

How can aid be gender-responsive in the context of the new aid modalities?

Lessons from gender responsive budgeting initiatives

The principles of the Paris Declaration on Aid Effectiveness (PD) (2005) demonstrate a global commitment to reform aid management modalities, and improve the quality of aid so that it contributes to the achievement of collectively agreed development goals, such as the Millennium Development Goals (MDGs). In this context, gender equality advocates, human rights activists, and environmental groups have demanded increased action to ensure that aid reform translates into rights-based, sustainable, and equitable development.

The PD principles that were endorsed by over 140 development partners and international and civil society organizations are national ownership, harmonization, alignment, managing for results, and mutual accountability. In practical terms, the key implication for implementation of these principles in aid management is the emphasis that donors use national systems of planning, budgeting and monitoring and evaluation in their aid management processes. This can be realized by increasing the use of general and direct budget support (GBS/DBS), sector-wide approaches and programmes (SWAPs), and increasing the use of joint multi-donor pooled and basket funding

mechanisms. The aim is to reduce the number of donor-funded projects with parallel budgets and project management structures.

To carry out this reform effectively, donors and national governments have committed to introduce mechanisms that facilitate the implementation of the PD principles. In doing so, they have committed to:

- **investing in capacity** that generates relevant skills and strengthens the required national systems and organizational mechanisms for country-led planning and budgeting;
- **establishing joint coordination mechanisms for planning, implementation, and monitoring and evaluation** using country systems; and
- **supporting inclusive processes** for planning, budgeting, monitoring and evaluation.

Table 1. on page three highlights key measures for the implementation of the PD at country level.

The premise behind the Declaration is that the adoption of the above PD measures will lead to a qualitative change

not only in the progress towards the identified targets of the Declaration, but also in the visible contribution of resources channelled through ODA towards the achievement of better development results. There is general agreement amongst donor and partner countries that improving the quality of aid and ensuring that it eliminates inequalities and benefits those who are most impacted by poverty and economic volatility, requires ODA to be targeted to the groups who need it most.

RELEVANCE OF GRB EFFORTS IN THE CONTEXT OF NEW AID MODALITIES

Over the past four years, the OECD, bilateral donors, the European Commission (EC), United Nations agencies and civil society organizations have carried out a wide range of consultations and evidence gathering reviews¹ to identify key actions to support aid reform and address the challenges that hinder its implementation. A number of these reviews have specifically examined the implications of the Declaration for gender equality. Some of these reviews have also assessed the potential for integrating a gender perspective into donor and national government planning, budgeting, and monitoring and evaluation (M&E) practices.

To compliment these efforts, UNIFEM conducted research in ten countries examining the experiences of using gender responsive budgeting (GRB) tools and strategies in the context of GBS and SWAPs. This research was carried out as part of an EC-supported programme '**Integrating gender responsive budgeting into the aid effectiveness agenda**'. The country assessments aimed to develop a deeper understanding of aid management processes focusing specifically on the EC's and selected donor practices. The assessments examined lessons learnt from the engagement of GRB initiatives in national planning and budgeting processes, and how these efforts contributed to the promotion of gender equality.

The reviews demonstrated that, in principle, GRB approaches are applicable to aid as well as to domestic resources. The following points underpin this conclusion:

- The integration of gender into national planning, budgeting, and M&E systems and instruments can enhance aid channelled in the form of GBS and sector budget support (SBS). National instruments are the basis for donor country strategies and help set funding priorities. Therefore, the more responsive national planning, budgeting, and M&E instruments are to gender equality and women's rights, the more aid can contribute to the implementation of gender equality objectives.
- GRB approaches examine government policies, processes, plans, and monitoring indicators that determine budget priorities and shape allocations to finance efforts that promote women's rights and gender equality. With the emphasis on partnership and mutual accountability between donor and partner countries, GRB approaches need to be applied to both donor and national processes for planning, budgeting, and M&E and joint coordination mechanisms in order to span the full range of drivers of aid.

It is important to keep in mind that while many understand budgeting as it relates to balancing revenues and expenditures, in development contexts, budgeting entails a process that links government development goals and policy commitments with budget decisions needed to ensure resources are allocated in an equitable, efficient, and targeted manner to achieve these goals. In developing stronger links between budget allocations and expenditures and demands for the achievement of gender equality objectives, GRB efforts have engaged in mainstreaming gender into broader Public Finance Management Systems (PFMS)². In fact, GRB approaches have in a number of instances contributed to

TABLE 1.**Practical implications for the implementation of the PD principles at country level:**

PD PRINCIPLES ON AID EFFECTIVENESS	RECOMMENDED MEASURES
NATIONAL OWNERSHIP	Donor country strategies are aligned with national priorities – consultative processes are in place - conditionality to be drawn from country priorities/ jointly agreed between partner governments and tied to disbursements.
HARMONIZATION	Division of labour amongst donors, assigning lead donor/ government partner and UN agency per sector – increased use of pooled and basket funds – untying of aid (procurement).
ALIGNMENT	Donors move away from project support to supporting government priorities through sector, programme and general budget support using national systems in planning, execution implementation, delivery and monitoring and evaluation.
MANAGEMENT FOR RESULTS	Increased emphasis on use of SMART indicators to monitor results and undertaking regular evaluation - increased medium-term predictability of aid.
MUTUAL ACCOUNTABILITY	Introduction of measures that ensure mutual accountability between donors and national governments and to their respective citizens through participatory processes and commitment to transparency and anti-corruption measures.

the soundness of PFMS. According to OECD, “Sound PFM supports aggregate control, prioritization, accountability and efficiency in the management of public resources and delivery of services, which are critical to the achievement of public policy objectives such as the MDGs.”³ All these elements apply in the context of GRB experiences where ministries of finance have adopted measures to integrate a gender perspective in budgeting systems. Specifically, GRB work has made the following contributions:

- invested in building capacities on planning and budgeting, especially in the context of budget reform;
- introduced policy changes and developed operational frameworks to mainstream gender into budgeting systems;
- advocated for planning and budgeting processes that are more inclusive of gender equality advocates;
- supported the development of approaches to applying GRB at national, sectoral and local levels both in relation to allocations and spending; and
- supported gender responsive budget monitoring initiatives by civil society, for instance to conduct sex-disaggregated benefit incidence analysis.

MEASURES FOR APPLYING GRB APPROACHES IN NATIONAL AND DONOR PROCESSES IN THE CONTEXT OF NEW AID MODALITIES

The ten-country review was helpful in identifying measures that have been introduced to integrate a gender perspective into the various stages of planning, budgeting, and M&E. These measures can be applied to domestic resources and ODA, and can be used to implement gender equality commitments. Table 2. on pages 5-7 provides a summary of existing GRB efforts to influence national processes in the ten countries, and identifies possible entry points for mainstreaming gender into aid management processes. The table outlines complementary measures that donor and partner countries can introduce in aid management processes and mechanisms, to ensure that national and donor policies, programmes, and financing, help achieve gender equality targets.

These measures are identified based on country GRB experiences. It is worth noting that while no single donor and national government has systematically adopted a comprehensive approach to GRB in all these processes, the sum of the experiences provide useful guidance on how GRB analysis and techniques could be used to influence the different processes (see pages 5-7).

In their efforts to implement gender equality commitments, governments can incorporate the suggested measures into country action plans for the implementation of the PD and the Accra Agenda for Action (AAA). The country action plans are expected to address obstacles that limit government capacity to meet the PD/AAA commitments that were identified in the '2008 Survey on Monitoring the Paris Declaration'. Accordingly, paragraph 28 of the AAA (www.accrahlf.net) "...encourage[s] developing countries to

design – with active support from donors – country-based action plans that set out time-bound and monitorable proposals to implement the Paris Declaration and the Accra Agenda for Action". The Working Party on Aid Effectiveness (the implementing body of the PD and the AAA) has requested that governments and institutions to complete their action plans by November 2009.

ECONOMIC CRISIS DEMANDS AN URGENT RESPONSE TO GENDER EQUALITY DEMANDS

Since 2008, the impact of the economic crisis on developing countries has created pressures on the availability of and demand for public resources that support economic stability and growth, job creation, and social protection. The economic crisis renders poor and excluded women at an even higher risk of vulnerability both in scale and in depth of their experiences of inequality and discrimination. Improving the quality of aid necessitates two types of investments of public resources. Firstly, there needs to be a visible increase in financing ring-fenced activities for gender equality and women's empowerment. Secondly, intensive efforts are needed to ensure that gender is mainstreamed into all public investment, whether domestic, or ODA.

Data regarding the impact of the crisis on ODA is not conclusive at this time. However, evidence exists that a number of donors are cutting their ODA budgets. It is imperative that these cuts do not impact negatively on the response to gender equality demands, and that the process for integrating gender into aid management is not sidelined or neglected. Aid cuts are also contrary to the global consensus on the necessity for scaled-up investment to meet the MDGs.

TABLE 2.
Measures in support of GRB in the context of new aid modalities

PROCESSES	EXISTING GRB EFFORTS TO INFLUENCE NATIONAL PROCESSES (NATIONAL ACTORS)	POSSIBLE ENTRY POINTS FOR MAINSTREAMING GENDER IN AID MANAGEMENT (NATIONAL ACTORS AND DONORS)
PLANNING NATIONAL (OWNERSHIP)	<p>Efforts to incorporate women’s voices and gender analysis into National Development Strategies (NDS) and reflect priorities of gender equality in both plans and implementation arrangements</p>	<p>Donor country strategies reflect priorities of gender equality in work plans and implementation arrangements</p> <p>Participation of gender equality advocates in the formulation of these strategies</p>
BUDGET SYSTEMS (ALIGNMENT, MANAGING FOR RESULTS)	<p>Efforts to mainstream gender into budget reform and Public Finance Management Systems (PFMS) such as call circulars that require sectoral ministries to integrate a gender perspective in their budget submissions</p> <p>Attempts to provide necessary training and support (tools and guidelines) to sectors to enable them to respond to budget guidelines</p> <p>Efforts to support the development of methodologies that track allocations towards gender equality (categorization of allocations, scoring systems, reporting etc.)</p>	<p>A gender perspective is integrated into donor-supported budget reform and PFMS technical assistance initiatives for instance through collaboration with GRB efforts</p> <p>Methodologies that track allocations towards gender equality in ODA are strengthened and effectively applied</p>

table continued on pgs. 6-7

TABLE 2 - CONTINUED

PROCESSES	EXISTING GRB EFFORTS TO INFLUENCE NATIONAL PROCESSES (NATIONAL ACTORS)	POSSIBLE ENTRY POINTS FOR MAINSTREAMING GENDER IN AID MANAGEMENT (NATIONAL ACTORS AND DONORS)
<p>SECTORAL PLANNING AND BUDGETING - (OWNERSHIP - MANAGING FOR RESULTS)</p>	<p>Efforts to incorporate gender analysis: sectoral plans and programmes respond to sectoral gender gaps</p> <p>Support to the application of GRB methodologies at sector level</p> <p>Efforts to build the capacity of planning and budgeting units of sector ministries to undertake gender analysis of sector plans</p> <p>Efforts to support collaboration between planning and budgeting officers with gender focal points (GFPs)</p> <p>Efforts to monitor the extent of gender mainstreaming in overall sector programmes</p>	<p>SWAPs adequately respond to gender gaps in relevant sectors</p> <p>Sector budget support instruments include gender-specific benchmarks and eligibility criteria.</p> <p>Financing for gender equality is tracked systematically (data on donor funding for gender equality, such as women’s non-governmental organizations and National Women’s Machineries)</p> <p>Gender mainstreaming measures in sectoral planning and budgeting are monitored, including investment in capacity development and coordination between planning and budgeting and gender officers within sectors</p> <p>Gender mainstreaming measures in overall aid programmes are monitored, including efforts to operationalise donor guidelines on gender mainstreaming</p> <p>Investment in building the capacity of donor country delegation staff to integrate gender in country programme strategies and instruments</p> <p>Affirmative action measures introduced are reflected in national and aid Performance Assessment Framework (PAF) indicators (e.g. adoption of PAF gender indicators as part of variable tranches for the EC)</p>

TABLE 2 - CONTINUED

PROCESSES	EXISTING GRB EFFORTS TO INFLUENCE NATIONAL PROCESSES (NATIONAL ACTORS)	POSSIBLE ENTRY POINTS FOR MAINSTREAMING GENDER IN AID MANAGEMENT (NATIONAL ACTORS AND DONORS)
<p>M&E (ACCOUNTABILITY, MANAGING FOR RESULTS)</p>	<p>Development of indicators that monitor progress towards the achievement of gender equality, women’s priorities are integrated into NDS PAFs and sectoral PAFs</p> <p>National monitoring mechanisms (e.g. reviews, parliamentary debates, evaluation) explicitly integrate a gender dimension</p> <p>Sectoral gender budget analysis at national and local levels is conducted periodically</p> <p>GRB monitoring initiatives by civil society are strengthened and supported</p>	<p>Development of indicators that monitor progress towards the achievement of gender equality and women’s priorities are integrated into GBS PAFs and sectoral PAFs</p> <p>Joint reviews explicitly integrate gender dimension, for instance by including gender experts in the review process</p> <p>Evaluations of donor performance at country level evaluate performance in relation to gender targets (portion of aid that directly or indirectly benefits women)</p> <p>Sectoral gender budget analysis at national and local levels is conducted periodically</p> <p>Investment and allocation of targeted resources to strengthen capacities of CSOs to monitor budget allocations and expenditures</p>
<p>COORDINATION MECHANISMS AND ORGANIZATIONAL POSITIONING (HARMONIZATION)</p>	<p>Ministries of planning and finance support GRB approaches in planning and budgeting processes</p> <p>Planning and budgeting processes are inclusive of gender concerns and facilitate the participation of gender actors and civil society organizations</p> <p>Engagement of sectoral ministries in GRB work</p> <p>Role of GFPs within sectoral agencies in coordination mechanisms are strengthened (beyond gender cluster groups)</p>	<p>Joint coordination mechanisms (e.g. Joint Assistant Strategies, Basket Funds, Joint reviews and evaluations) are inclusive of gender concerns and facilitate the participation of gender actors and civil society organizations</p> <p>Role of GFPs within donor agencies in engaging in coordination mechanisms is strengthened</p>

Endnotes

¹ Reviews include ones undertaken by DFID, Gendernet, and One World Action.

² According to the EC Guidelines on the programming, design and management of general budget support (2007) distinguish between budgeting and public finance management (PFM) systems. “PFM is concerned with the planning, implementing, reporting, and auditing of public money as well as assessing the extent to which plans are fulfilled, and whether a budget is comprehensive and transparently prepared and implemented. As such it covers issues that deal with the “mechanics” of the budgetary process. In contrast looking at the budget is motivated by a wish to examine whether a budget is in some sense “good”, or “appropriate” or “moving in the right direction”. As such it covers issues that deal with the validity of the budget allocations.”

³ OECD Working Party of Aid Effectiveness, “Report on the use of country public financial management” OECD 2008 <http://www.oecd.org/dataoecd/29/20/41085468.pdf>

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