

Opening Statement
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Expert Group Meeting on “Financing for gender equality and the empowerment of women”
Organized by
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Distinguished hosts, experts and observers,

It is with great pleasure I welcome you to this Expert Group Meeting on “Financing for gender equality and the empowerment of women.” I would like to thank the experts for accepting the invitation of the United Nations Secretary-General to share your expertise on this important topic. I would also like to welcome all other participants who are attending as observers from Government, the United Nations system, and non-governmental organizations.

Let me begin by expressing my gratitude to the Government of Norway for hosting this Expert Group Meeting, for your warm welcome and all support received. I am especially grateful to Ambassador Guro Vikor of the Ministry of Foreign Affairs for her personal support.

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The United Nations Commission on the Status of Women plays a catalytic role in advancing the global policy agenda on gender equality and the advancement of women. The new working methods of the Commission, adopted in 2006, focus on the acceleration of implementation of the Beijing Platform for Action and the outcome of the 23rd special session of the General Assembly. The Commission focuses on one priority theme at each annual session, and adopts policy recommendations in the form of agreed conclusions which aim to further enhance implementation. The agreed conclusions are broadly disseminated to governments, the United Nations system, NGOs and other stakeholders.

Prior to each of the annual sessions of the Commission, the Division for the Advancement of Women holds an expert group meeting to ensure access to the latest research and practical experience on the priority theme to be considered by the Commission. At its 52nd session, from 25 February to 7 March 2008, the Commission will address the priority theme of “Financing for gender equality and the empowerment of women.”

This meeting of experts provides a critical opportunity to inform and impact the Commission’s deliberation on the priority theme, and the development of the agreed conclusions, which represent the global consensus on financing for gender equality and the empowerment of women.

The decision of the Commission to focus on “Financing for gender equality and empowerment of women” was based, in part, on the need to influence the upcoming follow-up to

the Monterrey Consensus on financing for development in Qatar in 2008 from a gender perspective. The outcome of the Commission will also provide input to the follow-up to the Paris Declaration on aid effectiveness in Ghana in 2008. The Commission's consideration of this theme presents a unique opportunity for the international community to adopt concrete policy recommendations which promote greater coherence between macroeconomic policies and resource allocations and internationally agreed development goals on gender equality and the advancement of women.

This expert group meeting therefore has the potential to not only influence the deliberations and outcomes of the Commission on the Status of Women but to also have a broader impact on the important follow-up processes to the Monterrey Conference and the Paris Declaration.

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There have been a number of international commitments on financing for gender equality and empowerment of women. The Beijing Platform for Action emphasized that funding had to be identified and mobilized from all sources and across all sectors. Sufficient resources needed 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 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 review how women benefit from public sector expenditures, and to adjust budgets to ensure women's equal access and achieve 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.

At the five-year review of implementation in 2000, the General Assembly stressed the need for continued international cooperation to increase the flow of resources to enable full implementation of the Platform for Action, in particular through reaffirmation and fulfillment of the internationally agreed target of 0.7 per cent of the gross national product of developed countries for overall official development assistance, and support for the Cologne initiative for the reduction of debt.

The Assembly called upon government to provide national machineries with the necessary human and financial resources, including through exploring innovative funding schemes, so that gender perspectives are integrated into all policies, programmes and projects. It specifically called upon Governments to mainstream a gender perspective into the design, development, adoption and execution of all appropriate budgetary processes, in order to promote equitable, effective and appropriate resource allocation. It called for the establishment of adequate budgetary allocations to support gender equality and development programmes that enhance women's empowerment. Governments were also called upon to develop the necessary analytical and methodological tools and mechanisms for monitoring and evaluation.

At the ten-year review of implementation in 2005, the Commission, while welcoming progress made towards achieving gender equality, noted the remaining challenges and obstacles to implementation. Member States pledged to undertake further action to ensure full and accelerated implementation.

At its fiftieth session in 2006, the Commission encouraged the international community, the United Nations system, the relevant regional and international organizations and the private sector and civil society to provide the necessary financial resources to assist national Governments in their efforts to meet the development targets and benchmarks agreed upon at the major United Nations summits and conferences and their follow-up processes. The Commission also called for mobilization of adequate funding for gender-sensitive development policies and programmes and for national mechanisms for gender equality, through national, regional and international resource mobilization and gender-responsive budget processes in all sector areas, and allocate adequate funding for women-specific measures.

Gender perspectives were also incorporated into recent international agreements on financing for development. In 2002 the Monterrey Consensus highlighted the importance of a holistic approach to financing for development, including gender-sensitive development, and encouraged the mainstreaming of a gender perspective into development policies at all levels and in all sectors. The importance of capacity-building for gender mainstreaming in budget policies was also emphasized.

Gender equality and the empowerment of women have, however, 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, it was emphasized that domestic resource mobilization policies should incorporate the international commitment to gender equality, and participants recommended the use of gender-responsive budgeting to ensure that the relevant commitments are resourced.

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. In 2003, participants emphasized that the cross-cutting nature of gender equality and women's empowerment should be recognized as critical to the achievement of all development goals and that gender perspectives should be incorporated into trade policies. In 2004, the important contribution of women in support of, and as part of, private sector development was highlighted. In 2007, participants emphasized the importance of addressing the gender dimension in development finance; in particular, the effective participation of women in the implementation of aid programmes and the adoption of gender-sensitive budgeting.

The Paris Declaration on Aid Effectiveness acknowledged that harmonization efforts are needed on cross-cutting issues, such as gender equality and other thematic issues, including those financed by dedicated funds. The recent OECD Workshop on development effectiveness in practice, held in Dublin in April 2007, emphasized that gender equality, human rights and environmental sustainability are fundamental cornerstones for the achievement of good development results and must be harnessed to advance the implementation of the Paris Declaration.

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While the gap between policy commitments at international and national level and action on the ground is now well recognized, there has been limited assessment of the extent to which gaps in resource allocations in support of these commitments have contributed to this implementation gap. Some research does point to serious failings and challenges in this area, indicating that resources remain insufficient to adequately support policies and programmes that promote gender equality and the advancement of women.

Macroeconomic policies have important implications for financing for gender equality. For example, the removal of tariffs and other trade barriers has an impact on prices of goods and services consumed by households. Decreases in government revenues can lead to cuts in social spending, with direct impact on household budgets, and disproportionate impact on women.

There is 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. Gender inequality also limits pro-poor growth, as pointed out in a recent edition of *Poverty in Focus*, which highlights that addressing gender inequality in education and employment, women's unequal access to productive assets and increased time burdens due women's to unpaid work, can help to accelerate both overall economic growth and pro-poor growth.

Despite this evidence, and the many calls for gender mainstreaming in economics and in budget processes, public sector expenditure has not systematically addressed gender equality concerns. Efforts have been made in many countries to integrate gender perspectives into national budgets in order to better align policy commitments on gender equality with resource allocations. These efforts have involved a wide range of initiatives. Little is known, however, of the practical impact of many of these efforts. Many have remained at the level of analysis and have not moved to influencing budget formulation from a gender perspective. A number of other challenges are also emerging. These include the fact that attention remains focused on expenditures rather than revenues and that there is limited dialogue between Ministries of Finance, national machineries for the advancement of women and civil society groups. The lack of expertise and tools for monitoring and evaluating budgets from a gender perspective at national level remains a challenge in some countries.

With regard to development cooperation, the focus of the Paris Declaration is on the efficiency of aid delivery rather than on outcomes. However, the Declaration raises principles which have long been considered in bilateral work on gender equality and empowerment of women, such as local ownership, alignment with national goals and plans, mutual accountability and managing for results. The links between efficiency in aid delivery must be linked to development goal achievements and results on the ground, in relation to the MDGs, the PRSs and other national planning and evaluation processes. The "new" aid modalities under discussion today are not completely new. General budget support and sector budget support have been implemented for many years and the constraints for promotion of gender equality and empowerment of women are well recognized and some methodologies have been developed to counter these. What is new is the diversity of actors involved in providing aid and ways must be sought to ensure an increased focus

on gender equality among all actors. An important challenge is ensuring full attention to gender equality in the implementation and monitoring of the Paris Declaration.

A further challenge in relation to development cooperation is measuring the resource allocations that promote gender equality and empowerment of women, including both targeted interventions and gender mainstreaming efforts. The experience of, and future plans for, the OECD/DAC GENDERNET with the gender equality marker is critical in this context.

A recent study by OECD-DAC indicated that only \$5 billion of a total \$20 billion in bilateral aid allocated to specific sectors between 2001 and 2005 focused on activities that have gender equality as a principal or significant objective, with two-thirds of this funding directed to the social sectors, mainly health and education, and limited funds allocated to promoting gender equality in the agriculture, infrastructure or finance sectors.

In addition to public finance and multi-lateral and bilateral resources, funds and foundations have been established to mobilize resources for activities promoting gender equality and the empowerment of women. Private sector companies have also provided funding for development activities, including gender equality, and developed products and services specifically geared to women and girls. There are a number of innovative sources of funding which could be more systematically and effectively tapped for support to gender equality and empowerment of women.

In recent years there has been increased attention to remittances as potential sources of development financing, since in some countries remittances surpass ODA flows. Many women migrants contribute to gender equality and empowerment of women in their countries of origin through their remittances. However, given the unfavourable conditions under which many migrant women work, jeopardizing their own health and safety, concerns have been raised about the costs to migrant women of the remittances they send to their home countries. The need to focus on the primary responsibility of governments for the promotion of gender equality and empowerment of women has also been pointed out in this context.

Women's funds, or funds run by women for women, are emerging as an important tool for resource mobilization for gender equality and the empowerment of women. Such women's funds have been set up at international regional and national levels. They focus on building a substantial and sustainable resource base to support women's initiatives. Many provide the type of very small grants which women at local level need and which larger donor organizations are reluctant or unable to provide. According to AWID, in 2004, women's funds held approximately USD 24 million in net assets, earned USD 28 million in revenue and disbursed 15 million in grants.

Since 1995, the women's movement has been confronted with considerable challenges in securing adequate financial resources to continue to promote gender equality and women's empowerment. Some funders have moved away from a strong gender equality agenda and reduced their funding for the women's movement. With new aid modalities, once-strong supporters of the women's movement are re-directing bilateral and multilateral aid to gender budget support or sector budget support, which can mean less money for NGOs. At the same time, some strong supporters of gender equality, including development agencies and public foundations, are also realizing that partnerships with the women's movement can, in fact, increase the impact of their funding.

Particular attention should also be given to the resource needs of national machineries for the advancement of women. Around the world, many such machineries are uneven in their effectiveness because they are marginalized in national government structures and hampered by a lack of resources and political support. It is essential that these mechanisms receive the financial and human resources necessary to carry out their mandates in support of the implementation of policies and programmes that promote gender equality and the advancement of women. National machineries should also be encouraged and supported to play a more active role in budget processes at national and local levels to ensure sufficient attention to resource needs for the promotion of gender equality and empowerment of women.

The promotion of gender equality and the empowerment of women does involve significant costs, particularly because of the nature and scope of existing inequalities in all parts of the world. The costing of required national level interventions should be based on locally-identified needs, within the framework of broader global and national goals and targets. The costs for areas where progress has been slow should be specifically assessed, such as violence against women, women, peace and security, and women's participation in decision-making.

While the costs of addressing gender inequality are significant, the means to meet these costs are available. Research has, for example, shown that increased gender-sensitive investments in sectors not specific to MDG3 have positive impacts on gender equality and women's empowerment, when designed and implemented appropriately and concurrently with more targeted interventions. While research has also shown that investing in women is affordable within existing commitments on ODA, gender equality should be funded, at least in part, through the mobilization of domestic resources to promote ownership and sustainability.

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This Expert Group Meeting can stimulate thinking on how to systematically assess resource allocations for promoting gender equality and the empowerment of women, and where these fall short, on how to increase resources.

The 10-year review of the Beijing Platform for Action emphasized that reliable data, disaggregated by sex, was critical, including for gender-sensitive planning and budget allocations. Proposals for possible indicators to measure progress in implementation of each priority theme should be submitted to the Commission on the Status of Women. This Expert Group Meeting is encouraged to consider possible recommendations on indicators on financing for gender equality and the empowerment of women. You may wish to set up a small working group to specifically focus on ways to measure progress in all the areas covered here, including development of possible indicators, or alternatively to ensure that all working groups specifically address the issue of measuring progress in resource allocation and propose specific indicators on the basis of the recommendations made.

We have a challenging meeting ahead, and a focused approach and much hard work will be needed to arrive at consensus on the findings and recommendations of the meeting. A concise and focused report will be essential if we are to inform and impact the development of concrete policy recommendations of the Commission as well as the follow-up to the Monterrey Consensus and the Paris Declaration.

We have a unique opportunity since it is the first time the Commission on the Status of Women has specifically addressed the issue of resource allocations for gender equality. We hope to have strong policy recommendations from the Commission. Experts at this meeting have the opportunity to directly influence these policy outcomes as well as to recommend ways to systematically and effectively measure progress in the future.

At the Commission on the Status of Women in February next year, the results of this expert group meeting will be presented during an interactive expert panel on the theme of financing for gender equality and the empowerment of women. The report of the meeting will be widely distributed to delegates at the Commission.

The Expert Group Meeting has brought together many of the leaders in the field of financing for gender equality and the empowerment of women. I encourage you to share as many good practice examples and lessons learned from your own work. I am confident that your individual knowledge, experience and expertise from national, regional and global contexts will provide crucial insights, and guarantee the success of this meeting.

I wish you very productive discussions and an excellent outcome. I, and my colleagues from the Division for the Advancement of Women, stand ready to assist you in your work in any way possible.

Thank you.