

Enhancing donor coordination for gender equality and social inclusion (GESI) outcomes:

Insights from Ethiopia, Kenya, and Rwanda

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Executive summary

Enhancing donor coordination for gender equality and social inclusion (GESI) outcomes: Insights from Ethiopia, Kenya, and Rwanda

Gender equality and social inclusion (GESI) is fundamental to fostering sustainable and inclusive development in Ethiopia, Kenya, and Rwanda. Donor funding has played a significant role in supporting progress across these countries, particularly in skills development, entrepreneurship, and rural livelihoods. However, despite some successes, a lack of coordination and insufficient focus on explicit GESI objectives has limited its transformative potential. This report analyses donor-funded projects, with a focus on how they align with GESI priorities, and provides actionable recommendations for improving coherence in development assistance.

By addressing overlaps, embedding GESI metrics in a cross cutting manner, and aligning donor priorities, it is possible to empower marginalised groups more effectively while enhancing the systemic impact of funding interventions. Based on the publicly available data presented, only 11% of the donor-funded projects analysed explicitly reference GESI priorities, leading us to point to greater allocations and/or integration as prospective solutions. Moreover, the proportion of projects addressing GESI varies significantly by country, with Ethiopia at 15%, Kenya at 11%, and Rwanda at just 7.5%, articulating uneven prioritisation across the region.

The role of donor funding in GESI development

Donor funding remains critical in supporting development across East Africa. Major contributors, including the World Bank, USAID, and FCDO, have funded initiatives aimed at addressing challenges such as poverty reduction, agricultural productivity, and SME growth. While many projects contribute indirectly to GESI outcomes, only a small proportion explicitly targets systemic barriers to equality and inclusion. This fragmented approach risks inefficiencies, particularly in regions where marginalised groups are most in need of targeted support.

For instance, Ethiopia's Urban Productive Safety Net and Jobs Project, with a budget of \$482.5 million, has successfully provided training for vulnerable groups. Similarly, Kenya's Marine Fisheries and Socio-Economic Development Project supports community livelihoods but does not appear to integrate gender-specific objectives.

Data gaps and limitations

This study utilises data from the International Aid Transparency Initiative (IATI) which brings together governments, multilateral institutions, private sector and civil society organisations and others to increase the transparency and openness of resources flowing into developing countries. We also examined various associated databases to assess donor funding broadly associated with entrepreneurship and innovation related activities in Kenya, Rwanda, and Ethiopia between 2019 and 2024. To compile a robust dataset, data collection took place between July and September 2024, employing a multi-source approach to capture a wide range of donor-funded activities. The detail in terms of data collection, filtering and categorisation, as well as classification Gaps and limitations have been outlined in our seventh Insight Report, '*Exploring Ecosystem Donor Funding in Ethiopia, Kenya and Rwanda: Evidencing a new agenda for enhanced alignment, coherence, and collaboration*'¹.

The challenges in donor funding data stem from broad sector classifications, inconsistent reporting standards, and transparency gaps. Many donor activities do not fit neatly into defined categories like entrepreneurship and innovation, requiring extensive manual searches across sectors to identify relevant projects. The absence of harmonized reporting standards exacerbates data inconsistencies, as key contributors do not fully disclose their activities, and platforms such as OECD CRS omit private foundations and emerging donors. While platforms like IATI Datastore and Development Tracker provide valuable data, they fail to capture all projects funded by multilateral, private, or philanthropic entities. These limitations collectively hinder transparency, coordination, and a clear understanding of donor efforts, particularly in emerging sectors like entrepreneurship and innovation.

¹ Exploring Ecosystem Donor Funding in Ethiopia, Kenya and Rwanda: Evidencing a new agenda for enhanced alignment, coherence, and collaboration. Available via this link: <https://www.yumpu.com/en/document/read/69063090/exploring-ecosystem-donor-funding-in-ethiopia-kenya-and-rwanda>

Country-level analysis of donor funding

Ethiopia

Ethiopia receives significant donor support, with many projects focusing on workforce development and agriculture. The Second Agricultural Growth Project (\$430M) is a prominent example, enhancing productivity for smallholder farmers. Although women benefit from this initiative, its impact on addressing systemic barriers remains limited due to the absence of targeted interventions for female-led agribusinesses.

Similarly, the Urban Productive Safety Net and Jobs Project provides urban poor populations with skills training. However, greater GESI alignment - such as childcare support and leadership opportunities for women - could enhance its outcomes. Ethiopia's large youth population and reliance on agriculture underscore the need for intersectional approaches that address gender and geographic disparities.

Despite Ethiopia leading in GESI-related funding proportions across the three countries we have examined (15%), this figure indicates significant room for improvement, particularly in explicitly targeting marginalised groups through funded projects.

Kenya

Kenya's donor landscape includes a diverse range of initiatives, particularly in SME development and financial inclusion. The Kenya Industry and Entrepreneurship Project (\$50M) fosters networking opportunities but lacks specific mention of supporting women-led enterprises. Meanwhile, the Marine Fisheries and Socio-Economic Development Project (\$100M) indirectly benefits women in fishing communities but may benefit from more robust GESI metrics to measure its impact.

Kenya's strong fintech sector presents opportunities to expand women's access to financial services. Donor projects could better integrate gender-specific financial literacy and leadership training to enhance female participation in entrepreneurship.

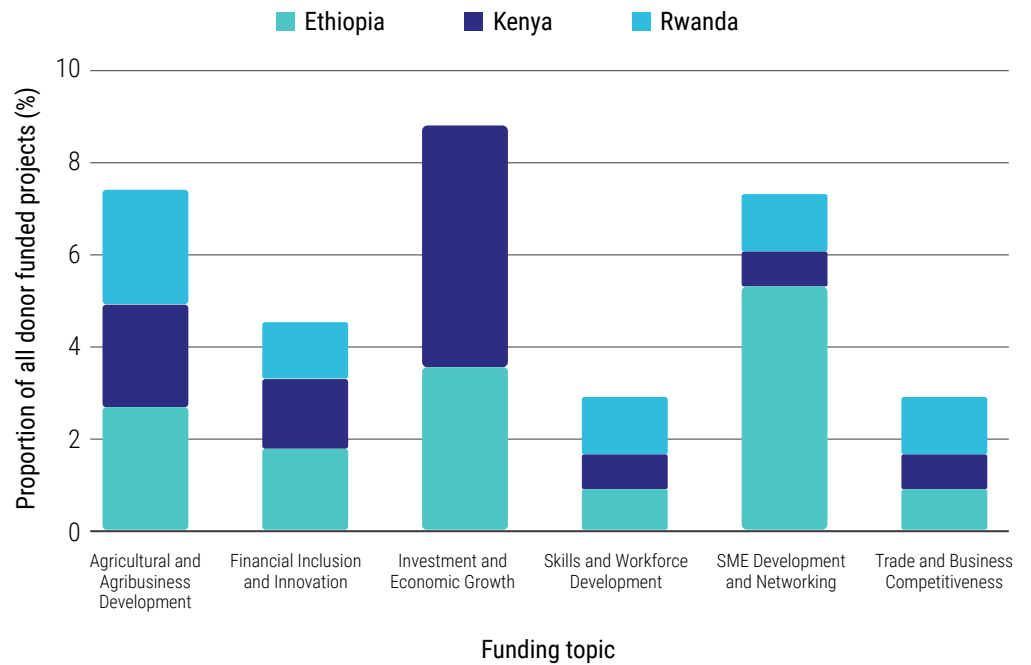
Rwanda

Rwanda stands out for its progressive policies on gender equality and social inclusion. Donor-funded SME initiatives have fostered inclusive economic growth, yet intersectional challenges - particularly for rural women and persons with disabilities - remain underaddressed. For instance, capacity-building programmes could better cater to the unique needs of women entrepreneurs in rural areas. A focus on disability-inclusive measures within existing GESI frameworks would further strengthen Rwanda's leadership in inclusive development.

Breakdown of GESI-related projects

A detailed analysis of GESI-related projects reveals their distribution across thematic clusters. The following table summarises the percentage of projects within each country associated with GESI priorities, broken down by thematic clusters based on the description of the project:

Figure 1 - Breakdown of GESI related donor funding by country and project theme (publicly reported)



Source: International Aid Transparency Initiative (IATI) and related datasets, 2024

This data underscores the uneven distribution of GESI-related funding across clusters and countries, highlighting opportunities to enhance alignment and prioritisation.

Improving donor coordination for GESI outcomes

Donor efforts often operate in silos, leading to inefficiencies and missed opportunities for systemic impact. A more coordinated approach is essential to ensuring that funding addresses GESI priorities effectively. Enhanced alignment could also mitigate the risks of duplication, which are particularly evident in skills training and SME development initiatives.

Recommendations

To advance GESI outcomes through donor funding, a coherent strategy should prioritise the following:

1. Establish unified GESI metrics:

A shared framework for measuring GESI outcomes is essential. Donors should standardise metrics such as women's workforce participation, leadership representation, and pay equity. This would enable consistent tracking and evaluation across projects.

2. Foster collaborative platforms:

Collaboration among donors is critical to reducing redundancy. Establishing sector-specific working groups would facilitate resource pooling and shared goal-setting. Centralised platforms could map ongoing projects, identifying overlaps and underserved areas.

3. Embed GESI in project strategic project design on a cross donor basis:

Many projects already integrate GESI objectives from inception. For instance, linking funding disbursements to the achievement of gender-specific milestones would incentivise greater focus on inclusion. However, there needs to be better join up across, and between projects to coordinate on GESI outcomes. Explicit goals for women and marginalised groups should be appropriately incorporated into more projects, from SME support to rural development.

4. Localise GESI interventions:

Partnering with local organisations ensures interventions are contextually relevant. National governments should play a more active role in coordinating donor efforts, aligning them with regional priorities and community needs.

5. Strengthen and standardise monitoring and evaluation:

A unified monitoring and evaluation (M&E) framework would provide clarity on the impact of donor-funded projects. Transparent reporting on outcomes - including challenges and successes - is essential for fostering accountability and continuous improvement.

Further research themes to explore

In addressing the challenges of analysing cross-sector funding flows and improving transparency, the following research themes have been identified. These themes offer actionable pathways for future studies, enabling deeper insights into funding dynamics, donor coordination, and sector-specific impacts. By adopting practical methods—such as text-based analysis, funding composition studies, co-funding mapping, and case studies—future research can deliver more robust, meaningful, and actionable findings. A GESI lens should be integrated across these themes to ensure marginalised groups are adequately represented, and funding efforts contribute to inclusive and equitable development outcomes.

1. Improving analysis of cross-sector funding flows:

To better identify sub-sector spending, high-quality project descriptions should be prioritised in donor data. This reduces reliance on additional sector codes, which risk diluting sector-specific analyses when projects are marked with multiple codes. Text-based methods, such as word searches, offer a practical and effective way to uncover granular sub-sector details while maintaining data clarity. Applying a GESI lens to the analysis can help identify gaps in funding for gender-responsive and socially inclusive initiatives, ensuring that cross-sector flows address inequalities.

2. Examining types of funding flows:

Future research should investigate the composition of funding flows, particularly loans versus grants. This analysis can provide deeper insights into financing dynamics, especially in areas with a high loan-to-grant ratio. A GESI perspective is essential to assess how funding types impact vulnerable and underrepresented groups. For example, research can explore whether grants are more likely to support women-led enterprises or programmes targeting marginalised communities compared to loans.

3. Identifying co-funding opportunities:

Mapping instances of co-funding across projects can improve donor transparency and coordination. Leveraging the participating organisation details available in IATI activity data enables researchers to identify areas of collaboration, reduce redundancies, and promote more efficient resource distribution among agencies. Integrating a GESI lens into this mapping can reveal opportunities for joint efforts to address gender disparities and social exclusion through coordinated funding.

4. Case study development:

IATI data holds significant value for creating illustrative case studies. Highlighting selected projects can showcase the types of aid and development work being undertaken, provide tangible examples of donor efforts, and demonstrate successful initiatives. Case studies should include an explicit focus on GESI outcomes by analysing how projects address gender inequality, empower marginalised groups, and promote social inclusion. These examples can offer actionable insights into how development efforts can achieve equitable and inclusive results.

A unified vision for inclusive development

Achieving GESI outcomes through donor funding requires a shift from fragmented interventions to cohesive, collaborative strategies. By prioritising inclusive frameworks, aligning objectives, and addressing systemic barriers, donors can maximise their impact. Ethiopia, Kenya, and Rwanda offer valuable opportunities to implement and scale these approaches, setting a precedent for inclusive development across Africa and beyond.

Ultimately, investing in GESI is not only a moral imperative but also a strategic enabler of economic resilience and social cohesion. A unified approach - grounded in local insights and global collaboration - can drive transformative change, empowering marginalised groups and fostering sustainable growth for decades to come.

We acknowledge the valuable insights provided to us by [Publish What You Fund](#), leading experts on donor funding transparency and coherence, which have informed our approach to analysing funding flows to help improve coordination efforts.

To learn more about the RISA Fund visit: <https://www.risa-fund.org/>
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