



Gender-responsive public expenditure management

A public finance management introductory guide

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May 2018

Abstract

This public financial management introductory guide to gender-responsive public expenditure management (GRPEM) is written for finance and planning ministries, and those who support them, who seek a better understanding of how the impact of public expenditure differs by gender in low-capacity environments. This paper reviews the literature on the links between public expenditure and gender responsiveness and outlines a number of gender-responsive expenditure management reforms that could be taken forward by low-capacity states. The guide begins with a definition of GRPEM in the broader context of government policy, and proceeds to outline typical approaches to GRPEM, along with country examples of real-world experience. The paper then addresses the reality of budget reform in low-capacity countries in order to discuss how GRPEM can best work in practice in these contexts. This is followed by recommendations for how a ministry of finance or planning can begin to integrate gender considerations into public expenditure management systems. The paper concludes by providing an annotated bibliography of key literature to guide further reading.

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Acknowledgements

The authors would like to thank Marco Cangiano, Tove Strauss and Janet Stotsky for their comments on this paper. Any errors and omissions remain the responsibility of the authors.

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1 Introduction

1.1 Approaching GRPEM

The starting point for gender-responsive public expenditure management (GRPEM) is the idea that public expenditure decisions, and the public financial management (PFM) systems that underpin them, can have materially different impacts on economic and social outcomes for different genders. GRPEM methodologies suggest that the public expenditure plans formulated in many countries do not explicitly recognise the different resources, roles and responsibilities of men and women. This is sub-optimal, since men and women typically have different work and livelihood patterns, unequal education and skill levels, large divergences in levels of asset ownership and access to resources, different levels of voice and participation in public life, and different assumptions of household responsibilities (ADB, 2012).

An underlying proposition of GRPEM approaches is therefore that gender-blind budgets can miss out on opportunities to use public spending to improve the position of women in society. As a result, they risk unconsciously reproducing and reinforcing systematic inequalities between women and men (Birchall and Fontana, 2015). GRPEM methodologies respond to these inequities by working to reform budgeting practices to better address gender inequalities through public spending. By making PFM processes, public expenditure management and public spending choices more gender aware, systematic inequalities can be reduced.

In this way, GRPEM can be seen as focusing on one particular distributional concern within a broader set of

concerns regarding how public expenditure affects different societal actors. Governments will rightly also have concerns about the impact of public expenditure on many other groups in society. For example, they may be concerned about the impact of public spending choices on different income groups, the young and the old, urban and rural dwellers and so on. These different distributional concerns will also interact with each other: women are often worse off within poor households, for instance. GRPEM provides a number of approaches and tools that allow governments to focus in particular on the gender dimension of their public expenditure processes.

This introductory guide discusses GRPEM through the following sections:

- The theoretical basis of GRPEM in the context of government public policy.
- How GRPEM relates to the public policy and expenditure management context of low-capability states whose PFM systems are still developing.
- Policy options for integrating GRPEM approaches into budget practice in low-capability states with reference to different stages of the expenditure management budget cycle.

The annotated bibliography highlights several of the most useful texts in the gender budgeting literature and provides a guide to further reading. This introductory guide also features a number of examples of real-world experience of how these tools have been used in a range of contexts.

Box 1 Gender equality and development progress

Despite some progress over the past decades, persistent inequalities in development outcomes, opportunities, access to and control over resources, and participation in decision-making continue to exist between different genders across all spheres of economic, social and political life. These inequalities lead to billions of dollars of lost economic growth each year, and their cumulative effect reduces the health, welfare and productivity of a large sector of the population (Duflo, 2012; UNDP, 2016).

Reducing the gender gaps in access to education and labour markets, supporting women's economic opportunities by strengthening land rights and employment options, and breaking down barriers to participation in public and political life contributes not only to economic growth, but to overall wellbeing, sustainable development and more responsive governance (World Bank 2011; UN Women, 2015; IMF, 2017a). Gender gaps in economic participation have been shown to result in large losses in gross domestic product (GDP) across countries of all income levels (Stotsky, 2006; Elborgh-Woytek et al., 2013).

Illustrating the scale of the economic impact of gender inequality, McKinsey (2015) argues that \$12 trillion could be added to global GDP by 2025 if all countries matched the best-performing country in their region in terms of progress towards gender parity. As stated by the World Bank (2006), support for gender equality is quite simply 'smart economics'.

The focus of this guide is on the expenditure management side of PFM systems and processes. It considers how expenditure is appropriated, allocated, and executed in low-capability states and how this affects gender outcomes. The term ‘gender-responsive public expenditure management’ is used in preference to the more common ‘gender-responsive budgeting’ (GRB) because ‘budgeting’ can be taken to mean consideration of the revenue-raising side of PFM processes as well as the expenditure side. In this guide, the terms GRB and GRPEM are used interchangeably in the main text, especially when referencing other literature, but we are referring to expenditure management in both cases.

This focus on expenditure management is not to say that the gender impact of revenue policy and tax administration procedures is unimportant. Indeed, there is a substantial literature that recognises how revenue policy and tax administration practices can have differential impacts on men and women (e.g. Grown and Valodia, 2010). Many of the real-world examples of gender-responsive PFM reforms highlighted throughout this text refer to the wider-ranging concept of GRB. However, given that the discussion in this guide concerns the role of tools and approaches that support better gender-related outcomes through public expenditure management policies, the term GRPEM is preferred.

2 Theoretical approaches to GRPEM

2.1 Gender equality, economic growth and development outcomes

It is perhaps stating the obvious to note that GRPEM approaches take gender equality and women's empowerment in society as their fundamental objective. Looking further into this, underlying many GRPEM approaches are both *normative* and *instrumental* views on the importance of achieving these objectives.

The *normative* assumption that gender equality matters is shared – at a theoretical level – by most countries. Almost all governments have some form of high-level commitment to supporting gender equality and women's rights. Aside from equality aspirations set out in national constitutions, this 'in principle' commitment is further demonstrated through international platforms such as the Convention on the Elimination of All Forms of Discrimination Against Women (1979)¹, the Beijing Platform for Action on Women (1995)² and, more recently, Paragraph 30 of the outcome document of the Third International Conference on Financing for Development in Addis Ababa (2015)³. Indeed, the current round of Sustainable Development Goals (SDGs) have clear commitments to 'leaving no one behind' and places emphasis on the need to prioritise gender equality and women's empowerment.

Gender equality is also widely recognised as valuable at an *instrumental* level in terms of supporting the achievement of other public policy goals. With regard to economic growth, recent evidence demonstrates that reducing gender inequality and supporting women's economic empowerment can lead to greater labour productivity; and in terms of the wellbeing of the population, reductions in gender inequality can support better child health outcomes and more responsive governance (OECD, 2016).

These normative and instrumental reasons for pursuing gender equality make a clear case for government to consider how its policies – including expenditure management policies – might contribute to or hinder the achievement of improved outcomes for women and society more broadly.

2.2 Definitions of GRPEM

Despite a common theoretical starting point, there is no single definition of 'gender budgeting' and GRPEM approaches take various forms. As a result, many similar definitions of these practices exist, for example:

- 'Gender budgeting is an application of gender mainstreaming in the budgetary process. It means a gender-based assessment of budgets, incorporating a gender perspective at all levels of the budgetary process and restructuring revenues and expenditures in order to promote gender equality' (Council of Europe, 2009).
- 'Integrating a clear gender perspective within the overall context of the budgetary process through special processes and analytical tools, with a view to promoting gender-responsive policies' (OECD, 2016).
- 'Gender budgeting is an approach to budgeting that uses fiscal policy and administration to promote gender equality, and girls' and women's development' (Stotsky, 2016).

This discussion will assume a broad definition of GRPEM, referring to a wide range of expenditure management policies, tools and techniques that aim to advance the role of women in society and reduce explicit or implicit gender biases in the public expenditure management system. As is discussed in detail below, many of these tools and techniques are also applicable to other questions of the distributional consequences of public expenditure and its impact on different objectives and groups in society.

Conceptually, it is also useful to distinguish gender-responsive expenditure policies from GRPEM. In simple terms, expenditure policies refer to *what is to be done* (e.g. improving access to education for girls), while expenditure management is about *how it is to be done* (e.g. the mechanisms in place to reliably channel funds to a spending programme aimed at improving access). This guide is focused on expenditure management, but Stotsky

1 <http://www.un.org/womenwatch/daw/cedaw/cedaw.htm>

2 <http://www.un.org/womenwatch/daw/beijing/pdf/BDPfA%20E.pdf>

3 <http://undocs.org/A/RES/69/313>

Box 2 The evolution of policy debates around gender-responsive budgeting

Australia was the first country to adopt gender-responsive budgeting (GRB) in the 1980s, followed by South Africa, Uganda and Tanzania, among others. Over the past three decades, GRB has gained traction and more than 80 countries have now undertaken some form of GRB, although the scope, nature and duration of activities undertaken varies widely from context to context (Stotsky, 2016).

While the evidence on GRB in low-capability contexts is quite limited, the body of general literature around GRB more generally is now quite well established (for example Budlender and Hewitt, 2003; Sharp, 2003; Birchall and Fontana, 2015; Stotsky et al., 2016). Recent studies initiated by the International Monetary Fund (IMF) and the Organization for Economic Cooperation and Development (OECD) have documented the progress and ongoing challenges in implementing GRB across a range of contexts. Among the findings from these studies, sub-Saharan African countries are noted to be among the first to adopt and implement gender budgeting (Stotsky et al., 2016).

(2016) provides a good summary of the economic rationale for policies that promote gender equity, as well as the different ways in which tax and spending policies can affect gender outcomes.

2.3 GRPEM approaches in the context of government public policy levers

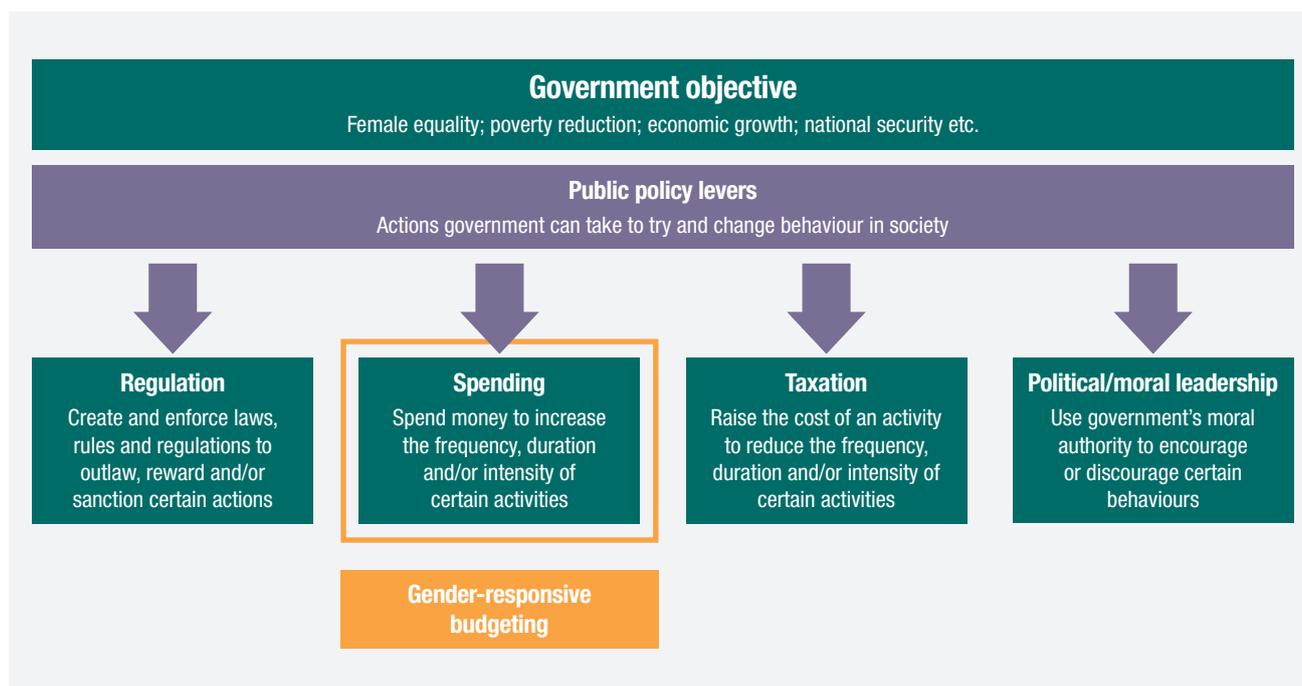
Before considering how specific GRPEM approaches could be used to change the PFM or budget system to support gender equity, it is important to situate PFM – and GRPEM’s contribution to it – more generally within an understanding of the role of public expenditure within overall government policy-making.

Improvements in the economic, social, civil and political status of women are among the numerous objectives that governments aim to deliver with their public policy levers. Governments also aim to use public spending to achieve a wide range of other goals, such as reducing poverty, achieving economic growth and maintaining law and order, among others – all of which can affect women and men differently.

Governments typically have a range of levers through which public policy can be advanced. In many cases, multiple levers are used in parallel to collectively achieve these objectives. Public expenditure that directly funds and/or provides a subsidy to encourage certain actions is one of these, but may not always be the most important or effective means of securing social and economic change. As a result, GRPEM approaches will inevitably only be part of a government’s response to the challenge of achieving gender equality, since public spending is only a part of government’s range of policy levers. Other levers are likely to be required in order to make the most of government’s contribution to this – or any other – objective.

Public spending may not always represent the most effective or efficient form of public policy intervention to support gender equality. Regulation and law may be

Figure 1 Stylised representation of government policy levers



Source: author representation

Box 3 Using GRB in Morocco

In 2002 Morocco became the first country in North Africa to adopt GRB measures. Initial efforts focused on measures that would contribute to the country's performance in meeting the Millennium Development Goals in areas such as child health and education, including the collection of sex-disaggregated data. These areas also linked closely to the country's national development strategy (Kolovich and Shibuya, 2016).

The two steps towards initiating GRB were: (1) the 'sensitisation' of ministries and the development of practical tools such as a GRB handbook (2003-04); and (2) institutionalising an annual gender report to be submitted to parliament with the Finance Bill (2005-08) (Chafiki and Touimi-Benjelloun, 2007). To further support its GRB efforts, Morocco has also adopted legal provisions that strengthen the reporting and accountability requirements of ministries. In 2006, the prime minister lent support to the GRB effort by issuing a circular that gender be integrated into budgeting where possible so as to support preparation of the annual gender reports.

By 2016, the gender reports published by the Ministry of Economy and Finance outlined gender gaps and performance goals across 31 ministries, covering 80% of the federal budget (Kolovich and Shibuya, 2016). The scope of the report has been deepened over time and has expanded to cover more government ministries.

Alongside this reporting, the government has also invested in improved statistical tools to support GRB approaches. To this end, it undertook a review of the national information system and implemented a community-based monitoring pilot survey to support capacity to collect gender-disaggregated and gender-responsive data and develop indicators.

A number of factors have been cited as key to Morocco's progress, including a government with demonstrable political will; a strong, vibrant and active civil society advocating women's rights; the presence of female parliamentarians willing to push the participatory budgeting agenda forward; and donors willing to support the process and assist in devising its future strategy (Castillejo and Tilley, 2015). Reflecting these positive steps, Morocco has moved to institutionalise GRB within its budgeting processes: in 2013, UN Women established one of three GRB Centres of Excellence in Morocco, based within the Ministry of Economy and Finance (Kolovich and Shibuya, 2016).

Important limitations remain, however. Despite the political will from the central government, recent IMF research has found that gender inequality indicators remain high compared to other countries in the region, although they are showing improvement. There are also significant explicit and implicit gender biases in the tax system (ibid.). It is therefore difficult to identify and measure what positive impact the GRB initiatives have had on development outcomes or the degree to which they are now institutionalised within government.

a more important method of delivering gains in gender equality in some cases. For example, if there are extensive formal laws preventing women from undertaking certain activities on the same basis as men then regulatory and/or legal change may be more important for advancing gender equality. GRPEM practices are therefore perhaps best seen as part of a 'package' of legal, regulatory, expenditure, taxation, cultural and political reforms that will ultimately lead to government policy supporting a more gender-equal society.

2.4 Different types of gender-related public expenditure

Public expenditure as a category of government action can itself be broken down further into different taxonomies in relation to its gender impact. Literature in the gender-budgeting field identifies different categories of gender-related expenditure that might help inform more gender-aware public expenditure management processes (Birchall and Fontana, 2015):

- *Specific gender-related equal opportunities programmes.* These include public expenditure focusing on paying for mothers' parental leave, subsidised childcare to allow women to work, public

awareness, refuges and services for victims of domestic abuse, and behaviour-change campaigns focusing on gender equality. This represents the most obvious and targeted form of gender-related public expenditure and can be relatively easy to identify within public expenditure accounting and reporting frameworks.

- *General public services targeted specifically at or used mostly by women.* This can include health programmes for pregnant women, education programmes for girls and/or specific initiatives to support female entrepreneurs. Some public expenditure systems will budget separately for individual programmes such as this (making it easy to identify gender-related expenditure of this kind) whereas others will budget generally across entire sectors and use day-to-day management of these general resources to deliver these objectives, among others (making it harder to isolate the specific gender-related expenditures).
- *General public services that operate without a specific focus on women and/or gender equality.* This represents the majority of public spending in most countries. Gender-budgeting approaches often suggest that this seemingly 'gender-blind' spending (i.e. expenditure with no apparent focus on gender issues) is mistakenly considered to be 'gender-neutral'.

Gender budgeting suggests that if the *full* impact of expenditure on men and women has not been effectively examined, there is a risk that gender-related developmental inequalities and inefficiencies can be exacerbated. Given its generality and the fact that it is not focused on gender issues, this is often the most difficult category of expenditure to analyse from a gender perspective.

This discussion has reviewed the theoretical basis for GRPEM and has outlined how it fits within government public policy levers. It has also set out how public expenditure can be classified into different categories based on the degree to which it impacts on women's lives. The next chapter applies this general understanding of gender considerations in budgeting to the specific circumstances of low-capability states.

Box 4 Gender responsiveness in revenue policy

Public expenditure management processes are typically predicated on estimates of revenue to fund spending. However, as would be expected, public expenditure management discussions do not typically consider the details of revenue policy and administration. Indeed, within the gender budgeting literature, most emphasis on gender and public finance has been on expenditure policy and execution issues rather than on the revenue side (e.g. Stotsky, 2016). However, revenue policy and its administration is a key lever for government in delivering overall public policy objectives. It can therefore help – or hinder – the degree to which government intervention in society supports the objective of gender equality.

Gender-based analysis frequently suggests that there are both explicit and implicit gender biases in tax *policy*. This can include issues such as income tax rules for married couples or the impact on income distribution of zero-rated value added tax (VAT) on basic goods (Stotsky, 1997; Birchall and Fontana, 2015). For example, while tax breaks for registered women-owned businesses are frequently advocated to support gender equality, they will not necessarily support the most marginalised women, who tend to be employed informally. Women also have different – and typically lower – levels of asset ownership and property rights (Birchall and Fontana, 2015).

In addition, while specific reforms to the tax code can remove explicit bias, there are still underlying implicit biases that can negatively affect women. An example of this is tax policy in South Africa, which at the time of its first democratic elections taxed married men at a lower rate than unmarried persons (i.e. men or women), who in turn were taxed less than married women. Although reformed in 1995 and replaced with a single tax structure, Smith (2002 cited in Budlender et al., 2010) argued there was still a bias against households with a single adult earner – most often a woman, probably with dependents. Those with non-nuclear family models could end up paying more tax.

There is also evidence that women may be disadvantaged by certain methods of revenue *administration*. Women can generally be more vulnerable to intimidation and extortion within revenue collection processes. In some countries, women can be less financially and economically independent and less literate than men, and therefore less able to engage with the complexities of the formal revenue system (Higgins, 2012). In many countries women also have different responsibilities to men regarding handling, managing and accounting for household consumption expenditures (Birchall and Fontana, 2015).

There are numerous activities that governments can undertake on the revenue side of public finance to increase understanding of gender imbalances in the tax system (ibid.). Options include:

- **Undertaking gender analysis of tax policy.** Governments can use a number of analytical tools to review their tax policy structures to determine the degree to which they treat men and women equally and/or acknowledge the particular challenges of women in society. These include, but are not limited to, the collection and analysis of gender-disaggregated data and creating transparent and accountable revenue systems (ibid.).
- **Increased public education and awareness on revenue systems.** Government has a role in disseminating information to the public on revenue policy and administration. Governments can actively consider different communication channels for men and women and for different types of women. Civil society organisations could potentially play a role in this, especially when reaching disadvantaged women.
- **Improved methods for tax collection.** As part of general efforts to improve revenue-collection procedures, governments can focus capacity-building and managerial accountability on ensuring fair treatment of female taxpayers.

3 GRPEM and the reality of budgeting in low-capability states

Low-capability states are difficult environments for effective public expenditure management processes. As a result, amending or reforming these processes to attempt to include greater gender awareness can represent a challenge. This chapter outlines some of the realities of budget and expenditure management in low-capability countries and then relates how these might impact efforts to use GRPEM techniques. This section is drawn from a number of sources, including: Caiden and Wildavsky (1980); Rakner et al. (2004); Allen (2009); Simson and Welham (2015); Krause et al. (2016) and Welham and Hadley (2016).

3.1 The nature of the finance ministry and the context of low-capability environments

3.1.1 Low-capability, limited resources and economic uncertainty

Low-capability finance ministries usually operate within relatively weak public expenditure management systems. Weak budget systems can manifest at all stages of the public expenditure cycle, from poor macroeconomic forecasts at the strategic phase through ineffective audit at the scrutiny stage. Finance ministries in low-capability states operate with limited institutional resources available to achieve their objectives. This includes both human resources in terms of the number and capability of staff, but also information technology resources (hardware and software) to manage the complexities of public expenditure. Many – though not all – low-capability states are also low-income states. Low-income states are frequently more vulnerable to sudden economic shocks that can throw orderly preparation and execution of the budget into disarray. Taken together, this means that finance ministries often have very limited institutional resources to develop predictable rules-based expenditure processes.

3.1.2 The political economy of public expenditure management

Operating alongside general low-capability – and in many cases sustaining it – are political economy factors

in budget management. Budgets are, by their nature, the site of contested access to scarce public resources; and in many countries the public sector is the largest single economic actor in the economy. This means that access to, and control over, the public expenditure management process offers potentially significant rewards. Many influential actors at the political and administrative levels of government may have little interest in a transparent, predictable and rules-based approach to public expenditure management. As a result, budget reforms that are predicated on or hope to strengthen the formal rules and processes of budget management may face strong resistance from vested interests.

3.1.3 Competing budget reform objectives

Many low-capability finance ministries are engaged in a number of budget and PFM change programmes, for example introducing programme budgeting or medium-term expenditure frameworks. Given that low-capability institutions by definition have a limited amount of managerial and institutional ability, finance ministries often face challenges in managing all these changes concurrently. Often these PFM reform agendas are supported by donor partners, and while this external support may be highly valued in many cases, there is a risk that failure to genuinely engage the finance ministry can lead to ‘reform overload’. This can result to some budget and PFM reforms being a ‘tick box’ compliance exercise, rather than genuine mainstreaming of institutional change (see Schneider, 2007 for a discussion of gender budgeting in this regard).

3.2 The limits of finance ministry mandates and policy levers

The above discussion has set out the *general* background conditions that many low-capability finance ministries operate in. Generally, these make it challenging to deliver any public expenditure management reform. In addition, there are some *specific* issues around incorporating cross-cutting objectives, such as gender equality, into expenditure management processes. These conclusions are drawn

from the sources already cited, as well as the experience of Overseas Development Institute (ODI) staff working in low-income and low-capability finance ministries.

3.2.1 Difficulties of approaching cross-cutting issues compared to other policy issues

Gender equality is a cross-cutting policy objective, so understanding the impact of public expenditure management on gender issues is inherently challenging for finance ministries. As noted, all public-sector activity in all public institutions operating at all levels of government potentially has a gender dimension. In contrast, other public expenditure areas, such as education or transport for example, tend to have fewer relevant public expenditure programmes and are often predominantly concentrated within the authority of one ministry or institution. For cross-cutting issues, finance ministries must conceptualise, analyse, understand and then attempt to influence potentially hundreds of separate policy processes across the public sector. As such, understanding the gender impacts of public expenditure puts more strain on finance ministries' expenditure management capabilities compared to other policy areas. This is also the case for other cross-cutting public expenditure issues, such as environmental sustainability or child-responsive budgeting.

3.2.2 The mandate of the finance ministry

Finance ministries set budgets in line with government spending priorities and then attempt to enforce the rules and regulations of the spending system to deliver them. However, in most countries they usually have limited ability to direct *specific* policy and expenditure choices made by ministries, and in many cases they may actively seek *not* to have this responsibility. This means that the detail of expenditure decisions across the public sector – and their gender-related implications – rests with institutions over which the finance ministry may only have limited direct control.

3.2.3 Specific challenges to 'gender-budgeting' low-capability environments

The above discussion has raised some issues regarding finance ministry powers in the context of public policy in general. The finance ministry may have particular policy concerns regarding implementation of new gender-related public expenditure processes in low-capability countries (e.g. Holmes et al., 2014). This matters, since

the attitude of the finance ministry is instrumental in determining whether GRPEM reforms will be a success, as demonstrated by experience in Uganda and Rwanda (Stotsky et al., 2016). Finance ministries may demonstrate a lack of interest in specific GRPEM reforms for various reasons:

- Women's position in society may not be a policy priority for the cabinet, the finance minister or senior civil servants compared to other policy issues (e.g. national security; infrastructure) or other immediate priorities (e.g. paying salaries this month). It is not uncommon for low-capability governments to commit to a large number of desirable policy objectives in their national development strategies or other documents, yet in practice have to ruthlessly prioritise the range of topics on which government can realistically choose to focus on.
- Gender equality is seen as a job for other institutions. Ministers and senior officials in finance ministries may be convinced of the importance of advancing women's position in society, but may not believe it is the role of the finance ministry and/or budget process to deliver it. There is frequently a perception among developing-country finance ministries that GRPEM is 'not relevant' to them and/or their goals (Bosnic and Schmitz, 2014) for the reasons set out above.
- It is viewed as too soon to implement these 'advanced' reforms. GRPEM practices might also be seen as simply not yet possible. In low-capability contexts of fragility and/or conflict, finance ministries may believe that infrastructure, institutions and human and financial resources are simply not well-placed to deliver complex (or even basic) PFM reform.

While some of these objections may be common, there is some evidence to suggest that gender-related budget process improvements are usually possible when introduced carefully and judiciously (e.g. ODI, 2012; World Bank, 2012; IMF, 2017b). As is discussed in the following chapter, there is scope for groundwork to be put in place to ensure that future systems and processes are built in a way that supports a more gender-sensitive approach. Furthermore, some low-capability countries emerging from conflict or fragility present a 'window of opportunity' to bring gender in at the earliest stages of the state-building process. Building institutional frameworks and systems that are gender-sensitive from the start can be more strategically sound than trying to reform them later.

Box 5 Using gender-aware budgeting approaches in Liberia

During the post-war period, Liberia has made a high-level political commitment to gender equality, backed by a strong policy and legal framework. GRB was included in the Liberian National Gender Policy (Republic of Liberia, 2009), and gender equality is also one of eight cross-cutting issues in the National Development Plan *Agenda for Transformation* (Republic of Liberia, 2013).

Donors have also promoted the use of GRB in national PFM systems. This has resulted in a number of changes to policies and administrative procedures. For example, the medium-term expenditure framework (MTEF) budgeting manual for Liberia notes that spending entities and sectors are required to ensure that their budgets are gender-responsive (Republic of Liberia, 2015). Line ministries are also expected to incorporate ‘gender’ elements into their Sector Strategic Plans and Budget Policy Notes. A pilot gender budget statement template was included in the 2017/18 budget guidance asking for very basic performance indicators on gender and some key policy initiatives for the next fiscal year. The budget call circular provides a template for a gender budget statement that will highlight the relevant existing and new policies, as well as the costs and budget proposed for 2017/18 (Republic of Liberia, 2016).

However, gender-budgeting requirements are difficult to deliver in the face of wider capability challenges. Line ministries are unsure whether to include both government and donor funding; how to deal with donor reporting that does not contain sufficient information to report systematically on gender focus; and the fact that the national budget itself is not structured in a way that enables straightforward reporting on the gender sensitivity of programmes. Government officials responsible for key tasks lack the specific tools or training needed to facilitate this process. Key documentation to deliver these issues in the budget process is not always provided, although as noted the GRB piloting exercise has made some attempts at introducing guidance, such as gender-budgeting templates.

Although the GRB process in Liberia has promising potential, it will only be possible to assess the full impact after several budget cycles. While there is significant policy commitment to changes at a political level, there currently appears to be limited buy-in at the ministry level to support the process.

3.3 GRPEM implementation

The above discussion has set out the numerous challenges facing reformers who wish to promote GRPEM in the national budget process. While some of these challenges may be specific to GRPEM as an issue, many other cross-cutting public expenditure management reforms face the same barriers. In cases where reformers are able to work with the finance ministry to deliver GRPEM developments, the literature suggests a number of approaches that could maximise the chance of success. It should be noted that most low-capability countries have yet to proactively and independently embed GRPEM techniques within their systems. Indeed, many instances of GRPEM activity within a particular government are as a result of specific donor interventions rather than ‘home-grown’ initiatives.

3.3.1 What is needed to make GRPEM work effectively?

There is no single recipe for a successful GRPEM initiative, and as noted above the challenges facing any budget process reform in low-capability countries are significant. Based on experience to date, some high-level success factors have been identified (Kovsted, 2010) that broadly align with much of the discussion above about PFM reform in general in developing countries:

- **Political will** and support is at the heart of achieving real progress, as with any budget-related reform.

For GRPEM initiatives to succeed, they need to be backed by a government with a drive to implement the relevant reforms. As noted, where this drive is not endogenous or is weak, the willingness to deliver can be reinforced by the actions of state and non-state accountability institutions (e.g. parliaments, civil society and in some instances donors). GRPEM is most successful in countries where the finance ministry genuinely takes the lead in initiating and overseeing the use of these tools (Stotsky, 2016).

- **Sustainability.** Any significant budget reform process needs to be maintained and refined year after year in order to be fully embedded within the budget cycle. The budget process is typically an annual one, meaning that for some elements of the cycle (e.g. strategic budgeting) there is only one opportunity every twelve months to try and use GRPEM approaches. Reformers aiming to introduce GRPEM processes need to recognise that full sustainability may require several repeated efforts over numerous years in order to deliver significant change.
- **Availability of data disaggregated by gender.** Disaggregated data is essential for identifying policy areas that would benefit from GRPEM reform and determining the intervention(s) required to address gender inequalities. Collecting and disseminating disaggregated data while developing appropriate information technology systems is a possible first step to developing greater gender-awareness in public expenditure management.

- **Donor influence.** External drivers also influence PFM reforms as donors sometimes try to push the agenda. Gender equality and women’s empowerment have been backed by donors as crucial prerequisites for implementation of the SDGs. However, success is more likely when the will comes from within a government system as well as from external pressure.

3.3.2 Existing knowledge on institutional reform and its relationship to GRPEM

The above sets out what can make GRPEM a success. Many of these actions will rely on changes to processes, policies and people’s behaviours across government. There is growing literature about how such institutional change can be approached.

There is also growing literature on how outsiders can support positive change in the development of state

institutions, including the particular challenges of doing this in low-income and low-capability contexts (e.g. World Bank, 2008; Andrews, 2013; Levy, 2014; Williamson, 2015). There is also a more specific literature on the challenges of delivering public expenditure management reforms in developing countries and the mixed results that have been achieved to date (e.g. Allen, 2009; Pritchett et al., 2010). These works all highlight the very particular circumstances required in order to maximise the chances of positive change. Most of this research points to success requiring a combination of: (1) reforms that are designed with a strong understanding of local context and that seek to tackle something that is agreed to be a ‘problem’; and (2) sustained senior and mid-level institutional will to deliver reform, which often requires several iterations to get right. These conditions will apply to GRPEM as well.

Box 6 Political will, ownership and gender responsiveness in public expenditure management

As with any PFM-related institutional reform, high-level commitment to deliver change is a necessary but not sufficient ingredient for success. Often, this is summed up in the term ‘political will’ – although in the case of budget institution reform it may not necessarily be politicians who seek change, but instead senior civil servants who operate with some form of approval from the political level. Nevertheless, unless those with authority are prepared to support – or at least not oppose – changes to policy and process, reforms are unlikely to succeed.

Within the area of GRB, there are a number of mechanisms through which political will to build greater gender sensitivity into public finance processes could arise:

- **Intrinsic commitment at a political level within the executive.** In some countries, senior political leaders within government may have a genuine strong normative commitment to greater gender equality. This may manifest as governments using a wide range of public policy levers to advance the position of women in society, including incorporating GRB tools into public expenditure management.
- **Parliamentary or civil society pressure.** In countries with a pluralistic political environment, there may be scope for non-government actors to raise and champion the position of women in society and, in doing so, encourage the executive to improve the gender responsiveness of their budgeting practice. Indeed, the role of civil society in generating analysis, campaigning for reform and channelling grassroots political will to government is recognised in many accounts of GRB (Norton and Elson, 2002).
- **Donor and international community engagement.** Some donors may specifically focus on encouraging (or insisting that) government includes a greater gender awareness in public finance processes. Where governments are reliant on donor financing, this can provide *some* incentive to institute *some* form(s) of GRB. However, experience also suggests that where donors promote an institutional reform agenda such as GRB in the absence of genuine government commitment to delivery, there is a high risk of tokenistic compliance (e.g. Pritchett et al., 2010).

4 Options for integrating gender responsiveness into public expenditure management

The above discussion has set out some of the challenges to making GRPEM work in practice. Some of these relate to the specific nature of finance ministries in low-capability environments, while others are more to do with the nature of finance ministry mandates and operation in all contexts. Taken together, these factors suggest that integrating GRPEM into developing-country budget and expenditure management systems will be a challenge in many cases. This does not mean it is impossible.

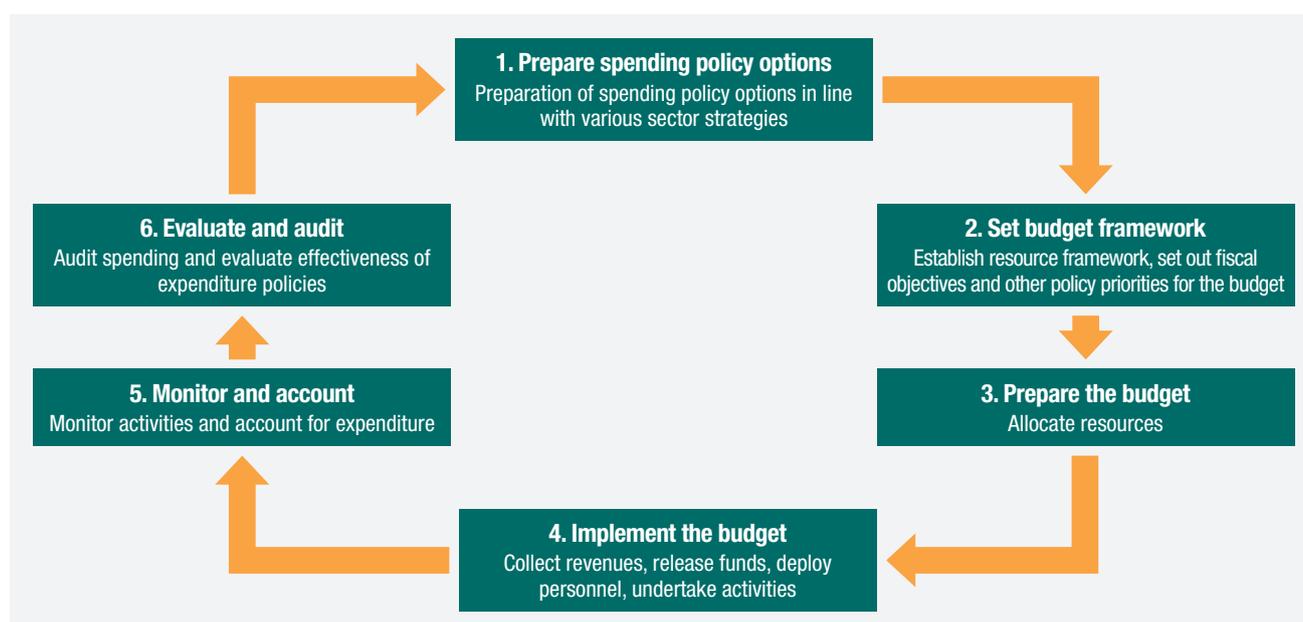
4.1 Gender awareness within the budget cycle

This chapter identifies where there may be scope for using GRPEM tools, assuming genuine interest from

the finance ministry in using the budget process to strengthen the position of women in society. It reviews the stages of the expenditure management cycle in order to identify possible GRPEM interventions at different points. In many cases, these are analytical or reform tools that could be re-purposed and applied to a number of other public expenditure objectives. Importantly, the literature notes that ‘gender budgeting’ should not be seen as a blunt tool for top-down ‘equalisation’ of public spending but instead provide practical opportunities for gender analysis to be used to inform more equitable and inclusive policy-making and resource allocation across the board (IMF, 2017a; OECD, 2017).

Figure 2 outlines the typical public expenditure cycle at a national level. It should be noted that many of the

Figure 2 Outline of the ‘standard’ public expenditure management cycle



Source: Authors’ own, adapted from World Bank (1998)

GRPEM approaches discussed below are available not only for finance ministries managing the *national* budget process: in many countries, sector ministries, decentralised governments and/or government-backed public companies may handle very large amounts of public expenditure and may have significant public service delivery responsibilities. In many cases the finance function within these institutions will be managing their own internal ‘budget process’ within their own sector. In this case, many of the tools set out here are equally available for these institutions in managing their own local, district, sector, or institutional budgets.

4.1.1 Policy development and budget preparation

The planning stages of the budget are where government reviews past performance, determines policy choices within various sectors, decides its overall revenue and spending levels within debt and deficit constraints, and allocates public spending between competing objectives. It aims to take the general political goals of the government and translate these into specific expenditure allocation, subject to inevitable fiscal constraints.

There are a number of GRPEM tools available at this stage for a government that wishes to use the budget cycle to support gender equality. Indeed, the literature would suggest that this may be the most crucial stage of the budget cycle for considering the gender impact of public expenditure (e.g. Stotsky, 2016). It should be noted that the budget cycle is indeed cyclical in that the conclusions of the evaluation and audit stage (discussed below) from the current and previous years’ activities should form part of the planning and budgeting stage for the forthcoming year, although institutionalising this learning process is often a challenge in many low-capability countries.

Expenditure analysis to support expenditure allocation and sectoral levels

One key area where GRPEM tools can support gender-aware strategic budgeting is through *better informing* expenditure allocation decisions. Expenditure allocation decisions are typically the result of both a political process (i.e. which activities the government prioritises above others) and a technical process (i.e. what the evidence says about the efficiency and effectiveness of spending on different sectors or sub-sectors). However, within these discussions, analytical evidence for the gender impacts of public expenditure allocations is often absent. This is vital data since genders are affected differently by the spending priorities governments establish in their budgets (Schneider, 2007). GRPEM therefore offers additional information or perspective (see earlier GRPEM definitions) that can be used to assess the impact of current patterns of expenditure and provide recommendations for change.

It should be noted, therefore, that GRPEM expenditure analysis tools are not entirely new or different from the existing range of expenditure analysis tools. Instead, GRPEM analysis aims to highlight the

specific issue of how public expenditure and its processes affect men and women differently, rather than consider other aspects of how public expenditure affects groups in society differently (e.g. by regional, age or income variations). Indeed, going further, it may be appropriate to say that, overall, *gender-responsive public expenditure allocation is good expenditure allocation*. In this view, a well-developed and carefully considered expenditure plan that is effectively executed would naturally respond to – among other considerations – the different positions of men and women in society and design expenditure policies accordingly.

These analytical tools span a wide range and operate at different levels of depth and detail (see, for example, UNFPA, 2006). Some are *qualitative* and seek to ask at high-level policy-relevant questions regarding the differential impact of public expenditure on men and women, such as:

- Are women’s needs and priorities in relation to public services equally taken into consideration, given their specific social roles and responsibilities?
- Do women have the same entitlement – both formally and in practice – to government services as men?
- How do budget allocations affect the proportion of time that men and women spend doing paid and unpaid work?

Others are more *quantitative* and seek to calculate specific incidences of benefits, costs and/or measures of time use that are disaggregated by gender so as to understand the gender impact of certain allocations and therefore inform more gender-equal allocation decisions. Naturally, the greater the level of analysis, the greater the resource demands on government institutions undertaking the work. Government will have to balance its desire for this kind of expenditure analysis with the competing pressures of other tasks within the strategic budgeting phase. It can also do this by integrating gender analysis to become a natural aspect of this phase.

As well as commissioning and/or undertaking specific gender-impact studies, finance ministries running the budget process can use tools that regulate the typical strategic budget process to promote greater gender awareness. A requirement to consider gender issues can be included into budget circulars or budget planning manuals and templates. Some countries already require a gender-sensitive angle in the annual budget statement, and sample or model templates for these have been developed (SADC, 2014). Some countries have specific ‘gender’ or ‘women’s’ ministries that might be responsible to delivering annual analysis on gender issues for the finance ministry and/or line ministries to incorporate into their strategic budgeting processes. Finance ministries can also set out expectations regarding the level of gender analysis that they expect to see in budget plans before budget proposals are approved. Depending on finance ministry resources (perhaps supplemented by donor funding) capacity-building support can potentially be offered to build expertise in gender analysis in the relevant ministries

and allow them to use the abovementioned tools in their budget preparation.

In reality, budget processes in many low-capability countries may have only limited scope for complex analysis to inform policy-making. Promotion of gender-focused analysis needs to be cognisant of the realistic ability of the budget process managers to absorb the findings of the analysis. Aside from the challenge

many governments face in making use of sophisticated analysis, many budgets in low-income countries are not always credible guides to likely expenditure behaviour for a number of reasons (e.g. Caiden and Wildavsky, 1980; Rakner et al., 2004; Simson and Welham, 2015). Focusing resources on advanced gender analysis may not be worthwhile if the findings are too sophisticated to influence and guide expenditure patterns effectively.

Table 1 Examples of gender-focused expenditure analysis tools

Type of strategic budget activity	Examples of specific GRPEM actions within this strategic budget activity
Creating the National Development Plan (NDP)	Reviewing the NDP to ensure it reflects government's gender objectives.
Agreeing donor funding to support the budget	Identifying possible specific donor funding for gender-related programmes . Reviewing proposed general donor funding supporting the budget for impact on gender-equality objectives.
Sector and/or ministry overall policy objectives set out in budget	Review and/or amend sector/ministry policy objectives to recognise gender inequalities within their sector and the role of publicly-funded programmes in reducing them.
Deciding on sector and sub-sector funding allocations (e.g. to primary health; rural roads; small-scale electricity generation)	Public expenditure incidence analysis disaggregated by gender that measures the distribution of budget resources among women and men. Gender-aware beneficiary assessments that solicit women's and men's views on whether the patterns of government programmes and services are in line with their priorities and whether the delivery of services is adequate and meets their needs. Gender-disaggregated analysis of budget impact on time use by gender. This means consideration of the time required for personal, family and commercial services that are produced by different genders and the way that public expenditure impacts on how time is used by different members of a household. Gender-disaggregated analysis of user charges/fees to explore how such practices differentially impact on men and women.

Source: Authors' representation drawn from Elson (1999)

Box 7 GRPEM in different budget approaches

While all budget practices have some key *processes* in common, the specific approach of national budgeting can vary substantially from country to country. Some countries budget by specific expenditure line item (e.g. 'Fuel') within administrative categories (e.g. 'Ministry of Justice central headquarters'). Other countries have experimented with approaches to budgeting where the 'unit' of budgeting is a higher-level set of related activities constituting a 'programme' (e.g. 'Primary Education'). In many countries some of these approaches are combined in a variety of forms. Overall, different budgeting approaches offer different entry points for gender considerations in different ways:

Budget format	Organising mechanism	Possible entry point for gender budgeting analysis
Line item	Expenditures organised by object of expenditure (inputs or resources purchased)	Percentage of ministerial or departmental salaries to women Percentage of contracts awarded to women-owned firms during procurement processes
Programme	Expenditure organised by broad government objectives (such as 'Education' or 'Transport')	Programme benefits quantified and disaggregated by gender Programme impact qualitatively assessed for impact on broader government gender-equity goals
Performance	Expenditures organised by outputs or outcomes	Percentage of outputs/outcome beneficiaries who are female Gender goals and objectives incorporated into performance measures

Source: Derived from Rubin and Bartle (2005) cited in Rao (2015)

Programme and performance budgeting

The concepts of ‘programme’ and ‘performance’ budgeting cover a wide range of different budget practices that in some way try to link budget allocations more closely to budget performance (Robinson and Last, 2009). The usefulness and effectiveness of these approaches in low-capability environments is variable, and in many countries budgets continue to be based on a traditional incremental line-item-by-ministry approach.

Where some form of programme or performance budgeting is being operated, there are opportunities to

Box 8 Using gender awareness to inform budgeting in Pakistan

Pakistan is regarded as having had relative success with its initial implementation of GRB. The Ministry of Finance, in partnership with the United Nations Development Programme (UNDP) and other international donors, introduced the Gender Responsive Budgeting Initiative as part of the national budget in 2005 alongside numerous GRB analysis tools. This included a medium-term budget framework which provided an entry point for mainstreaming gender within the budget process (Mahbub and Budlender, 2007). In addition, the Gender Reform Action Plan implemented alongside the GRB efforts helped to put the focus on women’s equality by resulting in a gender-sensitive review of public-sector expenditure (Government of Pakistan, 2008). The government also adopted a wide selection of gender analysis tools, including:

- gender-aware policy appraisals
- time-use surveys
- gender budget statements
- training internal staff and stakeholders on GRB tools and processes.

A significant outcome was the integration of gender into budget call circulars, which led to the collection of gender-disaggregated data as well as awareness-raising at individual and organisational levels.

Although widely seen as a positive at the time, the GRB tools were discontinued after external funding was withdrawn, pointing to the difficulty in sustaining donor-driven GRB initiatives. However, the Government of Pakistan has continued to support better data collection and require gender-disaggregated reporting. Gender analysis remains a requirement of the budget call circulars (UN Women, 2016), the national budget contains a gender statement, and the government has continued to make policy statements supportive of GRB processes. More recently, against the backdrop of Pakistan’s IMF economic programme, the federal government has re-focused on gender-disaggregated expenditure analysis and carried out a gender-responsive analysis of the 2015/16 budget (Chakraborty, 2016).

integrate gender analysis into its functioning (e.g. Sharp, 2003). Programme and performance outputs can include gender-sensitive indicators allowing overall performance to be judged in relation to how different genders have been served. Measures of success for programme and performance budgeting areas can be specified to include gender equity as a key criterion of performance.

Once the budget has been prepared, the executive then submits it to a legislative body for their approval. In theory, the legislature represents the interests of citizens, and on their behalf legislators are expected to review, debate and perhaps amend the budget before approving it. In practice, some legislatures have very limited formal powers to amend the executive’s budget proposal. Furthermore, a combination of political incentives and limits on analytical resources available to the legislature mean that budget scrutiny can be very limited in practice.

Naturally these factors will limit the ability and willingness of the legislature to engage with the gender-related aspects of the executive’s budget proposal.

Nevertheless, typical processes of budget approval in low-capability environments mean there could be specific options for strengthening the scrutiny of the gender-related aspects of the budget:

- **Legislature committees.** In some countries, there is greater opportunity for committees of the legislature to undertake detailed scrutiny of the budget. If there is a specific ‘gender equality’ or ‘women’s’ affairs’ committee in place in the legislature, it may have scope to undertake a specific review of the budget proposal.
- **Requiring supporting analytical material from the executive.** Legislatures can be in a position to determine the detail and type of supporting information that accompanies the executive’s budget proposal. They may be able to demand that the government issues gender-aware budget statements at earlier stages of the PFM or budget cycle, or provide additional gender-focused analytical material to the legislature through budget options papers, budget frameworks papers and other tools.
- **Opening up space for civil society.** Many budget processes make some allowance for civil society and citizen input at various stages. The legislative approval period offers chances for civil society groups to engage with their representatives and apply political pressure for greater awareness of gender equality issues within the budget proposal.

Donors active in the PFM field often seek to support the legislature’s ability to scrutinise and challenge the budget process. Donors can provide analytical support to parliamentary committees that scrutinise the budget proposal, which could include a specific gender angle. Another means by which the gender sensitivity of the budget proposal might be strengthened is through donor support to build the capability of women’s non-governmental organisations to engage with the legislature on the budget.

4.1.2 Implement the budget

Once the budget is approved, various PFM sub-systems must interact across central government, local government and the national banking system in order to ensure that the budget execution occurs. As discussed in an earlier chapter, it is important to note that budget credibility – i.e. the degree to which the executed budget actually matches the approved budget – is often weak in low-capability states, for a range of reasons (Simson and Welham, 2015).

This cannot be easily guarded against, and budget credibility remains a major challenge in low-capability states. Indeed, strengthening systems to deliver a credible budget is to some degree typically an objective of almost all expenditure management reform programmes in low-capability states. Given that budget non-credibility is a result of a number of overlapping technical and political issues, it is something that may take decades to noticeably and sustainably improve.

Regarding gender-related activities within the budget, those with an interest in assessing their progress could use budget execution information to track spending against these areas. It would be possible to isolate specific budget lines that are considered most critical to delivering gender-related objectives and then track the credibility of spending against these over time. In addition to the government's own expenditure reports, tools such as the World Bank 'BOOST' facility or Unicef's 'C-PEM' (Child-focused Public Expenditure Management) provide methodologies and data to track expenditure by participating countries. Analysis of this kind would provide some measure of the effectiveness of budget execution in these gender-sensitive areas. Where budgets are not credible in gender-sensitive areas, improvements may have to be delivered as part of a general drive for stronger budget systems across the board.

Inclusion of equal employment opportunity principles in government contracting requirements can also promote gender equity. This would set a requirement in government

procurement rules that contractors offer equality opportunities for their male and female employees, or potentially go further and favour female-owned businesses in public procurement.

4.1.3 Monitor activities and account for expenditure

Budget execution involves monitoring both expenditures and performance across the whole public sector. Officials throughout hundreds of institutions should be actively managing the expenditures they are responsible for, reporting their use and reviewing their achievement (or not) of the policy and/or service-delivery objectives they are charged with attaining. There is a natural overlap between 'implementing activities' and 'monitoring activities' since in practice the two will occur side by side.

Monitoring of expenditure can both inform *in-year management* of the service being delivered at the current moment and provide information that can affect how ministries plan to deliver services *in the following year* or over the *medium term*. Cumulatively, monitoring and accounting data on whole-of-service or whole-of-sector activity might affect high-level policy decisions, which may have an expenditure implication. To some degree monitoring of government service delivery is an 'everyday' and ongoing activity that managers across the public sector will do naturally as part of their work. The impact of government expenditure on gender issues and an understanding of how services being delivered might differentially impact men and women will form part of this monitoring work. Indeed, and as mentioned above as a variant of the 'good expenditure management is gender-aware expenditure management' approach, an effective budget-monitoring process will already be taking into account gender issues when considering overall expenditure impact, alongside a wide range of other issues.

Box 9 Using gender-responsive budget approaches in Uganda

Uganda is often highlighted as an example of a country that has invested resources in GRPEM. For the past three decades, the government has prioritised the articulation of gender issues in sector planning as well as the collection and analysis of gender-disaggregated data. These initiatives have been instrumental in promoting gender concerns across the government policies, programmes and budgets.

Considerable efforts were put into the sensitisation of parliamentarians and senior officials across ministries regarding the importance of gender-responsive decision-making. There was therefore a good understanding of some of the key issues and principles in advance of the formal introduction of Gender and Equity Budgeting in the budgeting guidance of 2003. Work in this area continues under the broad reform of 'Gender and Equity' (GE) responsiveness, driven by senior officials in the Ministry of Finance.

Promoting oversight and accountability for GE has now been enshrined in the Public Financial Management Act (Republic of Uganda, 2015) and enforced by an Equal Opportunity Commission. Efforts are now under way to develop a national training curriculum to build government capability for gender and equity budgeting that will be implemented in the 2018/19 budget cycle. In pursuit of enhanced GE accountability within the national budget, the government is also strengthening the GE compliance assessment tools used to support the national Budget Framework Paper and the Ministerial Policy Statements that accompany ministerial budget submissions.

Source: Uganda government reports, private communications 2017

Where governments require specific information on gender impacts as part of this monitoring work, options for gathering information on the impact of public policies on gender issues can include:

- **Gender-disaggregated public expenditure incidence analysis.** Incidence analysis methods aim to systematically record and account for which groups in society receive or benefit from public services. Gender-disaggregated approaches seek to determine the differential impact of public expenditure patterns on men and women.
- **Building in a gender-related angle to existing public-service management information systems.** This approach emphasises ensuring that data on service delivery and use is gender-disaggregated across all public-sector data systems, so as to highlight differential impacts on gender.

4.1.4 Evaluate and audit

The final stage of the budget cycle focuses on audit and scrutiny regarding how the budget has progressed in delivering its expected outputs. This evaluation and audit can be internal (i.e. the government itself may evaluate and/or audit parts of its activity) or external, typically in the form of an independent audit agency that reports on the effectiveness of the government's handling of funds direct to parliament.

A number of tools are available at this stage of the budget process to evaluate and audit the performance of the budget. Some of these are 'gender focused' in that an evaluation of the gender impact of expenditure is their main focus. Others are general or standard evaluation tools that could be re-purposed to emphasise the gender element in their work. As noted above, this relates to the idea that genuinely effective budget evaluation and audit would naturally include consideration of gender impacts of public expenditure programmes.

Tools for focusing on gender issues include the following:

- **General monitoring and review of government services that particularly affect women.** The discussion in the section above noted three kinds of 'gender' expenditures (those funding specific gender-equality programmes; those funding programmes mostly used by women; and general expenditures that may have a gender-differentiated impact). This kind of general evaluation and review activity could be used to consider all three. It does not necessarily have a specific name or methodology but can be characterised as general 'management review' of performance. It might take the form of analysis (possibly quite basic) comparing expenditure with plan, identifying deviations and providing explanations, comparing outputs and outcomes with expectations and explaining deviations, and comparing both expenditure and outcomes to performance in previous years. As

noted above, this kind of 'day-to-day' or ground-level monitoring is ideally something that should take place in any case across all of government in order to continually improve services. A more formal end-of-year review would take this day-to-day information and draw summary conclusions about service delivery and its differential impact on men and women.

- **Specific evaluations of particularly gender-relevant programmes.** There are a number of specific evaluation methodologies that can be used to assess the effect of a government policy intervention (e.g. impact evaluation; process-tracing evaluation; performance evaluation). Where there is a programme focused on a critical gender-related issue, government could commission or undertake its own focused evaluation of it. Again, the limitations of resources and capability may make government delivery of sophisticated evaluations a challenge in low-capability states.
- **Citizen report cards.** These are a social audit tool used to assess public services from the point of view of users. They can be used to capture how services can be improved and identify where they are particularly limited. These cards are often used in urban settings on a macro level, but if re-designed and implemented carefully they can be used to highlight different services impact on gender.⁴
- **Gender audits.** These assess how inclusive institutions' processes, policies and structures are of gender equality. They take place in various forms, such as participatory gender audits and/or internal ministry audits. For example, gender audits have taken place in Egypt as part of overall training and capacity-building for staff on GRPEM (UN Women, 2010). Moser (2005) and Krafchick (2011) both note that civil society has a particular role in gender auditing at the local level as it can establish trust and provide in-depth knowledge of gendered issues otherwise not readily available.

Independent audit institutions are typically statutorily responsible for financial audit; however, across the world many are increasingly undertaking some form of 'performance' or 'value-for-money' audit. Their focus can usefully be turned to gender-relevant areas of spending. It should be noted that in most countries the statutory audit institution is not formally under the control of the executive branch of government: they are free to set their own scrutiny agenda within the bounds of the relevant laws. It is possible, though, for the executive branch of government to request a gender-focused audit of some kind.

In many countries, the lack of gender-disaggregated data, or data on gender-specific needs and priorities, is one of the key obstacles to evaluation and audit in this area. Data is particularly lacking in low-capability contexts, where institutions used to gather information are weak,

4 See <https://saeguide.worldbank.org/citizen-report-card>

population change (or displacement) can be significant, and physical inaccessibility to certain areas makes data collection difficult. Attempting to undertake gender-related evaluations and audits (whether by the executive itself or by the independent auditor) can be useful in exposing and highlighting these data gaps. This can be a first step towards changing data and statistics systems and beginning to gather this data to better inform future work.

4.2 Conclusion

The above discussion has set out how GRPEM could be used at different stages of the budget cycle so as to build in a greater sensitivity to gender equality in government PFM systems. The discussion has also noted the challenges to developing such a focus within the typical budget cycle of a low-capability state.

Overall, the discussion suggests that a number of existing analytical tools can usefully be used to provide a 'gender focus' on the impact of government expenditure. While some of these tools and approaches are designed to focus explicitly on gender issues, others are more general tools that can be re-purposed to bring a focus on gender-equality issues. Such tools could be used at the *evaluation/audit* stage (i.e. looking at the impact of expenditure in terms of gender outcomes), which could then feed into the *strategic planning* phases (i.e. looking at the implications of these findings for changes to future expenditure patterns).

GRPEM can be supported by external partners (e.g. donors, civil society organisations and/or technical advisers), for example through funding or supporting specific reviews and evaluations. Other gender-related expenditure management actions are more likely to be internally generated and out of scope for external actors to change; for example, debates over strategic allocation of resources and the impact on men and women. Where finance ministries, line ministries and other institutions

with expenditure responsibility show an interest in GRPEM tools, there could be scope to focus external assistance on the following issues:

- **Focus on using basic budgetary analytical techniques so as to inform strategic planning.** As noted, finance ministries typically have a clearer mandate and greater policy levers for strategically allocating resources than line ministries or specialised agencies, and it is at this stage that conclusions from the evaluation and audit stage can usefully feed into the process. External assistance that provides some basic gender-focused analytical tools for government to use in the evaluation stage could provide information for the strategic allocation stage.
- **Build gender awareness into financial data and information systems.** The literature highlights that gender-disaggregated data is vital for informing GRPEM activities. In many low-capability countries, systems for data collection will be in development alongside budgeting processes. Finance ministries with an interest in pursuing GRPEM tools can be supported by donors to put in place accounting and reporting frameworks that include gender-disaggregated and gender-sensitive data related to revenue and expenditure.
- **Support line ministries to undertake gender analysis within their own budgets.** Much of the day-to-day decision-making about how, where and to whom public services will be delivered is done by line ministries with only limited input from the finance ministry. Many gender-analytic tools that are either generic in approach or designed to review 'whole-of-government' expenditure can be used to inform the sector or sub-sector budgeting decisions made within line ministries. External actors could support this process in line ministries, ideally with finance ministry encouragement and engagement.

Table 2 Summary of gender-focused expenditure analysis tools and policy interventions within the public expenditure management cycle

Area of budget cycle	Specific GRPEM tools
1. Policy development and budget preparation	Review the NDP for its treatment and focus of gender-related policies
2. Setting budget framework	Identify possible specific donor funding for gender-related programmes
3. Preparing the budget	<p>Review proposed general donor funding support for the budget for impact on gender-equality objectives</p> <p>Review and/or amend sector/ministry policy objectives to recognise gender inequalities within their sector and the role of publicly funded programmes in reducing them</p> <p>Inform sector and sub-sector allocations using information gathered through:</p> <ul style="list-style-type: none"> • public expenditure incidence analysis disaggregated by gender • gender-aware beneficiary assessments • gender-disaggregated analysis of budget impact on time use by gender • gender-disaggregated analysis of user charges/fees <p>Support the relevant legislative committee of Parliament to undertake gender-focused scrutiny of the budget</p> <p>Support civil society to engage on gender-related issues in public budget debates and consultations</p>
4. Implementation of the budget	<p>Use budget execution information to track the credibility of spending against specific gender-related budget activities and/or budget lines</p> <p>Include specific gender-equal employment opportunities requirements in government contracts</p>
5. Monitor and account	<p>Use gender-disaggregated public expenditure incidence analysis to inform in-year expenditure management</p> <p>Build in a gender-related focus to general public-service management information systems</p>
6. Evaluate and audit	<p>Undertake general monitoring and review of government services that particularly affect women</p> <p>Carry out specific evaluation of particularly gender-relevant programmes and services</p> <p>Support citizen report cards that focus on the gender-differentiated impact of public spending</p> <p>Use gender audits on specific areas of spending, including potentially making a request from government to the independent auditor to undertake this work</p>

5 Annotated bibliography of key sources

5.1 Gender equality and development

UN Secretary-General's High-Level Panel on Women's Economic Empowerment (2016) *Leave no one behind: a call to action for gender equality and women's economic empowerment*. Report of the UN Secretary-General's High Level Panel on Women's Economic Empowerment. New York: UN (<http://hlp-wee.unwomen.org/-/media/hlp%20wee/attachments/reports-toolkits/hlp-wee-report-2016-09-call-to-action-en.pdf>)

This report summarises the reasons for an inclusive strategy to expand women's economic opportunities as per the SDGs. The panel highlights best practices as well as gaps and barriers to progress after six months of fact finding. The report is especially useful for contextualising the need for women's economic empowerment and providing helpful suggestions for tackling the gaps that exist. The panel will also create a second report building on existing work with additional recommendations.

UN Women (2015) *Progress of the world's women 2015-16: transforming economies, realising rights*. New York: UN Women

This summary outlines progress (or lack thereof) on social and economic aspects of gender equality since the Beijing conference of 1995. It uses various examples from across the world to address the positive links between economic empowerment and overall improvements to lives, including access to healthcare and education and better wellbeing. The report is a useful summary for highlighting the need for comprehensive action and provides a helpful 10-step guide for achieving women's economic empowerment.

World Bank (2011) *Gender equality and development*. World Development Report 2012. Washington, DC: World Bank

This report is a comprehensive guide to the economics of gender equality and development. It acknowledges that some gender gaps have been closed but that progress still needs to be made. The authors adopt a primarily economic lens and attempt to fill in existing knowledge and data gaps. The report is useful for those seeking a broader and deeper understanding of gender inequality from an economic perspective.

5.2 Gender analysis tools

Birchall, J. and Fontana, M. (2015) 'The gender dimensions of expenditure and revenue policy and systems'. Brighton, UK: BRIDGE

This briefing highlights how public finances can be collected and spent in more gender-equitable ways by examining taxation and expenditure policies. It also considers how PFM could integrate gender better and learn lessons from GRB reforms. It makes suggestions 'on dealing with gendered barriers within revenue administration systems, and discusses the importance of including a range of actors in the processes of finance reforms' and provides useful recommendations.

Budlender, D. (2015) 'Participation in public finance reform and gender', Budget Brief No. 31, International Budget Partnership

This brief summarises the discussion on how to ensure women and girls are not left behind in the budget and expenditure process, posing questions to advance how we think of gender within budgeting reforms. It does not cover every stage of the budget/PFM cycle but instead focuses on lessons learned from GRB initiatives and the questions that could form a framework for considering gender.

5.3 Gender-responsive budgeting

Budlender, D. and Hewitt, D. (2003) *Engendering budgets: a practitioner's guide to understanding and implementing gender-responsive budgets*. London: the Commonwealth Secretariat

This guide is designed to provide an in-depth examination of GRPEM. It highlights relevant aspects of gender-related budgeting, including: the nature of GRPEM; case studies of its application; the usefulness of GRB; and how gender budgeting can be implemented. It also outlines a basic model of how government budgeting typically operates.

Holmes, R. and Slater, R. with Acker, A. and Berezovskaja, A. (2014) *Gender-responsive budgeting in fragile and conflict-affected states: a review*. London: Overseas Development Institute

This review examines fragile and conflict-affected states (FCAS) and GRB, offering a focused analysis on the nuances of FCAS situations. In FCAS, women are often affected disproportionately; GRB can be an integral part of peace-building and address gender inequalities from the ground up. The paper reviews experiences of gender inequality in FCAS, key findings from GRB in FCAS, and the opportunities and challenges posed.

Stotsky, J, Kolovich, L. and Kebha, S. (2016) *Sub-Saharan Africa: a survey of gender budgeting efforts*. Washington, DC: International Monetary Fund

This IMF Working Paper provides a detailed analysis of GRB efforts across sub-Saharan Africa. The paper draws examples from 14 countries that use GRB, including South Africa, the first sub-Saharan African country to introduce it. There are detailed case studies on the relatively successful cases of Uganda and Rwanda exploring the constraints experienced in these environments. The paper particularly highlights the necessity for buy-in from finance ministries for crucial long-term change.

IMF (2017) *Gender budgeting in G7 countries*. Washington, DC: IMF

This paper was produced at the request of the Italian Presidency of the G7 to survey GRB concepts and practices in G7 countries. The first half of the paper recognises that although progress in gender equality has been made in economically stable countries, gender inequalities still persist. The latter half of the paper highlights overall trends in gender equality. The paper uses a broad definition of GRB that encompasses gender analysis and argues that well-structured fiscal policies and sound PFM systems have the potential to contribute to gender equality.

OECD (2017) *Gender budgeting in OECD countries*. Paris: Organisation for Economic Co-operation and Development

This paper takes a comprehensive look at GRB in OECD countries, highlighting the findings of the authors' survey of gender budgeting practices. This includes varied results on the different definitions and approaches of what GRB entails. 15 of 34 countries report that they have introduced, plan to introduce or are actively considering the introduction of gender budgeting. The paper explores themes and methods and also looks at selected non-OECD partner countries for further comparison.

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