

**51st session of the United Nations Commission on the Status of Women
26 February to 9 March 2007**

Informal expert panel

Financing for gender equality and the empowerment of women

28 February 2007

Moderator's Summary

1. On 28 February 2007, the Commission convened an informal expert panel on its 2008 priority theme “Financing for gender equality and the empowerment of women” to provide an opportunity for raising issues to be considered in preparation of the priority theme. The session was moderated by Mr. Balázs Csuday (Hungary), Vice-Chairperson of the Commission. The panelists included: Ms. Mayra Buvinic, Sector Director for Gender and Development, World Bank; Ms. Lydia Alpízar Durán, Executive Director, Association for Women's Rights in Development (AWID); Ms. Audra Jones, Senior Director of Partnership Development, United Nations Foundation; Mr. Paul Lupunga, Ministry of Finance and National Planning of Zambia; Ms. Rhonda Sharp, Professor of Economics at the Hawke Research Institute for Sustainable Societies, University of South Australia; and Ms. Guro Katharina Vikør, Ministry of Foreign Affairs, Norway.
2. Different sources of financing for gender equality and the empowerment of women, including official development assistance (ODA), debt cancellations, national budgets and private sector funding were discussed during the interactive panel.
3. Participants noted a shift in how development assistance was delivered over the past 10 years, including the increased focus on sector-wide approaches or large spending programmes in areas such as health, education and agriculture based on the priorities and plans of partners, and on poverty reduction strategy papers on the basis of partners' medium-term priorities and plans. The adoption of the Millennium Development Goals (MDGs) had also had a significant impact on development assistance. The adoption of MDG 8 (“developing a global partnership for development”) had broadened the range of stakeholders for the international development agenda.
4. While recognizing that over the same period of time donor commitments to ODA had significantly increased, reaching US\$107 billion in 2005 based on an approximate annual increase of 5 per cent, participants also noted that the annual increase in ODA would have to more than double in size to ensure achievement of the internationally agreed development goals.

5. Discussions within developing countries on aid effectiveness had started in the late 1990s. In Zambia, for example, such discussions had led to the development of an aid policy outlining the processes of, and guidelines for, soliciting, acquiring, disbursing, reporting, auditing and monitoring and evaluating aid. A publicly available development assistance database—with information on cooperating partner programmes and sectors, resource inflows, target groups (including women and girls) and progress in implementation—had enhanced transparency and mutual accountability among the various stakeholders in the development process.

6. Discussions highlighted that promoting gender equality and the empowerment of women required multi-dimensional and multi-sectoral approaches. A wide range of programmes were required, ranging from programmes that directly benefited both women and men, specific efforts to mainstream gender perspectives in other programmes and interventions directly targeting women. This made establishing accountability and accurately measuring progress in financing for gender equality and empowerment of women difficult. To confront this challenge, the OECD/DAC took concrete steps in the 1990s to develop “gender policy markers” which facilitate assessment of allocation of resources by bilateral donors. Participants stressed that results-based budgeting contributed to enhanced tracking of the disbursement of funds for gender equality and the empowerment of women and to the elimination of the gap between policies and implementation.

7. Other challenges, highlighted by partner countries, in increasing the financing of gender equality and empowerment of women through development assistance included difficulties in harmonizing the overall aid agenda and the gender equality agendas; the scaling down of ODA for gender equality by some countries; and the limited mutual accountability between donor and partner countries.

8. Participants discussed increases in development assistance focused principally or significantly on gender equality and the empowerment of women, rising to US\$ 7 billion in 2004 and 2005. It was noted, however, that much of the funding for gender equality and empowerment of women was in the social sector, in education or health. Much less funding was allocated in the agriculture, infrastructure and finance sectors.

9. Participants noted that the new Gender Action Plan of the World Bank, with a four-year budget of US\$24.5 billion—half of which would be provided by the Bank and half by donor countries—aimed to encourage greater economic potential for women in these sectors, to increase resources devoted to gender issues in Bank operations and technical assistance, and to strengthen research and data collection.

10. The approach to financing gender equality and empowerment of women in one bilateral donor country, Norway, was shared. A specific budget line for women and gender equality had been introduced and new funds were also allocated for targeted measures across other budget lines, notably for humanitarian assistance and peace and reconciliation. Altogether, allocations for targeted measures had been increased by approximately US\$ 65 million. In addition, the objective was to ensure that all budget lines for Norwegian development cooperation visibly incorporated gender equality objectives, since gender equality and women’s empowerment is one of the five pillars of Norwegian development policy. Managers for the different budget lines will be required to report on spending for gender equality and empowerment of women.

11. Participants emphasized the gap between international commitments on gender equality and the empowerment of women and the implementation at the national level. It was noted that an assessment undertaken for the World Bank in five low-income countries had found the cost for achieving MDG 3 on promoting gender equality and empowering women to be US\$7 to 13 per capita, on average, for the period 2006 to 2015. The shortage in funds for gender equality interventions in those countries ranged from US\$ 9 to 24 billion. The challenge of ensuring adequate attention to and resources for gender equality issues in sector-wide approaches was raised.

12. Participants noted that it was through the budget at national and sub-national levels that a government's commitments to gender equality and women's empowerment were translated into practical policies, programmes and activities. Gender responsive budgeting had emerged in response to the recognition of the importance of budgets for gender equality and acknowledgement of the slow progress in translating government commitments into resource allocations. Gender-responsive budget processes provided a means to ensure that allocations and expenditures were based on analysis of the differences and inequalities between women and men in relation to, inter alia, incomes, assets, decision-making power, service needs and social responsibilities for care. Gender-responsive budgets aim to ensure a more equitable distribution of public resources and the benefits of development to women.

13. Participants reviewed recent trends in the development of gender-responsive budgeting. Since the first initiative in 1983 by the Government of Australia, approximately 60 countries had introduced gender-responsive budget initiatives based on a wide range of frameworks, rationales and methodologies. The development of strategies, manuals, case studies and indicators was reported. However, participants noted that implementation of resource allocations for gender equality and empowerment of women had to be closely monitored. Efforts had been made to incorporate gender perspectives in the reviews of public expenditures.

14. To support effective gender-responsive budget processes, initiatives had been taken to strengthen the capacity of budget officials on gender equality and gender mainstreaming and to train women's organizations on the technical aspects of budget processes. Participants, however, highlighted the need to also sensitize and train high-level decision-makers, such as ministers, directors and other elected representatives.

15. It was noted that while training was necessary, it was not sufficient to ensure effective implementation of gender-responsive budgeting. Strong political will and accountability were required, in particular to ensure the long-term commitment required to generate sustained results, i.e going beyond efforts in a limited number of budget cycles.

16. Participants noted that the introduction of gender-responsive budgeting had had a positive impact on overall budget processes, including through introducing more participatory and transparent approaches and the use of data and indicators disaggregated by sex.

17. Participants discussed the downward trend in financing for women's organizations and movements. Surveys had shown that the traditional funders of the women's movement — large international NGOs and bilateral and multilateral organizations—had re-directed their funding towards governments and away from women's organizations. Large foundations had also moved to providing large grants to a few organizations for reasons of efficiency. As a result, small women's organizations had great difficulty in obtaining funding. Participants

noted the significance of this shift since 66 per cent of women's organizations had budgets under US\$50,000 and 35 per cent under US\$10,000 per year.

18. Corporate and family foundations and individual donors were an important growing source of funding which women's rights organizations could explore further. In this regard participants noted that women had been creative in mobilizing funds to support the work of women's organizations, which had led to rising number of "women's funds" in different parts of the world. These funds played a particularly important role in reaching out to women's organizations with small budgets.

19. Participants highlighted the potential of the private sector in financing the women's movements and the work of other organizations on gender equality and empowerment of women. Over the past five years, private sector funding had increased, reaching \$3.8 billion. This was, however, still far less than the resources provided through ODA.

20. It was noted that private sector interest in development was not only driven by equity/equality considerations but also by business interests. Engaging the private sector in financing gender equality and empowerment, and strengthening private/public partnerships, required presenting a compelling case for the value-added of gender equality and empowerment of women for social and economic development, for example by presenting women as the drivers of the economy. The Coalition for Adolescent Girls—a public-private partnership between the United Nations Foundation, Nike Foundation and over 30 NGOs and United Nations agencies—was highlighted as an example of a global advocacy platform that aimed at spearheading policies and increasing resources for adolescent girls by making the case for investing in girls.

21. Participants also noted that the role of the private sector had so far been limited to programme support, such as financing vocational training, creating codes of conduct and providing capital for business development. However, the private sector could also be engaged as partners in promoting and supporting the implementation of the gender mainstreaming strategy across a range of sectors. This approach would require the development of a cohesive business case for corporations working in developing countries and investment in development of capacity within the private sector.

22. Participants suggested that at its 52nd session the Commission could focus on ways and means to create political will for gender-responsive budgets, increased allocation of resources for national machineries, support to the work of civil society and integration of gender equality and women's rights into the framework and implementation mechanisms of the Paris Declaration on Aid Effectiveness. Participants also stressed the need for further research and action to engage the private sector in financing for gender equality and the empowerment of women.

23. There was strong support among participants for the recommendation of the High Level Panel on System-wide Coherence to establish a new consolidated gender equality entity. It was stressed that the international community had to be prepared to provide adequate funding for this new organization.