

2nd Committee Panel Discussion on
Financing for gender equality within the context of follow-up to the Monterrey Consensus

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I was asked to provide a brief overview of financing for gender equality and then to focus on the Monterrey Consensus, its follow-up process and some of the key issues identified by the Expert Group Meeting organized by the Division for the Advancement of Women on “Financing for gender equality and the empowerment of women”, held in Oslo, Norway this September.

Overview

There have been a number of international commitments on financing for gender equality and empowerment of women. The most comprehensive set of initiatives, contained in The Beijing Platform for Action, emphasized that funding had to be identified and mobilized from all sources and across all sectors. Sufficient resources, it was agreed, need to be allocated to national machineries for the advancement of women and all institutions that contribute to the implementation and monitoring of commitments to gender equality. Adequate financial resources for the implementation of the Platform for Action in developing countries were also called for, and countries involved in development cooperation were requested to conduct analysis of their assistance programmes from a gender perspective to enable improvements in the quality and effectiveness of aid.

In Beijing, governments also committed to systematically reviewing how and if women benefit from public sector expenditures, and to adjust budgets to ensure women’s equal access and achieving the gender-related commitments made in United Nations summits and conferences. They also committed to creating a supportive environment for the mobilization of resources by non-governmental organizations, particularly women’s organizations and networks, feminist groups, the private sector and other actors of civil society, to enable them to work towards the full implementation of the Platform for Action.

It’s clear from statistics that there remains a crucial need for resources in order to improve women’s lives and eliminate gender gaps in quality of life and life chances. For example, a majority of the world’s absolute poor are female and women on average earn slightly more than 50 % of what men are earning. Violence against women remains a major cause of death and disability for women 16-44 years of age, as does maternal mortality.

Gender Aspects of the Monterrey Consensus

As Joseph Stiglitz has pointed out, the Monterrey Consensus represents an important recognition that financing for development has implications not just for financial markets but for all people in a society. The Consensus invites the participation of a broad spectrum of interests in discussions about financing for development and as such offers the potential for

integrating initiatives for financing for gender equality as part of these broader processes of sustainable development.

Several references are made to women's empowerment and gender in the Consensus. These refer to a holistic and interconnected approach to financing for development that is gender sensitive (para. 8); good governance, sound economic policies and the importance of gender equality for realizing such goals (para. 11); empowering women in the context of appropriate national policy and regulatory frameworks (para. 12); investments in basic social and economic infrastructure that is gender-sensitive (para. 16); microfinance, particularly for women (para. 18); capacity building that includes gender budget policies (para. 19); business frameworks that are sensitive to the gender implications of their undertakings (para. 23); and, calls for governments to "Mainstream the gender perspective into development policies at all levels and in all sectors" (para. 64).

The references to gender equality and women's empowerment in the Consensus recognize the cross-cutting nature of these issues. However, the references to gender and women were not directly integrated throughout the leading action areas – there is only a call to be gender sensitive in applying policies and programmes without a clear time frame or a set of institutional arrangements for implementing gender mainstreaming objectives in the context of other development goals. Furthermore, the distributive and social consequence of market liberalization and other sound economic policies referred to in para. 11 of the Consensus are not considered.

This has led to a number of gender sensitive experts and advocates to conclude that a key shortfall of the Monterrey Consensus in terms of financing for gender equality concerns the lack of coherence between economic policies that emphasize low inflation and mobility of capital on the one hand, and the social commitments to poverty reduction, human rights and gender equality on the other. The latter commitments often require public spending to support social provisioning and to stabilize the social imbalances that result from deflationary policies, the very spending that may be downgraded as external debt and debt servicing payments get prioritized.

There is no doubt that macroeconomic policies have important implications for financing for gender equality as Stephanie will discuss. There is indeed a growing body of evidence demonstrating that gender inequality is bad economics. According to the 2007 Economic and Social Survey of Asia and the Pacific, for example, gender inequality costs the region 80 billion USD a year. The region loses up to 47 billion USD a year because of restrictions on women's access to employment, and up to 30 billion USD because of gender gaps in education.

What has happened in the Follow up to the Monterrey Consensus?

Unfortunately, gender equality and the empowerment of women have received limited attention in the follow up processes to Monterrey to date. In the General Assembly only one of the eight ministerial roundtables during the first High-level Dialogue on Financing for Development in 2003 addressed gender equality and made specific proposals, such as integrating women's issues and rights into the other MDGs. During the 2005 High-level Dialogue on Financing for

Development, participants emphasized that domestic resource mobilization policies should incorporate the international commitment to gender equality and recommended using gender-responsive budgeting to ensure that the relevant commitments are resourced, to upgrade the employment of women in the value chain and to increase women's access to assets and property rights. Similarly, the annual Special High-level Meetings of the Economic and Social Council with the Bretton Woods Institutions and the World Trade Organization have paid limited attention to gender perspectives.

The Paris Declaration on Aid Effectiveness acknowledges that harmonization efforts are needed on crosscutting issues, such as gender equality and other thematic issues including those financed by dedicated funds. Some have identified the Declaration as a potential further opportunity to embed gender equality and women's empowerment into the reform of aid delivery and effectiveness if the design of reforms and the implementation, monitoring and evaluation of the Declaration incorporate gender equality and women's empowerment as cornerstones.

It is clear that integrating a gender perspective into the follow up process to financing for development commitments is crucial to the effectiveness of the entire process. In addition, the development of effective tracking, monitoring and evaluation tools to establish what is being done and its impact on gender equality goals, are key mechanisms for discussion and elaboration at the preparatory processes leading up to the 2008 review in Doha.

Here the Expert Group Meeting on "Financing for gender equality and the empowerment of women" held in Oslo in early September identified both issues of process and content. I will only highlight some of the creative ideas and follow up issues that were identified by the range of participants at the meeting. Member States are invited to review the substantial set of ideas presented in the Background Papers prepared for the EGM, available on the DAW website.

Participants urged that the outcome of the 2008 Conference be a negotiated Declaration with new commitments to mobilizing resources for achieving internationally agreed development goals, including gender equality and the empowerment of women.

The implementation of such renewed commitments can involve a range of actors and means including governments, bilateral and multilateral funders, women's machineries, organizations and Women's Funds.

1. For instance, Governments are encouraged to integrate a gender perspective into their public finance system, through a strategic plan with short, medium and long term targets.
2. The cooperation of Finance Ministries and well-funded women's policy machineries to develop and implement mechanisms to coordinate and monitor the implementation of gender perspectives into planning and budgetary decision making such as such as annual gender budget statements and gender impact assessments for new policies, is a cornerstone of such a gender-sensitive public finance system.

3. The development of performance indicators, to measure progress in introducing and implementing gender-responsive approaches to public finance, will also facilitate the broader shift to results based budgeting that emphasizes outcomes and outputs. We will hear about the benefits and challenges of such an initiative from Mr. Mohamed Chafiki in his presentation on Morocco's Gender-responsive Budget Initiative.

4. In terms of ODA, Commitments under the Monterrey Consensus and the Paris Declaration for significant scaling-up of such funding should include corresponding increases for financing women's empowerment and gender equality. It was recommended by the EGM that the share of ODA for women's empowerment and gender equality be scaled up to reach 10% by 2010 and 20% by 2015 of all ODA. Efforts to improve the tracking of ODA directed to gender equality and women's empowerment could be enhanced by having bilateral donors build on existing efforts to improve tracking and reporting on programmes focused on gender equality and women's empowerment through for example, using the DAC gender equality policy marker when reporting aid statistics.

5. Ensuring that direct funding goes to support women's organizations in different regions, and not only through national government channels, to advance the autonomy and independence of women's organization was another suggested strategy. The EGM recommended that donors to the women's movement should develop a Sustainability Compact. This compact would work towards the goal of making women's organizations sustainable, in holistic terms, beyond donor funding.

6. Women's Funds – autonomous social change grant making organizations set up by women, were identified as important new vehicles for funding for gender equality and these should receive significant investments to build on their potential to deliver financial support to women's rights organizations and movements and to advance the overall goal of achieving gender equality and the empowerment of women.

7. Finally, in terms of content, the EGM reinforced the importance of weighting macroeconomic goals and targets equally with social policy; indeed, the participants underscored that all macroeconomic policies are in fact social policies with their resulting distributive implications of benefits and burdens. Participants also reaffirmed the importance of national policy space for pursuing a more pluralist approach to macroeconomic management that recognizes and respects the varying political economies and cultures of UN member states.

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