

How to apply Gender Budgeting to EuropeAid

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1. INTRODUCTION

On July 2003 the European Parliament adopted a resolution on Gender Budgeting aimed at achieving a more gender-sensitive European Budget. The aim of the current paper is to explore the opportunity and feasibility of applying Gender Responsive Budgeting within EuropeAid (AIDCO). It reviews the way in which gender equality has been mainstreamed in the actual and planned expenditures of different aid modalities and instruments that are managed by EuropeAid. Through a desk study the actual usage of gender budgeting instruments and tools is highlighted¹. A gender budget analysis is performed to show the actual degree of gender-sensitivity of the budget. Additionally, we identify entry points for gender budgeting and propose a number of tools and approaches that could be used to increase the gender-sensitivity of the budget with the aim to contribute to increased gender equality. Throughout the exercise special attention is given to the OECD/DAC Gender Equality Policy Marker.

This document is complementary to other documents including the European Commission (EC) Toolkit on Gender Mainstreaming and more particularly the Gender Budgeting Briefing Note.

The next section briefly repeats the rationality of the present exercise. Section three sets out the methodology and presents the findings of the review of the gender-sensitivity of EuropeAid's management and budget processes and its budget. Section four identifies entry-points and formulates suggestions for the (improved) use of GRB tools and instruments.

2. RATIONALE

The rationale for the present paper is multifold:

The starting point is that the EC can make a difference when it comes to gender-sensitivity of aid. *First*, the EC is an important actor in development cooperation, both in terms of financial resources and political influence. The EC (including its 27 EU member states) account for more than half of all ODA and the EC is the sixth largest donor (European Communities, 2008). This paper focuses on gender-budgeting within EuropeAid. The latter is the main implementing body that functions as an intermediary between DEV and RELEX on the one hand and the delegations on the other hand. In 2007, EC external aid (committed) mounted to € 10.625 million, of which € 8.044 (76%) million passed through EuropeAid (€ 4.408 EuropeAid Budget and € 3.636 EuropeAid EDF) (European Communities, 2008).

¹ In this section of the desk study we do not focus exclusively on GRB tools and instruments but more broadly on the degree to which 'gender issues' are covered. The final aim is eventually not the usage of GRB but rather the increase of the overall gender-sensitivity of EC's aid (procedures and budgets).

Second, gender equality is a major goal for the EC. The 2005 European Consensus emphasizes the importance of gender equality as one of the 5 common principles of EU development cooperation. Article 19 states: "*The promotion of gender equality and women's rights is not only crucial in itself but is a fundamental right and a question of social justice, as well as being instrumental in achieving all the MDGs and in implementing the Beijing Platform of Action and the CEDAW. Therefore the EU will include a strong gender component in all its policies and practices in its relations with developing countries*". The EC increasingly acknowledges that the goal of gender equality as well as the other key development outcomes captured through the MDGs or poverty reduction can not be reached without an appropriate strategy to take into account the gender dimension throughout all sectors as well as aid modalities (horizontal mainstreaming) and all phases of interventions (vertical mainstreaming). More specifically, and conform the 1999 OECD/DAC guidelines, the EC adopts a two-track approach of gender mainstreaming and support for interventions that are specifically oriented at women's empowerment. Recently, the EC has also adopted a new communication on Gender Equality and Women's Empowerment in Development Cooperation. In order to make the strategy of gender mainstreaming and women's empowerment operational, the EC has installed a Gender Helpdesk in 2004. Toolkits and guidelines (see Toolkit on Gender Mainstreaming including a Gender Budgeting Briefing Note) which facilitate the translation of general policy objectives into concrete implementation were elaborated and trainings were conducted both for HQ staff and for delegations. Besides tools and instruments that are specific to the EC, the EC also uses the OECD/DAC Gender Equality Policy Marker which also feeds into monitoring at the OECD/DAC level.

Third, in spite of the existence of a conducive environment, results are not optimal. Similar to other agencies, the EC is confronted with the risk of 'policy evaporation'. The 2007 OECD/DAC Peer Review (p. 15-16) highlighted that "*in the course of the peer review field visits, it was clear that gender issues were not consistently addressed in programme implementation or highlighted as key indicator when measuring programme performance*". It advises to strengthen the approach in this area.

Fourth, a focus on the integration of gender in EuropeAid different aid channels is timely. Since the turn of the century development cooperation is confronted with major changes in aid modalities. The 2005 Paris Declaration imposes a huge reform agenda upon recipients and donors emphasizing notions of ownership, harmonisation, alignment and results. As stated in the 2008 EC Annual Management Plan (p. 3), "*it entails a number of challenges, upstream (programme design) as well as downstream (supervision, M&E, sector and policy dialogue)*". Aside from these general challenges encountered when moving from projects to sector approaches and budget support, a 2007 OECD/DAC report highlighted that most of the aid agencies encountered considerable difficulties dealing with gender issues in changing aid modalities. While toolkits for gender mainstreaming at project level are widely available (although not always applied satisfactorily), the research on gender & new aid modalities is slowly increasing but still far less extensive². Adding to changes in the global aid environment, the EC has also gone through a period of reforms characterised by efforts of rationalisation and deconcentration. Within this changing environment, it is important to consider how gender issues are dealt with as to ensure that EC goals of gender equality and aid effectiveness are promoted.

² Documents and articles on the topic include amongst others Collison et al. (2008), Dahl-Ostergaard and Taylor (2006), Holvoet (2006b), Holvoet and Inberg (2008), OECD/DAC (2002), OECD/DAC (2006), OECD/DAC (2007b), UNIFEM (2006), Waterhouse and Sever (2005).

Fifth, the focus on gender budgeting is straightforward. On July 2003 the European Parliament adopted a resolution on Gender Budgeting (GRB) aimed at achieving a more gender-sensitive European Budget. GRB is defined as "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" (Council of Europe, 2005, p. 10). A focus on GRB clearly matches the EC's importance attached to internal accountability, performance/results-orientation and gender equality.

A gender-budget analysis is an important instrument of *accountability* as it allows getting insight into the gender-sensitivity of EuropeAid's budget. Improving gender-sensitivity of the budget may subsequently be realised through the systematic and systemic (ex-ante) integration of gender budget tools and approaches (i.e. gender budgeting) in all stages of the operation's cycle, from programming and formulation to implementation, monitoring and evaluation. Furthermore, as GRB essentially entails a confrontation of results (real sphere) and budgets (financial sphere), it perfectly matches *performance-based management and budgeting*. In fact, GRB and performance-based budgeting and management are mutually reinforcing: the current and continued efforts that the EC is doing to strengthen its performance framework should in principle facilitate the introduction of GRB tools and approaches. Moreover, if a performance-based framework is not gender-sensitive, it is unlikely that it will function properly³.

3. REVIEW OF THE GENDER-SENSITIVITY OF EUROPEAID BUDGET, MANAGEMENT AND BUDGETARY PROCESSES

3.1. Methodology

In what follows we take stock of the gender-sensitivity of EuropeAid's budget and budgetary processes. In doing this, we limit ourselves to a desk study and base ourselves upon the information that is made available through the Gender Help Desk. *First*, we map the different financial instruments and aid modalities that exist within EuropeAid (section 3.2). We highlight their budgetary importance, the responsibilities of different actors in the different stages of the interventions as well as the tools and approaches used. *Second*, we take stock of the current degree to which gender issues are included in the document and procedures that are used in the different stages of the management and budgeting process (section 3.3). This exercise will also feed into section four where we identify entry points and formulate recommendations. *Third*, besides tacking stock of the actual usage of instruments and tools, we also perform ourselves a gender-budget analysis of the EuropeAid's budget (section 3.4). As highlighted below, the methodology of the gender budget analysis is based upon the three categories approach of Budlender and Sharp (1998), who distinguish among gender-specific expenditures, expenditures to promote equal opportunities in employment and general (mainstream) expenditures targeted at the overall population. It is particularly the latter category of expenditures that needs to be screened for its (unforeseen, undeliberate, non-monitored) gender-differentiated impact. A gender-budget analysis of general expenditures normally entails a confrontation of budgetary information on the one hand with data regarding sex-disaggregated outputs and outcomes as well as data regarding

³ In order to achieve development outcomes, it is necessary to take into account that citizen's needs, resources, constraints and opportunities are to a large extent determined by socio-cultural constructs, including gender. Failure to take this into account throughout the different steps in the logical chains leads to ineffective and inefficient policies.

specific gender equality goals (in the area of capabilities and opportunities, including e.g. female/male literacy rates, female/male income ratios, female/male ratios of political participation, etc.) on the other hand. This data is currently not systematically available through internal systems of performance measurement and monitoring (e.g. ROM) so we needed to rely upon second-best alternatives.

One of the alternatives we draw upon for our analysis is the *OECD/DAC Gender Equality Policy Marker*. The usage of this marker for our analysis has a number of advantages and disadvantages. The OECD/DAC Gender Equality Policy Marker is part of the OECD/DAC Policy Marker system which uses markers for activities that are clearly identifiable through the Creditor Reporting System (CRS) sector classification system. There are policy markers for gender equality, aid to environment and participatory development/good governance (PD/GG). The aim is to apply policy markers to all bilateral aid (including different aid modalities) excluding administrative costs. Positively, the G-Marker is becoming a standard tool that is used by all donor agencies. It describes the degree to which operations include gender equality as a primary/principal (G=2) or secondary/significant (G=1) objective. If interventions are screened but do not target gender equality goals they obtain G=0 score. Scoring is done by desk officers at the stage of identification and on the basis of gender analysis. Normally the use of logframes and indicators at the stage of identification should allow scoring properly. Over time, a number of problems have been identified related to the G-marker itself or its usage. First, the Marker is applied during the identification phase of interventions and does not capture what happens later on during implementation on the ground. Second, different agencies (see e.g. GTZ, 2006; Holvoet, 2006a) have indicated that there exist different interpretations among staff involved in scoring. Differences in scores may thus point at real differences or be attributed to subjective differences in scoring among staff members. Several agencies also leave substantial volumes of their portfolio unscreened. A difference in coverage rates of screening obviously makes comparisons among agencies difficult. The OECD/DAC GenderNet as well as bilateral aid agencies have over time done serious efforts to deal with various of the problems listed. Most agencies make the OECD/DAC guidelines more concrete (see e.g. GTZ, 2006), provide training for the staff and perform cross-sectoral reviews to check whether scoring is done in a sound way. At the level of EuropeAid, a one-pager has been elaborated on how to use the OECD/DAC Gender Policy Marker in the context of the Background Conclusion Sheet (BCS) of the ROM-system. The marker is not inherently limited to the identification phase and could be applied in subsequent stages of interventions.

In addition to aggregate scores on the G-marker, it is also interesting to disaggregate scoring for different sectors, aid modalities, and financial instruments as well as to compare findings over time. Bringing in different layers of analysis allows identifying whether some sectors or modalities are performing better than others. It may be a first step in a more in-depth analysis of underlying reasons for good or unsatisfactory scores on gender-sensitivity. If the aim is to increase the gender-sensitivity of the overall budget, disaggregated data may also hint at possible reallocations towards more gender-sensitive sectors, sub-sectors or programmes. Another option is to target those sections of the budget that score so far unsatisfactory and to develop specific tools and instruments to systematically integrate a gender dimension in those areas.

3.2. The setting: EuropeAid's budget and its underlying budgetary and management processes

Since 2005 EuropeAid has gone through a series of serious reforms that should feed into higher aid effectiveness. Reforms are characterised by rationalisation, deconcentration and

an increased focus on performance-based management. The integration of a gender dimension in current EuropeAid's budget, budgetary and management processes necessitates mapping and unpacking of the budget and the budget and management processes. It is the basis for a stocktaking of the degree to which gender budget tools and approaches have so far been integrated (section 3.3) and for the identification of potential entry points for gender budget tools and approaches (section 4).

In 2006 EU's 35 *financial instruments* were transformed into a set of 10 instruments, five of which are managed by EuropeAid. For the 2007 to 2013 financial perspective, a distinction is made between the European Neighbourhood and Partnership Instrument (ENPI), European Development Fund (EDF), Development Co-operation Instrument (DCI), the European Instrument for Democracy & Human Rights (EIDHR) and the Instrument for Stability (IfS). Policy-making regarding DCI, ENPI, EIDHR and IfS is with the Directorate-General External Relations (RELEX); EDF policy-making is dealt with by the Directorate-General Development (DEV). The budgets for 2007-2013 for the five instruments are presented in table 1.

Table 1: EuropeAid budget for 2007-2013 subdivided over the different instruments (€ million)

	<i>2007-2013</i>
EDF (10th)	22.682 (2008-2013)
DCI	16.897
ENPI	11.181
IfS	2.062
EIDHR	1.103
Total	55.987

Source: European Communities 2008

Table 2 below presents the commitments and payments for 2007 for the different instruments (and subdivided over the different sectors) that are managed by EuropeAid. Subdivisions over sectors and over thematic and geographic components and different thematic and geographic programmes (see table 3) give insight into the relative 'budgetary' importance of the different areas. When it comes to recommendations for increasing overall gender-sensitivity of EuropeAid's budget, it might be appropriate to tackle first those sections of the budget that are most important in budgetary terms.

Table 2: EuropeAid commitments and payment for 2007 (subdivided over instruments and sectors) (€ million)

	2007	social infra structure	produc tion	econo mic infra structure & services	multisec tor/ crosscut ting	budget support, food aid, food security	others	total
EDF (10th)	committed	1.247	751	372	323	462	335	3.490
	paid	852	799	274	156	557	195	2.833
DCI-Geo	committed	720	93	112	143	173	121	1.362
	paid	608	69	144	145	103	210	1.279
DCI-Theme	committed	322	32	90	53	271	64	832
	paid	254	29	66	53	221	123	746
ENPI	committed	1.161	207	61	150	0	87	1.666
	paid	935	175	100	108	48	47	1.413
IfS	committed	9	0	0	15	0	3	27
	paid	18	0	0	0	0	1	18
EIDHR	committed	133	0	0	0	0	9	142
	paid	118	4	0	0	0	8	130

Source: European Communities 2008

Both tables show that the EDF and the DCI are the most important financial tools for development cooperation and they represent the majority of total ODA. Both are implemented by EuropeAid and due to recent reforms the EDF and the DCI use the same financial and administrative procedures, but there are still important differences among them.

The EDF is funded by voluntary contributions from Member States outside the budget and provides funds to ACP countries and the Overseas Countries and Territories (OCT). The 10th EDF will cover the period 2008-2013 with a budget of 22.682 million euro. For this period 54 country strategy papers and five regional strategy documents were finalised and adopted.

(http://ec.europa.eu/development/geographical/methodologies/strategypapers10_en.cfm: 11/12/2008). EDF funds are rather predictable due to the usage of the two distinct envelopes. The A-envelope is an allocation of programmable assistance and the B-envelope covers unforeseen needs.

The DCI is financed directly from the Community budget and covers three main components: a geographical component, a thematic component and support to the restructuring of sugar production in 18 ACP countries. The five thematic programmes included under the thematic component are *None State Actors and Local Authorities in Development, Investing in People, Migration and Asylum, Food Security and Environment and Sustainable Management of Natural Resources (ENRTP)*. The thematic programme '*None State Actors and Local Authorities in Development*' replaces the NGO co-financing and decentralised cooperation budget lines. Administrative procedures have been facilitated and on-line registration of potential applicants into a new database (PADOR) has been launched. Within the geographical component, DCI finances cooperation with Asia (€ 5.2 billion for 2007-2013), Latin America (€ 2.690 million), three Middle East countries (Iraq, Iran, Yemen) and South Africa (€ 980 million). Table 3 gives an overview of the commitments and payments for the thematic and the geographical component for 2007 (in € million).

Table 3: Commitments and payments DCI, subdivided over geographic and thematic programmes (2007, € million)

	committed	Paid
DCI total	2195	2024
Geographic (total)	1362	1279
Relations with Latin America	340	341
Relations with Asia, Central Asia and East of Jordan Countries	837	791
Thematic (total)	833	745
Non-state actors in development	211	169
Investing in people	95	129
Migration & Asylum	48	19
ENRTP	85	81
Food security	201	301

Source: European Communities 2008

The thematic strategy for human and social development is financed through the thematic programme *Investing in People* (budget 2007-2013: € 1.06 billion). The programme covers four main pillars: 'good health for all' (budget 2008: 79 million), 'education, knowledge and skills' (15.6 million), 'gender equality' (3.6 million) and 'other aspects of human and social development' (30 million).

The EC uses three different *aid delivery modalities*, with a preference for the latter two (see 2005 European Consensus on Development):

- Project approach: to support non-state actors, regional programmes or where conditions do not allow for use of government systems. Projects are implemented using the commission's procurement and grant award procedures.
- Sector approach: use of a Sector Policy Support Programme (SPSP) to support a sector policy and a strategic framework monitored through performance criteria and indicators. SPSP may be financed through sector budget support (SBS), pooled funding or through project procedures. There is a new version of Guidelines on Support to Sector Programmes (July 2007).
- General budget support: to support national or macro level goals expressed in national policy and strategy documents. GBS is mostly accompanied by capacity development activities, mostly in the area of public financial management. There is a new guide on budget support to harmonise its usage over the different financial instruments (January 2007).

The aim is to channel 50% of government-to-government assistance through country systems, through GBS and SBS. In 2007 commitments for budget support (general plus sector) were about 1.79 billion (almost 23% of total commitments). The choice for a specific modality is determined by a joint commission/government analysis of the country and sector environment, emphasizing existing policies and strategies, macroeconomic environment and quality of PFM (using the PEFA).

EuropeAid ensures effective implementation of aid, it maintains quality standards, and is responsible for promoting sound financial and contract management. Implementation responsibility, particularly financial and contract management functions are essentially devolved to the field delegations. In the context of the process of deconcentration, EuropeAid functions like an intermediary between DEV and RELEX on the one hand and the delegations on the other hand and works closely with delegations to facilitate overall aid implementation (OECD/DAC, 2007a, p. 47). Particularly when it comes to the identification of the potential entry points for GRB, it is important to map the responsibilities of the different

actors in the overall cycle. Table 4 gives an overview of the devolved implementation flow. Committee management (“comitology”), financing decisions and global commitments are the responsibility of EuropeAid while individual commitments, tendering, contracting and payments are made by the delegations. Delegations identify activities, assess feasibility, implement and evaluate while Brussels is responsible for programming and for general thematic and quality support. Delegations also have to prepare annual management plans (AMP) that include objectives, outputs and indicators of all delegation activities. These are reported on twice yearly (June and December) (OECD/DAC, 2007a, 61). In 2005 EuropeAid estimated that more than 80% of geographic funds and 66% of thematic funds were managed primarily by the delegations. In terms of staffing, 1.559 additional posts were allocated to the field, and also the staffing profile changed with more financial, legal and contracting experts and engineers (OECD/DAC, 2007a, 49). In 2006, the number of staff in delegations was 2600, while numbers in Brussels have declined by 20% (OECD/DAC, 2007a, 51).

Table 4: Overview of the devolved implementation flow

Different stages in the cycle	Objective	Responsibility	Contribution by EuropeAid
Programming	translation of needs into strategic development objectives	DEV/RELEX -design of strategies -prepare COM decision	-contribution through country teams -agree through Interservice Consultation
Design	Translation of development objectives into project and programme proposals	DELEGATIONS -identification of actions -design of activity, financing proposal	-sets targets (AMP) -coherence checks QSG -support expertise if requested by DEL
Approval	Translation of proposals into financing decisions	EUROPEAID -quality check financing proposal -preparation of comitology and COM decision -signing global commitment	
Implementation	Translation of financing decisions into activities on the ground	DELEGATIONS -tenders, sign individual commitment, implements, review and pays -report on activities	-support expertise if requested -checks ex post and reviews targets (Annual Activity Report, DAS= Declaration d'Assurance)
Evaluation	Translation of implemented activities in reports and feedback for future work	EUROPEAID -evaluates programmes, sectors and internal systems -reports on global development work (annual report)	

Source: on the basis of OECD/DAC, 2007a, p. 109

As is obvious from table 4 there is a hierarchical approach to the community's co-operation strategy. The 2005 European Consensus provides vision and implementation clarity. The Consensus is translated into thematic and regional strategies. Country delegations work then with partners and Headquarters (HQ) to develop locally-specific Country Strategy Papers (CSP) which are then implemented through specific projects and programmes. There is a Common Framework for Country Strategy Papers, which is based on the Common Framework adopted in April 2006 (Council document 8388/06 of 11 April 2006) and a Common Framework and Procedure for Strategy Papers for the Thematic Programmes (2007-2013) (revised and approved by IQSG in April 2006. The thematic programmes includes the five thematic programmes of DCI and Human Rights and Democracy (http://ec.europa.eu/development/how/iqsg/tools_frameworks_en.cfm) In the Common Framework for Country Strategy Papers references are made to different programming fiches, which is a user-friendly tool to help with the most essential elements of the programming exercise. These programming fiches are grouped in six areas: areas for community action (33); other domains of concentration (4); policy mix analysis: coherence (3); a strengthened approach to mainstreaming (8); aid modalities (2) and planning and drafting process (2).

Interestingly, the 2007 OECD/DAC Peer Review highlighted that the broad programming process was clear but the actual programming process was less so. In a context of increasing devolution to delegations, changing aid modalities and the division of regional and thematic responsibilities over different directorates or sub-directorates, there is a need for sound and strong processes of quality control, coordination and mainstreaming of thematic themes in the regional directorates. Through the Inter-Service Quality Support Group (IQSG), introduced in 2001, a first quality control element was introduced. IQSG harmonises programming guidelines, provides support and guidance in the preparation of strategic documents and assesses and makes recommendations on the drafts of the main programming documents (on the basis of the common framework for strategies papers) to ensure that the range of development policy principles are addressed (including policy mix, mainstreaming of cross-cutting issues, country ownership and alignment, focus on results, complementarity and harmonisation). IQSG is senior-level and inter-departmental and as such is able to make recommendations across Directorates-General and across topics.

At a lower level of the programming hierarchy, EuropeAid has set up a new Directorate for Operations Quality Support in 2005 (directorate E). Within this directorate 'governance, human rights, democracy and gender' is one specific sub-directorate (E.4). Within directorate F, there is also a specific sub-directorate (F1) that functions as an office Quality Support Group (oQSG) dedicated to office level activities. The oQSGs are organised into five groups (four geographic and one for horizontal policy areas). They are involved early in the preparatory process of the project cycle in order to promote the cross-fertilisation between geographic and thematic areas.

Besides, there is a new series of methodological publications, i.e. Tools and Methods Series for the commission staff and external stakeholders involved in the management of external assistance in partner countries, as well as other donors. Within these series two guidelines (No 1: Programming, Design & Management of General Budget Support; No 2: Support to Sector Programmes) and three reference documents (No 1: Institutional Assessment and Capacity Development; No 2: Supporting Decentralisation and Local Governance in Third Countries and No 3: Strengthening Project Internal Monitoring) are published. Within the Aid Delivery Methods Series there is a volume on Project Cycle Management Guidelines.

The main official documents and information sources which support the Project Cycle Management are the same for programme support and GBS. These are:

- EC's Development Policy, Country Strategy Papers and National Indicative Programme Documents;
- the Identification Fiche
- the Financing Proposal/ Action Fiches
- the Financing Agreement and associated Technical and Administrative Provisions and Terms of References
- information contained in the Common Relex Information System (CRIS), including the implementation report
- evaluation and audit reports

(European Commission, 2004a: 18)

These documents and some of the most important tools and instruments which are used specifically for project support, sector support or GBS are shown in table 5.

Table 5: Overview of the most important tools and instruments used within EuropeAid (subdivided over different aid modalities and phases of the intervention cycle)

Modality/ Phases	Project support	Sector support	GBS
programming	- CSP and National Indicative Programme (Programme fiches)	- CSP and National Indicative Programme (Programme fiches) - (eligibility criteria)	- CSP and National Indicative Programme (Programme Fiches) - (appreciation expected impact of GBS) - (eligibility criteria)
identification	- Identification Fiche for project approach	- Identification Fiche for SPSP	- Identification Fiche for GBS (- GBS roadmap)
formulation	- Financing Proposal (EDF) - Action Fiche (DCI, ENPI, IPA, IfS)	- Financing Proposal (EDF) - Action Fiche (DCI, ENPI, IPA, IfS)	- Financing Proposal (EDF) - Action Fiche (DCI, ENPI, IPA, IfS)
financing	- Financing agreement	- Financing agreement	- Financing agreement, including the Technical and Administrative Provisions (TAPs)
implementation and monitoring	- Implementation report in CRIS - Monitoring Report in CRIS and Background Conclusion Sheet (ROM) - Annual Operational Plans	- Implementation report in CRIS - Monitoring Report in CRIS and Background Conclusion Sheet (ROM) - Annual Operational Plans - External Assistance Management Report - Annual report on PFM (for	- Implementation report in CRIS - External Assistance Monitoring Report - Quarterly Economic Report - Annual Report on PFM

		SBS)	
evaluation and audit	- guidelines for project and programme evaluation ⁴ - guidelines for the use of the Audit Framework Contract and standard ToR	- guidelines for project and programme evaluation	- joint evaluations - standard ToR for planning and execution of audits

Source: on the basis of European Commission 2004a, 2007a and 2007b

An important instrument of M&E (which is core to a performance framework) is the results-oriented monitoring system (ROM). ROM uses independent experts to periodically assess projects and programmes in the field, on the basis of five criteria: design & relevance; efficiency; effectiveness, potential impact and likely sustainability. The output is a Monitoring Report (2-pages) in CRIS, which is underpinned by a Background Conclusion Sheet (BCS) in which specific issues are included for each criterion. Besides a monitoring system, there is also a joint evaluation unit for all DEV, RELEX and EuropeAid evaluation issues.

⁴ There are also guidelines for geographic and thematic evaluations.

3.3. Use of gender budget tools and approaches in EuropeAid’s budgetary and management processes

In what follows we take stock of the degree to which gender is integrated into EuropeAid’s current budgetary and management processes. In doing this, we do not limit our attention to GRB tools and approaches. The final aim is not to increase the usage of GRB but the final gender-sensitivity of aid to which GRB can of course contribute. Importantly, the desk study highlights the degree and the way gender is integrated on paper but does not capture the degree or the quality of the actual implementation of the guidelines. The ex-post gender budget analysis in section 3.4 goes one step beyond and checks budgets on their effective degree of gender-sensitivity.

Table 6: Inclusion of ‘gender’ issues in EC budgetary and management processes

Tool	Gender-sensitivity
CSP and National Indicative Programme (common framework for CSP)	<ul style="list-style-type: none"> - the Programming Fiche for Gender Equality is referred to as a useful link for the country diagnosis - in the country diagnosis the progress in gender equality should be addressed, including the content and any shortcomings of the partners country’s plan/ policies concerning gender equality as well as the gender representativeness of the administration - data regarding the analysis of MDGs in education, health and gender equality should be disaggregated by sex - references should be made to the government’s position with regard to key international conventions concerning gender equality and international commitments on gender equality - in poverty reduction analyses manifestation of poverty for women should be analyzed - in examination of a country’s progress towards eradicating poverty, gender aspects of poverty and development should be analysed - the mainstreaming of gender equality should be included in the summary of results and ‘lessons learned’ - the response strategy should assess how it will address the mainstreaming of gender equality - in the country migration profile (annex) gender issues should be included - a gender profile is recommended as a useful, but not compulsory annex
Eligibility criteria⁵	<ul style="list-style-type: none"> - gender equality not included
Identification fiche (checklists for identification fiche project support, Sector Policy Support Programme and GBS)	<ul style="list-style-type: none"> - the checklists include a note at the bottom of the page where reference is made to the ‘toolkit on mainstreaming gender equality in EC development cooperation’ for the screening of gender issues
GBS roadmap	Document not available
Financial proposal/ Action Fiche⁶	<ul style="list-style-type: none"> - in the description section it is highlighted that cross-cutting issues, including gender, should be addressed. As far as tools are concerned for screening and integrating gender issues in the budget, reference is made to the ‘toolkit on mainstreaming gender equality in EC Development Cooperation’ and ‘Gender

⁵ The three eligibility criteria are: i) a well defined national policy and strategy is in place or under implementation, ii) a stability-oriented macroeconomic policy is in place or under implementation, iii) a credible and relevant programme to improve public Financial management is in place or under implementation.

	budgeting: its usefulness in programme-based approaches to aid' - there is an Action Fiche for the Thematic Programme Investing in people, including one for theme 3 on gender equality
Financing agreement	- no reference to gender equality
TAPs	Document not available
Monitoring report in CRIS⁷	- in the criterion 'effectiveness to date', assessment of the benefits for women and men should be included. - in the criterion 'potential sustainability', gender equality is included as a key factor that impact on the likelihood of sustainability
BCS⁸	- in the criterion 'quality of project design' one question, accounting for 10% of the score, is 'Is the current design sufficiently taking cross-cutting issues into account?' - in the criterion 'impact prospects' one question (40%) relates to the indirect positive and/ or negative impacts of the project, including on gender. - under cross-cutting issues (no scores) one question is related to gender: 'Have practical and strategic gender interests been adequately considered in the project strategy'? Four sub-questions fall under this question; including the classification on the OECD Gender Equality Policy Marker (a one-page explanation of the use of the Gender Equality Policy Marker is included in the manual for the monitors).
Annual report on PFM	Document not available
Quarterly Economic Report	Document not available
Guidelines for project and programme evaluation	- in the checklist for assessing the quality of a proposal, capacity to address essential cross-cutting thematic issues, like gender equality, are included -it is highlighted that while collecting data the evaluation team must be aware of EU's values regarding women
Guidelines for the use of the Audit Framework Contract and standard ToR	Document not available

Table 6 shows that gender issues are clearly present at the broadest/highest level of policy making and programming. The guidelines for the CSP and National Indicative Programme hint, although implicitly, at the usage of some instruments of gender budgeting. The instruments which are present (at least partially) are the gender-disaggregated beneficiary assessment and a kind of gender-aware policy appraisal. When moving to the more operational level, the attention for gender issues decreases. Nevertheless, at several instances, reference is made to the existing toolkits on gender mainstreaming and gender budgeting. The BCS currently also include the classification on the OECD/DAC Gender Equality Policy Marker which necessitates the application of a gender analysis. An important issue is of course, the degree to which all the recommendations are effectively applied and the extent to which their application is stimulated through a set of incentives. There are

⁶ Although the names differ the areas covered in each document are, for all practical purposes, the same. The main sections of a Financing Proposal or Action Fiche are : i) rationale, ii) country context, iii) description, iv) implementation issues and annexes (Tools and methods series, guidelines no 1).

⁷ The monitoring report must address the following criteria: i) quality of project design, ii) efficiency of implementation to date, iii) effectiveness to date, iv) impact prospects, v) potential sustainability

⁸ The BCS uses the same criteria as the monitoring report, but is more elaborated with sub questions per criteria.

clearly already a number of procedures/actors in place who play/might play a crucial role, including the Inter-Service Quality Support Group (IQSG), the specific sub-directorate (F1) that functions as an office Quality Support Group (oQSG) and the Directorate for Operations Quality Support (and particularly the specific sub-directorate on governance, human rights, and gender).

3.4. Gender-budget analysis of EuropeAid’s budget

The gender-budget analysis included below is mainly an exercise of accountability which shows how gender-sensitive EuropeAid’s budget actually is. While a gender-budget analysis itself will not automatically increase the gender-sensitivity of the budget, it may function as an (early) warning system. When disaggregated over different instruments, sectors, etc. it may also feed into possible remedial actions. It may e.g. indicate where more or less gender-sensitive areas of the budget are situated. It may be useful in terms of guidance for possible reallocations of budgets, or highlight where specific activities are needed to increase future gender-sensitivity.

The gender-budget analysis is based upon the three categories approach of Budlender and Sharp which differentiates among i) gender-specific expenditures, ii) expenditures to promote equal opportunities, iii) general expenditures. We have expanded the first category of expenditures to expenditures that are specifically focused on gender equality goals.

A. Expenditures that are specifically related to the promotion of gender equality

This category includes expenditures that are specifically oriented towards the achievement of gender equality. This category may include gender-specific expenditures targeted specifically to either men or women and which intend to meet their particular needs or which are focused on removing barriers that exist before they can participate/benefit from general non-targeted expenditures. Given the current male bias in most societies, gender-specific expenditures which are aimed at removing barriers for participation at general expenditures, will mainly be oriented towards women and girls. Some examples of gender-specific expenditures include e.g.:

- expenditure for female sanitation in primary schools, expenditure for female teachers in primary schools
- expenditure to increase men’s participation in reproductive health activities
- capacity building of ministries of finance and planning to incorporate gender equality objectives in PRSPs

A first obvious way to highlight the importance of this category is through the *OECD/DAC Gender Equality Policy Marker* and more particularly through the G-2 category of expenditures as these represent programmes that have gender equality as primary objective. This category also includes the activities which have a CRS code 15164 (support to ‘women’s equality organisations and institutions’). Table 7 gives an overview of the absolute and relative importance of G-2 activities for 2004-2006.

Table 7: Absolute and relative importance of G-2 activities

	2004	2005	2006
G-2 (€ million)	69	30	136
G-2 as % of aid screened	1.1	0.4	1.6

% aid screened of total sector-allocable aid	95.7	100	92.1
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Source: OECD/DAC, 2007c and 2008

As is clear from table 7, expenditures which have gender equality as a primary objective represent a very minimal percentage of the total aid that has been screened. G-2 expenditures seriously declined from 2004 to 2005 and increasingly substantially from 2005 to 2006, both in absolute (78 %) and relative (75%) terms.

A second approach, which can be used to get some insight into this first category of expenditures, and more importantly to compare the importance of this category over the different financial instruments, is to focus on information included in financial tables of the Annual Reports. However, budgetary amounts allocated specifically towards 'gender equality and women's empowerment' are not readily available. Whereas before 'Women in Development' (CRS-code 42010) was included in 'multisector/ crosscutting', this has changed after a revision of the CRS-codes in 2006 when the 42010 CRS-code was transformed into 'Women's equality organizations and institutions' (CRS-code 15164), and included under 'social infrastructure'. Multisector/cross-cutting is now divided in 'general environmental protection' and 'other multisector'. Included in 'other multisector' is 'urban development and management', 'rural development', 'non-agricultural alternative development', 'multisector education/training' and 'research/ scientific institutions'. Whereas one may be tempted to assume that specific gender-focused expenditures are included under this 'other multisector' category, it is important to stress that they are not.

Within the other sectors, there is no specific CRS-code related to women/ gender and that is in fact why the gender equality marker was introduced. Therefore it is worthwhile to have a closer look at 'social infrastructure'. 'Social infrastructure', which is the largest assistance category, is divided into 'education', 'health', 'population policies/ programs and reproductive health', 'water supply and sanitation', 'government and civil society' and 'other social infrastructure'. Even though education and health are the key priorities, the largest increase in spending was within 'government and civil society' (increase from 2% in 1995 to 9% in 2000 and to 19% in 2005) (OECD/DAC, 2007a: 41). The CRS-code 15164 for 'Women's equality organizations and institutions' is included in this sub-sector. The annual report 2008 only provides the commitments (not the actual expenditures per financial instrument) for 'government and civil society', and no specific amounts for 'Women's equality organizations and institutions'. Therefore table 8 presents the commitments for 'government and civil society', in total numbers and as percentage of the total commitments for 'social infrastructure' .

Table 8: 2008 commitments for 'government and civil society' (including CRS-code 15164) subdivided over different EuropeAid instruments (€ million)

	EDF (10th)	DCI-Geo	DCI- Theme	ENPI	IFS	EIDHR
government and civil society	546	226	238	359	4	133
% of social infrastructure and services	43.8	31.4	73.9	30.9	44.4	100.0

% of total commitments	15.6	16.6	28.6	21.5	14.8	93.7
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Source: 2008 Annual Report

Table 8 shows that in 2008 a relatively high percentage of the commitments for 'social infrastructure and services' are reserved for 'government and civil society' (23 other CRS codes⁹ are falling within this category). This is particularly the case for the EIDHR (100%) and DCI-thematic (73.9%). The importance of the expenditures for 'government and civil society' also remains substantial when focusing on the overall commitments within each of the instruments (ranging from 14.8% in IfS, over 28.6% in case of DCI-Theme to 93.7% in case of EIDHR). However, as the information provided is not detailed enough, it is not possible to derive any conclusion regarding the expenditures for 'women's equality organizations and institutions'.

A third approach focuses on the Annual Management Plan (AMP) and the internal AMP as to give some insight into 2008 expenditures. The AMP gives information on the results, targets and main expenditure-related outputs (ordered by activity), while the internal AMP gives information on outputs and budgets (ordered by directorate). Table 9 gives an overview of the inclusion of gender issues in the AMP and internal AMP. A general conclusion is that gender is hardly included throughout the AMP and when it is included it is in a very fragmentary way. The inclusion of gender equality objectives does not automatically translate into results indicators, targets, and even less into outputs and budgets (internal AMP). This is illogic as it is unlikely to obtain gender equality objectives (included in the AMP) without including outputs and budgets that are related to the objectives. As expected, more outputs and budgets related to gender equality are included for the objectives under the Human and Social Development Directorate ('Investing in People' Programme) and more specifically for the objective 'gender equality and empowerment'. However, it deserves to be mentioned that the result indicator and targets are very broadly and vaguely defined (and the results indicator is not even formulated in terms of 'results'). It is unlikely that the outputs and the meagre budgets defined in the internal AMP will be able to make any substantial contribution to the results and targets defined. According to this information the budget foreseen for 'gender equality and women's empowerment' equals **€ 13 million** (€ 6.5 million on budget line 21 05 01 04 + € 6.5 million for the preparation of the annual action plan), which is about 5.4% of the total budget for Human and Social Development included in the 2008 internal AMP.

⁹ Examples are 15140 government administration, 15161 elections, 15250 land mine clearance and 16063 narcotics control

Table 9: Overview of inclusion of gender issues in the AMP and internal AMP

Activity (AMP)	Specific Objective (AMP)	Result Indicator (AMP)	Target (AMP)	Output (internal AMP)	Budget (internal AMP)
Relations with ACP countries and OCTs	Specific objective: contribute, through the 10 th EDF, to poverty alleviation and sustainable development through ... environmental sustainability. Community assistance will provide ... for attaining MDGs, ...areas directly targeting the MDGs (... , gender equality, ...).	-	-	-	-
	Specific objective: contribute, through the general budget to poverty alleviation and sustainable development mainly under DCI (South Africa and ACP Sugar Protocol Countries)	-	South Africa aims at meeting most, if not all, of the MDG by 2015.		
Food Security	Specific objective: improve food security in favour of the poorest and most vulnerable	Improved nutritional status of vulnerable populations, in particular mothers and children.	-	-	-
Human and Social Development	Specific objective: Good health for all	Increased number of people benefiting from access to prevention, ..., reproductive and sexual care services	-	Programs promoting implementation of the Cairo agenda on sexual reproductive health and rights	€ 10 million
	Equal opportunities for education, knowledge and skills	Increased net enrolment ratios in primary education, boys and girls alike	Contribute to boys and girls' being able to complete a full course of quality basic schooling	Promote equal access to quality education in internal AMP programs promoting access to quality education for hard to reach children	€ 9 million
	Gender equality and women's empowerment	Level of political representation of women,	Contribute to reduce gender disparity in access to social	Programs advocating for gender equality ...services for	€ 6.5 million Budget line

		existence and enforcement of legal frameworks for economic and social gender equality	services, increase their voice in society through better political and civil society representation and improve gender economic and social equality	women	21 05 01 04
				Preparation and structuring of the Annual Action Programme	€ 6.5 million
				Preparation and follow-up of timetables for CfPs	-
				Targeted projects signed and contracted by the end of the year	-
				Ongoing projects (22) delivered and monitored	-
				Effective budget implementation	-
				Information or communication product/event	-
	Improvement of human and social development – employment and social cohesion, children, youth and culture	-	Contribute to a wider and more consistent implementation of the work agenda for men and women....	-	-

Source: AMP and internal AMP

As more detailed information on the 'Investing in People' programme, and more specifically the gender equality and empowerment pillar could potentially provide more detailed information about expenditures specifically oriented towards gender equality, we have also consulted the 2008 Annual Action Plan. Within the gender pillar three actions are identified for 2008:

- International colloquium in women's empowerment, leadership development, international peace and security (UNDP: 0.5 million);
- Building capacity and improving accountability for gender equality in development, peace and security (UNIFEM: 0.455 million);
- Call for proposals on "supporting civil society organizations in their efforts to fight adult women's illiteracy and promoting women's ownership" (2.574 million).

Additionally, a contingency of 0.05 million is reserved for gender. According to this action plan the total 2008 amount equals **€ 3.6 million**, 2.8% of the 2008 budget 'Investing in People'. Interestingly, the amounts provided in the Annual Action Plan do not correspond with the information provided in the internal AMP (the total expenditures on 'Investing in People' as well as the 'gender equality and empowerment' expenditures are lower in the AAP as compared to the internal AMP).

Comparing these 2008 'Investing in People' expenditures with those of 2007 shows that the budget for the gender pillar has sharply been reduced, both in absolute and relative amounts. In 2007 two projects related to gender were financed under the 'Investing in People' programme, carried out by UN organizations. The first project is 'Gender Responsive Budgeting in New Aid Modalities' managed by UNIFEM. The overall objective of this project is to enhance action for gender equality of donor and partner countries through GBS, sectoral programming and sector-wide approaches. The total costs of this project, with a timeframe of 36 months, are € 2.7 million of which € 2.6 million is contributed by the EC (action fiche C). The second project is 'Contributing to the abandonment of social norms harmful to girls and women'. The total budget for this project (duration 36 months) is € 4.2 million, of which € 4.0 million is contributed by the EC (action fiche D). Besides there was a call for proposal for the enforcement of capacity of civil society organizations and economic and social partners active in the promotion of female rights and equality in several Middle East countries. The budget for this call for proposal was € 6.8 million (action fiche E). In sum, in 2007 the total EC amount for the gender pillar in the Investing in People programme equalled **€ 13.4 million**, which is about 3.5 times higher than the amount foreseen in 2008. The drop in relative importance of the gender pillar in the overall 'Investing in People' is even more striking, i.e. from 11.5% in 2007 to 2.8% in 2008.

B. expenditures to promote equal opportunities in employment

Under this category, Budlender and Sharp mostly include an analysis of the gender composition of a ministry or agency, subdivided over different hierarchical ranks as well as a listing of programmes and related expenditures to promote equal opportunities. This category of expenditures is included in a gender budget analysis because it gives insight into how representative a bureaucracy is. Additionally, the gender composition of a team might also influence the gender-sensitivity of the outputs and outcomes that are provided to beneficiaries. In a context of devolution and new aid modalities, it is particularly important to promote equal opportunities in delegations overseas.

The Annual Management Plan 2008 provides information on human resources by policy area at HQ level, shown in the table below. This information is however not disaggregated by sex. Staff of the Directorate E, Quality of Operations, including E4 governance, security, human rights and gender, has been allocated across all activities using a percentage equal to the weight of human resources per activity.

Table 10: Human resources by policy area (person years, 1/1/2008)

ABB Activity	Total person years
Relations ACP/OCTs	223
European Neighbourhood & Russia	144
Policy strategy and coordination	139
Relations with Asia, Central Asia & East of Jordan	104
Relations with Latin America	86
Crisis management	44
Human rights and democratization	31
Non-state actors	22
Environment	17
Multilateral relations	16
Food security	16
Human and social development	14
Administrative support	141
Total	995

Source: Annual Management Plan 2008

One of the EuropeAid Co-operation Office Indicators related to key internal processes and staffing data is 'gender balance'. There is no quantitative objective for this indicator, it is only specified that the gender balance should increase. There is data available for the percentage of women in senior management, middle management and AD officials at EuropeAid headquarters and AD officials in co-operation sections in delegations for the years 2002-2006 (see table 11). From the table below it is obvious that the gender balance is far from being achieved for the different categories of staff included. It centres at best around 20% and for the middle management category at HQ it even declined from about 30% in 2003 and 2004 to 21% in 2006. Positively, the % of women in senior management has sharply increased from 0 to 11% in 2006.

Table 11: Gender balance in headquarters and delegations 2002-2006 (% of women)

	% of women				
	2002	2003	2004	2005	2006
Senior management at EuropeAid headquarters	0	0	0	0	11
Middle management at EuropeAid headquarters	16	28	29	21	21
AD officials at EuropeAid headquarters	18	23	21	20	17
AD officials in co-operation sections in delegations	na	Na	17	20	20

Source: Annex 1. EuropeAid Co-operation Office Indicators 2007

C. general expenditures

The third category of expenditures is the most substantial one. It is in fact mainly for this category of expenditures that tools and instruments have been developed to assess and subsequently increase gender-sensitivity. A gender-budget analysis of general expenditures normally entails a kind of gender-disaggregated benefit incidence analysis which would include data about actual distribution of outputs, outcomes and impacts over beneficiaries. As this information is not systematically available through the ROM or logframes that are

used, we had to rely upon a second-best alternative. We have opted to use the OECD/DAC G-marker and more particularly to focus on those programmes and expenditures that have obtained a G-1 score. The table below gives an overview of the absolute and relative importance of G-1 expenditures.

Table 12: Absolute and relative importance of G-1 activities (in millions USD)

	2004	2005	2006
G-1	1.136	894	3.252
G-1 as % of aid screened	18.1	11.4	38.4
% aid screened of total sector-allocable aid	95.7	100	92.1

Source: OECD/DAC, 2007c and 2008

On the basis of data in table 12, we can conclude that similarly to G-2 expenditures, a decline is observed in G-1 expenditures from 2004 to 2005, combined with a steep increase from 2005 to 2006. This holds true both in absolute (73%) and relative terms (70%). In 2006, programmes with gender equality as an important objective accounted for about 38% of EuropeAid's budget. As there is no data available yet for 2007 and 2008 it is not clear whether this increase will be prolonged and could subsequently point at an effect of an increased gender-sensitivity of underlying procedures. Another possible explanation for the steep increase might also be a change in the implementation of the G-marker screening procedures.

4. RECOMMENDATIONS FOR THE INTRODUCTION OF GENDER BUDGETING IN EUROPEAID BUDGET, BUDGETARY AND MANAGEMENT PROCESSES

The analysis of the actual integration of the gender dimension in EuropeAid's budgetary and management processes as well as the gender budget analysis of EuropeAid's budget have highlighted that there is still much room for improvement. The previous sections have already indirectly hinted at a number of possible entry points or routes for a systematic integration of a gender dimension in order to make EuropeAid's budget more gender-sensitive with the final aim of increasing gender equality on the ground. In what follows we differentiate among recommendations formulated on the basis of the analysis of the gender-sensitivity of management and budgeting procedures (section 4.1 which is linked to section 3.3) and recommendations on the basis of the gender-budget analysis (section 4.2. which is linked to section 3.4).

4.1. Recommendations on the basis of the analysis of gender-sensitivity of management and budgeting procedures

4.1.1. Recommendations for improved USE of existing instruments

As was highlighted in the previous section (3.3) there is already a substantial degree of inclusion of gender issues in guidelines and procedures, particularly in the stage of programming. In the guidelines for the preparation of the CSP and NIP, reference is also made to a programming fiche for gender equality (updated in November 2008). This fiche focuses on the concept of gender equality, EC gender equality policy, gender equality and the new aid architecture, progress on gender equality at country level, opportunities to integrate gender equality in Country Strategy Processes and useful links for more information

on the concept. Whereas this attention for gender issues decreases when moving to the more operational level, at various instances reference is made to the existing toolkits on gender mainstreaming and gender budgeting. The toolkit on gender budgeting provides clear-cut suggestions on how to use gender budget instruments in the context of new aid modalities and more specifically sector and general budget support. Moreover, the BCS currently also includes the classification on the OECD/DAC Gender Equality Policy Marker which necessitates the application of a gender analysis.

An important issue is of course the degree to which all the guidelines and instruments are effectively applied. It was beyond the scope of the present desk study to grasp the actual degree of application of these instruments at the level of EuropeAid and the Delegations¹⁰. We can nevertheless check the actual set of 'sticks' and 'carrots' which are in place and formulate recommendations for changes at this level.

As highlighted above, there are already 'watchdogs' and 'safeguards' operational in the system whose mandate clearly includes the assessment of the degree to which gender issues have been addressed as suggested in the guidelines. More specifically, there is an Inter-Service Quality Support Group (IQSG), which provides guidance for the preparation of strategic documents and assesses and makes recommendations on the drafts of the main programming documents (on the basis of the common framework for strategies papers) in order to ensure that the range of development policy principles are addressed (including policy mix, mainstreaming of cross-cutting issues, country ownership and alignment, focus on results, complementarity and harmonisation). IQSG is senior-level and inter-departmental and as such it is able to formulate recommendations across Directorates-General and across topics. At a lower level of hierarchy, there is the specific sub-directorate (F1) that functions as an office Quality Support Group (oQSG) and who are involved early in the preparatory process of the cycle so as to promote the cross-fertilisation between geographic and thematic areas. Another directorate that has an important function in this respect is the Directorate for Operations Quality Support in 2005 (directorate E). Within this directorate 'governance, human rights, democracy and gender' is one specific sub-directorate (E.4). It is obviously important that staff who are involved within these directorates have the necessary background and at least a minimal training in gender mainstreaming and budgeting as to be able to perform a 'gender' quality control check and provide where necessary guidance for remediation. When elaborating and implementing tools and strategies to improve gender-sensitivity of budgets and budgetary processes and aid in general, it might also be important to coordinate and involve as early as possible the quality support directorates in order to stimulate ownership and effectiveness of the gender quality control check.

Another incentive for an improved application of the existing instruments might be the inclusion of the application of existing 'gender'-related procedures in the 'office' indicators that will be used by EuropeAid to examine internal processes and performance.

In fact, the general movement towards a more results and performance-based culture may stimulate the application of existing procedures for more gender-sensitive aid, at least when gender equality is among the indicators that are included in the results and performance based framework. In the area of budget support, the EC has long used a system of fixed and variable tranches. Gender equality indicators (such as female/male ratio in education) were often included in the 'other indicators' category of the variable tranche (other indicators in the variable tranche include budget indicators, PFM indicators, health indicators, education indicators). Whereas it is positive that gender equality indicators are

¹⁰ Of course, the gender budget analysis performed in section 3.4. provides some insight.

included, it is important to make other categories of indicators gender-sensitive as well. Also the analysis of the non-achievement of indicators should include a gender dimension (see Gender Budgeting Briefing Note, 37-38 for more details). Since recently, the system of fixed and variable tranches is being transformed into a set of results/outcome indicators. The inclusion of gender indicators in this set of indicators will be vital to ensure that gender issues do not disappear from the results and monitoring framework. This would again weaken the existing incentive base for application of the existing procedures towards more gender-sensitive aid.

At a project and programme performance level, the ROM system obviously (could) provide(s) a stimulus for the application of the existing procedures, at least when gender issues are adequately taken on board in the ROM. The inclusion of the OECD/DAC Gender Equality Policy marker in the BCS is certainly added value. A more straightforward inclusion of gender issues in the ROM system would also provide a better database to perform gender-budget analysis (see also 4.2).

Besides quality control and watchdogs, it is of course vital that all staff who needs to apply the gender-budget and analysis instruments (including e.g. the G-marker), is provided with a minimal level of training as to be able to apply the guidelines. EuropeAid has devoted resources to this in the past, but efforts need to be continued and strengthened. An entry-point is certainly the conventional trainings on various aid delivery methods that EuropeAid is often organising for its staff. It would certainly be valuable to make a mapping of future training activities (such as those in the area of project monitoring systems, stakeholder analysis, SBS, GBS, PFM, sector-specific seminars) to check where gender issues and instruments of gender mainstreaming and gender budgeting could be included.

4.1.2. Recommendations for additional instruments or changes to existing ones

Programming

Whereas the framework for country strategy papers includes gender equality in several sections, there is still room for improvement. The following issues could be added:

- Check the capacity for gender mainstreaming and gender budgeting throughout the administration (particularly at the ministry of finance and key line ministries), civil society, universities and other donors.
- Not only data related to education and health (capacities) should be disaggregated but also data related to opportunities (economic and political participation) (see also the programming guide for strategy papers, programming fiche gender equality)
- In the current guidelines, it is mentioned that the country diagnosis needs to capture the progress in gender equality. It would be good to indicate explicitly the national and international sources which can be consulted (database of gender help desk, country gender assessments of the World Bank, GDI and HDI indicators, UNIFEM database including the gender budget website (<http://www.gender-budgets.org> which includes country exercises of gender budgeting including information from gender-aware policy appraisals, gender-disaggregated beneficiary assessments, gender-disaggregated benefit incidence analysis, etc.).
- It could be interesting to rearrange/structure the gender diagnosis in the diagnosis section into a gender-aware policy appraisal (see also Briefing Note on Gender Budgeting). A gender-aware policy appraisal involves a gender-analysis of the planned 'intervention' (policy, programme, project). The basic question that needs to be addressed in a gender-aware policy appraisal is *'in what ways will the policies and the associated resource allocations affect men and women? In what way will it increase or*

decrease gender (in) equalities and empowerment? Specific questions included in a gender-aware policy appraisal are the following :

- What are the current gender inequalities in the country, sector (e.g. using results of previous gender analysis, using data from national and international databases including WB Gender Country Assessments, possibly also databases from Gender Help Desk (check Gender Toolkit)
- 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?

If the programming phase is not the appropriate place for a gender-aware policy appraisal, it is recommended to check whether it could be included in the identification or formulation phase.

- It is important to ensure that gender issues highlighted in the diagnosis are also translated into priorities, indicators and targets. It is furthermore important to check whether gender priorities identified during programming are also translated into actions and budgets.
- The status of the gender profile could be changed from 'recommended' to 'compulsory'.

As far as the 'eligibility criteria' are concerned, it could be interesting to link GRB to the third criterion, i.e. a credible and relevant programme to improve PFM is in place or under implementation. When identifying the notion of 'credible and relevant', one could also include the presence or use of gender budgeting tools in the PFM system.

Identification

In the checklists for the identification fiches for project approach, sector policy support programme and GBS, the toolkit for gender mainstreaming (including the briefing note on GRB) is only referred to in a small note at the bottom of the page. More explicit attention should be drawn to the toolkit. There is also no compulsory rating for gender equality. It is recommended that gender equality is included in part A (relevant) and B (feasible) of the identification fiches and that a rating (to be assigned by Directorate E) on gender mainstreaming is compulsory.

As the DAC code is included in the identification fiche, it would be logic to include as well the score on the OECD/DAC Gender Equality Marker. This also guarantees that a minimal gender analysis is performed at the moment of the identification.

Formulation

A financial proposal/action fiche starts with a short table with general information like title, costs, aid delivery mode and DAC code. The score on the Gender Equality Marker should be included in this table.

In case a gender-aware policy appraisal has not been performed in the previous stages, it is recommended to include it during the formulation stage (e.g. under the heading of cross-cutting issues which is a standard item included in the action fiche). The Action Fiche contains a descriptive section which implicitly follows the structure of a logframe. It could be interesting to specifically link with the Budget Cycle Framework of Elson which includes a gender perspective to the different levels of a logframe (see also Briefing Note on Gender

Budgeting). The table below highlights which questions at the different levels could be included:

Table 13: Budget Cycle Framework (Elson)

LEVEL IN THE CAUSAL CHAIN	EXAMPLE	GENDER PERSPECTIVE
Impact (achievements in relation to broader objectives)	Poverty Healthy population Level of alphabetization	Is there a gender-differentiated impact? (To what extent and what kind of impact is there on men and women?) What is the contribution of the realization of the objective (e.g. poverty reduction, alphabetization, etc.) towards gender equality?
Outputs (utilization of the services)	Number of patients treated Number of students that have finished schooling	To what extent do men and women benefit from the outputs? What is the contribution of the outputs towards gender equality?
Activities (service delivery)	Treatment of patients (health care) Schooling	Is there equal access for men and women towards activities?
Inputs	Financial inputs Human resources	Are the means enough to stimulate gender equality?

Source: Elson (2002).

The Budget Cycle Framework allows highlighting relevant issues at each of the different levels of the causal chain. This is particularly useful from a policy perspective as it helps to pinpoint at which level(s) gender bias specifically occurs and at which level a remedying intervention is needed. One may e.g. be confronted with a huge female/male gap in the level of alphabetization (impact level). The specification of the causal chain and inclusion of gender analysis at the different levels may help to identify at which level the problem occurs, and where consequently more in-depth analysis and remedying action is needed. In the underlying case the problem might e.g. occur at the level of 'activities'. If women do not have equal access to education, it is unlikely that alphabetization ratios will be close to unity. One then needs to analyze more in-depth the underlying causes for this absence of equal participation at schooling (including analysis on the 'demand side') and take remedying measures at this level before any beneficial effect on gender equality might be expected upward the causal chain. This will obviously also affect the necessary inputs, which will need to be adjusted accordingly.

The Budget Cycle Approach may be applied at different moments in the cycle:

- ex-ante (during identification and planning): what are the *planned* (and expected) inputs, activities, outputs and impact?
- ex-post (during evaluation and audit): what are the *realized* inputs, activities, outputs and impact?

It is also interesting to compare ex-post the realization at the various levels with the expected realizations that were put forward ex-ante. The disaggregation over the different

levels as well as the integration of a gender perspective might be helpful in identifying possible causes for the gap between planned and realized effects.

As programme-based approaches to management and budgeting often use a (highly) similar disaggregation over different levels of the causal chain, the budget cycle approach is obviously interesting in this context.

Financing

In those cases where gender-specific programmes have been identified in previous stages of the intervention cycle, it is important to check whether budgets have been allocated to these programmes and included in the Cost and Financing Section.

Implementation and Monitoring

It is recommended that the different criteria included in the monitoring report of the CRIS include a gender dimension. In case a gender perspective has been included in the logframe earlier, through e.g. a Budget Cycle Framework, it is useful to use this framework in order to address the different criteria included (i.e. quality of design, efficiency of implementation to date, effectiveness to date, impact prospects and potential sustainability)

A minimal scenario is to include the score on the Gender Equality Marker in the CRIS.

The Background Conclusion Sheet (BCS) which underpins the ROM has recently been updated. In the previous version of the BCS gender issues were grouped together under the criterion of 'sustainability'. Positively, a specific score was assigned which was also included in the final score (weight of 10%). This scoring has been dropped in the current version of the BCS. However it is positive that gender issues are now included under more criteria, more specifically under 'quality of project design', and 'impact prospects'; although the inclusion is rather vague and gender is clumped together with other cross-cutting issues. In the current version of the BCS, gender issues are most explicitly addressed in a section on 'cross-cutting issues' which also includes the classification according to the OECD Gender Equality Marker. The inclusion of the classification on the OECD Gender Equality marker is positive as it allows updating the score that was assigned during the programming/identification phase. It might be interesting to replace the additional set of questions which are currently included by those questions used in a gender-aware policy appraisal.

Evaluation and audit

The current checklist for assessing the quality of a proposal refers to the capacity for addressing cross-cutting thematic issues like gender equality. Guidelines for the inclusion of a gender dimension in project evaluation, geographical evaluations, thematic evaluations and joint evaluations could be made much more specific. Instruments that can be included in evaluations are e.g. gender-disaggregated benefit incidence analysis, gender impact analysis, etc. In addition to the systematic integration of a gender dimension in evaluations, a specific thematic evaluation on cross-cutting issues, including gender equality and how these issues have been managed effectively on the ground in the context of changing aid modalities in general and changes within EuropeAid in particular would be most welcome.

4.2. Recommendations on the basis of the gender budget analysis

4.2.1. Guidelines for future gender budget analysis

A first general recommendation would be to perform yearly a minimal quick gender budget analysis. While it does not by itself improve the gender-sensitivity of EuropeAid, it functions as an accountability tool¹¹. In order to increase its relevance, it would be good to include various types of disaggregation in the analysis, including amongst others 'aid delivery mode', 'sectors', 'financing instruments', 'activities (directorates)', etc. Disaggregation makes it possible to compare gender-sensitivity of different aid delivery modes, of different sectors, financing instruments, etc. It indicates where possible champions are located and where problems are situated. Results of a gender budget analysis hint at possible routes for improved gender-sensitivity of the budget, both in the short and longer term. If gender-sensitivity is crucial for EuropeAid, the agency may envisage reallocations of budgets from less gender-sensitive to more gender-sensitive areas or focus efforts on less gender-sensitive areas. In order to increase the impact of its efforts, it is recommended to start with the most substantial budgetary allocations.

As indicated above, the data currently at hand do not allow to do a first-best gender budget analysis. In order to improve the quality of the analysis, it is important to improve data collection, both in terms of coverage and quality. It is not necessary to start additional rounds of data collection, a more straightforward inclusion of a gender dimension in the existing systems of monitoring (CRIS, ROM) and evaluation is probably more feasible.

The absence of a 'perfect' database for gender-budget analysis does not imply that it is impossible to do an analysis. Section 3.4 has shown that second-best alternatives are available. In order to structure the analysis it is useful to use the three-categories approach of Budlender and Sharp. Data to perform the analysis can be collected from various sources. One important source is the classification data on the OECD/DAC Gender Equality Policy Marker. It is more particularly possible to use the G-2 scores as a proxy for the category 1 expenditures (i.e. expenditures that are specifically related to the promotion of gender equality) and the G-1 scores for the category 3 expenditures (i.e. general expenditures). It would be useful to further refine the database as to make the analysis as interesting as possible. It would e.g. be useful:

- to do comparative analysis among aid modalities, sectors, financing instruments. This comparative analysis is possibly feasible without any additional data collection.
- to follow-up the scores during implementation and monitoring as scoring is currently only performed early in the cycle.
- to minimise the time-lag in analysis. At this moment, the most recent data is from 2006.

In order to screen the more recent expenditures, it is useful to perform an analysis of the Annual Management Plan and internal AMP, and the more detailed information captured in the Annual Action Plan of the 'Investing in People' Pillar. It is interesting to check to what extent gender equality is included in the objectives, result indicators, targets, outputs and budgets of the different activities (and directorates) and whether the inclusion in objectives also translates into targets, outputs and budgets.

¹¹ As one may assume that more gender-sensitive procedures of programming, identification, etc. will lead to more gender-sensitive budgets, a gender-budget analysis can be considered a first proxy for the gender-sensitivity of the procedures as being implemented by the staff.

As far as category-2 expenditures (i.e. expenditures to promote equal opportunities in government employment) are concerned, we have used the information captured through the indicator of 'gender balance' of staff in headquarters and delegations. It is interesting to compare scores at different levels of the hierarchy and between the headquarters and delegations. Given the importance of devolution, it is vital to monitor and improve the gender balance of staff in delegations. Whereas the gender balance indicator provides useful information for analysis, it is important to highlight that there is currently no target linked to the gender balance. This implies that there is no incentive to perform better. It is recommended to link a quantitative target to the objective. It would also be useful to highlight the expenditures that are currently made to improve the gender balance, including the equal employment opportunities expenditures.

Finally, it is recommended to publish the results of the gender budget analysis in the Annual Report. A good and logical starter would be to include the results of the OECD G-marker in the Annual Report. As this information also needs to be communicated to the OECD/DAC it does not entail any additional effort. At this moment, the information included in the AR does not allow to get any idea about the gender-sensitivity of the budget, not even about expenditures that are specifically targeted at gender equality (category 1 expenditures; G-2 scores). These are currently partially captured under 'support to government and civil society' (which includes the CRS-code 15164 'women's equality organisations and institutions) and under the human and social development (investing in people) thematic programme.

4.2.2. Findings from the current gender budget analysis

The gender budget analysis we have performed leads to the following specific conclusions and recommendations.

- There is a steep increase in absolute and relative terms of expenditures specifically devoted to gender equality when comparing 2005 and 2006 expenditures. It would be good to check whether this trend continues and whether there are differences among aid modalities, sectors, financing instruments.
- There is a sharp decline in absolute and relative terms of the expenditures allocated to the gender pillar of the 'Investing in People' programme when comparing 2007 and 2008 expenditures. It is important to follow this trend and analyse the reasons for this drop in expenditures.
- Gender issues are hardly included in the AMP and even less in the internal AMP. Where gender issues are included, there is no consistency between objectives, targets, results indicators, outputs and budgets. The quality of objectives, targets, outputs, budgets captured under the objective 'increase of gender equality and empowerment' could also be improved.
- There is no consistency between the (budget) data in the AMP and internal AMP and the data provided in the Annual Action Plan of the 'Investing in People' programme.
- The gender balance of staff in the headquarters and delegations is far from being achieved. There are no major differences between headquarters and delegations. The percentage of women within the overall staff lingers at best around 20% and for the middle management there was even a substantial decline from 2003-2004 to 2005-2006. Positively, there is a sharp increase of the gender balance at the level of senior management. In order to improve the gender balance, it is recommended to identify a quantitative target and to allocate specific expenditures for equal employment opportunities.

- The analysis is most difficult regarding the category of main expenditures as information regarding the distribution of expenditures on the ground is lacking. An improvement of the coverage of gender issues in the ROM database and in evaluations could provide useful information for better gender-budget analysis regarding category-3 expenditures. The G-1 expenditures of the OECD G-marker provide a useful proxy. Information available for the period 2004-2006 shows a substantial increase of activities that have gender equality as an important objective, both in absolute and relative terms. It is important to check whether this trend continues in the future and to add layers of disaggregation as to compare among different aid modalities, sectors, financing instruments.

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