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GENDER RESPONSIVE BUDGETING

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ABSTRACT

The 2009 ERD outline report indicates that fragile states are major recipients of aid, and, as such, must have the capacity to absorb aid. However, in order to make aid effective in addressing poverty and inequality, it is essential for donors and national governments to have a greater understanding of the specific challenges that women face. Gender responsive budgeting (GRB) is particularly important in the context of re-building and strengthening state institutions as it provides an important entry point for gender mainstreaming in the budget.

This paper argues that gender responsive budgeting has enormous potential for advancing gender equitable resource allocation in fragile states. By drawing on the experience of a few African countries, this paper argues that, with political will, technical skill and capacity, gender responsive budgeting can contribute to making aid more effective in fragile states.

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The views expressed in this paper are those of the authors, and should not be taken to be the views of the European Report on Development, of the European Commission or of the European Union Member States.

1 Introduction

Gender budget analysis or **gender responsive budgeting** is a “gender mainstreaming strategy that directs attention to economic policy focusing on government budgets”.¹ Since the early 1990s, donor agencies and governments have adopted **gender mainstreaming** as a key strategy for promoting and achieving equality between men and women. Mainstreaming involves incorporating a gender perspective in all policies, planning and programming to ensure that men and women benefit equally from development interventions. Because the budget is the most important economic policy tool of government,² gender budget analysis assists in measuring the differential impact of revenue raising and government spending on men and women, and in advocating for changes or shifts in public expenditure to match policy goals. It is not a separate budget for women, but is, instead, an analytical tool to address gender-based discrimination. Gender budget analysis can play a role in enabling women and other poor citizens to exercise their rights to basic services, to economic opportunities and to political participation – as well as to increase government accountability for public service provision. Gender responsive budgeting (GRB) aims to:

- Improve the allocation of resources to women;
- Mainstream gender into macro-economics and development;
- Strengthen civil society participation in economic policy-making;
- Enhance the linkages between economic and social policy outcomes;
- Track public expenditure against gender and development policy commitments; and
- Contribute to the attainment of the Millennium Development Goals (MDGs).³

To date, more than 90 countries have implemented or supported some kind of gender budget initiative (GBI). Some very useful gender budget analyses have been conducted in several African countries including Tanzania, Uganda, South Africa and Mozambique. The United Nations Development Fund for Women (UNIFEM) and the Commonwealth Secretariat have been providing GRB technical assistance to national ministries and non-governmental organisations since 2001. A number of civil society organisations have engaged in global, national and local level advocacy on gender budgets. Lessons from this work show that GRB can:

- increase state-citizen accountability and reduce corruption;
- increase transparency in the budget process through demand for information;
- challenge policy-makers to think through the application of policies in relation to outputs & outcomes;
- be a tool for addressing gender based discrimination;
- allow governments to comply with international obligations such as the Beijing Declaration and Platform for Action and the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW).

¹ Rhonda Sharp (2003), *Budgeting for Equity: Gender budget initiatives within a framework of performance oriented budgeting*, UNIFEM: New York.

² Debbie Budlender and G Hewitt. (2002) *Gender Budgets Make More Cents: Country Studies and Good Practice*, Commonwealth Secretariat: United Kingdom.

³ Budlender *et al.*, 2002: 12).

2 Making aid more effective through Gender Responsive Budgeting

The 2005 Paris Declaration on Aid Effectiveness established global commitments for achieving the MDGs by setting out five key principles for improving aid delivery and effectiveness. These include fostering country **ownership** of development by **harmonising** donor financing to sector or national budgets; **aligning** donor support to national development plans; promoting civil society participation for **mutual accountability**, and ensuring more predictable development **results**. The new aid modalities (direct budget and sector support) that flow from the Paris Declaration are intended to improve the quality and efficacy of aid. Most developing countries and donors prefer budget support (a direct transfer of funds to the national budget with minimal earmarking) as it makes aid more predictable and allows for long-term planning. The European Commission and its Member States are increasingly using direct budget support. For example, the European Development Fund (EDF) for 2008–2013 aims to disburse around half of the programme funds through this modality.

Many developing countries have embarked on initiatives to promote national ownership and the co-ordination of aid financing even before the 2005 Paris Declaration or the 2002 Monterrey Declaration. For example, the Tanzanian government has been conducting aid management reforms as part of its broader economic policy reforms since the mid-1990s.⁴ The fourteen donors⁵ in Tanzania provide aid through the Poverty Reduction Budget Support (PRBS) instrument, which uses a common Performance Assessment Framework (PAF), focusing on results, improving public expenditure management and capacity building. This enhances donor co-ordination and effectiveness.

From a gender equality perspective, the Paris Declaration and the new aid modalities have great potential for strengthening gender equality outcomes, especially if gender is mainstreamed through government and donor planning and programming. There has been growing interest in applying GRB methodology to aid financing. Several bilateral and multilateral donors have supported, either directly or indirectly, gender budgets initiatives (for example, UNIFEM's programming on GRB has received financial support from the governments of Belgium, Canada, the European Commission, Italy, and the UK). The UNIFEM programme has covered a wide range of activities with results ranging from GRB tools to increase awareness and capacity, to more money for gender equality programmes. There has been work at national, local and sectoral levels. However, with the exception of a few evaluations,⁶ there has been little gender analysis of aid financing through sector and budget support. This is especially surprising in countries in which donor funds make up a large proportion of government revenue.⁷

⁴ Rusimbi, M and Kikwa, A. (2008) *Just Budgets: Tanzania*. One World Action, London: UK.

⁵ The 14 donors include bilateral agencies, the African Development Bank, the EU and the World Bank.

⁶ See, for example, Bell, E. (March 2003) *Gender and PRSPs: with experiences from Tanzania, Bolivia, Vietnam and Mozambique*, Report for Ministry of Foreign Affairs, Denmark, BRIDGE, IDS; Whitehead, A. (May 2003) *Failing Women, Sustaining Poverty: Gender in Poverty Reduction Strategy Papers*, Report for UK Gender and Development Network; Theobald, S., Tolhurst, R., Eley, H. and Standing, H. (2004) *Engendering the Bureaucracy? Challenges and Opportunities for Mainstreaming Gender in Ministries of Health under Sector Wide Approaches*, Health Policy and Planning, pp.1-9; Subrahmanian, R. (2004) *The Politics of Resourcing Education: a Review of New Aid Modalities from a Gender perspective*, Paper for the Beyond Access Seminar Series, Oxford, UK; World Bank (2001) *Gender in the PRSPs: A stocktaking*, World Bank, Poverty Reduction and Economic Management network, Gender and Development group

⁷ Debbie Budlender (2001), *Review of Gender Budget Initiatives*. Assessment commissioned by the Commonwealth Secretariat in collaboration with UNIFEM and IDRC.

Analysing aid budgets from a gender perspective is important because most low-income countries are dependent on external resources to finance public expenditure. Many governments receive funds for their national budgets through bilateral and multi-lateral aid. In Uganda, development partners financed about 42% of the 2006/07 budget, and 38% for 2007/08. Overseas development assistance (ODA) accounts for around 42% of the government budget and 80% of the development budget in Tanzania.⁸ In fragile states, this will be considerably more.

Donors and the international financial institutions (IFIs) play an influential role in shaping national policy priorities, budget processes and, consequently, development outcomes. They also exert considerable influence over the budget process itself. Analysis of this influence by Foster and Fozzard⁹ indicates that donor budget meetings and IMF negotiations take place very early in the budget cycle, even before the budget is approved by Cabinet and presented to Parliament. The Tanzania Gender Networking Programme, a women's organisation based in Dar es Salaam, argues that understanding the impact of international macro-economic frameworks (such as SAPs) and processes (such as PRSs) is essential, as these have considerable influence on government budgetary policy and practice. However, there are limited opportunities in the budget cycle for women's or other civil society organisations to engage more proactively in the budget process, to be informed about donor or IFI intervention, assistance and influence or to advocate for particular outcomes.

Donors providing development aid have their own policy commitments to gender. For example, the UK Department for International Development's (DFID) *Gender Equality Action Plan* sets out how DFID will promote gender equality and women's empowerment in its development co-operation activities. The 2005 EU Consensus on Development and the 2007 European Commission *Communication on Gender Equality and Women's Empowerment in Development Co-operation* commit EU donors to ensure the effective implementation of strategies and practices that contribute to the achievement of gender equality and women's empowerment. In particular, the EC Communication on Gender Equality and Women's Empowerment in Development Cooperation (2007) states that:

"The increased use of budget support as a major instrument of aid delivery raises the question of how to promote gender equality within or through such a programme. To achieve this it is vitally important to ensure that partner countries' budgets are gender responsive. This requires:

- Focus on gender awareness and gender mainstreaming in the budgeting process at national and local levels;
- Re-prioritisation of expenditure and re-orientation of programmes within sectors to achieve both Gender Equality and Human Development;
- Monitoring of government revenue and expenditure to ensure that the inequality gap between females and males is in fact decreasing."

The increased use of budget support as a key aid delivery mechanism raises a challenge regarding how to meet gender equality commitments through this modality. GRB is one way to achieve this because it requires governments to apply gender analysis to the budgeting process at national and local levels.¹⁰ Furthermore GRB is, first and foremost, a matter of accountability. It enables citizens to hold their governments to account for service delivery and fulfilment of their human rights. It can also help to ensure that development co-operation (in the form of direct and sector budget support) can be

⁸ URT, Government Budget Books 2007/08,

⁹ Mick Foster and Adrian Fozzard. (2000) *Aid and Public Expenditure: A Guide* ODI Working Paper 141. London: ODI cited in Andy Norton & Diane Elson. (2002) *What's behind the budget – Politics, rights and accountability in the budget process*. London: ODI., p. 8.

¹⁰ Communication from the Commission to the European Parliament and the Council – *Gender Equality and Women Empowerment in Development Co-operation*, 2007.

targeted more effectively to vulnerable groups, as this case study from Tanzania demonstrates.

3 Budgeting as a key tool for engendering aid financing in Tanzania¹¹

There has been a growing realisation in Tanzania that gender budget work could potentially enhance aid effectiveness by ensuring that national and sector budgets were allocated and disbursed in a gender-equitable way.

Ongoing GRB efforts in Tanzania may be categorised into three areas. The first area is activities designed to assist the government to increase its capacity for the generation and application of gender disaggregated statistics and data for macro-economic planning. The rationale for this is that national macro-economic planning frameworks and processes, such as macro-modeling and the Budget Guidelines, direct the new modalities for aid financing, especially the GBS, through the annual or three year budget plans.

One of the key initiatives undertaken in this area was drawing the government's attention to: 1) the contribution of women's unpaid labour to the GDP; and 2) the need to analyse annual projections and directives provided through the national Budget Guidelines from a gender perspective. Although gender mainstreaming efforts at this level have been slow in realising outcomes, the study points out some key achievements, including the government's agreement (Ministry of Planning/NBS) in 2006/7 to conduct a Time-Use survey as an additional module for the National Labour Force Survey.¹² This has resulted in increased aid financing to sectors (such as water, health and energy) which disproportionately impact upon women's time.

The second area of focus on gender budgeting has been the enhancement of gender-responsiveness in the Public Expenditure Review (PER) framework. As confirmed by the study, PER is a key process in tracking expenditure for fiscal years; the production of cluster/national analyses for the predictability of revenue and resource envelope; and the strengthened efficiency of financial management and levels of accountability. The current PER processes thus provide an opportunity for tracking the results of aid financing or the allocations at national and, in particular, at sector/cluster levels.

For example, the on-going efforts in streamlining PER and MTEF budgeting processes, which aim at aligning the government budget and aid financing of MKUKUTA (National Poverty Reduction Strategy) through MTEF, was seen as offering a number of opportunities for improving gender-oriented monitoring and documenting results. Such a mainstreaming focus is relevant in terms of fostering government and donor commitment to evaluating performance against approved budgets and output targets on gender. This will ascertain how funds were spent in addressing gender equality and equity objectives – and whether the spending units achieved the intended gender-oriented goals as provided for in MKUKUTA. When this process becomes functions effectively, it will show whether gender issues are a priority for development expenditure among and within sectors, and ensure their consistency with the MTEF.

Another influencing opportunity arises during budget implementation through PER process expenditure monitoring mechanisms. For example, attempts have been made, but need to be strengthened, to track expenditure/effectiveness of resource flows from central ministries to districts from a gender perspective. At this level, gender budgeting and gender expenditure tracking needs to be further improved as part of PER process expenditure monitoring mechanisms. This has started to be implemented, albeit in a limited way, by CSOs and gender advocates through the use of budget tracking tools such

¹¹ Rusimbi, M and Kikwa, A. (2008) Just Budgets: Tanzania. One World Action, London: UK.

¹² See more details under the discussion on Time –Use Survey in Tanzania, TGNP, 2005/6.

as PETS¹³ at local/district levels. However, CSO capacity in tracking expenditure with gender perspectives needs to be improved as part of the PER process of expenditure monitoring mechanisms.

In addition, the annual PER studies - which are shared publicly in Annual PER consultative fora - offer another key opportunity for reviewing the major results and lessons of implementing MKUKUTA strategies from a gender perspective. The PER study for the water sector, conducted in 2003, was cited to have included an effective gender review of the impacts of budget spending in the sector, a situation that led to increased financing to activities (for example, supply of water in rural areas) with high potential for gender equality and women's empowerment. It is within this context that the study emphasises the significance of the PER processes in strengthening the tracking of resource allocation and implementation of gender equality objectives and goals as provided for in the MKUKUTA framework. However, for this process to realise its full potential, the government and donors need to support the facilitation of the relevant capacity of key actors in tracking results, impact and reporting.

4 Challenge of gender mainstreaming

New aid modalities offer opportunities for promoting gender equality and women's empowerment as budget processes become more participatory and inclusive. Donor and recipient government policy commitments to gender provide an important entry point for mainstreaming gender into development policy and practice. The Paris Declaration provides the framework for the operationalisation of new aid modalities, but it only refers to gender equality as a cross cutting issue which requires a harmonised effort. While this could open up space for policy dialogue on gender, measures must be adopted to ensure that gender issues are brought into the mainstream of macro-economic policy formulation, planning and resource allocation.

A recent public expenditure review that looked at tools and processes for implementing direct budget support¹⁴ in Tanzania showed an absence of gender.¹⁵ Even though the implementation of country level aid modalities is guided by the Monterrey Consensus and the Paris Declaration principles, both of which call for the mainstreaming of a gender perspective in donor (and country) financing initiatives,¹⁶ a gulf remains between policy and practice.

Research¹⁷ conducted in Uganda by the Forum for Women in Democracy (FOWODE) shows that gender has not been consistently or effectively integrated into new aid modalities. The research showed that donors have much leverage in inputting to budget discussions as aid contributes to the national budget substantially. Much aid is still tied to conditionalities, such as a commitment to good governance, including addressing corruption and promoting accountability. However, the Ugandan Ministry of Gender, Labour and Social Development indicated that donors are not particularly committed to gender. On the other hand, donors argue that their support is aligned to national development

¹³ PETS is Public Expenditure Tracking Study tool that is currently being facilitated by a number of CSOs including TGNP at the district level.

¹⁴ The review was a gender analysis of the Poverty Reduction Budget Support (PRBS), Performance Assessment Framework (PAF) and the preliminary annual GBS review cycle.

¹⁵ Usu Mallya and GMWG-MP. 2006. A Study Report on Assessment of Public Expenditure Review Processes in Tanzania from a Gender Perspective, pp 12-13.

¹⁶ The Monterrey document calls for mainstreaming of a gender perspective into development policies at all levels and in all sectors. The Paris Declaration - though with a narrower approach - also states that "similar harmonization efforts (as environment) are also needed on other cross-cutting issues, such as gender equality".

¹⁷ Nite, T. 2008. Just Budgets: Increasing Accountability and Aid Effectiveness through Gender Budget Analysis. FOWODE/One World Action. London: UK.

plans and that they cannot force governments to “do gender”. As there are no clear mechanisms for ensuring that gender is mainstreamed throughout development co-operation, it is de-prioritised.

Another challenge to effective gender mainstreaming is limited government capacity and inadequate resources for programmes targeting gender equality and women’s empowerment. This, coupled with declining support for national women’s machinery and for women’s organisations,¹⁸ results in a failure to institutionalise gender mainstreaming. There is an urgent need to promote gender mainstreaming approaches in the key GBS modalities and processes, including annual GBS review cycles, performance assessments, monitoring and developing indicators for aid effectiveness.

GRB is an important tool for measuring gender equality outcomes in national development plans and development co-operation. If gender is effectively mainstreamed in national plans and, consequently, in all ministries, it would follow that development co-operation that supports the work of the ministries will be gender responsive.

5 Civil society challenges

The new aid modalities also bring challenges for civil society organisations wishing to assess how well-agreed priorities are reflected in government expenditure, how ODA is spent and how it reflects states government and donor priorities.¹⁹ There has been growing interest in using gender budget analysis to address some of these concerns. However, because GRB is not “one thing” and there is so much variation in actual practice of GRB worldwide, uncertainty remains over basic terms and methodology.²⁰ Moreover, applying the analysis to development aid is complex as it is not always possible to track expenditure once it enters the national level.

Furthermore, influencing budget preparation is not a simple activity. It requires meaningful engagement at all the stages of budget preparation. Sex-disaggregated and reliable figures are rarely available. In addition, budget processes in almost all countries are far from transparent and open. Extending gender budget analysis to the local level is also difficult due to poor data, lack of unified systems and categories, and variable levels of resources and discretion over their use.²¹ Even where policy and political commitment to improving gender equity exists, local and national government officials and elected representatives often lack the capacity and tools to undertake gender budget analysis.

Civil society organisations have not fully harnessed the potential of engagement in budget processes and gender budget analysis as a means to advance equality between men and women and guarantee rights.²² Few women’s organisations have been able to develop the capacity to engage with budgets and budget-making processes. Such capacity would greatly strengthen the ability of women’s and other civil society organisations to hold governments and donors to account and to contribute to the discourse on good governance.

Several multilateral and bilateral agencies have supported governments and built capacity in civil society on gender budgeting. In addition, academic institutions and some NGOs have supported gender budget work in different ways. To date, however, very lit-

¹⁸ See UK Gender and Development Network (GADN) report on Gender, New Aid Modalities and civil Society Organisations. 2007.

¹⁹ Andy Norton & Diane Elson. (2002) What’s behind the budget – Politics, rights and accountability in the budget process. London: ODI., p. 51.

²⁰ Katherine Rake. (2002) Gender Budgets: The Experience of the UK Women’s Budget Group. A paper prepared for the conference “Gender Balance – Equal Finance” Basel, Switzerland.

²¹ Carole Rakodi. (2002) Influence and Accountability – Citizen Voices, Responsiveness and Accountability in Service Delivery. London: One World Action.

²² Rhonda Sharp. October 2003. Presentation at Fawcett Society.

tle work has been done on applying the principles of gender budget analysis to donor funding. However, the lessons learned from current gender budget initiatives could provide a useful entry point to measure aid effectiveness in relation to gender equality and poverty reduction.

Despite the challenges above, GRB has enormous potential for advancing gender equitable resource allocation in fragile states. The 2009 ERD outline report indicates that fragile states are major recipients of aid, and, as such, must have the capacity to absorb aid. However, in order to make aid effective in addressing poverty and inequality, it is essential for donors and national governments to have a greater understanding of the specific challenges that women face. GRB is particularly important in the context of rebuilding and strengthening state institutions as it provides an important entry point for gender mainstreaming. For example, at a 2007 UNIFEM funded workshop in Rwanda, female Members of Parliament argued that gender equality must be given priority in the national budget in order to achieve the MDGs. The workshop aimed at developing responses to the challenges that Rwandan women face in their daily lives. It found that lack of education, employment, healthcare and access to credit for women could be addressed through adequate allocations in the national budget.

In countries that have undergone budget reform (which could include introducing Medium- and Long-Term Expenditure Frameworks) there is some space for gender analysis of budget instruments and processes as the case study below demonstrates.

6 Enabling factors for GRB application - Budget reform²³

Budget reforms in South Africa, Tanzania and Uganda provide important entry points for accountability in the budget process. In Tanzania, for example, budget reforms have involved the introduction of a Medium-Term Expenditure Framework (MTEF). The MTEF requires budgets to be planned over three years, and is a tool to encourage co-operation across ministries and for longer than the immediate upcoming fiscal year. It is generally agreed that the MTEF enhances predictability and stability by letting ministries know what resources are available, and enhances transparency as it makes long-term government policy goals public and therefore open to discussion.

Furthermore, the performance aspect of such reforms has introduced the idea that budgets should follow policy, rather than the other way round. This means that the budget should be seen as a means of attaining development objectives (including gender equality), rather than simply a way of controlling the deficit and ensuring that budget figures are adding up. Budget reporting should also provide an indication of what has been achieved with the resources. This means that sector/cluster budgets must reflect outputs - such as, how many people were reached through a particular type of service - as well as outcomes - and how lives have changed as a result of this expenditure.

In Uganda, the introduction of participatory budgeting immediately created a demand for results oriented management. The emphasis on performance *i.e.*, linking resource use to outputs and outcomes has placed higher demands on the government to become more transparent and accountable, and to ensure that services reach the poor. The shift towards performance-based budgeting and monitoring provided an entry point for GRB. NGOs capitalised on the opportunity to lobby the government to pay attention to the manner in which public expenditure areas are prioritised and resources are allocated to competing national and sector interests.

²³ Khan, Z. 2008 Just Budgets: Increasing Accountability and Aid Effectiveness through Gender Responsive Budgeting, One World Action: UK.

Similarly, in Mozambique and South Africa, gender advocates note that budget reforms hold significant potential for accountability on gender policy commitments. This is further enhanced if output and outcome indicators are gender-sensitive, *i.e.*, sex-disaggregated. This brings the need for further relevant gender skills and knowledge to be provided to government planners and budget officers, especially in the areas of social issues. This could happen as part of technical support provided by donors/governments in enhancing budget reforms in different sectors.

7 Enabling factors for GRB application – Working in partnership: The South African Women’s Budget Initiative²⁴

The South African Women’s Budget Initiative (WBI) began in 1995 – a year after the first democratic elections - as a partnership among parliamentarians, NGOs and academics. The initiative brought together the specialist skills and knowledge of researchers and the political influence of MPs to play an oversight role in the newly established parliament. It was envisaged that the researchers could feed information into the parliamentary forum where it would be used by MPs to advocate for gender equality. The South African WBI was initiated by civil society groups and MPs. It was not a government initiative. During the early years of the WBI, women parliamentarians were actively engaged in gender budgets. The value of the WBI lay in its combination of MPs and NGOs, which enabled them to mobilise for gender-sensitive budget analysis. For parliamentarians, this convergence of MPs and NGOs around a common cause was a key milestone. The Joint Monitoring Committee on the Improvement of the Quality of Life and Status of Women (JMCW) was able to use budget debates to raise public awareness by asking ministers for reports, and by holding hearings with civil society on poverty, gender, macro-economic policy and budgets.

A year after the WBI was established, the Finance Minister, in his budget speech, committed the government to developing gender-disaggregated data, gender-sensitive targets and indicators, and a performance review mechanism (currently part of the Provincial Budgets and Expenditure Review tabled annually in Parliament). He also committed his ministry to counting unpaid labour as a contribution to the national economy, and, in 2001, Statistics South Africa produced the country’s first study on unpaid labour. In 1997, when it submitted its report to the JMCW, the Finance Ministry indicated its commitment to “an integrated gender analysis to macro-economic policy”. In the financial year 1998/99, the National Budget Review was presented to parliament, and government again re-affirmed its commitment to “integrate gender analysis into budgetary processes”. The Budget Review also indicated that the Department of Finance had included “gender-disaggregated information where available and appropriate, to permit an informed analysis of the impact of the Budget on men and women”.²⁵

The South African example highlighted all the key principles of gender responsive budgeting:

- There was **political will** at the highest level;
- **Strategic partnerships** were formed between those inside and outside government to ensure that there was external pressure for accountability and a critical mass to support GRB internally;

²⁴ Claasen, M. 2008. *Just Budgets: Increasing Accountability and Aid Effectiveness through Gender Responsive Budgeting: South Africa*. One World Action. London, UK.

²⁵ Claasen, M. 2008. *Just Budgets: Increasing Accountability and Aid Effectiveness through Gender Responsive Budgeting: South Africa*. One World Action. London, UK.

- This resulted in **mutual accountability** as those inside were expected to push a GRB agenda;
- **Skills and capacity to analyse budgets from a gender perspective was enhanced;**
- Evidence based decision-making through better use of gender disaggregated data was developed.

8 Developing GRB methodology for aid financing

In 2007, One World Action (a British NGO) launched a research project called *Just Budgets: Increasing Accountability and Aid Effectiveness through Gender Responsive Budgeting*. The aim of the project was to explore how GRB could be applied to new aid modalities. In collaboration with three leading civil society organisations,²⁶ One World Action developed a guidance note drawing upon country experiences. The guidance note is meant to strengthen accountability and gender responsiveness within budget processes. Using a generic planning cycle that includes the four key stages of the budget process (Stage 1: Identification and Budget Preparation; Stage 2: Commitment and Enactment; Stage 3: Implementation and Monitoring and Stage 4: Audit and Assessment), the project identified key questions that need to be tackled in order to begin implementing GRB.

Box 1: Stages of the budget process and GRB

Stage 1: Identification and Budget Preparation

Donors:

- Does the donor have an overall gender policy?
- Is the country strategy paper and/or Joint Assistance Strategy coherent with the gender policy?
- Are these policies informed by gender disaggregated statistics and indicators?

Government:

- Does the government collect gender disaggregated statistics and information?
- Has the government developed gender sensitive indicators that would show progress towards gender equality and women's empowerment?
- Are the national development plans outlined in the Poverty Reduction Strategies (PRSPs) gender sensitive?
- Are the key gender policy priorities integrated into fiscal planning tools such as the Medium-Term Expenditure Framework (MTEF)?
- Is the allocation through the MTEF/LTEF/PRSP gender disaggregated?

Civil society – Women's organisations:

- Have women's organisations analysed government and national donor policies?
- Have they proactively engaged with government and donors to improve the collection and analysis of gender statistics?
- Have they engaged women to ensure that marginalised voices are reflected in statistics and information?

Stage 2 – Commitment and Enactment

Donors:

- Are donor policy commitments to gender equality and women's empowerment reflected in discussions and the allocation of aid?

²⁶ They were the Forum for Women in Democracy (FOWODE) in Uganda; Tanzania Gender Networking Programme, The Institute for Democracy in South Africa (IDASA).

- Is aid earmarked for implementation of gender specific commitments?
- Is there donor support for national gender machinery and women's organisations?
- Were women's organisations consulted before commitments were made?
- Are disbursements to government timely and adequate?

Government:

- Are government commitments to gender equality and women's empowerment reflected in discussions and allocation of resources?
- Are funds earmarked for programmes aimed at supporting women's empowerment and/or for women's organisations?
- Were women's organisations consulted on budget allocations?

Civil society – Women's organisations:

- Are women's organisations tracking aid flows into their countries?
- Are women's organisations trying to influence budget planning in their countries?
- Are women's organisations holding their public officials to account by lobbying their Parliamentarians to ask questions when the Budget is tabled in Parliament

Stage 3 – Implementation and Monitoring:

Donors:

- Do donors have monitoring mechanisms to track aid?
- Do these measure the gender impact of their allocations?
- Are donor gender working-groups supported and consulted during the implementation and monitoring stage?
- Are donors investing in civil society in order to build their capacity for budget monitoring?

Government:

- How is the gender impact of the budget measured vis-à-vis gender policy priorities?
- Are gender indicators used to measure the performance of the budget?
- Is monitoring of allocations to gender programmes/projects part of the periodic review processes i.e. PRSP, JAS, Budget Support Review (BSR), MTEF reporting?

Civil society – Women's organisations:

- Are women's organisations actively monitoring government performance?
- Are they engaged in advocacy, including using the media, for raising awareness of poor/good performance?
- Are they mobilising citizens to engage in budget processes?

Stage 4 – Audit and Assessment

Donors:

- Are donors assessing the performance impact of the budget?
- Have they met their gender policy commitments?

Government:

- Is the government attempting to assess how the budget has addressed key gender issues contained in the departmental strategy plans and integrated into the MTEF?
- Is there a framework/ process for consulting with civil society organisations for feedback?
- What are good practices/ lessons learned to inform the next stage of the process?

Civil society – women's organisations:

- Are women's organisations refining their strategies on how to influence budget planning in the future?
- Are women's organisations advocating for more gender-sensitive impact assessment and better use of gender disaggregated data for the next cycle?
- How can women ensure government accountability for gender equality?

9 Policy recommendations for fragile states

9.1 Why use gender budgeting for aid effectiveness in fragile states?

Gender responsive budgeting ensures that a gender perspective is integrated into budgetary planning and programming. It is, therefore, a key tool for ensuring that: 1) gender analysis is mainstreamed in national, sector and local budgets; and 2) resources are ear-marked for women's empowerment programmes aimed at redressing gender inequalities. Many governments fund their national budgets through ODA. This is especially true for fragile states as they are unable to raise revenue internally. Donors play an influential role in shaping national policy priorities, budget processes, and, consequently, development outcomes.

While donors have strong policy commitments to gender, Southern governments also have commitments to gender equality and women's empowerment. These usually flow from international declarations and agreements such as the 1995 *Beijing Declaration and Platform for Action (BPfA)* and the 1979 *Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW)*. Regional commitments, such as the 2008 SADC Gender and Development Protocol and the 2003 Protocol to the African Charter on the Rights of Women in Africa, place women's human rights and the empowerment of women at the heart of development. Many have strong national plans of action for promoting gender equality and have started implementing GRB. Donors supporting fragile states must ensure some level of co-ordination and harmonisation with national poverty reduction and gender action plans – in accordance with the Paris Declaration.

GRB has enormous potential to advance gender equality in fragile states. It should be used as a tool to support gender mainstreaming in all aspects of state reconstruction – from peace-building to service provision to political participation. Donors supporting fragile states must:

- Implement their gender policy commitments fully;
- Ensure that such commitments are coherent with the overall country strategy;
- Ensure that gender is mainstreamed in sector and budget support;
- Provide support for women's empowerment programmes and national gender machinery;
- Provide support for women's organisations in order to promote accountability;
- Support gender responsive budgeting.

9.2 National governments

- Should invest in the collection and dissemination of gender statistics and indicators;
- Earmark funds for women specific programmes;
- Consult with women's organisations and ensure that women's needs are taken into account;
- Develop gender indicators to measure performance;
- Conduct gender impact assessment;
- Conduct gender responsive budgeting.

Budgets reflect political choices. They are not gender-neutral instruments and their impact is not gender-neutral. Budget design and implementation will *increase, re-inforce* or *reduce* gender inequalities. Gender responsive budgeting is about promoting accountability and transparency in the budget process – a key element of good governance.

10 References

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