

Mainstreaming gender perspectives in national budgets: an overview

**Presented by Carolyn Hannan
Director, Division for the Advancement of Women
Department of Economic and Social Affairs**

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I am pleased to have the opportunity to speak on this important topic. I would like to begin by congratulating the Korean Institute for Gender Equality Promotion and Education for organizing this roundtable as part of its innovative work to support the full integration of gender equality perspectives into the national budget process. I will provide a brief historical overview of work on influencing budgets from a gender perspective and highlight some of the important recent developments at the United Nations.

Over the past decade and a half, there has been an increased awareness of the importance of resource allocations and budgets at different levels for promotion of gender equality. To ensure accountability to policy commitments and adequate attention to women and gender perspectives in policies and programmes, it is necessary to influence both the budget formulation and monitoring and reporting on utilization of resources.

The recent consideration of the theme: “Financing gender equality and empowerment of women” in the Commission on the Status of Women has brought increased attention to resources for gender equality at global, regional and national levels. The need for better understanding of the significant costs for societies of gender inequality, for assessing the resources required to achieve gender equality, and for identifying and tapping sources of funding for critical interventions, has been highlighted. In this context, the importance of gender-responsive budgeting has been increasingly recognized.

There are very clear United Nations mandates on incorporating or mainstreaming gender perspectives into budget processes. The outcome document of the ten-year review of implementation of the Platform for Action in 2000 clearly states that: *Explicit attention to (gender equality) goals in the budgetary processes at the national, regional and international levels is essential.* (para 65).

- Governments, and other relevant actors, are called on to take action to:
- *incorporate a gender perspective into the design, development, adoption and execution of all budgetary processes, as appropriate, in order to promote equitable, effective and appropriate resource allocation;*
 - *establish adequate budgetary allocations to support gender equality and development programmes that enhance women's empowerment; and*
 - *develop the necessary analytical and methodological tools and mechanisms for monitoring and evaluation;”* (para 73b).

Under the Action Area: “Mobilizing domestic financial resources for development”, the Monterrey Consensus from the International Conference on Financing for Development (2002) called for reinforced national efforts in capacity building in developing countries and countries with economies in transition in “*social and gender budget policies*” (para 19).

The Committee on the Elimination of Discrimination against Women (CEDAW) has also increasingly brought attention to the work on budgets to ensure increased resources for gender equality and empowerment of women in their dialogue with States parties and in their recommendations.

In a growing number of countries, recently estimated to be around 70, efforts have been made to influence budget processes from a gender perspective. Initially the initiatives were called “women's budgets”; later they were called “gender budgets” to reflect the ongoing shift from a focus on women to the focus on gender and the relations between women and men. More commonly used terms today are “gender-sensitive budgets” or “gender-responsive budgets”. These are more appropriate since the objective of these initiatives is not to produce a separate gender equality or women’s budget but to mainstream relevant gender perspectives into existing budget processes, in order to ensure that all resources are allocated and utilized in a gender-responsive manner.

At the basis of all the initiatives undertaken to date is the need to make national budget processes more accountable from a gender perspective, to ensure that policy, programme and budget decisions take gender perspectives – i.e. the needs, priorities and contributions of both women and men - into account, and that policies and commitments on gender equality are matched with adequate resource allocations. A related objective is to increase women's participation in economic processes and contribute to the economic empowerment of women.

Evolution of methodological approach

The attempts to identify gender perspectives in national budgets began in Australia in the mid 1980s. The initiative was undertaken within government and was pushed by the national machinery for women. As an important feature, all line ministries were required annually to prepare a report on the implications of their expenditure (and sometimes also revenue) for women and men respectively. There was, however, little involvement of civil society in this process and the lack of demand from outside government is often given as one of the reasons for the decline in interest in the budget initiative.

The Australian initiative provided inspiration for many other countries around the world in the 1990s. One of the best-known examples is the initiative in South Africa in the mid 1990s which involved NGOs, academics and parliamentarians and led to the preparation of an annual “women's budget” for a number of years. In the late 1990s, innovative work was initiated in Tanzania by an NGO - Tanzanian Gender Networking Project - with the active involvement of the Ministry of Finance. This was an early good example of collaboration between government and civil society in bringing attention to gender perspectives in the national budget.

In terms of stakeholder involvement, what has become very clear is the need for broad involvement of many actors, including government bodies – especially ministries of finance/planning and national machineries for the advancement of women - NGOs, civil society groups, academics and parliamentarians.

Institutionalizing gender-responsive budget initiatives within government bodies is essential since some strong processes have become less effective over the years or have even died away completely due to lack of high-level support within these bodies. The involvement of ministries of finance/planning is critical to ensure adequate development of awareness, commitment, capacity and accountability for the allocation of resources for gender equality. The involvement of the national machineries for the advancement of women and women's groups and networks – including academic - is essential to ensure that the work is based on sound knowledge of gender equality issues in relation to different sectors.

While early approaches focused on analyzing the budget already formulated, in recent years there has been a shift to trying to influence the actual formulation of budgets, involving mainstreaming efforts across the whole budget cycle. Some initiatives today attempt to influence budget reform processes. There has also been a move from an almost exclusive focus on expenditures to include a focus on revenues, including taxation. A range of different activities have been identified as critical, including research and data collection; gender analysis; development of tools such as guidelines and manuals; incorporation of gender perspectives into existing budget procedures, processes and tools; development of training programmes, including in particular for personnel in ministries of finance/planning; and developing “budget literacy” and lobbying techniques among women’s groups.

Gender-responsive budgets in a mainstreaming context

The extent to which the focus in gender-responsive budget initiatives has been on attempting to secure specific funding for targeted activities for women, as opposed to ensuring that all resource allocations are based on full knowledge of the priorities, needs and contributions of both women and men, has not always been clear. Funding for targeted gender equality activities is necessary, as stressed in the Platform for Action and its follow-up, but this alone will not fully ensure gender equality in all areas. Efforts are needed to ensure that policy commitments by governments on gender mainstreaming in health, education, agriculture and other sectors are matched with resources. Governments must be accountable for the promotion of gender equality in activities and investments across all sector areas.

An early initiative in the Philippines has been broadly discussed in relation to the mainstreaming objectives. Since 1996, every government-related agency in the Philippines has been required to allocate at least five percent of their budget for gender equality work and to prepare a Gender and Development Plan. A positive aspect of the Philippine experience was the specific support provided to line ministries by the national machinery for gender equality, which led to increased awareness, commitment and capacity within the line ministries. The risks involved in specifying such a small portion of the budget to gender equality have, however, often been raised as this approach could reinforce the marginalization of women in relation to access to resources. The need to influence the entire budget from a gender perspective has been highlighted. Today the Department of Budget and Management in the Philippines also advocates for integration of gender perspectives into the performance-oriented budgeting system across all expenditures.

A major constraint in many earlier gender-responsive budget initiatives was the fact that they have been carried out in isolation – away from the mainstream activities in public finance management and without the full involvement of relevant actors in the sector. This has resulted in a marginalization of efforts and a diminishing of potential impact. In particular, it has meant that many gender-responsive budget initiatives remain focused on analysing budgets and do not have the

intended impact on budget formulation and outcomes, i.e. on the allocation of increased resources for gender equality. Today, an increasing number of initiatives which are more clearly focused on gender mainstreaming seek to use budget speeches, budget call circulars and budget guidelines as entry-points to facilitate the formulation and implementation of budgets which are gender-responsive.

The under-utilization of the opportunities provided by public finance reform to strengthen attention to resources for gender equality can also be seen as a failure to mainstream. Public finance reforms aim to improve efficiency, transparency and accountability in budget processes through more efficient collection of revenues and targeting of expenditures. This has led to a shift away from line-item budgeting focused on inputs to performance-based budgeting oriented towards outputs and outcomes. Such reform processes often involve significant changes in guidelines, manuals and instructions which can be effectively used to increase the attention to gender perspectives in budgets. The reform trend to focus outputs and outcomes also offers opportunities to make budget processes more gender-responsive through the introduction of gender equality output and outcome indicators. The emphasis on monitoring and accountability provides an enabling environment for increasing resource allocation to gender equality. Efforts need to be made to more effectively utilize these opportunities.

Initiatives which focus only on increasing resources for targeted activities for women, result in separate budgets for women/gender equality, are carried out in isolation from public finance sector activities and do not involve relevant critical actors from within this sector, or do not attempt to utilize on-going budget reform processes are not utilizing the gender mainstreaming strategy as intended, and are thus very limited in effectiveness.

Recent developments and current opportunities

At its recent 52nd session, the Commission on the Status of Women focused on the priority theme of “Financing for gender equality and empowerment of women”. An important rationale for this focus was to follow-up on the commitments to resources made in the Beijing Platform for Action in 1995. The ten-year review of implementation in 2005 had made clear that there was a huge gap between policies and implementation. Lack of resources was one clear factor behind the gaps in implementation. The second reason for this focus on financing for gender equality was the upcoming international conference to follow-up the Monterrey Consensus on Financing for Development (2002) and to ensure that there would be sufficient attention to gender equality in the preparations for and outcomes of this conference.

The discussions at the Commission on the Status of Women revealed that - despite the growing body of evidence demonstrating that gender equality makes good economic sense, and the calls for gender mainstreaming in economic policies and public finance management - adequate resources have not been systematically allocated to gender equality. One critical constraint was the fact that gender equality policies, strategies and action-plans are developed without any attention to the costs of implementation or to potential sources of funding. Lack of specific funding for gender mainstreaming was also identified as a constraint.

While the analysis and discussions at the Commission indicated that the most significant advances in relation to resources for gender equality in follow-up to the Monterrey Consensus have been in the area of gender-responsive budgets, further efforts are needed to ensure a shift from analysis to implementation, to broaden the focus to include both revenue and expenditures and to

ensure the full involvement of all critical stakeholders. Challenges identified included the limited dialogue between ministries of finance and national machineries for the advancement of women and lack of methodologies, tools and expertise within ministries for finance.

A further significant finding was the serious inadequacies in measurement of resource allocations for gender equality and women's empowerment. Ways and means to more systematically and effectively measure progress within the context of regular measurement of outcomes in public finance, for example, through expenditure reviews, need to be developed. Further development of sex-disaggregated data and indicators is also required.

In its recommendations, the Commission clearly calls for increased resources for both targeted activities and for the gender mainstreaming strategy. It called for *ensuring that sufficient resources are allocated for activities targeting the elimination of persistent obstacles to gender equality and the empowerment of women and girls in all critical areas of concern in the Platform for Action (21b)*. It also emphasized the need for *costing and adequately resourcing national policies, programmes, strategies and plans for gender equality, including the gender mainstreaming strategy (21k)*.

Mainstreaming gender perspectives into national budget policies and programmes is identified as an important means to increase resources for gender equality. Recommendations in the agreed conclusions adopted by the Commission specifically focus on, or are relevant for, gender-responsive budgeting initiatives. Governments are requested to:

- *Increase investment in gender equality and empowerment of women including by mainstreaming a gender perspective in resource allocation (21a).*
- *Strengthen a coordinated and institutionalized dialogue between national mechanisms for the advancement of women and women's organizations and relevant governmental agencies, including ministries for finance and their gender focal points, to ensure the integration of gender perspectives in all national development policies, plans and budgets (21j).*
- *Allocate resources for capacity development in gender mainstreaming in all ministries, particularly national machineries and finance ministries, to ensure that domestic resource mobilization and allocation are carried out in a gender-responsive manner, and reinforce national efforts in capacity-building in social and gender budget policies (21l).*
- *Carry out gender-sensitive analysis of revenues and expenditures in all policy areas and take into account the review and evaluation results in budget planning, allocation and revenue raising so as to enhance the contribution of Government expenditures to accelerating the full and effective implementation of the Beijing Declaration and Platform for Action (21o).*
- *Develop and implement methodologies and tools, including national indicators, for gender-responsive planning and budgeting in order to systematically incorporate gender perspectives into budgetary policies at all levels, with a view to promoting gender equality in all areas (21p).*

The on-going preparations for the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, to be held in Doha, Qatar, later this year, provide a unique opportunity to further explore the gender implications of financing for development and strengthen coherence between macroeconomic policies, plans and programmes and the internationally agreed goals on gender equality. Efforts need to be made to ensure there will be sufficient attention to gender mainstreaming in budget processes within the context of discussions on public finance management during the conference and clearer mandates developed.

Influencing the follow up to the Monterrey Consensus is essential because the financing for development processes directly engage ministries of finance/planning. While the Commission on the Status of Women produced a very good outcome on financing for gender equality, this Commission mainly engages the ministries of women's affairs. It is important, therefore, to ensure that the very good outcomes of the Commission on the Status of Women are brought to the attention of ministries of finance/planning and have thus increased potential to lead to changes in the process of financing for development and ensure increased resources for gender equality.