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# Introducton

Even with recent significant progress, the gender pay gap is still a persistent issue globally. Women still earn less than men worldwide in a range of industries and professions, despite significant progress made toward gender equality. Achieving equal compensation for equal labor is crucial for fostering diversity, inclusion, and economic growth, in addition to being a matter of justice. At the <u>World Economic Forum</u>, the Center for the New Economy and Society complements the measurement of gender gaps with a set of initiatives and coalitions dedicated to advancing progress. The transition to sustainable energy offers a unique opportunity to embed gender equality in a burgeoning sector, but despite progress, women in renewable energy earn less than their male counterparts and are underrepresented, particularly in leadership roles.

The goal of the Gender Parity Accelerators is to achieve gender parity in economic participation through scaling policies and strategies that increase the representation of women in leadership roles and the workforce, while also promoting pay equity. Currently, the <u>Global Gender Gap Index 2023 rankings</u> show that Sub-Saharan Africa's parity score is the sixth highest among the eight regions at 68.2%, ranking above Southern Asia, the Middle East, and North Africa. Progress in the region has been uneven. Namibia, Rwanda, and South Africa, along with 13 other countries, have closed more than 70% of the overall gender gap. The Democratic Republic of the Congo, Mali, and Chad are the lowest-performing countries, with scores below 62%. Based on the constant sample, this marks a marginal improvement of 0.1 percentage points. In Nigeria, which is Africa's most populous nation and one of its largest economies, women not only make up a lower share of the workforce, but also earn <u>71% less</u> on average than Nigerian men.

At current rates of progress, it will take <u>102 years to close the gender gap in Sub-Saharan</u> <u>Africa</u>. To close the gender pay gap, a multifaceted strategy including workplace policies, legislative changes, educational interventions, and cultural transformations is needed. The implementation and enforcement of equal pay laws, the promotion of pay transparency, the eradication of bias and discrimination, the funding of initiatives for work-life balance and gender-responsive education and training, and the use of incentives and reporting requirements to hold businesses accountable are some strategies.

Women in Africa are increasingly becoming key players in the renewable energy sector, taking on roles ranging from grassroots activism and entrepreneurship to leadership positions in governmental and non-governmental organizations. Their contributions are vital to advancing sustainable energy solutions that address both environmental challenges and



#### socio-economic development (see Table 1).

#### Table 1. Some African Women in the Energy Sector

Name	Achievements
Ifeoma Malo	<ul> <li>Ifeoma Malo has been instrumental in advocating for policies that support renewable energy development. She has worked with various stakeholders, including governments, non-profits, and the private sector, to create an enabling environment for renewable energy investments.</li> <li>She played a significant role in the Power for All campaign, which seeks to promote decentralized renewable energy as a means to provide electricity to underserved communities. This initiative highlights the importance of off-grid and mini-grid solutions in achieving universal energy access</li> </ul>
Anita Otubu	<ul> <li>Anita Otubu has held significant positions at Nigeria's Rural Electrification Agency, where she has contributed to various initiatives aimed at expanding electricity access to rural and underserved areas through renewable energy solutions.</li> <li>She played a crucial role in the Nigeria Electrification Project (NEP), which is a World Bank-funded initiative designed to increase access to electricity through renewable energy sources. The NEP focuses on off-grid solutions, including solar home systems and mini-grids, to provide power to millions of Nigerians.</li> </ul>
Tendai Matonhodze	<ul> <li>Tendai Matonhodze has been actively involved in advancing renewable energy projects, particularly in Southern Africa. Her work focuses on developing and implementing clean energy solutions that address the region's energy challenges.</li> <li>As a leader in the renewable energy space, Matonhodze has taken on mentorship roles to guide and inspire the next generation of energy professionals. Her mentorship helps build local capacity and expertise in renewable energy technologies and project management.</li> </ul>
Wanjira Mathai	<ul> <li>Wanjira Mathai has held leadership positions in various international organizations focused on sustainability and renewable energy. She serves on the board of the World Resources Institute and is involved in the Partnership on Women's Entrepreneurship in Renewables (wPOWER), which aims to empower women through the renewable energy sector.</li> <li>Wanjira Mathai has been instrumental in promoting environmental conservation and sustainable development. The foundation's work includes advocacy for renewable energy as a means to combat climate change and improve livelihoods.</li> </ul>

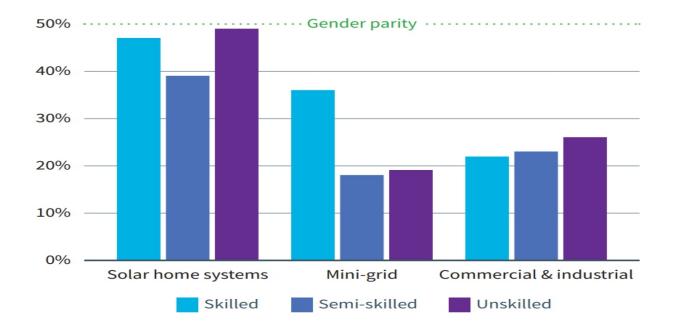
## What is the gender pay gap?

The gender pay gap is the existence of pay inequality between men and women. Typically, it is determined and measured by comparing full-time workers to one another. It emphasizes wage differences contributed by different factors, which include discrimination, job segregation, inequalities in work experience, and negotiation skills.



#### Current State of Gender Pay Gap in the Renewable Energy Landscape

The gender pay gap remains a significant issue across many industries, including the renewable energy sector. Despite the sector's transformative potential to combat climate change and advance sustainability, substantial gender disparities persist, particularly in terms of compensation. According to the World Bank (2021), women <u>constitute</u> 35% of the workforce in Nigeria's Decentralized Renewable Energy Sector (DRE) (Figure 1). This figure is notably lower than the overall rate of women's participation in the general economy, which stands at 44.2%.



# Figure 1. Share Of Women Workers Across Different Skill Levels And DRE Technology Source: <u>Power for All (2022)</u>

A key factor contributing to the predominance of men in energy-related industries is the widespread belief that these sectors demand technical expertise and physical strength, traits <u>traditionally attributed to men</u>. Additionally, DRE companies that express a willingness to hire women often report difficulties in finding female applicants with the necessary skills.

This challenge may stem from women being deterred from applying for positions in the DRE sector due to both real and perceived barriers. Consequently, women remain underrepresented in these fields, which hampers their career progression and potential earnings.



The <u>Renewable Energy Association of Nigeria</u> (REAN) has found that women tend to be overrepresented in non-STEM roles, accounting for 64% of the labor force, while their representation in STEM roles is significantly lower, at only 8%. Within the renewable energy sector, administrative, community engagement, and communication roles—all of which are frequently held by women—do not receive the same compensation as roles that require greater technical expertise. This disparity highlights the need for targeted initiatives to encourage and support women's participation in STEM-related positions within the renewable energy sector, to ensure equitable career advancement and earnings.



Efforts to reduce the gender pay gap in the renewable energy sector must adopt a multifaceted approach. According to the <u>Powering Jobs Census (2022</u>), women's participation has risen by 29%, reflecting a growth in their representation. On one hand, the creation of new job opportunities and the restructuring of traditional energy roles present an opportunity to address gender disparities and promote inclusivity. However, without deliberate efforts to integrate gender perspectives, there is a risk that existing inequalities may persist or worsen.

Government-level policy interventions, such as enforcing pay transparency and implementing mandatory reporting on gender pay gaps, can play a crucial role. These policies compel companies to evaluate their pay structures and rectify any disparities that are identified. Additionally, initiatives aimed at promoting gender diversity and inclusion within the industry are essential. These may include mentorship programs, leadership training tailored for women, and targeted recruitment efforts to encourage greater female participation and retention in the sector.

A few initiatives have recognized both the gender gaps in the renewable energy sector and the need for action to address them. These include the <u>African Women in Energy and Power</u> (<u>AWEaP</u>), <u>Global Women's Network for the Energy Transition (GW-NET</u>), the Women in Renewable Energy in Africa Network (W-REA). For instance, AWEaP is building a publicly accessible online directory for women entrepreneurs in Energy and Power across Africa. W-REA also ran a <u>mentoring programme in 2023</u>. The International Finance Corporation is also running a programme "<u>Energy2Equal Africa</u>" aimed at closing gender gaps and increasing women's participation in the renewable energy sector.



#### **Effects on Renewable Energy**

The gender wage gap has a negative impact on renewable energy in several ways, as listed below;



#### Talent Retention:

If women leave the industry due to unfair pay, there will be a talent shortage.



#### Innovation:

Gender pay disparities may limit the industry's creative potential, but diverse teams are more creative.



#### **Economic Efficiency**:

Mere compensation arrangements may lead to inefficiencies and decreased productivity.

#### **Strategic Approaches to Achieving Equal Pay**

To address gender pay gaps in the clean energy sector, equal pay laws must be strengthened and rigorously enforced to ensure compliance and accountability. Pay transparency measures empower workers to identify and challenge wage disparities, fostering a more equitable work environment. Efforts to address implicit bias and discrimination are essential for fair hiring, promotion, and compensation practices. Investing in education and training programs that promote gender diversity in traditionally male-dominated fields helps to reduce occupational segregation and enhance women's earning potential. Supporting work-life balance through policies such as flexible working arrangements and paid parental leave enables greater workforce participation and advancement opportunities for women. Corporate accountability measures, including incentives and reporting requirements, encourage employers to adopt gender-inclusive policies and practices, furthering progress towards closing the gender pay gap.

The following are some approaches to achieving equal pay:

# 1. Putting in Place Structures for Open Compensation

Pay structures need to be transparent in order to close the gender pay gap.

- **Conduct Pay Audits:** Regularly assess and publish pay data to identify and address discrepancies.
- **Standardize Pay Grades:** Implement clear, standardized pay scales based on role, experience, and qualifications to ensure equitable compensation.





# Fostering Diversity in Gender in Leadership

Increasing the number of women in leadership roles can promote a more inclusive workplace and aid in addressing pay gaps.

- **Mentorship Programs:** Create sponsorship and mentoring initiatives to help women advance in their careers.
- **Leadership Development:** Offer women the chance to participate in specific training and development programs aimed at preparing them for leadership positions.



### Addressing Occupational Segregation

Encouraging women to pursue careers in higher-paying technical roles within the renewable energy sector is essential. This can be achieved through:

- **STEM Education Initiatives:** Promote STEM (Science, Technology, Engineering, and Mathematics) education and career paths among young women.
- *Apprenticeships and Internships*: Create targeted apprenticeship and internship programs to provide women with hands-on experience in technical fields.



### **Encouraging Flexible Work Arrangements**

Flexible work arrangements can help address the gender pay gap by accommodating the diverse needs of the workforce. Strategies include:

- **Remote Work Options**: Offer remote and hybrid work options to support work-life balance.
- **Flexible Scheduling**: Implement flexible scheduling policies to accommodate employees' varying needs.



### Conclusion

In the field of renewable energy, closing the gender pay gap is essential to developing a fair and productive workforce. This closing of the gender pay gap in the clean energy sector emphasizes the necessity for a multifaceted approach to achieve equal pay for equal work. The establishment of strong legal frameworks that require pay transparency and impose harsher penalties for breaking equal pay laws is essential to this endeavor. In order to find and fix disparities, it can also be beneficial to encourage organizations to perform frequent pay audits. Fostering an inclusive workplace that values and fairly compensates female employees also depends on training and development initiatives targeted at upskilling women and elevating them to leadership roles.

Furthermore, organizational and cultural change is necessary to sustain the progress made toward closing the gender pay gap. This is creating an environment in the workplace where gender biases and stereotypes are actively challenged, as these often result in disparities in compensation. Having flexible work schedules and parental leave policies in place will also help to promote work-life balance by enabling more women to pursue careers in the clean energy sector without fearing about money. By putting these strategies into practice, the clean energy sector can set the standard for other sectors to follow by increasing overall productivity and innovation and advancing gender equity.