OVERVIEW

Full inclusion of lesbian, gay, bisexual, transgender, and intersex (LGBTI) people is critical to closing gender gaps and attaining the World Bank goals articulated in its Gender Strategy 2024–2030, Social Sustainability and Inclusion (SSI) Strategy, Environmental and Social Framework (ESF), as well as its poverty reduction commitments. Sexual orientation and gender identity (SOGI) inclusion is one of the newest areas in development, and the World Bank formally adopted this agenda in 2015 through its commitments to gender equality, social inclusion, and non-discrimination. The International Finance Corporation (IFC) adopted SOGI inclusion in 2020, as a new element in its Economic Inclusion Program.

SOGI inclusion goes to the very heart of gender equality. Deep-rooted social norms and expectations related to gender and gender roles often lead to inequality for women and girls, as well as sexual and gender minorities. Just as gender inequality in labor markets comes at great cost, SOGI exclusion significantly impacts economies, including at the level of GDP.

This note provides an overview of the situation of LGBTI people globally and why addressing discrimination against them and promoting their inclusion make economic sense as well as being the right thing to do. It lays out the authorizing environment for SOGI inclusion at the World Bank and highlights promising practices of SOGI inclusion, including in data generation and operations from the World Bank and public and private sector partners. Since LGBTI-specific data across development sectors—health, education, governance, employment, social protection, addressing violence—are extremely thin and examples of interventions that can be evaluated systematically are also sparse, this note provides promising approaches from the Bank from which teams can learn.

The note highlights opportunities to advance SOGI inclusion through the three strategic objectives of the World Bank’s Gender Strategy update, namely ending gender-based violence and elevating human capital, expanding and enabling economic opportunities, and engaging women as leaders. The World Bank and development partners can also better integrate SOGI inclusion in their work on gender data generation, evaluation and learning, policy and institutional reforms, and capacity building.
This thematic policy note is part of a series that provides an analytical foundation for the update to the World Bank Gender Strategy (FY24–30). This series seeks to give a broad overview of the latest research and findings on gender equality outcomes and summarize key thematic issues, evidence on promising solutions, operational good practices, and key areas for future engagement on promoting gender equality and empowerment. The findings, interpretations, and conclusions expressed in this work are entirely those of the authors. They do not necessarily reflect the views of the World Bank or its Board of Directors.

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The World Bank’s *Gender Strategy (FY16–23): Gender Equality, Poverty Reduction and Inclusive Growth* highlights the critical link between gender equality and the Bank’s goals of reducing poverty and boosting shared prosperity in client countries.1 Launched in 2015, the strategy laid out a roadmap for reducing gaps between men and women in four key areas (health and education, jobs, assets, and women’s voice and agency) so that they have equal power to shape their own lives and contribute to their families, communities, and countries.

The World Bank Gender Strategy 2024–2030 is being finalized and a series of World Bank thematic policy notes are being produced to inform its content. While the current (2016–23) and previous (2010) gender strategies did not explicitly address sexual and gender minorities, sexual orientation and gender identity (SOGI)2 has been proposed as a critical area for the updated strategy. This note aims to improve institutional understanding of gender and gender equality beyond the traditional binary concept of men and women and increase awareness among Bank staff about the links between gender equality and inclusion of sexual and gender minorities in projects and analytics. It also highlights opportunities for embedding SOGI inclusion within the three strategic objectives of the proposed Gender Strategy 2024–2030: end gender-based violence and elevate human capital, expand and enable economic opportunities, and engage women as leaders.

### 1. INTRODUCTION

#### Defining Gender, Gender Norms, and SOGI Inclusion

Gender refers to social, behavioral, and cultural attributes, and expectations and norms associated with being male or female.3 Gender roles and expectations determine how women and men relate to each other and result in differing power between women and men. In many countries, restrictive gender norms mean that power is unequally distributed between men and women with men traditionally holding authority over women.4 Such social norms and unequal distribution of power not only restrict women’s access to opportunities and resources (i.e., education, economic opportunities, ownership of assets, and opportunities to earn an income) but also restrict their agency and are also often a cause of domestic violence.5

Gender equality is the “distribution of opportunities, resources, and choices for men and women so that they have equal power to shape their own lives and contribute to their families, communities, and countries.”6 *The World Development Report (2012)* identifies three main dimensions required to achieve gender equality:7

- The accumulation of endowments (education, health, and physical assets)
- The use of those endowments to take up economic opportunities and generate incomes
- The application of those endowments to take actions, or agency affecting individual and household well-being

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2 Sexual orientation refers to each person’s enduring capacity for profound romantic, emotional, and/or physical feelings for, or attraction to, person(s) of a particular sex or gender. It encompasses hetero-, homo-, and bisexuality and a wide range of other expressions of sexual orientation. Gender identity refers to each person’s profound internal and individual experience of gender (for example, of being a man, a woman, in-between, neither, or something else), which may or may not correspond with the sex they were assigned at birth, or the gender attributed to them by society. It includes the personal sense of the body (which may involve, if freely chosen, modification of appearance or function by medical, surgical, or other means) and expressions of gender, including dress, speech, and mannerisms.
4 Ibid.
5 Ibid.
Like heterosexual and cisgender women and girls, sexual and gender minorities are impacted by restrictive social norms. Lesbian, gay, bisexual, transgender, and intersex (LGBTI) people face punishment, violence, and other forms of exclusion because they transgress traditional gender roles and norms, or they express a gender identity that does not conform to their gender as assigned at birth, or their gender expression is different than the norm or social expectations. Inflexibility of expectations related to gender norms and gender roles, therefore, not only leads to inequality for women and girls, but also directly leads to inequality for sexual and gender minorities.

However, gender inequalities and gaps are largely assessed and addressed on the assumption that there are only two genders defined as men/boys and women/girls. This binary understanding of gender excludes significant groups of people who identify outside of the strictly defined men/women system, such as intersex and nonbinary people, as well as those who do not abide by prescribed gender roles or gender expressions. Expanding the definitions and institutional understanding of gender outside binary terms is therefore critical to promoting equal access to outcomes and opportunities in relation to endowments, agency, and access to economic activities for all, including sexual and gender minorities.

A second aspect of SOGI and its link to gender equality comes from acknowledging overlapping disadvantages among marginalized groups. In 2023, the World Bank’s Social Sustainability and Inclusion (SSI) Global Practice, drawing on state-of-the-art social development knowledge, articulated a new framework for promoting inclusive societies, resilient communities, and empowered people. Ensuring sustainable development and poverty reduction will require greater attention to social sustainability in addition to economic and environmental sustainability. Integrating intersectionality and promoting gender equality are essential to social sustainability.

The World Bank’s Inclusion Matters defines social inclusion as “the process of improving the ability, opportunity, and dignity of people, disadvantaged on the basis of their identity, to take part in society [markets, services, and spaces].” People have multiple, intersecting identities that interact with one another to either produce an advantage or a disadvantage to the individual. For LGBTI people, their socio-economic status, race, ethnicity, class, geographic location, disability status, and other identifiers can further compound their marginalization and vulnerability or protect them from harm and exclusion that they would have otherwise faced as sexual and gender minorities (see Figure 1). Lesbian, bisexual, transgender, and intersex women bear overlapping disadvantages due to being women and also belonging outside of “acceptable” sexual orientation or gender identity. In displacement and humanitarian settings, the risks they face are heightened.

Growing evidence suggests that LGBTI people face significant challenges resulting in adverse socio-economic outcomes. These include lower education achievements, increased unemployment rates, and inadequate access to housing, health care, and financial services. Those who most visibly express non-normative SOGI (i.e., transgender people and others who reject normative gender expressions) experience the most
discrimination and higher rates of violence.\textsuperscript{17,18} According to Transgender Europe (TGEU) \textbf{2021 report}, which monitors data collected by trans and LGBTI organizations globally, of the 375 trans and gender-diverse people who were murdered in 2020–2021, 96 percent were transwomen or transfeminine people.\textsuperscript{19} These hardships often lead to a disproportionate representation of LGBTI people among the most disadvantaged populations.\textsuperscript{20} For instance, a study conducted in Serbia by the World Bank reveals that discrimination contributes to lower socio-economic status, with an increase in the at-risk-of-poverty rate from 16 percent to 20 percent among LGBTI individuals who experience discrimination.\textsuperscript{21} Additionally, the absence of a supportive legal framework, often a consequence of this stigma, further exacerbates the challenges faced by LGBTI communities.

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\caption{Examples of intersecting identities that impact LGBTI people’s experience of exclusion and discrimination.}
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Legal Status of LGBTI People Globally

LGBTI people experience widespread legal discrimination and regulatory barriers that hinder their ability to participate equally in society and contribute fully to their economies. Currently, 64 countries criminalize same-sex consensual activity, while 11 countries impose the death penalty for same-sex activities. Further, in countries where the law does not protect a woman’s right to refuse marital sex (32 countries), LBT women who are forced to marry a man and have a heterosexual lifestyle are exposed to increased risks of intimate partner violence. In some countries, LGBTI people are also legally prohibited from political participation, advocacy, and forming organizations. At least 42 countries have legal barriers to freedom of expression on sexual orientation and gender identity issues.

In addition, LGBTI people face legal barriers in accessing education, labor markets, social protection, and public services. According to the World Bank’s 2021 *Equality of Opportunities for Sexual and Gender Minorities* (EQOSOGI) study, only two out of the 16 surveyed countries prohibit discrimination, bullying, cyberbullying, and harassment based on SOGI in educational settings and school admissions. Similarly, most countries surveyed also lack legal frameworks that allow health care providers to deliver services to sexual and gender minorities, including vaccinations, HIV prevention therapies, and gender-affirming treatments. Only three countries of the 16 prohibit employers from dismissing employees based on their SOGI, leaving sexual and gender minorities more susceptible to losing their jobs.

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27 Ibid.
EQOSOGI and other research find that sexual and gender minorities are likely to encounter legal barriers in accessing services, such as changing their gender marker in official ID documents, entering into civil partnerships or marriages, adopting children with their partners, and applying for asylum. LGBTI people are also more likely to be targets of hate crime; however, few countries provide adequate legal protection for sexual and gender minorities. For example, only four out of the 16 countries in the EQOSOGI report did not consider crimes based on a person’s SOGI to be aggravating circumstances under the law, nor did these countries mandate the monitoring and collection of hate crime-related data or training of police and service providers.

Despite often still bleak legal and policy environments, LGBTI people have, in fact, made tremendous progress in claiming some rights and promoting inclusive societies in a variety of countries in recent decades. While there is no global legal framework to ensure LGBTI people’s equality of access to education, employment, social protection, and protection from violence, as of 2020, 11 countries provide constitutional protections for sexual and gender minorities. A further 57 countries provide broad protections and a total of 81 countries have laws protecting people from discrimination in the workplace on the basis of sexual orientation. In the past five years, a number of countries, including Angola, Gabon, Botswana, Mozambique, the Seychelles, Trinidad and Tobago, Belize, India, and Bhutan, have decriminalized homosexuality. Over the years, the UN has made efforts to address SOGI inclusion through a human rights lens through the Resolution 17/19 of 2011 and the establishment of an Independent Expert on sexual orientation and gender identity in 2016. Despite these legal advances and inclusion efforts, deeply entrenched stigma, and negative stereotypes against LGBTI people persist.

29 Ibid.

Why SOGI Inclusion is Important to Development

The cost of discrimination against women and girls to the economy is well-documented. A 2018 World Bank study of 141 countries highlights inequality in earnings that could lead to losses in human capital wealth of $160.2 trillion, which would be $23,620 per person globally (assuming women earn as much as men). In the same way that reducing gaps between men and women makes economic sense, emerging data show that addressing discrimination against LGBTI people and promoting their inclusion can lead to improved economic growth and productivity for countries. SOGI inclusion also makes institutions and businesses more representative and effective. Inclusive and diverse economies enjoy higher levels of productivity and economic growth.

Conversely, SOGI-based exclusion impacts economic outcomes for countries in the following ways:

1. Discrimination in employment and constraints on labor supply can lead to loss in productivity and output.
2. Lower returns to education and discrimination and violence in educational settings can lead to inefficient investment in human capital.
3. Discrimination by health care providers and exclusion from health services can lead to loss of output.
4. Investments that might be better spent elsewhere need to be redirected to social and health services to address the impacts of exclusion.
Multiple studies across client countries show that the cost of SOGI-based exclusion on returns to human capital can be substantial. A 2014 study by USAID and the Williams Institute finds close links between improved rights for LGBTI people and positive economic outcomes at both the individual level and broader macro-economic level in 39 countries, including in Latin America and the Caribbean, East Asia and the Pacific, and South Asia.\(^{38}\) At the micro-level, discrimination, exclusion and violence that sexual and gender minorities experience in schools and workplaces hinder their learning. This leads to unemployment or underemployment, resulting in LGBTI people not being able to maximize their skills and earning potential, which, in turn, contributes to an overall loss in productivity.\(^{39}\) If LGBTI people are unable to participate in and contribute fully to their economies, this in turn lowers economic output at the national level.\(^{40}\) This cycle of discrimination and exclusion starts early for young sexual and gender minorities. It impacts not only an individual’s educational and health outcomes, earning, and productivity, but also the overall well-being of their families and communities.

**Countries that have more legal rights for LGBTI people also have higher per capita income and better levels of well-being.** At the macro-economic level, the USAID and Williams Institute analysis shows a strong positive correlation between per capita GDP and legal rights for LGBTI people in 39 countries.\(^{41}\) It shows one additional right in the Global Index on Legal Recognition of Homosexual Orientation (out of eight rights included) is linked to $1,400 more in per capita GDP and with a higher value on the UN’s Human Development Index, a summary measure of average achievement in key dimensions of human development. Similarly, a World Bank trust-funded study in India finds that discrimination against sexual and gender minorities cost the country up to 1.7 percent of GDP, the equivalent of $32 billion.\(^{42}\) Other research shows that discrimination, for instance, in the labor sector, negatively affects productivity and opportunity.\(^{43}\)

The private sector business case for LGBTI inclusion has also been well established by the Open for Business coalition.\(^{44}\) A series of studies by Open for Business estimating the cost of LGBTI discrimination finds at both the regional level (in the Caribbean and in Central and Eastern Europe) and the country-level (in Kenya and Uzbekistan) the foregone economic potential due to SOGI exclusion ranges between 0.4 percent and 6.0 percent of GDP and costs billions of dollars every year.\(^{45}\)

Countries’ stronger economic performances may stem from their greater connectivity and competitiveness on the global economic stage and higher levels of entrepreneurship. Multinational brands are increasingly important in the global economy, and more inclusive countries are better able to attract foreign labor and foreign direct investment from such brands. LGBTI inclusivity is associated with 4.5 times greater foreign direct investment, on average.\(^{46}\) More open societies also attract a greater number of tourists and consumers for exported goods. They have a higher likelihood of attracting skilled workers and being more conducive to entrepreneurship, while less tolerant societies tend to experience brain drain.\(^{47}\)

This holds true in emerging markets, especially in cities.\(^{48}\) LGBTI-inclusive cities in emerging markets provide a more supportive environment, thereby boosting competitiveness.\(^{49}\) Such places boast a greater concentration of skills and talent than their less LGBTI inclusive counterparts, making them more likely to have stronger innovation ecosystems and to become globally integrated hubs for high-value businesses.

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39 Ibid.
40 Ibid.
41 Ibid.
45 For more information, see Open For Business, Reports. [https://open-for-business.org/reports](https://open-for-business.org/reports).
46 Using data from UNCTAD, Open for Business found that, on average, countries that do not criminalize consensual same-sex relations attract 4.5 times more foreign investment on average than countries that do criminalize this community.
48 Open For Business developed “The Open for Business City Ratings” that rated 121 cities based on how LGBT+ inclusive and economically competitive they are. For more information, see [https://open-for-business.org/open-for-business-city-ratings](https://open-for-business.org/open-for-business-city-ratings).
49 Open For Business. 2019. *Why fast-growing companies from emerging markets are embracing LGBT+ inclusion.* Open for Business.
For the private sector, the costs of inclusion gaps may be especially high. Companies that lag behind their competitors in respect to diversity, equity, and inclusion practices will find it more difficult to attract and retain top talent and customers, break into new markets, innovate, and build a good reputation among prospective and existing employees, customers, business partners, and stakeholders.

Companies that are LGBTI inclusive tend to have better financial performance across multiple indicators. Studies using US publicly traded companies show that LGBTI-inclusive companies have higher stock returns and higher profitability, outperforming benchmarks (see Figure 2).

![Figure 2](image)

**FIGURE 2: A BASKET OF 275 LGBTQI-INCLUSIVE PUBLIC FIRMS IN THE US OUTPERFORMED GLOBAL STOCKS AND BENCHMARKS**

**Notes:** These 275 companies have openly LGBTQI management, are openly supportive of LGBTQI, or have employees who are openly members of local LGBTQI business networks. The basket also showed better profitability as measured by return on equity (13 percent higher overall).

**Source:** Open for Business. 2018. *Strengthening the Economic Case*. Open for Business.

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SOGI Inclusion at the World Bank

The World Bank adopted SOGI inclusion in 2015 grounded in its commitments to gender equality, social inclusion, and non-discrimination. Since then, the Bank’s Social Sustainability and Inclusion (SSI) Global Practice has given definition to SOGI inclusion as a part of social inclusion, which is the process of improving the ability, opportunity, and dignity of those disadvantaged based on their identity to take part in society. It is part of a World Bank’s broader goal of building social sustainability into development (see Box 1). The World Bank’s Environmental and Social Framework (ESF), particularly through the Directive on Disadvantaged or Vulnerable Individuals or Groups, also anchors SOGI inclusion within the principle of non-discrimination. The SOGI Global Advisor, in place since November 2016, is responsible for providing thought leadership and technical guidance to World Bank teams. Going forward, SOGI inclusion will also be a key component of the gender equality agenda at the World Bank.

The World Bank’s work on SOGI inclusion builds on three key pillars:

1. Data and Knowledge Generation

Because SOGI is such a new area in development, building data and knowledge on SOGI is a pressing need. Since 2016, the World Bank has generated original data on discrimination and exclusion of LGBTI people, including in Thailand and the Western Balkans. In 2021, the World Bank produced the research report, Equality of Opportunity for Sexual and Gender Minorities (EQOSOGI), a first-of-its-kind analysis that benchmarks laws and regulations that either promote SOGI inclusion or create barriers to SOGI inclusion. A second expanded edition of this study is currently underway. The World Bank is also testing out a new, more robust methodology for measuring the economic costs of SOGI based exclusion, in select countries.

BOX 1: WHAT IS SOCIALLY SUSTAINABLE DEVELOPMENT?

The people, policies, and processes driving development need to be inclusive and legitimate, enabling communities to advance while remaining (or becoming more) cohesive and resilient in the face of development’s challenges. How development occurs matters greatly.

Built on social cohesion, inclusion, resilience, and process legitimacy—social sustainability increases when more people feel part of the development process and believe that they and their descendants will benefit from it. Communities and societies that are more socially sustainable are more willing and able to work together to overcome challenges, deliver public goods, and allocate scarce resources in ways perceived to be legitimate and fair so that all people may thrive over time.


1 The data is from the Gender Data Portal (https://bit.ly/3×1b0Pe) for the indicator: Labor force participation rate, male and female (% of male and female population ages 15–64 years) (modeled ILO estimate).
2. SOGI Inclusion in Operations and Investments

The SSI Global Practice hosts the largest concentration of social scientists and gender practitioners in the World Bank, with expertise on frontier issues, such as agency, social norms change, gender-based violence (GBV) prevention and response, gender and climate change, women’s participation in grievance mechanisms, gender and resettlement. It is well-placed to leverage its expertise on gender and SOGI inclusion.

SOGI and SSI specialists support World Bank teams in the design and implementation of projects with the goal of minimizing the possibility of discrimination based on SOGI. They also provide input on strategic documents, such as Systematic Country Diagnostics (SCDs), Country Partnership Frameworks (CPFs), and Country Economic Memorandums (CEMs), and deliver dedicated training so World Bank staff and clients can apply a SOGI lens in their development work.

In particular, the SSI Global Practice uses its country gender programs and platforms (CGPs) as a critical entry point for work on SOGI inclusion. For example, in 2019, the Nepal CGP and India CGP supported training for World Bank staff and country counterparts on SOGI inclusion, SOGI in operations, and consultations with local civil society. Similarly, the Vietnam CGP is providing technical assistance to the Ministry of Labor, Invalids and Social Affairs in its updates to the Gender Equality Law and is supporting its efforts to broaden the scope and definition of gender equality to include SOGI (see Section 3). The SSI Global Practice also leads operations on women’s empowerment (economic, voice, and agency) and standalone GBV operations. These investments are uniquely apt to advancing intersectional aspects of gender inclusion, such as SOGI inclusion, disability inclusion, and inclusion of Indigenous Peoples.

3. Environmental and Social Framework (ESF) Implementation

Introduced in 2018, the World Bank’s ESF protects people and the environment from potential adverse impacts that could arise from World Bank-financed projects and promotes sustainable development. This framework provides broad protection, including related to transparency, non-discrimination, social inclusion, public participation, and accountability. The ESF also emphasizes building borrower governments’ own capacity to deal with environmental and social issues, such as social inclusion and non-discrimination. The ESF’s Directive on Addressing Risks and Impacts on Disadvantaged or Vulnerable Individuals or Groups establishes guidelines for Bank staff due diligence obligations on identifying and mitigating risks and impacts on individuals or groups who may be disadvantaged or vulnerable. It explicitly enumerates sexual orientation and gender identity.
To support the implementation of the ESF, the World Bank produced the SOGI Good Practice Note (GPN) in October 2019 (with an update coming in 2023). The SSI Global Practice has also supported World Bank teams in the design and implementation of projects with the goal of minimizing the possibility of discrimination based on SOGI, as required under Environmental and Social Standards 1. It has carried out ESF SOGI missions in 11 countries, which have included consultations with LGBTI civil society organizations and training on SOGI for in-country project implementors.

**SOGI Inclusion at the International Finance Corporation**

SOGI is mentioned in the International Finance Corporation (IFC) Performance Standards, particularly under PS2 on Labor and Working Conditions. Sexual and gender minorities are also included wherever “vulnerable groups” are mentioned in IFC’s Performance Standards. In addition, the Social Bond Impact Principles, which IFC co-created with the International Capital Market Association (ICMA), mention sexual and gender minorities as a specific beneficiary class for use of proceeds. This creates various entry points for LGBTI-inclusive work with the private sector, as the focus.

In 2020, IFC launched its Economic Inclusion Program to focus on advancing the economic inclusion of persons with disabilities and LGBTI people. The program does this through research and building the evidence base, generating ideas for investments, providing advice and tools to help clients foster diversity, equity, and inclusion (DEI), training, and capacity building of IFC staff, clients, and partners. It creates opportunities for peer learning among companies and establishes networks of stakeholders, including with other development finance institutions (DFIs) and multilateral development banks to collaborate and share knowledge. IFC is working to build the capacity of investment officers and to develop and apply an LGBTI investment lens approach (based on the well-established gender lens investing framework) in its investment, advisory, and upstream operations. IFC seeks to lead the way for other DFIs and to help investors and companies become more LGBTI-inclusive.

IFC’s thought leadership work on LGBTI includes publishing reports. *Inclusive Banking: Emerging Practices to Advance the Economic Inclusion of LGBTI People* identifies emerging practices implemented by global and regional banks to support the inclusion of LGBTI people, both as employees and customers. IFC is also developing an LGBTI Lens Investing Framework and piloting it in upcoming client investments and advisory engagements in Latin America and other regions. To that end it has processed the first loan with an LGBTI component in Colombia for Banco Davivienda (See Section 3).

IFC is also contributing to the development of the 2X Plus Framework on Gender and Intersectionality for marginalized groups, which offers guidance on how to integrate LGBTI considerations in investments. IFC is also developing a workplace inclusion guidance note to aggregate and analyze the various LGBTI workplace inclusion toolkits available on the market. It is hosting the Together We Can Plus (TWC+) Peer Learning Platform (PLP) in Sri Lanka, which brings together 13 companies that have made specific commitments to become more inclusive of LGBTI employees and customers (see Section 3). IFC is launching another PLP in Mexico (Mexico2Equal Plus) following strong interest and demand from clients. IFC is also piloting LGBTI and disability inclusion in the appraisal stage of investment deals.
Various World Bank and IFC projects and initiatives are implementing innovative practices to ensure SOGI inclusion in their work. This section highlights several noteworthy practices undertaken in different countries and sectors. These examples underscore the significance of stakeholder engagement; inclusive design and access to public services; private sector involvement in advancing SOGI equality in various sectors and regions; and the need for safe, affordable, and accessible public transport for all.

Transgender Inclusion in Karachi Mobility Project, Pakistan, World Bank

Women, including transgender women, are particularly affected by lack of safe, affordable, and accessible public transport systems in Karachi. Through consultations with organizations representing transgender women, the project team learned that sexual harassment and lack of safety were major barriers preventing transgender women from using public transport. As a result of these consultations, the team included the following actions in the project design to improve security for vulnerable groups and increase their ridership: enhancing safety and security features on the Bus Rapid Transit to mitigate GBV risks through staff training; creating reliable channels for complaints and feedback; running an awareness campaign against harassment and GBV; and adopting design features that address the needs of women, transgender people, and other vulnerable groups.

ID Systems and SOGI Inclusive Design, West Africa, World Bank

In West Africa, the SSI team used the broader framework of inclusion of marginalized and vulnerable groups as an entry point to carry out national consultations in multiple countries to learn about the challenges that LGBTI people face in accessing and using ID systems. The consultations found that transgender people face discrimination and are often subjected to violence when the gender on their ID does not match their current physical appearance. The consultations highlighted important inclusive design factors for the ID enrollment system, including the need for enrollment to occur in places where LGBTI people feel safe. This critical feedback led to develop a global guidance note on ID Systems and SOGI Inclusive Design, which is now being used in other regions and countries preparing ID systems projects.

Designing an Inclusive Gender Equality Law, Vietnam Country Gender Program, World Bank

The SSI Global Practice's Country Gender Program (CGP) in Vietnam is supporting the National Assembly Social Affairs Committee and relevant line ministries in their efforts to ensure select new and updated laws are informed by an assessment of their impact on men, women, and sexual and gender minorities. This includes updating the 2006 Gender Equality Law (GEL).

Current legal frameworks in Vietnam refer to gender equality in binary male/female terms without references to inclusion based on sexual orientation, gender identity and expression, and sex characteristics (SOGIESC). The update to the GEL presents an opportunity to broaden the scope and definition of gender equality to include SOGIESC.

Working in close collaboration with the Ministry of Labor, Invalids and Social Affairs (MOLISA) and partners and national interest groups representing the LGBTI community, the CGP analyzed the legal framework for SOGIESC inclusion in Vietnam and assessed key gaps in the current GEL that limit inclusion of sexual and gender minorities. It proposed recommendations to make the GEL more inclusive of LGBTI people with links to data and international best practices and an assessment of their relevance for the Vietnamese context.

Strengthening State Universities in Chile, World Bank

The World Bank is helping the Government of Chile address the challenges faced by LGBTI students, students with disabilities, Indigenous students, and migrant students in higher education. The government envisions the development of LGBTI capacity building plans in close coordination with Centers of Inclusion at state universities. A network among the Centers of Inclusion will promote effectiveness and homogeneity in service delivery and equitable targeting among state universities, with the possible development of common standards to be replicated nationwide. The project will also promote career counseling programs with a focus on vulnerable and under-represented segments of the population (for example, sexual minorities).
Mitre Passenger Railway Line Modernization Project, Buenos Aires, Argentina, World Bank

In preparation for a project to modernize Buenos Aires’ railways, participatory planning and citizen collaboration efforts identified concerns and access constraints related to minorities, including sexual minorities in public transit. In response, construction and refurbishment works in rail stations will create adapted and inclusive spaces, including for women and sexual and gender minorities. To improve their experience as train users, gender offices will be set up in several stations to host workshops and training on gender-related issues. Protocols for risk situations for women and LGBTI+ people will be updated, improving travel experience and personal security for women and sexual minorities. Bathrooms will also include female hygiene products dispensers (with online payment or associated with the train tickets) and baby changing equipment. The project will also address gender stereotypes and barriers to the employment of women in the railway sector by promoting the entry and advancement of women to positions of higher responsibility through tailored campaigns and pilot projects. For example, the project will collaborate with universities on a training and internship program to increase women students’ interest and participation in the railway sector.

LGBTI-Inclusive Products and Financial Services, IFC

Private sector banking is recognizing that LGBTI people make up a significant and growing market for financial products and services. More banks and financial service providers are considering how to further the inclusion of LGBTI people. Examples in IFC’s Inclusive Banking report refer to banks, such as ANZ and HSBC, that have upgraded their retail banking interfaces (including at branch and via telephone banking) to allow customers to easily update the gender information on their accounts without the need for additional document checks.

Banks in emerging markets are also taking steps. Argentinian state-owned Banco de la Nación announced a one percent target for transgender people in the workforce as part of an agreement with the banking industry’s labor union, Asociación Bancaria. BBVA Continental and Banco de Crédito del Perú, Scotia Bank Peru, and Interbank offer shared financial products that anyone can use, regardless of sexual orientation or gender identity. In Pakistan, First Women Bank Limited provides bank accounts for transgender women. Pride Bank targets LGBTI groups in Brazil and offers tailored credit and savings products, insurance, and financial services.
Citi and other banks allow customers to choose the title and name displayed on debit and credit cards, even if local regulations do not permit gender or name changes on official identification documents. Standard Chartered has established standards for the nomenclature and language used in its product descriptions to remove terms that may be exclusionary of certain groups. Several banks train customer-facing staff on how to have inclusive and respectful conversations with customers identifying as transgender or gender non-binary.

IFC has also processed the first-of-its-kind LGBTI lens investment in Colombia. The $275 million investment in Banco Davivienda will be complemented with a potential advisory services project focused on supporting the bank to develop a meaningful value proposition towards LGBTI customers.

The proceeds of the loan will also support Davivienda to increase access to finance for other segments of the population that remain underserved. This includes women-headed and low-income housing (or social housing as defined by the Colombian government), women-led small and medium enterprises (WSMEs), and climate-smart projects. IFC is also collaborating with the Colombian banking association on a market study in Colombia to assess the LGBTI market profile and business opportunities for sensitizing financial institutions on the potential to serve LGBTI segments.

**Together We Can Plus, Sri Lanka, IFC**

IFC is implementing a Peer Learning Platform (PLP) in Sri Lanka as part of its broader gender engagement in the country. Together We Can Plus (TWC+) brings together 13 companies (including HSBC, Unilever, as well as local companies) that have expressed interest in LGBTI and disability inclusion in the workforce and customer base. These companies have made specific commitments to improve the inclusion of these two groups as part of their engagement in the PLP and have already fulfilled a great deal of them. Examples of commitments include creating a mutually supportive company culture by establishing employee resource groups, mentoring, and/or coaching initiatives; identifying and making changes to the company’s products and services to better reach LGBTI people; and revising the company’s internal materials, policies, and procedures, as well as public-facing communications materials to reflect more inclusive language.

IFC offers support, including training sessions, guest speakers, discussion, and sharing of good practices, to help these companies reach their commitments and even go beyond, by institutionalizing inclusion in their business models. Companies expressed interest in TWC+ in Sri Lanka despite same-sex relations still being criminalized in the country. This is a prime example of the role of the private sector in advancing inclusion.
The World Bank’s Gender Strategy update (2024–2030) currently underway asserts three high-level objectives: end GBV and elevate human capital, expand and enable economic opportunities, and engage women as leaders. For countries, companies, and development partners wishing to advance SOGI inclusion, these goals and work envisioned under them provide entry points to strengthen LGBTI people’s access to development outcomes, including the following.

1. End GBV and Elevate Human Capital

Education projects can support programs that address bullying and safety issues for children who are or are perceived to be sexual or gender minorities (including establishing official reporting mechanisms that are safe for LGBTI students). They can also support development of school curricula to include information on sexual orientation, gender identity, gender expression, and sex characteristics. Teacher training programs can make teachers aware of attitudinal barriers and child protection risks for sexual and gender minorities. Teachers can also learn how to identify, refer, and respond to GBV against students who are or who are perceived to be sexual and gender minority learners, both at the school and university levels. It is critical that schools and universities have funding to support inclusion and diversity work.

Measure to promote health, social protection, and jobs must be open to all. Access to safe health care must be non-discriminatory and non-judgmental. Social protection programs must also be accessible to all, including sexual and gender minorities, by addressing barriers, such as stigmatizing heteronormative language underlying the social protection programs and/or stigmatizing attitudes of those administering the program.

Projects to end GBV can include the creation or strengthening of specialized services and “safe spaces” for sexual and gender minorities and their families that cultivate education and empowerment and offer integral services for LBT survivors of GBV. It is also vital to work toward the prevention of the revictimization of LBT GBV survivors and involve communities to stimulate change in the social norms that perpetuate homophobia, transphobia, and discrimination against LBT people.

2. Expand and Enable Economic Opportunities

To enable economic opportunities, initiatives that support women entrepreneurs can be expanded to include entrepreneurs who are sexual and gender minorities. Labor retraining programs for the unemployed can also be expanded to include sexual and gender minorities. The World Bank can support countries that decide to establish SOGI-based employment quotas (for example, employment quotas for transgender women in Pakistan) by ensuring Bank-financed projects abide by these legally established quotas.

To increase access to finance, it is important to uplift LGBTI-focused funds and incubators as many LGBTI people work in the informal sector or are self-employed. Financial institutions and intermediaries also need support in providing access to capital to LGBTI people (for example, providing loans to start businesses). This includes transgender people whose official government issued documents do not reflect their self-declared gender identity.
3. Engage Women as Leaders

To expand access of LGBTI people to the policy arena, it is important to promote policies that tackle traditional social norms by allowing and facilitating LBT women's access to education, jobs, and financial services. Projects must promote participation, local empowerment, demand-responsiveness, greater downward accountability, and enhanced local capacity that are inclusive of LBT people. This includes encouraging consultations with LBT civil society organizations and representatives in projects that are directly relevant to them, particularly in the health, education, and jobs and social protections sectors.

Beyond these entry points within the Gender Strategy’s objectives, there are opportunities to work with countries and partners who are interested in collaborating on expanding the World Bank’s efforts to include SOGI in the following areas:

1. Filling the Data and Knowledge Gap
2. Leveraging Impact Evaluation and Learning
3. Supporting Policy and Institutional Reforms for Sexual and Gender Minorities through Development Policy Financing
4. Enhancing Staff Training and Capacity Building

Area 1: Filling the Knowledge and Data Gap

While there are emerging practices in collecting SOGI-disaggregated data, including as part of sample surveys, collecting data from LGBTI people remains challenging. Many LGBTI people are reluctant to self-identify on surveys due to the risk of further discrimination and exclusion. It remains an important goal to include validated SOGI-identifying questions in censuses and household surveys that inform official statistics, but this requires a high degree of social acceptance and awareness, trust on the part of LGBTI people, and domestic political support on the part of client countries. Nonetheless, the generation of more SOGI-disaggregated data is a key priority for the World Bank and the production of related data is currently limited to specialized, one-off surveys.

Anchored in the need to increase the availability and quality of SOGI-disaggregated data, the World Bank proposes to develop and validate SOGI-identifying questions that can be recommended for use in household surveys as a first step. In addition, the World Bank is keen to support the development of interviewer training materials and protocols for administering these questions in face-to-face, phone, and online surveys in partnership with other stakeholders. This requires strong partnership with LGBTI civil society organizations, partner national statistical offices (NSOs), Eurostat, the United Nations Statistics Division, and other technical experts, to jointly develop common standards for collecting SOGI-disaggregated data in household surveys, while ensuring the safety, security, and confidentiality of the respondents. Concerted efforts to disseminate these outputs will also require dedicated training and sensitization activities for NSOs, relevant government agencies, and non-governmental partners at the country and international levels.

The World Bank proposes the following activities:

1. Conduct a systematic review of existing good practices on inclusion of SOGI-identifying questions in censuses and household surveys.
2. Facilitate a consultative process involving LGBTI civil society organizations, partner national statistical offices (NSOs), Eurostat, the United Nations Statistics Division, and other technical experts to inform the draft versions of SOGI-identifying survey questions, interviewer training materials, and protocol for data collection.
3. Conduct pilot testing of the draft tools in several countries, including possibly methodological experiments to test competing approaches to SOGI-disaggregated survey data collection.
4. Refine and finalize the recommended questions, training materials, and protocol for data collection and make them publicly available as “Guidelines for SOGI-Disaggregated Data Collection in Household Surveys.”
5. Develop resources for training and capacity building of national statistical offices to implement the guidelines.

Area 2: Leveraging Impact Evaluations and Learning

Different units at the Bank, including the Gender Unit, the Development Impact Evaluation (DIME) group, the Gender Innovation Labs (GILs), and the SSI Global Practice, conduct impact evaluations of development interventions and policy research to generate evidence on how to close gender gaps in earnings, productivity, assets, and agency. These units also provide cross-support during project preparation to help design interventions to create more equal opportunities for women and girls and to promote social mobility and inclusive growth.

Building on existing work, this workstream could help generate evidence through impact evaluations and inferential studies on LGBTI people to understand the
sources of underlying constraints that LGBTI people face and learn what works to improve development outcomes for sexual and gender minorities. This can enable project teams and policymakers to design innovative and scalable interventions that address SOGI-based inequalities.

Piloting innovative activities in sectors that have substantial service delivery elements, such as social protection, education, and health, and/or a focus on violence and gender-based violence, SSI and gender teams could derive what works on the ground for better inclusion of LGBTI people in development. The teams can then use this knowledge to advise project teams on how to design evidence-based programs.

Area 3: Supporting Policy and Institutional Reforms for Sexual and Gender Minorities through Development Policy Financing

Development policy financing (DPF) is one of the Bank’s three complementary financing instruments and supports policy and institutional reforms to help clients achieve sustainable growth and poverty reduction. DPFs have increasingly integrated gender aspects, closely aligning with the directions of the World Bank Gender Strategy 2024–2030, from ownership and control of assets to more and better jobs to human endowments to voice and agency. The share of gender tagged DPFs has steadily increased from 24 percent in FY17 to 70 percent in FY21. Prior actions resulted in important results as varied as greater access to finance or access to property, increases in jobs for women, greater preschool participation, strengthened child protection, increased access to education and health, better internet, and electricity connectivity, reduction in girls’ dropout rates, increased support to GBV survivors, and greater female representation in local elections.

In 2021 the World Bank launched the first iteration of the EQOSOGI study in 16 countries. EQOSOGI is first in a series of annual studies assessing the laws and regulations that affect the lives of LGBTI people in 16 countries: Bangladesh, Canada, Costa Rica, India, Indonesia, Jamaica, Japan, Kosovo, Lebanon, Mexico, Mozambique, Nigeria, South Africa, Tunisia, Ukraine, and Uruguay. These countries represent different geographic areas, income levels, and inclusiveness of sexual and gender minorities, ensuring a diverse and holistic representation of the issues. The report measures six indicators to identify differences in the legal treatment of sexual and gender minorities, including criminalization, political and civil inclusion, hate crimes, and access to inclusive education, the labor market, public services, and social protection. Although most of the 16 countries address discrimination against sexual and gender minorities in some way, no economy has achieved true equality under the law.
The World Bank, in collaboration with the Asian Development Bank, is currently expanding the EQOSOGI and collecting data in 62 countries. The EQOSOGI initiative provides a unique opportunity for the Bank to use the legal and policy recommendations as the basis for advice on DPFs with clients in the six sectoral areas of work.

**Area 4: Staff Training and Capacity Building**

Since 2016, the Bank’s SSI Global Practice and SOGI Global Advisor have developed and carried out training to build the capacity of World Bank staff and clients to apply a SOGI lens in their work. Training includes special modules for project managers and in-country implementation teams. Most recently, SOGI-specific deep dives on the ESF have been offered to the Bank’s environmental and social specialists and project leaders. SOGI training of Bank staff remains a critical agenda and will continue to expand as the World Bank Gender Strategy 2024–2030 takes shape. This includes in the areas of data generation, evidence building, and operations.
This glossary of terms and definitions provides a common basis for understanding, and to offer terminology to describe concepts related to sexual orientation and gender identity.

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