

GENDER BUDGETING: WHY AND HOW?

Usefulness in the context of programme-based aid

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STRUCTURE OF PRESENTATION

- What is gender budgeting: definition + discussion
- Objectives
- Rationale for gender budgeting in context of programme-based aid
- Approaches and tools + examples
- Usefulness for partner country (see context of PRSP)
- Usefulness for donor (focus on EC)
- Basic principles
 - Possible entry points
 - Suggestions for engendering two entry points
 - assessment sector programmes (7 key areas)
 - EC approach to conditionality (fixed and variable tranches)

DEFINITION OF GENDER BUDGETING

“gender budgeting is an application of gender mainstreaming in the budgetary process. It means a gender-based assessment of budgets, incorporating a gender perspective at all levels of the budgetary process and restructuring revenues and expenditures in order to promote gender equality” (Group of specialists on gender budgeting, Council of Europe, 2005)

DEFINITION OF GENDER BUDGETING

- Key elements
- ✓ gender mainstreaming
- ✓ different phases of the budget (and policy) cycle (financial and real)
- ✓ content and processes
- ✓ analysis and action
- ✓ political location
- ✓ entry point for engendering macro-economic policy and macro-economics
- ✓ wide variety of initiatives (no blueprint)
- ✓ limitations ('realistic expectations')

OBJECTIVES

- Equality
- Effectiveness and Efficiency
- Good governance

RATIONALE FOR GENDER BUDGETING IN CONTEXT OF PROGRAMME-BASED AID

- a number of similar underlying principles as current reform processes:
 - ✓ Confrontation of inputs and results (see results/performance-based budgeting; evidence-based policy-making; medium-term budgeting (MTEF))
 - ✓ Accountability and transparency (good governance)
 - management instrument by government (programme-based approach; logframes)
 - analysis by outside actors
 - ✓ Underlying budgetary processes: 'inclusiveness' (see principles of 'participation', broad-based country ownership)

APPROACHES AND TOOLS: OVERVIEW

(selection)

- ✓ no blueprint, no standardisation
 - + : right of initiative, national ownership
 - : little hold, grip

- APPROACHES
 - Budlender and Sharp 3 categories approach (see Budlender and Sharp, 1998)
 - Elson's Functional Framework (see Elson, 2002) (~logframe, programme theory)

- TOOLS (different moment in the budget cycle; different 'data' needs) (see Commonwealth Secretariat, 1999; Hewitt, 2002)
 - gender-aware policy appraisal
 - gender-disaggregated beneficiary assessment
 - gender-disaggregated benefit incidence analysis
 - gender-disaggregated analysis of impact of the budget on time use
 - gender-disaggregated revenue incidence analysis (see Himmelweit, 2002a;2002b)
 - gender-aware medium term economic policy framework (see Cagatay, Elson and Grown, 1995)

 - gender-aware budget statement

 - ...

BUDLENDER AND SHARP THREE CATEGORIES APPROACH

- classification of expenditures in three categories:
 1. Gender-specific expenditures (MINOR)
 2. Equal employment opportunity expenditures (programs aimed at change within government) (MINOR)
 3. General expenditures (LARGE)

- ✓ see example (Bolivia) for the relative 'weight' of the different categories in actual budgets

- 1. **Expenditures specifically targeted to men and women intended to meet their particular needs**
 - example: Australia: agricultural office

BUDLENDER AND SHARP THREE CATEGORIES APPROACH

2. Equal employment opportunity expenditures

Two elements of analysis are relevant:

- patterns of government employment (do they reflect principles of 'equal opportunities'?)
- gender-sensitivity of public services could also be determined by employment patterns at the delivery points of public services

Possibilities for analysis at level of second category:

- description of employment patterns for each ministry (desaggregation according to sex, educational level, salary, form of employment...)
- description of employment patterns at delivery points of public services with a gender focus (police, reception centre, ...)
- description of membership of committees, advisory boards (distinction between paid and voluntary boards)
- description of special initiatives to promote equal employment opportunity

examples:

Belgium: employment patterns in the public sector

Barbados: membership of committees

BUDLENDER AND SHARP THREE CATEGORIES APPROACH

3. General expenditures

= general or mainstream budget expenditures that deliver goods to the whole population

→ most of the expenditures in different portfolios

Possibilities of analysis: see Elson's Functional Framework; see toolkit

Elson's Functional Framework

- Underlying principle: bringing together two bodies of evidence:
 - 'gender (in)equality
 - Public finance, public sector programmes
- For each ministry (each department, each programme), for each phase of the budget cycle, classification into (*see also scheme next slide*):
 - Inputs
 - Activities
 - Results
 - Impact
 - At each level: gender analysis (using various tools, see below)
 - In case of negative answers: adjustment at the appropriate level
- Useful in context of programme-based and medium-term management and budgeting (see example of Morocco)

ELSON'S FUNCTIONAL FRAMEWORK

PHASE OF THE BUDGET CYCLE	LEVEL	EXAMPLE	GENDER PERSPECTIVE
PLANNED (identification, planning)	impact	poverty Healthy population Level of alphabetisation	Female/male ratio? Contribution to gender equality?
	output	Number of patients treated Number of students that have finished schooling	Female/male ratio? Contribution towards gender equality?
REALISED (audit, evaluation)	activities	Treatment of patients (health care) Schooling	Equal access towards activities?
	inputs	Financial inputs Human resources	Are the means enough to stimulate gender equality?

GENDER-AWARE POLICY APPRAISAL/EVALUATION

- Gender-analysis of the planned (sector) policy
basic question: 'in what ways will the policies and the associated resource allocations affect men and women; reduce or increase gender (in)equalities'
- Ex-ante (policy making)
- Assumption: policy → resource allocation → effective implementation
- specific questions (data requirements):
 - What are the current gender inequalities in the sector (e.g. results of previous gender analysis (benefit incidence analysis, beneficiary assessment, Harvard/Moser frameworks,...))?
 - What is the likely impact of current policy on these inequalities?
 - Does the policy address these inequalities?
 - Is it possible to reformulate policy? Is it possible to add specific policy measures as to make the policy 'gender-responsive' ('gender-neutral', 'gender-progressive')?
 - Are resources adequate to implement 'gender-responsive' policies?₁₃
- Example: South Africa: land reform

GENDER-DISAGGREGATED BENEFICIARY ASSESSMENT OF PUBLIC SERVICE DELIVERY AND BUDGET PRIORITIES

- studies the extent to which government policies, programmes and associated resource allocation match women's and men's needs and priorities
- Data collection through quantitative surveys and qualitative techniques (RRAP)
- Examples :
 - Australia: national survey about preferences regarding the allocation of government budget
 - Sri Lanka: research about health care through discussion in focus groups
 - Mexico: anti-poverty expenditures

GENDER-DISAGGREGATED BENEFIT INCIDENCE ANALYSIS

- Examines the distribution of public expenditures over men and women
- Three step methodology
 - Identification of unit cost of social services
 - Identification of usage that is made of social services, disaggregation of female and male users
 - Linking of the two previous steps
- Data requirements
 - Identification of unit cost: information available at the delivery point
 - Identification of users: national surveys
- Possible and interesting to include other levels of analysis (income, class, location, ...)
- Limits
 - No thorough analysis regarding underlying causes (intra-household resource allocation)
 - No economic cost-benefit analysis
 - No differences in needs are taken into account
- Example: Ivory Coast: education

GENDER-DISAGGREGATED REVENUE (TAX) INCIDENCE ANALYSIS

- examines the distribution of the burden of government revenue raising
- so far, more focus on industrialized countries (tax administration)
- data requirements
 - information about primary and secondary income distribution at individual level
- differentiation between direct and indirect effects:
 - analysis of direct effects at the level of the 'individual' income
 - analysis of indirect effects at the level of:
 - bargaining power
 - allocation of resources at the level of the household (investment in human capital)
 - allocation of productive resources (who participates at market labour?)
 - long-term welfare of men and women (pensions, ...)

Examples: -user fees (Zambia, Kenya, Malawi)

-district, municipal and village taxes (Nepal)

GENDER-DISAGGREGATED ANALYSIS OF IMPACT OF BUDGET ON TIME USE

- Studies effect of changes in budget on household time budgets
- Unveils the interdependence of market and care economy
e.g. highlights that 'reduction' of expenditures might rather be 'transfer' of costs to other sphere (care economy) → 'reproduction tax'
- Emphasizes need for taking into account in policy analysis time spent in care economy (interdependence market and care economy)
- Data collection through gender-disaggregated time use studies
- Example:
 - Ecuador: impact of social spending cutbacks (structural adjustment programmes) on time use of women in Ecuador

GENDER-AWARE MEDIUM TERM ECONOMIC POLICY FRAMEWORK

- Incorporates a gender perspective into medium-term frameworks of policy development, planning and budgetary allocations (see example of Morocco)
- More fundamentally: engendering 'macroeconomics'
 - Rationale: 'gender-blindness' has a cost (equity & efficiency)
 - see e.g. effects of gender-blind assumptions in mainstream macroeconomics and macroeconomic policy (homogeneity of labour, household as a unit, exogeneity of labour supply)
 - no blueprints, some tracks:
 - estimation of unpaid 'care' economy ('statellite accounts') and introduction in SNA (example: UNDP world estimates 1995)
 - introduction of new variables ('unpaid work') in economic models (see Cagatay, Elson and Grown (eds), 1995 for different possibilities)
 - relaxing assumption of exogeneity of labour supply (see e.g. Walters, 1995)
 - gender disaggregation of national aggregates as national income, savings, consumption, employment in economic models (see e.g. Collier, 1994)

GENDER-AWARE BUDGET STATEMENT

- Reporting by different ministries of the expected gender impact of its budget (possibly as an annex to the budget)
- Accountability exercise that may use the above mentioned approaches and tools: e.g.
 - .the Budlender and Sharp classification as an overarching framework
 - .showing how much is spent for each of the ministries on categories 1 and 2;
 - .showing the gendered effect of category 3 expenditures (displaying results of analysis using one/several of the above tools; e.g. gender-disaggregated benefit incidence analysis)
- Examples:
 - France: 'le jaune budgétaire' (extract: Ministry of Employment and Solidarity; Economic Affairs, Finance and Industry)
 - Philippines: extract from the Joint Circular No. 2004-1 (guidelines for the preparation of the Annual GAD Plan and Budget and Accomplishment Report)

ENGENDERING PROGRAMME-BASED APPROACHES: usefulness of gender budgeting (partner country)

Possible actions and instruments to engender PRSP (extract with focus on GRB)				
PROCESS	CONTENT			
Process elaboration, implementation, M&E	Poverty diagnosis and analysis	Identification of priorities and strategies	Budgeting and implementation	Monitoring and evaluation
<p>....</p> <ul style="list-style-type: none"> investing in the macro-economic analysis capacity of the 'gender actors involved investing in the gender capacity of the mainstream actors involved 	<p>.....</p> <ul style="list-style-type: none"> identification of differential priorities of men and women <ul style="list-style-type: none"> -use of gender-disaggregated beneficiary needs assessment use of analysis results of previous M&E rounds 	<p>....</p> <ul style="list-style-type: none"> take into account differential priorities of men and women: <ul style="list-style-type: none"> -use of gender-disaggregated beneficiary and needs assessment ex-ante evaluation of all policies and strategies on their gender impact <ul style="list-style-type: none"> -use of gender-aware policy appraisal if it does not exist, building institutional capacity for gender-responsive planning, monitoring and evaluation 	<ul style="list-style-type: none"> use of gender-aware macro-economic frameworks integration of gender dimension in results-based management and budgeting (see Elson Functional Framework) gender-aware budget statement 	<ul style="list-style-type: none"> engendering conventional monitoring and evaluation instruments: <ul style="list-style-type: none"> -use of gender-disaggregated beneficiary assessment of public service delivery and budget priorities -use of gender-disaggregated beneficiary incidence analysis -use of gender-disaggregated tax incidence analysis -use of gender-disaggregated analysis of the impact of the budget on time use -use of gender impact assessment disaggregation of input, implementation, output, outcome, impact indicators (if not yet done during previous stages) <ul style="list-style-type: none"> inclusion of specific indicators on gender equality

ENGENDERING PROGRAMME-BASED APPROACHES: usefulness of gender budgeting (donor's perspective)

Basic principles

- joint diagnosis and joint capacity-building
- focus on underlying processes: gender-sensitiveness of national process
- involvement of (national) typical gender actors
- gender expertise with (national) mainstream actors
 - * different phases
 - * inside/outside government
 - * absence/presence (+ intensity of 'participation')
 - * quality (instruments, tools used + results: see content)

ENGENDERING PROGRAMME-BASED APPROACHES: usefulness of gender budgeting (donor's perspective)

Basic principles

➤ focus on content

- gender analysis of content

- *different phases

- *use of a.o. gender budgeting analysis tools

➤ implications for donor

- gender is issue in mainstream diagnosis & assessment frames

- gender is issue in 'policy dialogue' and in capacity building

- gender expertise is involved (specific gender actors trained in new aid instruments or mainstream actors are trained in gender analysis)

ENGENDERING PROGRAMME-BASED APPROACHES: usefulness of gender budgeting (EC perspective)

Possible entry points

- (ex-ante) assessment in seven key areas of sector programmes
- joint sector reviews
- GBS: EC approach to conditionality: variable and fixed tranches

....

ENGENDERING PROGRAMME-BASED APPROACHES: usefulness of gender budgeting (EC perspective)

Engendering (through) different entry points (using gender budgeting)

A. ex-ante assessment of sector programmes (seven key areas)

1. macro-economic assessment
- 2. sector policy and overall strategic framework**
3. MTEF for the sector
4. Accountability and public expenditure management systems
5. Donor coordination systems
- 6. Performance monitoring and client consultation systems**
7. Institutional and capacity assessment

Engendering (through) different entry points (using gender budgeting)

A. ex-ante assessment of sector programmes (seven key areas)

➤ *sector policy and overall strategic framework*

- processes:

- gender expertise used, inside & outside government? (participation)

- specific instruments of gender mainstreaming/gender budgeting used? (including functional framework Diane Elson; gender-disaggregated beneficiary assessment; gender-aware policy appraisal; time-use incidence analysis; results of previous gender-disaggregated benefit incidence analysis)

- content:

- are the policy and related strategies based on gender-disaggregated diagnosis of needs, constraints, opportunities, incentives, threats (COINS) ?

Engendering (through) different entry points (using gender budgeting)

A. ex-ante assessment of sector programmes (seven key areas)

-is it taken into account that policy and related expenditures in sector might impact differently on men & women (gender-aware policy appraisal)

-are remedial interventions taken? (e.g. inclusion of activities specifically targeted at women) Is there a possibility to still include such gender-responsive additional measures?

-if a logframe is used at planning, are the different levels (impact, outcome, output, activities, input) taking into account gender issues (see Elson Functional Framework)?

-are the different targets and indicators disaggregated by sex?

Engendering (through) different entry points (using gender budgeting)

A. ex-ante assessment of sector programmes (seven key areas)

➤ **Performance monitoring and client consultation systems**

- Processes

- gender expertise used in systems? (inside/outside government)

- systems accessible for women? (specific measures taken?)

- are instruments of gender mainstreaming/budgeting used in systems?
(gender-disaggregated beneficiary assessment; benefit incidence analysis; gender-disaggregated revenue incidence analysis; gender-disaggregated time-use incidence analysis; (intra)household surveys)

- Content

- specific indicators regarding gender equality objectives included?

- are targets, indicators disaggregated by sex?

- use of results in following phases? (feedback)

ENGENDERING PROGRAMME-BASED APPROACHES: usefulness of gender budgeting (EC perspective)

Engendering (through) different entry points (using gender budgeting)

B. EC approach to Conditionality (fixed + results-based variable tranches)

➤ general issues: EC approach: reaction to aid effectiveness analysis (enforcement problem)

• +: country-ownership: PRSP-based (some problems but improving)

??? donor-imposed gender conditionality: (counter)productive? (↔ incentive)

→importance of gender-sensitive PRSP + underlying processes (!)

→importance of gender during donor-recipient political dialogue

+ : results-based (versus input)

but: 'beyond' government responsibility (choice of indicators)? quality of monitoring and evaluation? (results-based M&E: principle with least progress₂₈ success of approach is dependent upon improvements in M&E!)

Engendering (through) different entry points (using gender budgeting)

B. EC approach to Conditionality (fixed + results-based variable tranches)

➤ fixed tranches and conditionality (3 + 1)

- *General conditions*: e.g. macro-economic stability (IMF programme), PFM

- *Specific conditions*: e.g. basis for preparing the report on indicators used in the variable tranche (PRSP APR to be presented by a specific date)

→ possible to engender indicators + engender analysis of (non)achievement

➤ Results (output/outcome) -based variable tranches and conditionality (15)

- **budget indicators, PFM indicators**, health indicators, education indicators

→ possible to engender indicators + engender analysis of (non)achievement

- other indicators: including cross-cutting issues such as 'gender equality' → how to make 'gender equality' operational? Capabilities? Opportunities?

Engendering (through) different entry points (using gender budgeting)

B. EC approach to Conditionality (fixed + results-based variable tranches)

- **budget indicators:**

- allocation to health & education → allocation to those sub-programmes where women actually participate most (primary education, primary health)

- allocation to specific sub-programmes in different sectors that stimulate gender equality (e.g. activities focusing on practical and strategic gender needs: e.g. household water supply, sanitation, public transport, economic and 'political' literacy, local feeder roads, ...)

- allocation to institutional apparatus to increase gender-sensitiveness of overall policy cycle (gender-sensitiveness of underlying processes) (e.g. % of budget to ministry of gender; % of budget in different ministries allocated to 'engendering the programme and the working of the ministry')

- allocation to stimulate equal opportunities in public sector employment and service delivery (e.g. in rural extension services, police stations, ...)

Engendering (through) different entry points (using gender budgeting)

B. EC approach to Conditionality (fixed + results-based variable tranches)

• **PFM indicators** (process indicators, based on different assessment instruments: PERs, CFAAS, CPARs, Fiscal ROSCs, HIPC AAPs, EC audits):

-expenditure analysis includes gender-disaggregated benefit incidence-analysis

-expenditure classification follows program approach, disaggregation of different levels (input, output, outcome, impact) according to gender (see Elson's Functional Framework)

-participation of gender actors inside government in budget preparation

-participation of gender actors outside government in budget preparation 31

Engendering (through) different entry points (using gender budgeting)

B. EC approach to Conditionality (fixed + results-based variable tranches)

- **PEFA-indicators**

- classification of budget (if program approach is followed, disaggregation according to gender)
- comprehensiveness of information included in the budget documentation (gender-aware budget statement included)
- public access to key fiscal information (special efforts to make information available to specific groups, e.g. women?)
- orderliness and participation in the annual budget process ('inclusiveness' of budgetary process, participation of gender actors inside and outside government?)
- availability of information on resources received by service delivery units (gender disaggregation in expenditure tracking surveys)

CONCLUSION

- ✓ GRB: reconciling objectives of equity, efficiency, good governance
- ✓ value added and feasible in context of performance-based/MT budgeting ('programmatic' approach towards budgeting)
- ✓ value added and feasible for both partner country and donor in context of programme-based approaches to aid
- ✓ but no standard approach: experimentation (pilots) and information-sharing is needed
- ✓ Realistic expectations necessary