides, and increased droughts – have severe impacts on the lives of Timorese women.³ Cyclone Seroja caused the loss of farmland, heightened food insecurity, and protracted displacement, forcing women to rebuild and plant crops in unsafe areas. Prolonged droughts have increased agricultural burdens and water scarcity disproportionately affecting women, who are primarily responsible for collecting water, and sustaining farming activities.⁴ Women with disabilities, widows, single mothers, and members of the LGBTIQ+ community experience heightened intersectional vulnerabilities from climate impacts owing to discrimination.



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GENDER AND CLIMATE FINANCE

Building effective climate resilience for women requires dedicated funding to promote gender equality, ensuring that their diverse needs and priorities are fully integrated into climate action. Yet, women tend to have limited access to financial resources, as well as decision-making platforms, and climate-related information, which hinders their ability to adapt to or mitigate the effects of climate change.

BOX 1

KŌTUI PROGRAMME AT A GLANCE

Kōtui is a partnership between Oxfam Aotearoa and the New Zealand Ministry of Foreign Affairs and Trade. Kōtui is delivered by Oxfam Aotearoa, in conjunction with Oxfam in the Pacific, Oxfam in Timor-Leste, and in-country partners.⁵ The overall purpose of the Kōtui programme is to increase the resilience, wellbeing and agency of women in the face of climate breakdown and disasters. The Kōtui programme focuses particularly on the lives of those women facing compounding marginalisation – such as disability, single parenthood, widowhood, and remoteness – in the wider Pacific region. Kōtui seeks two long-term outcomes:

- Governance systems affecting resilience are more inclusive, accountable and gender responsive.
- Women have more equitable access to resources and opportunities that matter to their resilience and well-being.

WOMEN AS AGENTS OF CHANGE IN CLIMATE RESILIENCE

Women in Timor-Leste often play a leading role in responding to climate impacts, managing agroforestry, creating savings groups, strengthening disaster preparedness, and maintaining household stability.⁶ Limited access to decision-making spaces, funding, and other essential resources however, restricts their resilience initiatives. Gender transformative climate policy and finance not only benefits women, but it enables better adaptation outcomes.⁷

Conversely, climate action that fails to address gender may intensify existing vulnerabilities, causing ineffective or even harmful outcomes.⁸

WHAT THIS REPORT DOES

This report analyses climate finance flows in Timor-Leste to understand how much climate finance is supporting women build resilience to climate impacts. We also identify key actors making decisions on climate finance in Timor-Leste, and make recommendations to those decision-makers based on our findings.

Tracking climate finance is part of Oxfam in Timor-Leste's Climate Finance Project under the Kōtui Programme (Box 1: Kōtui Programme as a Glance). A key goal of the Climate Finance Project is to ensure that climate finance is more equitably distributed to impact women and other vulnerable groups, given their different experiences and adaptive capacities to climate impacts.

LEGAL AND POLICY CONTEXT

NEW COLLECTIVE QUANTIFIED GOAL FOR CLIMATE FINANCE

At the end of 2024, countries agreed to a new climate finance goal of mobilising at least \$300 billion per year by 2035 for climate action in lower-income countries – known as the ‘New Collective Quantified Goal’ (NCQG).⁹ This new finance goal falls far short of what is needed. For adaptation alone, costs are estimated at \$215 to \$387 billion per year this decade,¹⁰ with the total cost for developing countries’ climate action likely exceeding \$1 trillion¹¹ Annual finance needs for loss and damage are estimated to range from \$1.1 trillion to \$2.7 trillion on average by 2050.¹²

GENDER AND CLIMATE FINANCE

Countries have acknowledged the need for decision-makers to enhance the gender-responsiveness of climate finance.¹³ This includes strengthening the capacity of women, simplifying access to climate finance for grassroots women’s organisations, and supporting Indigenous women. These actions are essential not only for advancing gender equality, but also for improving the global response to climate breakdown, as ensuring women’s full participation leads to more effective and inclusive climate action. Gender-sensitive climate finance can create new opportunities for women, including access to clean energy, sustainable agricultural practices, and climate-resilient livelihoods.

Gender equity and mainstreaming gender are important elements of Timor-Leste’s policy response to the climate crisis.¹⁴ This is particularly the case in their National Adaptation Plan (NAP), where gender equity is a key principle. Differential impacts on women from climate change are outlined specifically in relation to water and sanitation, health, and agriculture. The NAP also identifies the importance of gender-sensitive infrastructure and responding to natural disasters.



Photo . Oxfam in Timor-Leste

DESIZOR SIRA BA FINANSAMENTU KLIMÁTIKA-IHA TIMOR-LESTE

Domestic and international climate finance decision-makers jointly determine what activities receive international climate funding, based on the country's needs. The organisational and coordination structure of Timor-Leste's key climate change and climate finance institutions are summarised in Figure 1. Routes of climate finance flows from international sources into Timor-Leste through domestic channels are summarised in Figure 2.

Fig 1. Timor-Leste's climate change & climate finance institutional architectureⁱ

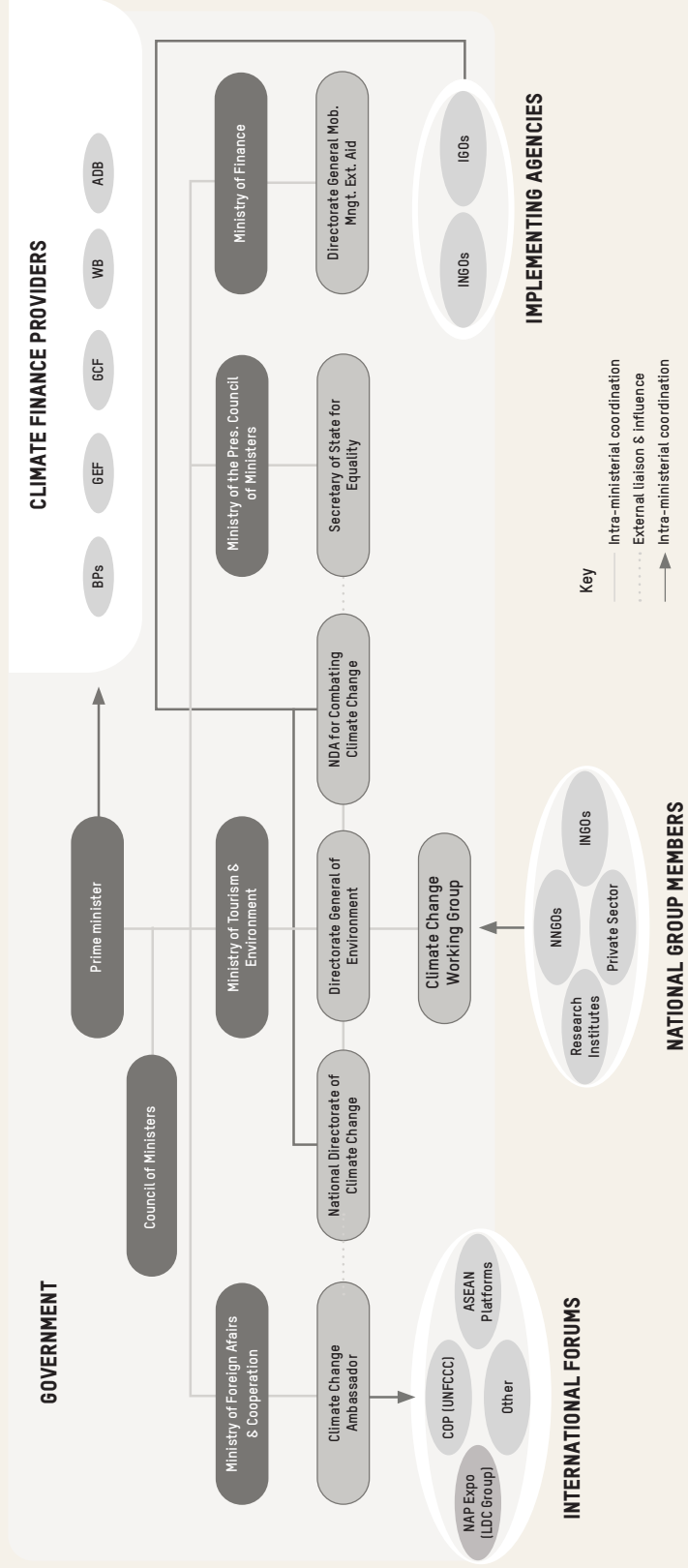
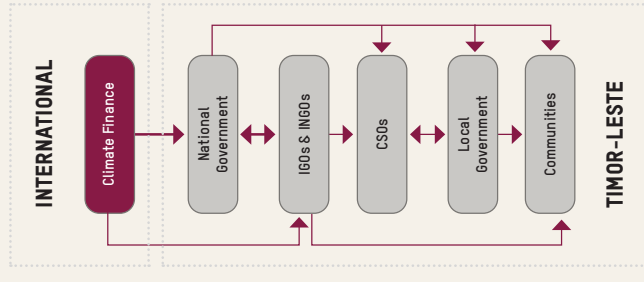


Fig 2. Climate finance routes



ⁱ Bilateral Partners (BPs); Global Environment Facility (GEF); Green Climate Fund (GCF); World Bank (WB); Asian Development Bank (ADB); International Non-Government Organisations (INGOs); Civil Society Organisations (CSOs); Convention of Parties (COP); National Adaptation Plan (NAP); Least Developed Countries (LDC); Association of Southeast Asian Nations (ASEAN)

DOMESTIC INSTITUTIONS

Domestic climate finance decision-makers in Timor-Leste comprise government institutions that identify adaptation and mitigation priority actions as set out in Timor-Leste's NAP and Nationally Determined Contribution (NDC). These institutions are also tasked with designing projects, preparing funding proposals, and approving financing to ensure alignment with national priorities. Additionally, non-government participation in decision-making is also supported.

National Designated Authority for Combating Climate Change (NDA)

The NDA, operating within the Ministry of Tourism and Environment (MT&E), oversees all Green Climate Fund (GCF) matters. It acts as the government's focal point for GCF engagement, provides strategic oversight of funded activities, approves proposals, and manages readiness and preparatory support funding.

National Directorate of Climate Change (NDCC)

The NDCC, also under the MT&E, is a key department in Timor-Leste's climate governance. The NDCC supports national directorates and accredited entities in securing climate finance. The NDCC also coordinates international and bilateral climate engagement, working with the Ministry of Foreign Affairs and Cooperation to strengthen partnerships and mobilise resources. Through the Climate Change Working Group, it fosters collaboration to enhance climate resilience and sustainable development.

Climate Change Working Group (CCWG)

Timor-Leste's CCWG coordinates climate policy consultations and engagement among ministries, donors, international organizations, universities, and civil society. National group members of the CCWG comprise state and non-state actors. The CCWG is Chaired by the General Director of the Environment, and oversees NAP implementation, provides technical guidance, and integrates NAP priorities into planning and budgets. CCWG also monitors climate finance, reviews performance, coordinates with the Ministry of Finance, aligns efforts with National Designated Authority, and advances initiatives with development partners.

Climate Change Ambassador

Timor-Leste's Climate Change Ambassador is responsible for representing the country's interests and positions on climate change, including loss and damage, at various international forums and within the Least Developed Countries group (e.g., the annual UNFCCC Conference of Parties, ASEAN regional climate change talks, NAP Expo).

Secretariate of State for Equality

The Secretariate of State for Equality houses a gender focal point to coordinate and promote gender considerations into government programmes and projects across line ministries, including climate-related institutions.

Directorate General for Mobilization and Management of External Aid

The Directorate, within the Ministry of Finance, coordinates and manages external assistance in alignment with national priorities. It collaborates closely with the Ministry of Foreign Affairs and donors to facilitate approval, implementation, and monitoring of aid projects, strengthening transparency, accountability, and impact in Timor-Leste.

Implementing Agencies

Aside from the Government, implementing agencies for climate adaptation and mitigation projects largely comprise Inter-governmental (IGOs) and International Non-Governmental Organisations (INGOs). Strong partnerships with Timor-Leste's large network of Civil Society Organisations (CSOs) support locally-led initiatives and collaboration.

INTERNATIONAL FUNDING

Climate finance decision-makers also include international sources of climate finance. Timor-Leste receives funding from three major sources:

1. Bilateral partners
2. International climate funds (Green Climate Fund and Global Environment Facility)
3. Multilateral development banks (Asian Development Bank and World Bank)

Green Climate Fund (GCF)

The GCF is the world's largest dedicated climate finance mechanism, established under the United Nations Framework Convention on Climate Change (UNFCCC) to support developing countries address climate change. It serves as an operational entity of the Financial Mechanism of the UNFCCC. The GCF supports Timor-Leste through its Readiness Program, strengthening national capacity to access climate finance. As part of its Liaison Officer Placement Scheme, the GCF is recruiting a Liaison Officer for Timor-Leste to support Timor-Leste's NDA in coordinating with the GCF Secretariat and facilitating climate finance initiatives.

Global Environmental Facility (GEF)

The GEF is an international financial institution that funds projects to address global environmental challenges, including climate change, biodiversity loss, land degradation, and pollution. It also serves as an operational entity of the Financial Mechanism of the UNFCCC. The GEF operates the Least Developed Countries (LDCs) Fund that supports LDCs to implement climate change adaptation priorities. GEF creates and manages projects through

Asian Development Bank (ADB)

The ADB provides climate finance to low-income countries in the Asia-Pacific region, through grants, concessional loans, and technical assistance.

World Bank (WB)

The WB provides hard and concessional loans to low-income countries, as well as grants and technical assistance for climate action.

GCF ACCREDITED ENTITIES

Accredited entities access and manage GCF finance for climate projects. Accreditation ensures they meet fiduciary, environmental, and social standards, ensuring transparency and accountability. Entities can be international, regional, or national, with accreditation levels determining project scope. Strengthening national accreditation enhances direct access to GCF finance, supporting locally driven climate action. In Timor-Leste there are eight accredited entities.

United Nations Development Program (UNDP)

UNDP is the United Nations development agency. It supports Timor-Leste in responding to climate change by strengthening resilience, promoting sustainable agriculture, renewable energy, and disaster risk management. UNDP supports policy development, capacity building, and securing climate finance for adaptation and mitigation.

United Nations Environment Programme (UNEP)

UNEP is the UN's lead agency on the environment, working to promote solutions to the triple planetary crises of climate change, nature and biodiversity loss, and pollution and waste. It assists countries to achieve resilient, low-emission pathways through its programmes in adaptation, forestry, energy efficiency and transition to sustainable development.

Food & Agriculture Organization of the United Nations (FAO)

FAO is a UN specialized agency supporting climate-resilient agriculture and helping countries access climate finance to strengthen food security and

sustainable land use. It supports Timor-Leste's climate resilience by helping smallholder farmers and aquaculture households adapt to climate change.

Conservation International (CI)

CI is an international environmental organisation that has worked in Timor-Leste since 2009, partnering with communities and the government to protect biodiversity and promote sustainability. CI supports marine and forest protection, sustainable tourism, and a national protected area network, working to ensure long-term environmental and community resilience.

Korea International Cooperation Agency (KOICA)

KOICA is the development agency of the Republic of Korea. It works with the GCF to design low-emission and climate-resilient projects in countries of the Association of Southeast Asian Nations, SIDS in the Pacific, and in Central Asia.

Japan International Cooperation Agency (JICA)

JICA supports Timor-Leste through technical cooperation, grant aid, and infrastructure projects. Its work covers sectors such as transport, education, water, disaster risk reduction, and rural development, while also contributing to governance and human resource development.

Asian Development Bank (ADB)

ADB supports Timor-Leste by addressing infrastructure gaps, promoting economic diversification, and strengthening institutional capacity. Its work spans sectors such as transport, water, energy, and rural development, with growing focus on climate resilience and regional integration.

National Accredited Entity

There is currently no national accredited entity in Timor-Leste. The Government has expressed interest however, in localising access to the GCF through accreditation of the national bank (Banco Nacional De Comércio De Timor-Leste), but this is yet to be realised.

GEF IMPLEMENTING AGENCIES

GEF implementing agencies primarily function as delivery partners that design, manage, and execute projects financed by the GEF, ensuring compliance with its operational policies. Their role focuses on project implementation and coordination with recipient countries and stakeholders. In Timor-Leste, UNDP, UNEP, FAO, CI, and ADB all serve as GEF implementing agencies.

CLIMATE FINANCE FLOWS IN TIMOR-LESTE

METHODOLOGY

The data analyzed in this report mainly comprises international climate finance in the form of grants, with market loans being excluded from analysis and concessional loans assessed separately (see Box 2: Grants vs Loans). For the WB and ADB, we tracked Timor-Leste's climate finance using the climate component of finance they reported based on the agreed methodology of multilateral development banks (MDBs).^{15, 16} For all other climate finance providers, we used the commonly applied Rio Marker methodology.¹⁷ The Rio Markers identify official development assistance (ODA) reported to the OECD Development Assistance Committee (OECD-DAC) targeting climate change mitigation and/or adaptation – and whether this is a 'Principal' or 'Significant' objective of the project. To account for total climate finance, ODA marked as 'Significant' was discounted by 60% to account for the portion not primarily focused on climate objectives, as these projects often have broader development goals.¹⁸

We assessed whether climate finance helps women build resilience to climate impacts using the OECD-DAC gender marker, which measures how well projects integrate gender equality as a policy objective. Projects are marked as 'Principal' where gender equality is the main objective of the project, and 'Significant' where gender equality is an important objective.¹⁹ We also identified bilateral climate finance provided to organisations whose principal focus is gender equality and women's rights.

See Table 1 for an overview of our methodology and Appendix 1 for a more detailed description.

Table 1: Climate finance tracking methodology Climate finance tracking methodology

Factor	Method
Providers	Bilateral and multilateral providers of climate finance to Timor-Leste
Time period	2018-2023
Currency	USD
Status	Commitments
Value	Constant with 2022 as base year ⁱⁱ
Data sources	OCED-DAC, ADB, GCF, GEF

ⁱⁱ Climate finance amounts have been adjusted for inflation to reflect the value of money in the year 2022. This approach ensures that changes in financial data over time are owing to real differences in funding levels rather than fluctuations in price levels. Using a constant base year allows for more accurate comparisons of climate finance commitments and expenditures across different years.

Type of finance	Grants (see Box 2 on Loans)
Climate finance	OECD Rio Markers for bilateral providers: <ul style="list-style-type: none"> • Principal: full cost of the project • Significant: discounted by 60% MDBs: Climate component of finance as reported
Gender equality	OECD Gender Marker OECD Subsector: 'Women's rights organisations and movements, and government institutions'

LIMITATIONS

The analysis of climate finance in this report is subject to the limitations described below.

First, climate finance data is self-reported and not independently verified. Studies suggest that providers may overstate both the climate relevance of projects and their contributions to gender equality.²⁰ For example, UNEP's 2023 Adaptation Gap Report found that from 2017 to 2021, 40% of international public finance marked for adaptation (significant or principal), and gender (principal) lacked a clear climate rationale. The same report assessed that 31% of those projects labeled as having gender equality as a principal objective were actually gender-blind based on their descriptions.²¹ Additionally, an Oxfam International analysis of 72 projects (2017–2020) across seven donors—amounting to over \$6 billion in gender equality funding (not climate-specific)—found that only two projects met the OECD-DAC's minimum criteria for being gender equality-focused.²²

Secondly, all climate data analyzed in this report relates to reported commitments, not disbursements or actual funding received by communities on the ground.

These limitations underscore the challenges in accurately tracking climate finance, particularly its gender equality components, and highlight the need for stronger monitoring, verification, and reporting mechanisms.

Photo : Oxfam in Timor-Leste



BOX 2 LOANS V GRANTS

Globally, about 70% of reported climate finance is provided through loans, rather than grants.²³ Counting loans towards climate finance obligations is problematic, particularly for LDCs and Small Island Developing States, which contribute the least to climate change yet face the greatest need for adaptation. These countries should not have to pay interest on the funds they require to respond to climate impacts. Loans increases debt levels and can constrain investment in key development areas such as health, education, and infrastructure. As noted above, for our analysis of climate finance in Timor-Leste, we excluded market-rate loans and assessed concessional loans separately.

Between 2018 and 2023, Timor-Leste agreed to concessional loans for nine climate-relevant projects from the WB and the ADB. Additionally, the ADB and the GCF approved concessional loan (as well as grant) funding for a regional Community Resilience Partnership Program, though no specific commitments have been made for projects in Timor-Leste yet (see Box 3: Spotlight on Community Resilience Funding Program).

In 2024 the Government of Timor-Leste decided to cancel the loans for three projects:²⁴

- Basic Education and Strengthening and Transformation Project
- Dili Water Supply Project and the Water Supply
- Sanitation Investment Project.

As a result, six projects remain with a total of \$91 million in loan financing:

- Baucau to Viqueque Highway Project
- Presidente Nicolau Lobato International Airport Expansion Project
- Water Supply and Sanitation Investment Project
- Dili West Water Supply Project
- Branch Roads Project
- Healthcare Action Through Rapid Infrastructure Improvements Project

None of these six projects reported gender equality as a primary objective. Additionally, two projects did not report any gender equality marker, accounting for 42% of total concessional loans—compared to 29% of grant commitments with no gender marker (see analysis below).

BOX 3

SPOTLIGHT ON COMMUNITY RESILIENCE PARTNERSHIP PROGRAM – WATCH THIS SPACE

The Community Resilience Partnership Program (CRPP) supports countries in Asia and the Pacific, in scaling up climate adaptation investments. A key objective is ensuring meaningful participation of poor women and men in resilience-related decision-making. The CRPP operates through the Community Resilience Financing Partnership Facility, which includes:

CRPP Trust Fund – A multi-donor fund administered by the ADB to strengthen policies and systems for financing local adaptation. It has a dedicated gender window prioritising women-focused investments, while all other activities integrate gender considerations.

CRPP Investment Fund – Co-financed by ADB and the GCF, this fund supports large-scale implementation of local adaptation projects.

The CRPP covers seven countries, including Timor-Leste, with a total value of \$750 million (\$195 million in grants funding and \$555 million in loans). In Timor-Leste, the proposed Agriculture Value Chains and Water Harvesting Project may qualify for funding. The project aims to strengthen rural livelihoods by increasing the resilience of subsistence farming families, improving small-scale agriculture, and helping women farmers access and benefit from agricultural value chains.

BOX 4

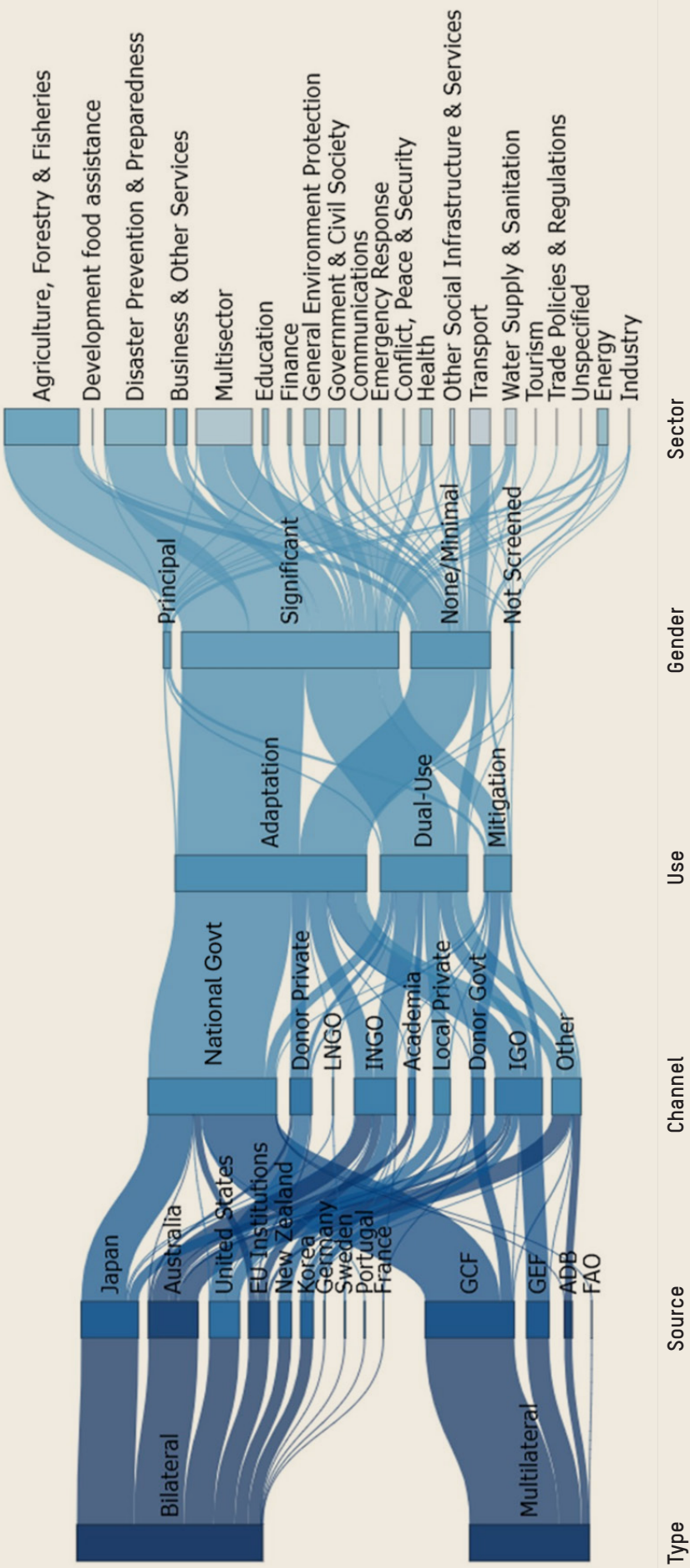
ACCOUNTING FOR LOSS AND DAMAGE IN CLIMATE FINANCE REPORTING

Climate change finance includes not only support for mitigation and adaptation, but also funding to address loss and damage resulting from climate impacts that cannot be avoided or repaired. Examples of loss and damage in Timor-Leste include reduced crop yields, damage to infrastructure and homes caused by extreme flooding, changes in climate-related health issues, community displacement and loss of ecosystem services. The Rio Marker methodology and MDB climate tracking systems however, do not track how much finance supports loss and damage. To address this, future climate reporting should clearly identify loss and damage funding, including contributions from the newly established Fund for Responding for Loss and Damage, created at COP28 in 2023.

OVERVIEW OF CLIMATE FINANCE FLOWS

A summary of Timor-Leste's total climate finance flows over six years across different categories is shown in the Sankey diagram below (Figure 3).ⁱⁱⁱ The height of the bars and flows represents the proportion of climate finance committed for each category and sub-category label.

Fig 3. Climate finance flows in Timor-Leste (2018–2023)

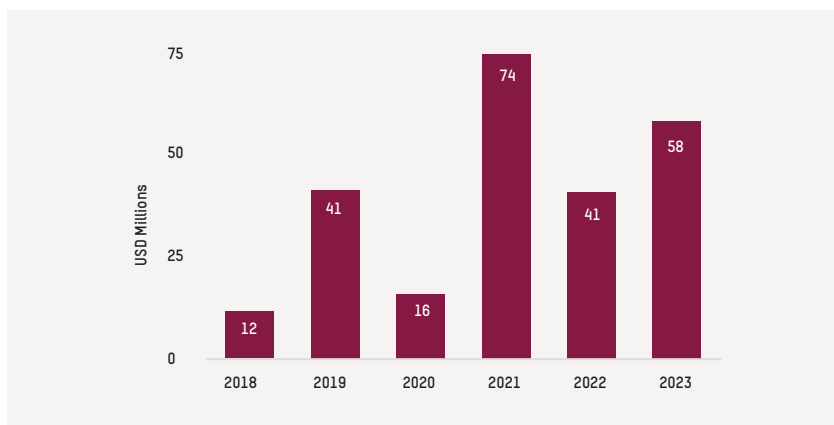


ⁱⁱⁱ A Sankey diagram is a flow chart that displays how quantities move between different categories, with the width/height of the lines representing the amount of flow. To read it, follow the lines from one category to another, noting that wider lines indicate larger flows, helping to visualise the distribution and transfer of climate finance.

HOW MUCH CLIMATE FINANCE DOES TIMOR-LESTE RECEIVE?

Climate finance grants committed to Timor-Leste totaled \$242 million between 2018–2023, averaging around \$40 million per year. Finance peaked during this period in 2021, with \$74 million pledged (see Figure 4). Three projects amounted to almost half of this – two GCF projects accounting for \$30 million, and a Japanese grant of \$15 million to improve the Presidente Nicolau Lobato International Airport.^{iv} The next highest year was 2023, where \$58 million was committed. Large commitments in certain years reflect the approval of major projects, while lower amounts in other years suggest gaps between funding phases. For example, in 2021 the GCF approved a project to enhance early warning systems for \$20 million – the second largest project in value across the time period.

Fig 4. Climate finance provided to Timor-Leste (2018–2023)



As the costs of implementing Timor-Leste’s NAP and NDC have not been assessed, it is unclear if the climate finance committed is sufficient to support necessary climate action. UNEP estimates that developing countries, on average, require \$33 per person annually for adaptation.²⁵ Timor-Leste’s climate finance needs are likely higher, given its vulnerability to climate change and development challenges as a small island developing state (SIDS). According to the IMF, adaptation costs to develop climate-resilient infrastructure alone in Timor-Leste is estimated to require \$53 per person annually (4.3% of non-oil GDP).²⁶ On average, SIDS are estimated to require \$153 per person annually for their total adaptation needs.²⁷ The committed adaptation-specific climate finance to Timor-Leste between 2018–2023 falls short of this, averaging \$18 per person annually.



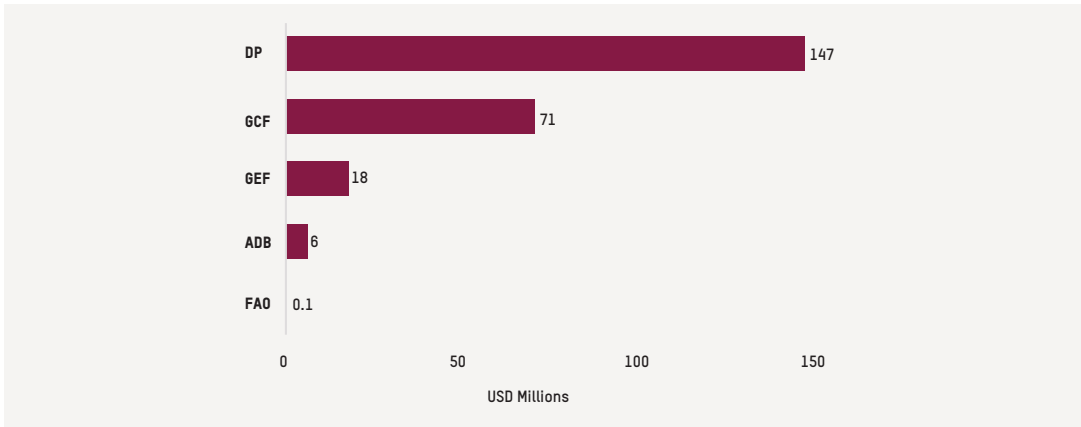
Photo . Antoninho Bernadinho

^{iv}The total funding committed by Japan for the Project for the Improvement of Presidente Nicolau Lobato International Airport is \$37 million. The \$15 million represents the adjusted figure as the project is marked significant for climate relevance..

WHERE IS THE MONEY COMING FROM?

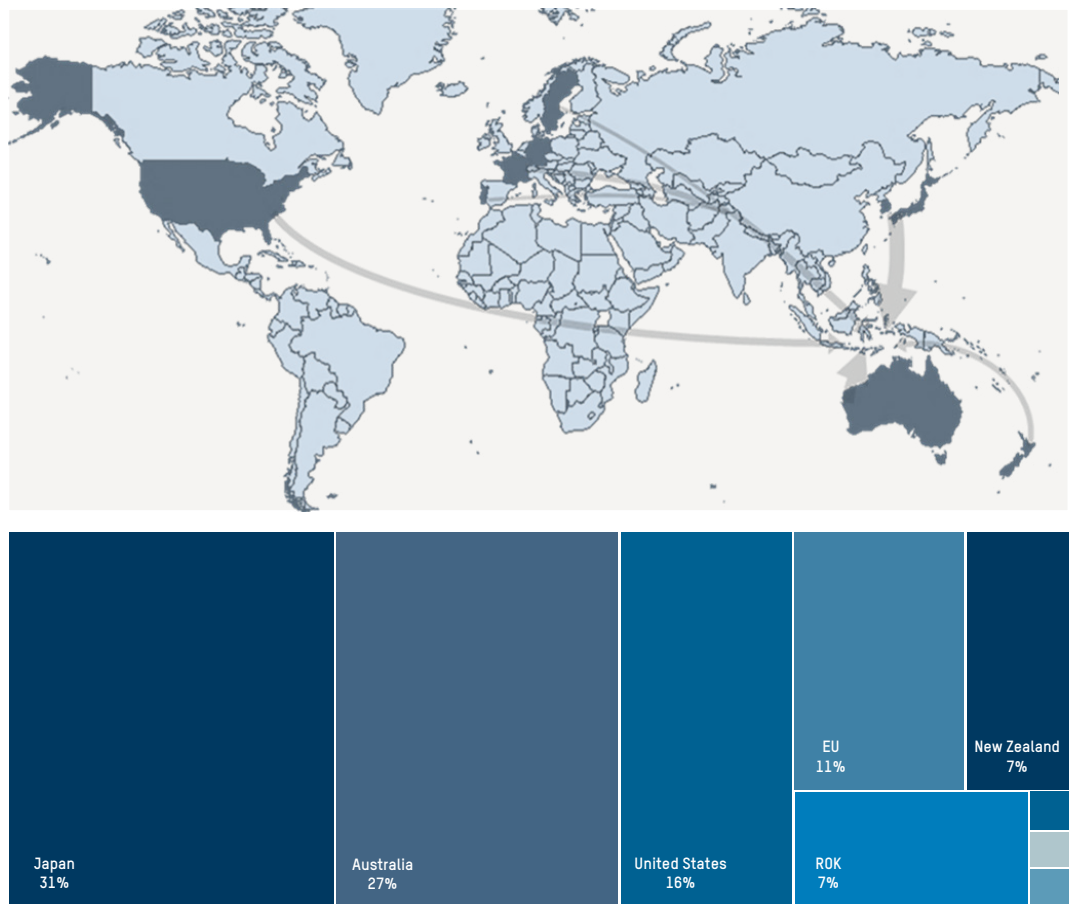
Bilateral providers were the largest source of committed climate finance, contributing 61% (\$147 million) (see Figure 5). GCF was the second largest provider, committing \$71 million for four projects, as well as readiness activities, making up 29% of total climate finance.

Fig 4. Climate finance provided to Timor-Leste (2018-2023)



Nine countries, plus the EU provided all of Timor-Leste’s bilateral climate finance during this period (see Figure 6). Japan and Australia contributed the largest share, making up 58% of total bilateral support. The United States, the EU, the Republic of Korea, and New Zealand together accounted for 41%, while Sweden, Germany, Portugal, and France provided the remaining funds.

Fig 6. Bilateral providers of climate finance in Timor-Leste (2018-2023)



WHAT KIND OF CLIMATE PROJECTS ARE SUPPORTED?

Adaptation^v accounted for the majority (62%) of committed climate finance, while 29% was for dual-use projects,^{vi} and 9% targeted only mitigation^{vii} (Figure 7). The share of adaptation finance in Timor-Leste is higher than the global average for LDCs and SIDS, which stands at 51% and 52%, respectively.²⁸

Regarding sectorial support (Figure 8), Agriculture, Forestry, and Fisheries received the largest share of climate finance commitments, totaling \$59 million (nearly 25%). Disaster Prevention and Preparedness accounted for the second largest sectoral share at 20%, followed by Multi-sector projects (18%) and Transport (6%). Funding for both agriculture and disaster preparedness aligns with the seven key adaptation priorities outlined in Timor-Leste's NAP.

Water sector resilience, a key adaptation priority, saw only \$9 million in total grant funding—representing just 0.6% of total climate finance over the six-year period. Although \$89 million was committed to water supply and sanitation through loans, the status of some of these loans remains uncertain (see Box 2: Loans vs. Grants). Other NAP priorities—such as the health sector and the general environment—also attracted significant climate finance commitments.

Fig 7: Climate finance by use

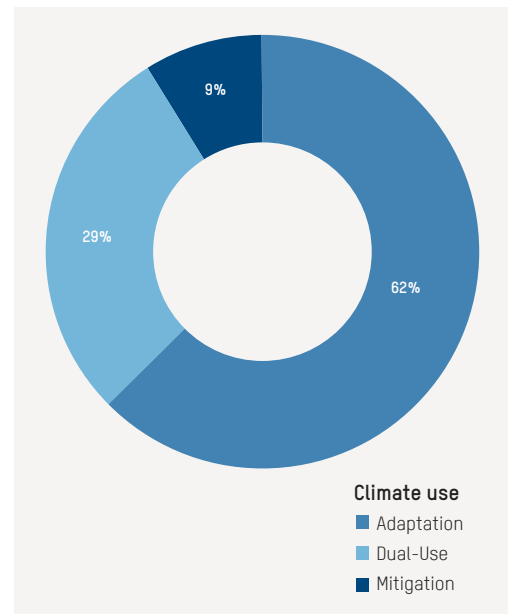
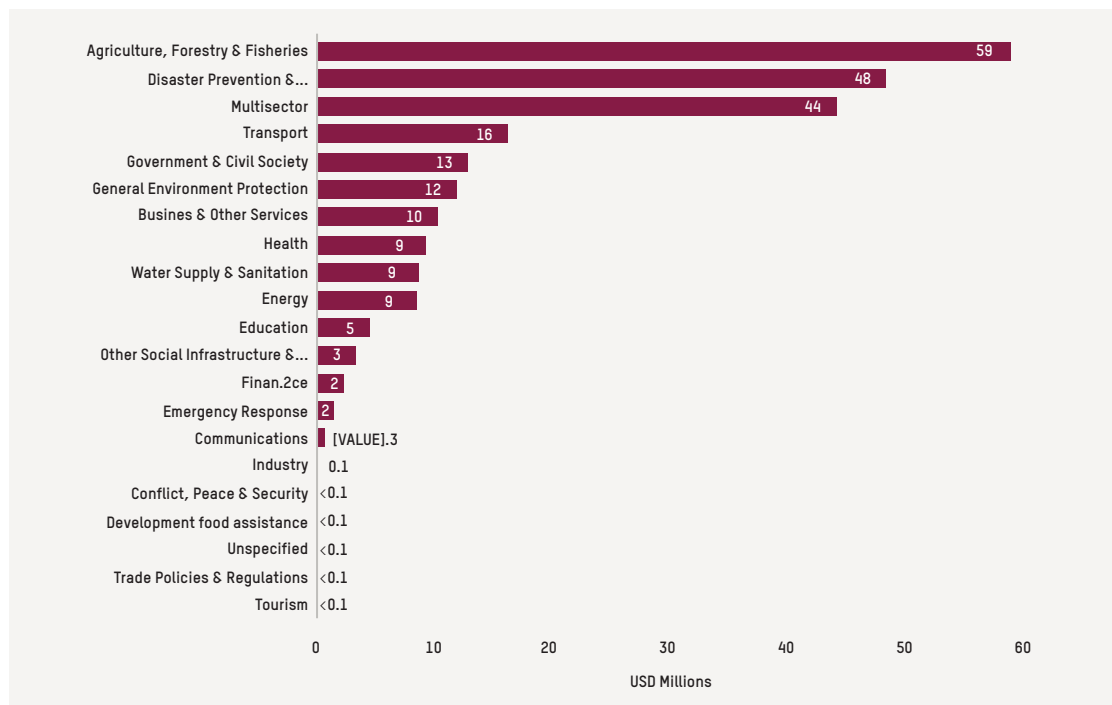


Fig 8: Climate finance by sector (2018–2023)



^vAdaptation refers to actions taken to reduce vulnerability and build resilience to climate change impacts.

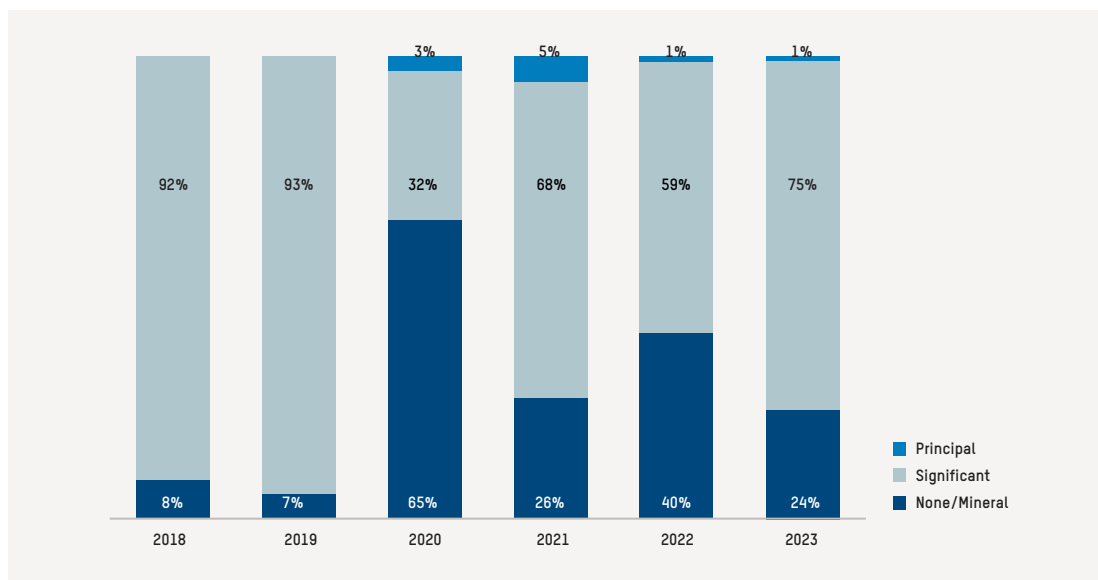
^{vi}Dual-use projects were reported by climate finance providers as having both a mitigation and adaptation component.

^{vii}Mitigation refers to actions taken to reduce or prevent greenhouse gas emissions entering the atmosphere or to enhance carbon sinks.

GENDER EQUALITY IS LACKING IN CLIMATE FINANCE

Gender equality was marked as a significant objective for 71% of all climate finance committed over the time period. Just over one quarter had minimal or no gender elements or was not assessed (26%). Only 2.4% of climate finance committed to Timor-Leste had gender equality as the principal objective. As shown in Figure 9, there is no clear trend over the six years to indicate an increase in proportionality of gender-focused climate finance.

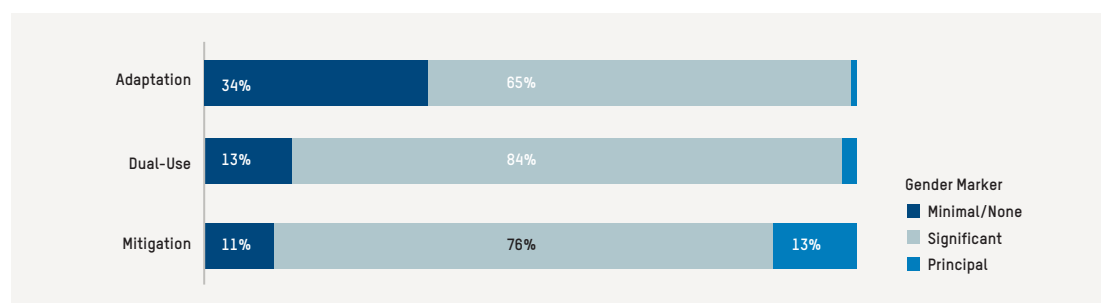
Figure 9: Gender equality in climate finance by year



Internationally, Oxfam estimates that between 2019–2020, 31% of climate finance projects were reported as significant for gender equality, and 2.9% of projects globally scored gender equality as a principal objective,²⁹ meaning Timor-Leste is likely higher than the global average for significance, but lower for principal.

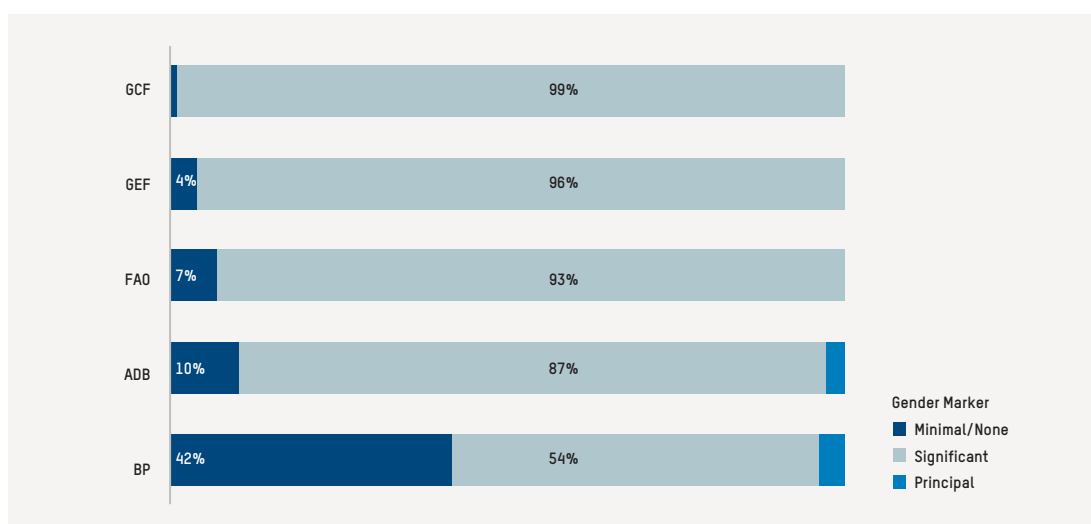
In relation to adaptation finance, the UNEP Adaptation Gap Report in 2023 found that for the years 2017–2021 only 2% of total adaptation finance was marked with a principal objective for gender equality.³⁰ This compares to Timor-Leste where 1.4% of climate finance for adaptation and dual-use had gender equality as a principal objective for the period 2018–2023. In relation to mitigation, 13% of climate finance scored gender equality as principal objective in Timor-Leste for the same period (Figure 10), exceeding international trends, where from 2018–2022 on average 2.6% of climate finance supporting mitigation projects had gender equality as a principal objective.

Fig 10: Gender equality in climate finance by use (2018-2023)



Multilateral climate finance providers (GCF, GEF, FAO, and ADB) applied a gender equality marker to 98% of their combined climate finance value, either as a significant or principal objective (Figure 11). All these providers have gender equality policies that guide their climate finance decisions. Only the ADB, however, allocated funding with gender equality as the principal objective—\$180,000 for two mitigation projects in the energy sector.

Fig 11: Gender equality in climate finance by provider (2018–2023)



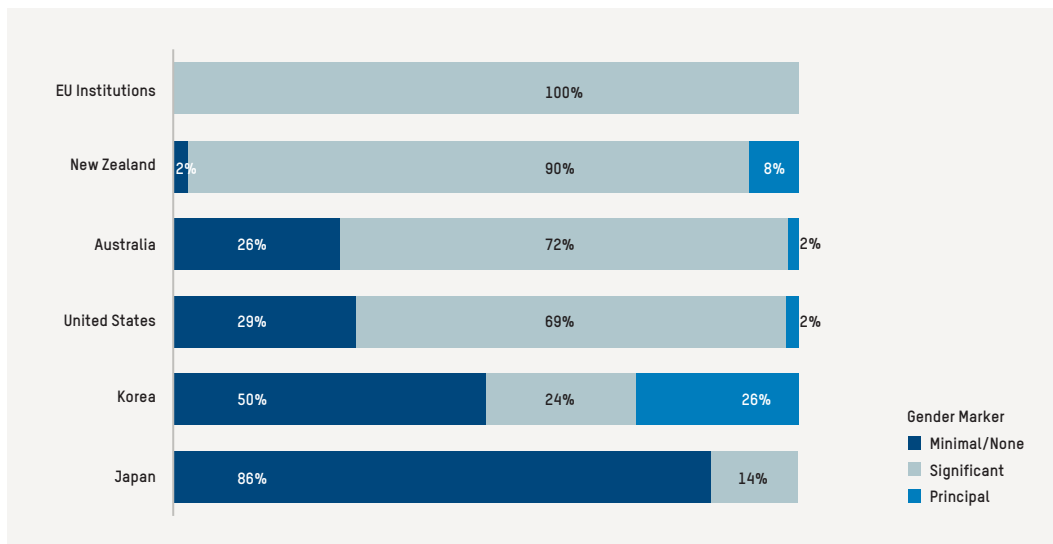
Bilateral providers committed the most climate finance where gender equality was a principal objective (\$5.6 million). However, almost half of bilateral commitments did not include gender equality as either a principal or significant objective. These findings show there are significant opportunities for bilateral providers to step up their commitments to gender equity as part of climate finance.

Out of the top six bilateral providers to Timor-Leste, the Republic of Korea committed the highest proportion of climate finance with gender equality as a principal objective (26%), as well as funding the highest value project that scored principal for both gender equality and climate (see Box 5: Spotlight on Accelerating Clean Energy Access to Reduce Inequality). However, half of the Republic of Korea's climate finance has no gender equality score (see Figure 11).

BOX 5 SPOTLIGHT ON ACCELERATING CLEAN ENERGY ACCESS TO REDUCE INEQUALITY

Gender equality and climate change are reported as the principal objective for the Accelerating Clean Energy Access to Reduce Inequality project funded by the Republic of Korea. The objective of the project is to support poor and vulnerable communities to have equitable and sustainable access to water and electricity, with specific recognition that women and girls most often carry the burdens of collecting water and fuel for cooking and lighting in rural areas. Major achievements of the project reported include: Providing 1000 Highly Efficient Solar Lamp Systems benefiting 5341 people (47% women, and 53% men) and seven solar water pump systems that will provide water to 551 households and benefit 2561 people (51% women and 49% men).³¹

Figure 12: Gender equality in climate finance by main bilateral providers (2018–2023)



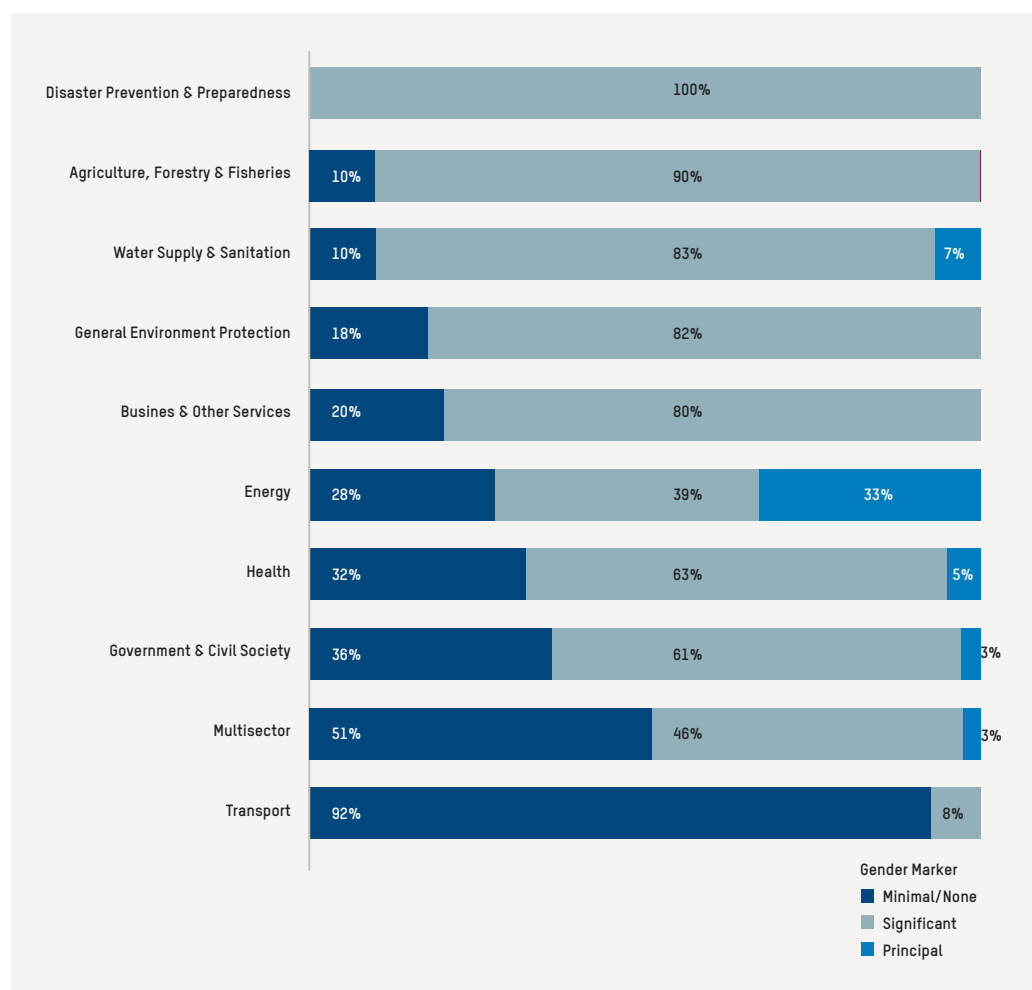
All of the EU’s climate finance commitments have a gender equality marker for significant. The EU however, has not committed any climate finance in Timor-Leste over the time-period with gender equality as the principal objective. The EU has an Action Plan on Gender Equality and Women’s Empowerment in External Action 2021–2025 that commits to ensuring that 85% of new EU external actions contribute to gender equality by 2025.³² The EU does not have specific commitments to ensure the gender equality of climate finance.

Almost all of New Zealand’s committed climate finance was reported as significant for gender equality (90%), and 8% scored principal. New Zealand has an international climate finance strategy, that confirms their commitment to increasing gender principal investment to 4% of their development strategy by providing opportunities for women’s economic empowerment across their climate finance initiatives, and programming to respond to the gender impacts of climate change.³³

Australia and the USA applied a gender equality marker to 72% and 69% of their committed climate finance, respectively. 2% of both Australia’s and the USA’s climate finance scored gender equality as the principal objective. Gender equality is an important element of the USAID Climate Strategy 2022-2030, which includes a target to enable and empower women and youth and other marginalised and/or underrepresented groups to lead climate action. One of the actions is increasing financial and technical resources for women-led and gender equality organisations.³⁴ Australia’s Climate Strategy that underpins their climate investments, promotes gender equality with a focus on the most vulnerable communities, including women and girls.³⁵ Climate action is supported that is socially inclusive and gender responsive – where investments seek to integrate women’s knowledge, experience, and concerns into all stages of an investment design and delivery.³⁶ Australia’s International Development Policy and International Disability and Equity Strategy make quantifiable commitments regarding gender and disability equity in climate finance initiatives. For example, from 2024-2025, 80% of all climate change investments over 3 million AUD must include gender equity objectives. Together, these strategies and targets reflect a growing recognition by some major donors that gender-responsive climate finance is essential to achieving equitable and effective climate outcomes.

Across the sectors, all climate finance for disaster prevention and preparedness had a gender equality marker (see Figure 13). 95% of climate finance committed to the transport sector had no gender marker, or was not assessed, accounting for 7% of all climate finance. Three areas important to women’s resilience to climate change, namely agriculture, disaster prevention and preparedness, and water supply and sanitation, had the most climate finance marked with gender equality.

Figure 13: Gender equality in climate finance by sector (top 10 sectors by value)



CLIMATE FINANCE SUPPORTING WOMEN'S ORGANISATIONS

Climate finance specifically allocated to support women's organisations or movements in Timor-Leste totaled \$891,000 over the studied period, representing 0.4% of all climate finance. In comparison, international climate finance for women's organisations during the same period stood at 0.2%. While this means Timor-Leste performs better than the global average, the overall percentage remains notably low.

Almost all of the climate finance for women's organisations in Timor-Leste was committed by Australia, with the only other contributor being Germany – providing \$200,000 for one project in 2021. All of the commitments by Australia were to support Australian based NGOs, including World Vision Australia, Care Australia, Oxfam Australia, and the Australian Volunteers Program, who undertake work with various partner organizations in Timor-Leste. There is however, no further detail reported in the OECD project descriptions to better understand the nature of this climate finance.

CONCLUSION

While many climate finance projects include gender equality markers, too few fully integrate gender considerations. The share of climate finance that prioritizes gender equality as a principal objective is also critically low. Significant progress is needed to align with international commitments and Timor-Leste's domestic climate policies.

Moreover, women's groups have received a disproportionately small share of climate finance, hindering their capacity to lead and make decisions about climate resilience initiatives. This underfunding of projects led by women is a critical barrier to achieving meaningful and inclusive climate adaptation and requires urgent action to redress this unfair gap in climate finance support. Developing climate finance and gender policies, including committing to specific targets for allocating climate finance that promotes gender equality, and goes directly to women's groups will also help achieve greater climate justice for women in Timor-Leste.

The findings presented in this report also underscore the need for significant improvements in both the transparency and accountability of climate finance in Timor-Leste. While this research has highlighted the gaps in gender-responsive finance, it did not verify the accuracy of the data provided by climate finance providers. There is strong evidence internationally that suggests overreporting on the gender-relevance and climate impact of projects. Inadequate project details further complicate efforts to assess the real outcomes of climate finance. As such, further research is essential to assess the actual impact of climate finance on gender equality and to ensure that future funding reflects the true needs and priorities of women in Timor-Leste.

Overall, ensuring that climate finance is gender-responsive and genuinely contributes to the resilience of women requires further scrutiny and action.

APPENDIX ONE: DETAILED DESCRIPTION OF METHODOLOGY

Climate Finance Provider	#	Method
GENERAL	1	All amounts are commitments in US dollars at constant prices with 2022 as base year.
	2	The OECD-DAC Rio Markers were applied to attribute climate finance for bilateral partners, GCF, GEF and FAO. Projects marked as "Principal" means the objective (climate change mitigation or adaptation) is explicitly stated as fundamental in the design of, or the motivation for, the activity. "Significant" means the objective (climate change mitigation or adaptation) is explicitly stated but it is not the fundamental driver or motivation for undertaking it. Instead, the activity has other prime objectives but it has been formulated or adjusted to help meet the relevant climate concerns. See: https://www.scribd.com/document/647718443/Revised-climate-marker-handbook-FINAL . The reported value of projects that scored "Significant" were discounted by 60%. Projects that scored "Principal" were included at 100% of the reported value.
	3	The OECD-DAC Gender Equality Marker was applied to all climate finance as reported by provider, unless otherwise stated. "Principal" means that gender equality is the main objective of the project/programme and is fundamental in its design and expected results. The project/programme would not have been undertaken without this objective. "Significant" means that gender equality is an important and deliberate objective, but not the principal reason for undertaking the project, often explained as gender equality being mainstreamed in the project. See: https://web.archive.oecd.org/temp/2024-02-06/369190-dac-gender-equality-marker.htm .

	4	OECD Development Finance for Climate and Environment Data Recipient Perspective has been used to complete and cross-check data from other sources, available at: https://webfs.oecd.org/climate/RecipientPerspective/
	5	For 'Regional' projects which specifically name Timor-Leste as one of the funding recipients among other countries, we assume an equal share among recipient countries, as the actual value split of allocations are not provided.
Bilateral Providers	1	Data: OECD-DAC Data Explorer Dataset, RioMarkers: Aid (ODA) activities targeting global environmental objectives, available at: https://data-explorer.oecd.org/ .
	2	Double Counting: Projects can be marked for both mitigation and adaptation, resulting in two separate entries in the OECD database. To avoid double counting, where two entries had the same project ID, project name, sector and financial value one was marked as a duplicate and the financial value excluded to avoid double counting. If the project was scored Principal for either mitigation or adaptation, the total amount was included.
	3	Donor countries were asked to provide comments on the data and minor amendments were made where responses were received.
GCF	1	Data: Project information from the GCF webpage for Timor-Leste, available at https://www.greenclimate.fund/countries/timor-leste
GEF	1	Data: Project information from the GEF webpage for Timor-Leste for 2023, available at https://www.thegef.org/projects-operations/database?f%5B0%5D=project_country_national%3A160
ADB	1	Data: ADB data on climate change financing, available at: https://data.adb.org/dataset/climate-change-financing-adb and OECD Development Finance for Climate and Environment Data Recipient Perspective.
	2	Climate Relevance: ADB data on climate relevant projects assigns specific values to adaptation and mitigation funding for each project based on MDBs Joint Methodology for Tracking Climate

		Change Adaptation Finance: https://www.adb.org/documents/mdbs-joint-tracking-climate-change-adaptation-finance and Common Principles for Climate Mitigation Finance Tracking: www.adb.org/documents/common-principles-climate-mitigation-finance-tracking .
	3	Double Counting: Where ADB projects were co-funded from other funders included in this report (e.g. GEF), the amount was attributed to the funder providing the funds.
WB	1	Data: Project information from the WB webpage, available at: https://projects.worldbank.org/en/projects-operations/projects-list?os=0&strdate=01-01-2018&enddate=01-02-2025&qterm=TIMOR-LESTE .
	2	Climate Relevance: WB data on projects includes per centage of total funding towards adaptation and mitigation, based on MDBs Joint Methodology for Tracking Climate Change Adaptation Finance: https://www.adb.org/documents/mdbs-joint-tracking-climate-change-adaptation-finance and Common Principles for Climate Mitigation Finance Tracking: http://www.adb.org/documents/common-principles-climate-mitigation-finance-tracking .
FAO	1	Data: OECD Development Finance for Climate and Environment Data Recipient Perspective.

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