

Delivering for women and girls: the role of gender responsive budgeting

Briefing paper

The United Nations 2030 Agenda for Sustainable Development¹ rightly brings together the social, environmental and economic aspects of development. And yet too often, economic policies can undermine social objectives, including the achievement of gender equality.

Through the Commission on the Status of Women (CSW) and the newly appointed High Level Panel on Women's Economic Empowerment,² governments have the opportunity to generate consensus for a set of economic policies that can accelerate progress towards gender equality.

A new vision for economic policy

Despite affirming a commitment to women's rights and gender equality, the outcome of the third International Financing for Development Conference at Addis Ababa in July 2015 left calls for structural reform unanswered. Laudable initiatives on tax and financing for gender equality failed to deliver on more inclusive global tax reform, critical to unlocking high quality financial resources.

Evidence from around the world is conclusive. Investing in infrastructure, both physical and social, to help redistribute women and girls' responsibility for unpaid care, raise living and health standards and guarantee opportunities for decent work (including in times of slow economic growth), will benefit society as a whole. Such an approach requires the state to take on a more proactive approach to macroeconomic policy, going beyond inflation reduction to prioritise investments and full employment.³

The threat from current policy trends

A recent International Labour Organization (ILO) review of government spending trends based on data from the International Monetary Fund (IMF) highlights the negative consequences on human development of a range of policy measures⁴ adopted by the majority of governments both North and South, since 2011. In particular, excessive fiscal contraction is projected to

continue until 2020 affecting 80% of the world's population, with sub-Saharan Africa one of the most affected regions. If these policies are implemented the result will be an estimated loss of 5% of global GDP and 12 million jobs.⁵ In particular, 93 developing countries are considering raising consumption-based taxes, such as VAT, which can have a disproportionate impact on women living in poverty.⁶ It is concerning that governments are concentrating on such a regressive measure instead of pursuing progressive tax reform, at national and international level, in a manner consistent with the SDG commitments.

A new deal for women and girls

Critical to progress is the need to cost interventions for gender equality so that they can be resourced adequately. Gender Responsive Budgeting (GRB) provides a set of tools and methodologies to maintain a gendered approach throughout the fiscal policy cycle, ensuring women's needs are resourced.⁷ A forthcoming study conducted in six countries with Christian Aid partners working on GRB shows that, although some progress has been made, many structural deficiencies remain that weaken the impact of GRB programmes:

1. Lack of understanding of gender analysis and the GRB approach within government, points towards a constant need for training and capacity building at different levels and departments of government.
2. GRB is often not applied to revenue-raising policies with the result that tax policy is not gender sensitive and the quantity of tax revenue is inadequate to resource policies for gender equality.
3. GRB risks failing to respond to the needs of women and girls facing intersecting inequalities (such as disabled women), as sectoral policies and programmes for marginalised groups do not take a gendered approach.
4. Dialogue with civil society, including women's groups, on resource allocation is not inclusive and proactive in reaching out to rural and other excluded communities. Dialogue should be ongoing and not simply something that happens at election

time. Genuine accountability will depend on the open and transparent publication of budgetary information.

USD 2.5 million were identified for a Women's Development Fund and a fund for small and medium enterprises (SMEs) of USD 5.8 million.

Learning from the national level

- **Guatemala:** Despite a national policy framework for gender equality, public expenditure fails to meet objectives. Women's rights network and Christian Aid partner CODEFEM has worked in partnership with the government to develop a 'gender budget classifier', a practical tool that enables analysis of budget lines across government departments. After a decade of campaigning, the use of the classifier was enshrined in law in 2013 and its use has highlighted the gaps between resource allocation and actual expenditure, which was still minimal at 2% of the budget in 2013-14.
- **India:** There are about 98 million Dalit women in the country who consistently figure at the bottom of development indicators and face specific challenges due to the intersection of their gender and caste identity. Despite GRB being adopted in 2005 at national level, the process treats women as a homogeneous group and so fails to allocate specific resources for the most marginalised. Research by Christian Aid's partner BARC suggests that women from marginalised communities are not the focus of the GRB processes. The study, for example, reveals how in 2015-16 only around 30% of the total budget of the Ministry for Social Justice and Empowerment, which caters to the needs of the Dalit community among others, is marked as gender responsive. At the same time the Ministry of Women and Child Development allocated less than 20% of its budget in support of Dalit women.
- **Zimbabwe:** Christian Aid partner Zimbabwe Women's Resource Centre and Network established Gender Budgeting Action Committees in eight districts, training citizens to understand and monitor budgets and building their confidence to interact with local government. In 2013 the advocacy efforts made by the committees contributed to increased resource allocation for a women's development fund and social protection. Following the requests of associations of self-employed women,

Recommendations

- In the agreed conclusions for CSW, governments should:
 1. Recommit to progressive tax policy reforms, including at global level, and increase gender responsive investment in social and physical infrastructure through effective use of GRB at the national level.
 2. Commit to integrating UN Women's Addis Ababa Action Plan on Transformative Financing for Gender Equality and Women's Empowerment into national plans for implementation of SDGs.⁸
- Donors should prioritise support to build influential gender expertise within public finance reforms programmes and increase their support to women's rights organisations and civil society for dialogue on economic policy.
- National plans for SDGs implementation must prioritise gender sensitive investment in social and physical infrastructure. Governments should commit to improve to 100% the share of tax and budget laws and policies subject to periodic, participatory gender equality analysis and public expenditure tracking, especially as they impact women living in poverty and belonging to marginalised groups.
- The High Level Panel on Women's Economic Empowerment should frame its work to tackle macroeconomic barriers to women's economic empowerment and provide momentum for the implementation of existing recommendations based on CEDAW and the Beijing Declaration and Platform for Action.

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1. See sustainabledevelopment.un.org/post2015/transformingourworld
 2. See unwomen.org/en/news/stories/2016/1/wee-high-level-panel-launch
 3. See progress.unwomen.org/en/2015/pdf/SUMMARY.pdf
 4. The policy measures taken into account are: 1. Elimination or reduction of subsidies, including those for food, agricultural inputs and fuel. 2. Cuts or caps to the public sector wage bill. 3. Rationalising and increased targeting of safety nets. 4. Pension, labour market and healthcare reforms.
 5. social-protection.org/gimi/gess/RessourcePDF.action?ressource.ressourceId=53192
 6. Ibid, p36.
 7. The Inter-Agency and Expert Group tasked with defining indicators for the SDGs has proposed the following indicators under SDG 5.c: the percentage of countries with systems to track and make public allocations for gender equality and women's empowerment unstats.un.org/unsd/statcom/47th-session/documents/2016-2-IAEG-SDGs-E.pdf.
 8. unwomen.org/~media/headquarters/attachments/sections/news/stories/2015/action%20plan%20on%20transformative%20financing%20for%20gwee.pdf?v=1&d=20150708T213904

