



Community
of Democracies

Action Plan on Gender-Responsive Budgeting

March 2023

1. Objective

There has been growing recognition that gender equality promotes stability and fosters growth, including in the economy. Many member states have thus committed to adopting a combination of policies and instruments to help tackle gender inequalities. Gender-responsive budgeting (GRB) is a tool that promotes the goal of gender equality by integrating a gender perspective into all budgets and accounting to better support women and men as beneficiaries in projects/programmes.

The purpose of a gender responsive budgeting is to promote accountability and transparency in fiscal planning and management, as well as to increase gender responsive participation in the budget process.

The Action Plan (Plan) is intended as a voluntary tool to inform and assist member states in drafting their own gender responsive budget. The Action Plan can be used to support national and local governmental initiatives on gender budgeting. It is recommended that the Plan is used in parallel with training or workshops on gender budgeting for public officials.

2. Background

There is strong international consensus that gender equality is critical for healthy, prosperous, and peaceful societies, and contributes to reducing income inequality, thereby advancing economic resilience. Ensuring equality in economic opportunities can promote faster recovery from global economic fragility and strengthen and make sustainable global economies.¹

The United Nations 1995 Beijing Platform for Action called for integrating a gender perspective into government budget processes, further highlighted in the United Nations Economic and Social Council (ECOSOC) Resolution July 1998², requesting the governing bodies of the United Nations funds and programs to monitor the implementation of gender mainstreaming, including in the budgeting of their respective organizations. The General Assembly Resolution December 1997

*“requests all bodies that deal with programme and budgetary matters, including the Committee for Programme and Coordination, to ensure that all programmes, medium-term plans and programme budgets visibly mainstream a gender perspective...Invites other intergovernmental bodies, such as the governing bodies of the United Nations funds and programmes, to monitor the way in which the **concerned agencies,***

¹ <https://sdgs.un.org/goals>

² (E/Res/1998/26)

funds and programmes implement gender mainstreaming in their respective medium-term plans and programme budgets, including at the field level.”³

Additionally, in June 2000, the General Assembly in follow-up to the implementation of the Beijing Platform for Action stated,

“Incorporate a gender perspective into the design, development, adoption and execution of all budgetary processes, as appropriate, in order to promote equitable, effective and appropriate resource allocation and establish adequate budgetary allocations to support gender equality and development programmes that enhance women’s empowerment and develop the necessary analytical and methodological tools and mechanisms for monitoring and evaluation.”⁴

Finally, the United Nations Sustainable Development Goals (SDGs) in September 2015 called for adequate resources and tools to track budget allocations for gender equality.⁵

The indicator 5.C.1 of the SDGs measures government efforts to track budget allocations for gender equality through the public financial management cycle and to make these allocations publicly available. It was agreed by the United Nations Statistical Commission to monitor progress toward Target 5C, which calls on Member States to

“adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.”⁶

The indicators address three criteria: integration of gender equality objectives/measures in government programs and their respective budget allocations; integration of gender budgeting in public financial management systems and that budget allocations for gender equality are publicly available. It is the only indicator in the SDG monitoring framework that links national budgeting systems with implementation of legislation and policies for gender equality and women’s empowerment.

In 2020, the G20 called for greater investment in gender budgets to ensure that fiscal policies advance gender equality, especially in recovery from the COVID-19 crisis. And in 2022, reiterated that

“Effective gender budgeting requires not only a strong strategic framework, with gender equality goals and legislative underpinning, but also tools for implementation and a supportive environment that includes training and gender-disaggregated data.”⁷

³ (A/Res/52/100)

⁴ A/S-23/10/Rev.1

⁵ SDG indicator 5.c.1

⁶ *ibid*

⁷ Gender Budgeting in G20 Countries, International Monetary Fund, 2021

In 2018, the International Monetary Fund estimated that a national Gross Domestic Product (GDP) could grow by 10-15 percent if gender inequality was eliminated.⁸ Beyond the moral argument, there is also a strong economic perspective for promoting equality. Studies have highlighted that more equal economies, in terms of income distribution, access to education and other services, benefit from higher rates of employment.

Additionally, public finance indicators would benefit from improvements in gender equality and particularly from a higher participation of women in the labour force.⁹ It was agreed by the United Nations Statistical Commission to monitor progress toward SDG Target 5.C. This is the only indicator in the SDG monitoring framework that links national budgeting systems with implementation of legislation and policies for gender equality and women's empowerment.

3. What is Gender-responsive budgeting?

Budgets are often described as being “gender blind.” Gender-responsive budgeting is the antithesis to utilising gender mainstreaming in the entire budgetary process. This is important given the budget is the gateway for resource allocation, as well as a key determinant for the standards and qualities of public policy formation.¹⁰ Gender-responsive budgets were conceived in the 1980s, however, the concept and application of gender budgeting has evolved greatly. The concept and approach has moved from focusing mostly on budget allocations to “women's issues” or “women's programs”, towards a broader budget approach that stresses the importance of integrating a gender perspective and raising awareness of gender across all government policy, planning and budgeting¹¹.

Gender-responsive budgets can help promote gender equality and close gender gaps. They help to operationalize fiscal policies that promote gender equality and examine the impact of government policies on gender thus allowing for better informed decision making. The success of gender budgets outcomes are influenced by many factors including political support for gender equality, the consistency of reforms as well as the nation's cultural attitudes and social norms.

Gender-responsive budgeting recognizes that government budgets impact men and women differently. Policy decisions made by governments can serve to either promote gender equality or reinforce existing gender

⁸ Arevalo P., Berti K., Caretta A., Eckefeldt P. The Intergenerational Dimension of Fiscal Sustainability, ECFIN Discussion Paper (2019),

⁹ Arevalo P., Berti K., Caretta A., Eckefeldt P. The Intergenerational Dimension of Fiscal Sustainability, ECFIN Discussion Paper (2019),

¹⁰ Gender budgeting in OCED, volume 2016/3

¹¹ Hofbauer, H. (2003) Gender and Budgets, Overview Report. UK, BRIDGE (development - gender) Institute of Development Studies.

inequalities. Gender budgeting uses fiscal policies and public financial management (PFM) tools to promote empowerment of women and girls and incorporates a gender lens into the budget process to ensure that governments are aware of the impact on women and men. It is not just about funding explicit gender equality initiatives. It also entails analyzing fiscal policies and budgetary decisions to understand their impact - intended and unintended - on gender equality and using this information to design and implement more effective gender policies. International recognition for gender budgeting as an instrument to enhance gender equality continues to grow.

As a public finance management tool, gender-responsive budget analysis allows determination on how and to what extent policies affects diverse groups of men and women. It is gender-based analysis in its core that creates a foundation for implementation of the principle of equal opportunities for women and men in all spheres and enables a sustainable development of the society. Gender-based analysis considers not only disaggregated data on women and men, it attempts to include other relevant social categories, such as age, socio-economic background, location, educational level and others as long as data is available. More broadly, gender-responsive budgeting is about analyzing the gender effects of all public programs and policies and how to improve them, thereby translating the government's commitments on gender equality into budgetary commitments

The concept of using gender budget initiatives to promote gender equality became widespread after the adoption of the 1995 Beijing Platform for Action, when the United Nations called on governments to assess how public expenditures benefited women and to adjust budgets to contribute to gender equality. The United Nations recommended that governments: *"Analyse, advise on, coordinate and implement policies that integrate the needs and interests of employed, self-employed and entrepreneurial women into sector and inter-ministerial policies, programmes and budgets"*.¹²

The first attempt to implement gender budgeting was initiated by Australia, through the use of "Women's Budget Statements" (WBSs) - a tool for mainstreaming gender equality into economic and social policy. State governments produced WBSs (official budget documents) on the anticipated impact of all ministries' budget revenues and expenditures on women and girls.¹³

GRB grew from "women's budgets" initiatives, broadening the concept to address wholesale gender equality by integrating gender perspectives into the budgeting process.

In 1989, the United Kingdom Women's Budget Group (UK WBG) emerged. A think-tank composed of gender advocates from various sectors, concentrating on defence expenditure and impact on the social sector. South Africa

¹² (United Nations 1995 cited by Ruiz 2003)

¹³ Analysing the Gap: Opportunities to improve gender equality in Australia's public policy processes Policy Paper for Equality Rights Alliance, Equality Rights Alliance, 21 November 2019

subsequently adopted gender budgeting in 1995. The South African Women's Budget Initiative (SAWBI) was lauded as the most successful institutionalized gender budgeting initiative. It has also been cited as one of **the most** effective initiatives because it draws support from civil society, parliament, government and international agencies. As a result, the SAWBI "has provided a major role model for development of future gender-responsive budgets."¹⁴

Developing gender-sensitive budgets makes it possible to see how the budget revenues and expenditures impact the socio-economic status and equal opportunities. Gender budgeting can be a form of priority budgeting that re-focuses resources to help close gender gaps. While only looking at the gender dimension of equality, gender budgeting can help achieve important standards for public financial management¹⁵.

Does pension reform impact women and men differently? If so, how can policies reduce the gender bias? How do cost-saving educational reform effect girls and boys differently? For example when education fees are introduced, it becomes more costly for families and therefore it is recorded that more girls are withdrawn from school. During the 1990s in Zambia, as part of the World Bank structural adjustment loan conditions, fees on schooling were increased, resulting in more girls dropping out of school. Similarly, in Kenya girls were found to be twice as likely to be pulled out of school than boys, when families could not afford school fees.¹⁶

While there has been widespread recognition of gender-responsive budgeting, there is no currently agreed definition or accepted methodology. Gender-responsive budgeting initiatives vary in scope, objectives, institutional arrangements, legal basis and analytical tools.

This has proven to be problematic leading to lack of international agreement and limited implementation. Effective gender-responsive budgeting should not create separate budgets for women or provide for increased spending on women-focused intervention/activities. Rather, it should seek to ensure that the collection and allocation of resources are carried out in ways that are effective and contribute to advancing gender equality across all budget lines.

Some member states have formally adopted initiatives in their legal framework, while others have directly incorporated gender budgeting tools and processes into the overall budget, for example, by improving budget classification. Some apply gender budgeting tools on an ad-hoc basis or to one part of the budget cycle alone. For example, including gender in the budget circular but not incorporating in the budget execution and reporting phases.

¹⁴ (Sharp 2003: 6).

¹⁵ Downes and Nicol 2020)

¹⁶ Barriers to education globally: Getting girls into the classroom. Hearing before the SubCommittee on Western Hemisphere, Transnational Crime, Civilian Security, Democracy, Human Rights and Women's Issues of the Committee on Foreign Relations, United States Senate, 2016

While this may allow funding for gender programs, it does not provide any information on how a program's money is spent, if gender objectives are achieved or how programs could be improved. Often gender equality goals may be included in national or sectoral plans, but they are not translated across all budget lines. For example, efficiency gains in the health sector often conceal a shift of costs onto women. Limited investment in healthcare can result in women looking after sick or hospitalised relatives.

All G20 countries have enacted gender focused fiscal policies, but the public financial management (PFM) tools to operationalize these policies are far less established. More progress has been made establishing frameworks and budget preparation tools than budget execution, monitoring and auditing tools. Too few countries assess the upfront impact of policies on gender equality and/or evaluate ex-post the effectiveness of policies and programs. Where gender budgeting features are in place, they are often an "add-on," rather than a strategic and integral part of resource allocation decisions.¹⁷

Many G20 nations implement flat-rate personal income taxes which some analysts say have negative effects for low-income populations, and in particular women. For example, in 2018 the global average gender gap in economic participation and opportunity was 41.9 per cent. Further, in 2018 only 58 per cent of this gap was closed which represented minimal progress and the lowest value measured by the Global Gender Gap Index since 2008.¹⁸

Since 2003, countries that have utilised gender budgeting have made more progress on the Gender Development Index¹⁹, a measure of overall gender equality, than countries without gender budgeting. For example, in India, regional states with gender budgeting efforts have made more progress on gender equality in primary school enrolment than states without.²⁰

Governments of the Asia-Pacific region found that implementation of gender-responsive budgeting contributed to increased quantity and quality of budget allocations for gender equality.²¹ In 2016, the Government of Timor-Leste increased gender-responsive budget allocations by 11 per cent even with a 29 per cent decrease in the overall budget. This has been attributed, in part, to improvements in tools to track, analyze and report on gender-responsive ministerial plans and budgets.²²

¹⁷ <https://www.imf.org/en/Publications/WP/Issues/2021/11/12/Gender-Budgeting-in-G20-Countries->

¹⁸ <https://www.weforum.org/reports/global-gender-gap-report-2022/digest/>

¹⁹ The gender development index, released by UNDP, measures gender inequalities in achievement in three basic dimensions of human development: health, education, and command over economic resources.

²⁰ The Influence of Gender Budgeting in Indian States on Gender Inequality and Fiscal Spending* Prepared by Janet G. Stotsky and Asad Zaman Authorized for distribution by Prakash Loungani and Catherine Pattillo, 2016.

²¹ UN Women (2016). Gender-Responsive Budgeting in the Asia Pacific Region: A Status Report.

²² UN Women (2016). Final Report "Institutional Strengthening of Gender Equality and Women's Empowerment in Timor Leste" Project of UN Women 2013-2016.

Although economic autonomy in the Global South has increased overall, inequalities remain. For example, 72 per cent of men have a bank account as compared to 65 per cent of women, a gap that has not changed since 2011²³. A study on financial inclusion in middle income countries found that closing the gender gap in women's access to financial services would result in an average 12 per cent higher income per capita by 2030.²⁴ In agriculture it could raise farm productivity by 20-30 per cent, increase national agricultural outputs by 2.5 to 4.0 per cent and, ultimately, lift 100 to 150 million people out of hunger, which would also increase women's disposable income and contribute to increasing the tax base.²⁵

Data from 2019 indicate that, despite progress in integrating gender into public finance management, most national systems still require improvements to analyze, track and evaluate gender responsive allocations and expenditures. Specifically, countries can strengthen how gender analysis informs budget decision-making through increased use of ex-ante and ex-post gender impact assessments. This can be buttressed by budget oversight and performance review via gender budget audits (implemented by only 19 per cent of reporting countries). The application of these tools enables robust analysis of the gender dimensions of COVID-19, including impacts of budgetary decisions on women and men.²⁶

4. Nexus between gender budgeting and climate budgeting

The Sustainable Development Goals have placed a much-needed spotlight on poverty, inequality, and violence, especially against women, as key challenges of the 21st century. Similarly, the Sendai Framework for Disaster Risk Reduction 2015–2030, incorporated key recommendations on gender-sensitive Disaster Risk Reduction (DRR) and promoted a stronger role for women in building resilience. Many 'Intended Nationally Determined Contributions' (INDCs) submitted to the United Nations Framework Convention on Climate Change (UNFCCC) reflect gender priorities in their pledges for climate action.²⁷

Climate change impacts men and women differently, largely due to their gender-differentiated relative powers, roles and responsibilities. The poor, marginalized and excluded communities in many societies (women, the elderly,

²³ The World Bank. (2017). The Global Findex Database 2017.

²⁴ Global Markets Institute. "Giving credit where it is due. How closing the credit gap for women-owned SMEs can drive global growth"(2014).

²⁵ FAO Gender and ICTs. Mainstreaming gender in the use of information and communication technologies (ICTs)For agriculture and rural development. (2018).

²⁶ https://unstats.un.org/sdgs/report/2021/extended-report/Goal%20%285%29_final.pdf

²⁷ 'Gender in Mitigation Actions', Environment & Gender Information (EGI) Brief I, April 2016 Edition; see United Nations Development Programme (UNDP), 'Gender Equality in National Climate Action: Planning for gender responsive Nationally Determined Contributions' (2016)

children etc.) are structurally vulnerable. Women tend to be overly burdened with household work and caring for family members. For example, during the Asian tsunami in 2004, 70 per cent of the victims were women.²⁸ Further, cultural, and religious norms on respective gender roles sometimes limit women's abilities to make quick decisions in disaster situations and, in some cases, the clothes they wear and/or their responsibilities in caring for children could hamper their mobility in times of emergency.²⁹ Disparities in economic opportunities and access to productive resources also render women more vulnerable to climate change because they are often poorer, receive less education, and are not involved in political, community and household decision-making processes that affect their lives.³⁰

Gender equality and women's empowerment are central to economic development as well as environmental sustainability. Recent research from the McKinsey Global Institute finds that, if women were to participate in the economy "identically to men," they could add as much as \$28 trillion or 26 per cent to annual global GDP by 2025.³¹

Studies show that countries with higher representation of women in congress/parliament are more likely to set aside protected land areas and to ratify multilateral environmental agreements.³² Similarly, the increased participation of women is crucial to the climate effort – for example, there is evidence that women play a vital role in dealing with disasters by effectively mobilizing communities in the different phases of the risk-management cycle; thus their greater involvement would contribute substantively to disaster risk management and reduction.³³

Although today there is a greater understanding of the need to incorporate gender perspectives into climate change policy, there are still considerable gender-based barriers across the major pillars of international and national policy processes on climate. Meaningful participation by women will enhance the effectiveness and sustainability of climate change projects and programmes and help address existing inequities while working towards fulfilling the respective international agreements calling for gender equality and empowerment of women.

Climate change is a "threat multiplier," meaning it escalates social, political and economic tensions in fragile and conflict-affected settings. As climate change drives conflict across the world, women and girls face increased vulnerabilities to all

²⁸ Maila D.H. Rahiem, Husni Rahim, Robin Ersing. Why did so many women die in the 2004 Aceh Tsunami? *International Journal of Disaster Risk Reduction*, Volume 55, March 2021.

²⁹ Wong, S., 'Can Climate Finance Contribute to Gender Equity in Developing Countries?' *Journal of International Development* 28, no. 3 (2016), pp. 428–444; Institute of Development Studies (IDS), 'Gender and Climate Change: Mapping the Linkages – A Scoping Study on Knowledge and Gaps', June 2008.

³⁰ Mearns, R. and Norton, A., eds., *Social Dimensions of Climate Change: Equity and Vulnerability in a Warming World* (Washington, D.C.: World Bank, 2010); IDS, 'Gender and Climate Change' (2008).

³¹ MGI, 'The Power of parity' (2015).

³² See UNDP, *Human Development Report 2011. Sustainability and Equity: A Better Future for All* (New York: UNDP, 2011).

³³ Carvajal-Escobar, Y. et al., 'Women's role in adapting to climate change and variability', *Advances in Geosciences* 14 (2008), pp. 277–280.

forms of gender-based violence, including conflict-related sexual violence, human trafficking, child marriage, and other forms of violence.

When disasters strike, women are more likely to be injured due to long standing gender inequalities that have created disparities in information, mobility, decision-making, and access to resources and training. In the aftermath, women and girls are less able to access relief and assistance, further threatening their livelihoods, wellbeing and recovery, and creating a vicious cycle of vulnerability to future disasters.

Despite growing recognition of the differential vulnerabilities as well as the unique experiences and skills women and men bring to development and environmental sustainability efforts, women still have less economic, political and legal authority and are more exposed to the adverse effects of the changing climate. On the other hand, women are powerful agents of change and continue to make increasing and significant contributions to sustainable development, despite existing structural and sociocultural barriers.

As nations restructure budgets to commit to addressing climate change and environmental disaster, it is critical that the nexus between gender and climate is recognized. It is imperative that gender equality and women's empowerment continue to influence, shape and drive the collective climate and human development effort.

5. Climate and Gender-Responsive Budgeting Action Plan

This Action Plan will be guided by the definition used by the Council of Europe, gender-responsive budgeting is *“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.”*³⁴

While there are several terms related to gender budgeting, the Plan uses the term *gender-responsive budgeting*. This plan also takes into account green-gender actions, incorporating climate change and gender equality, given the interchangeable and interconnected agendas (of environment and WPS) within budgeting structures.

Gender budgeting should be seen part of a wider framework for gender equality. Some countries with more advanced gender budgeting practices, such as Mexico, Canada, Austria, and Spain, use multiple approaches. Public

³⁴ Council of Europe (2005), Final report of the Group of Specialists on Gender Budgeting (EG-S-GB), EG-S-GB (2004) RAP FIN; Equality Division, Directorate General of Human Rights, Council of Europe, Strasbourg, p.10.

spending is only beneficial as a public policy intervention to support gender equality, if it is coupled with mainstreaming of gender-responsive legislation and policies. The United Nations has established a specific indicator to measure the number of countries with systems to track and make public allocations for gender equality and women's empowerment linked to the SDGs.

6. Why Gender Responsive Climate Budgeting?

- **Accountability**

Gender budgeting is an important part of monitoring budgets seeking to meet gender equality and climate goals. It is thus “a mechanism for establishing whether a government's gender equality commitments translate into budgetary commitments.”³⁵ The ability to see where gender and climate financing is directed through budgets makes for more accountability in gender policy commitments.

- **Transparency**

Gender responsive budgeting can contribute to increasing participation in the budget process and thereby increase transparency. This encourages trust and confidence in the system. Integrating a gender perspective at each phase of the budget cycle (budget preparation, execution, monitoring, and external control) should be underpinned by a gender-sensitive legal and institutional framework and reinforced by parliamentary oversight and scrutiny. Entry points include performance frameworks, impact assessments, tagging, and spending reviews.

- **Results oriented**

Results-based budgeting brings strategic planning and public finance management closer together by linking policy targets and objectives. This is done by defining targets, objectives and activities and establishing a functioning monitoring system based on performance indicators to measure progress towards reaching the objectives. A true performance-oriented approach only happens when gender budgeting is integrated into performance budgeting.

- **Effectiveness**

Gender budget analysis contributes to improved information on the potentially different situations and needs of women and men, as well as on distributional effects and the impact of resources on women and men. Thus, gender budgeting provides the basis for evidence-based decision-making. This contributes to ensuring that public funds are being used more effectively and leads to accountability and trust building.

³⁵ Sharp, R. and Broomhill, R. (2002), 'Budgeting for Equality: the Australian experience', *Feminist Economics*, Vol. 8(1), Routledge Taylor & Francis, Abingdon, p. 26.



- **Interconnected**

Making national budgeting more gender and climate responsive will support the more efficient, effective, and equitable use of climate finance. Recently, many nations have taken the approach of “double-mainstreaming” gender and climate, supported by international frameworks and financing. This identifies innovative ways to integrate gender and climate change into national planning and budgeting processes and takes into consideration the fact that gender responsiveness can improve the effectiveness of climate finance, and climate responsiveness can improve the effectiveness of gender finance.

- **Monitoring**

The IMF developed a Gender Budgeting Index (GBI).³⁶ The GBI ranks countries according to their gender budgeting efforts. The study for G20 economies show that governments perform relatively better during budget preparation via the budget circular and gender budget statements – compared to the use of gender impact assessments, budget execution reporting and audit. Many countries have institutionalized different elements of gender budgeting to help address gender inequality.

- **Leverage tax and expenditure policies that address gender imbalance**

Notable initiatives include removing gender bias in the tax treatment of part-time workers, and developing comprehensive health care programs for women’s diseases. Ex-ante gender impact assessments can help identify how new tax or spending initiatives impact gender equality objectives.

7. Key elements to consider in a gender, climate responsive budgeting process

- **A national gender equality strategy**

It is imperative that strategies for climate and gender are drafted, adopted and financed. The strategies should set out national overarching gender equality goals within a strong strategic framework for gender budgeting. This strategy in turn relies on political commitment that gives momentum to gender budgeting reforms and help drive a change in culture across the government. The strategies should include change-management processes to address obstacles to both climate and gender and cultures of resistance.

³⁶ The GBI follows a similar approach to that of the OECD, World Bank, and PEFA Secretariat.

- **A legal framework**

Climate and gender strategies should be integrated into the existing legal framework or new legal frameworks to accommodate the climate/gender issues. Legal frameworks provide a foundation for gender to become embedded in existing budgeting processes and ensuring practices so they can withstand changes in political priorities. Clear guidelines need to be developed assisting in the application of gender budgeting and setting out institutional roles and responsibilities. While political leadership is important, legal foundations for gender budgeting can help ensure its sustainability in the longer term. Australia was a pioneer for gender budgeting in the 1980s when it included a *Women's Budget Statement* as part of the budget. However, due to lack of wide consultation, the Statement was seen as an internal bureaucratic exercise external to the normal budgeting process, and of little relevance to the women's movement. Legislation that is fully tested and debated may help embed gender budgeting as a valued and enduring feature of public policy making and insulate it, as far as possible, from fluctuations arising from the economic or political environment.

- **Develop a gender budget statement**

Draft and issue a commitment of action and summary of how budget measures are intended to support gender equality priorities. Gender budget statements assist in providing better understanding of national/international gender priorities; financial implications; estimated impact of policies on gender outcomes; and enhanced transparency. Most statements can support the governments' gender policies, and how they relate to gender objectives and gender gaps, and some provide details on the content and costing of flagship initiatives and their expected impact on performance monitoring is conducted outside the budget process. A statement may include different types of information, which may have different applications.

- *A gender allocations report* which clearly identifies the budgetary resources allocated to policies that promote gender equality, and allocations that affect women and men differently.
- *A general gender budget statement* summarising in broad narrative terms how the range of measures introduced in the budget are intended to support gender equality priorities and goals.
- *A gender equality progress statement* which provides a more detailed exposition of how the budget measures advancement of the government's gender equality agenda, by reference to established objectives and indicators.

Part of the statement should include information relevant to SDG 5. Budgets normally rely on transmission of instructions from the ministry of finance to spending ministries and the revenue administration through a budget circular or related communication. The budget circular instructs the bureaucracy on how it should approach the budget and what new fiscal policies and programs, or modified approaches are going to be incorporated into the budget for the new fiscal year. Gender budgeting may be integrated into the budget circular or communication in a variety of ways. Additionally, incorporating gender budget guidance for agencies into Ministry of Finance budget circulars helps to set clear operational procedures for effective coordination and implementation.

The incorporation of gender-oriented goals into the basic statement of principles of the budget is important for demonstrating the importance of these goals and for ensuring that they are well integrated into the budget process (and receive budget allocations).



- **Development of gender baseline analysis**

The analysis can help provide awareness of how different policies can impact gender equality. The baseline analysis provides the information – taken with a gender equality needs assessment - on the main gender gaps across different policy areas. This analysis will also bring together the sex-disaggregated data that helps underpin the application of a gender perspective in resource allocation. Including: ex-ante, gender budget baselines, assessments, performance setting, resource allocation.

Ex-ante gender impact statements are a key tool of gender-responsive budgeting and can be undertaken for new tax and spending proposals included in the budget. Additionally, taking stock of existing budgets is also important baseline analysis, as seen in Iceland and Sweden. Integrating a gender perspective into performance setting is a useful tool for gender responsive policy making. As more gender performance objectives become embedded in the programmes of the government a gender perspective to evaluation and audit becomes ex-post.

- **Develop a gender analysis of the whole budget – international and national allocated funds across sectors and levels**

Gender budget baseline analysis is a periodic analysis to assess how the existing allocation of expenditures impact gender equality. One prominent example is the tool JämKAS (Gender Equality Survey Analysis and Conclusions) used in Sweden. The first step of the analysis is to produce an inventory of an agency or department's activities and identify how they can help achieve gender objectives. This allows identifying and prioritising areas of activity that are strategically important for gender equality for further in-depth analysis. This includes identifying target groups, and possible gender patterns.

- **Mainstreaming gender perspectives (& climate objectives) into the whole process of public finance management**

A gender budget analysis should be conducted by asking whether planned and realized impacts promote gender equality as well as other objectives, including climate; outputs are fairly distributed between women and men and are adequate to achieve gender equality as well as other objectives; activities are designed to be equally appropriate for all and are adequate to achieve gender equality as well as other objectives. This also allows to close the gender gaps – understanding how policy and budget affect women and men differently will allow a more direct channel to equality. Mainstreaming gender equality considerations into national and subnational budgets, investments, and projects can ensure financial resources to support the achievement of gender-related climate outcomes. In practice, this means allocate funds for budgeting that brings together public policy analysis and determines where money is going.



- **Gender dimension in performance setting**

Identify gender equality indicators and objectives as part of the performance budgeting framework and whether gender goals relating to different policies and programmes were achieved. Targets can be quantitative or more qualitative in nature. Performance tools are useful as they provide information on the extent to which policies are achieving their intended results. Budget measures should be aligned with national objectives including gender and climate goals. Integrating gender perspective into performance setting encourages decision makers to reflect on what is intended and adequate funds needed. It also makes sure that the information collected reflects the intended outcomes.

- **Gender budgeting tagging**

Tracks how programmes and activities support gender equality (and climate change) objectives within performance indicators design or to identify overall weakness with the budget execution system. Linking gender goals to program objectives and assessing the fiscal impact of proposals within a medium-term budget framework is an advanced practice. Tracking gender related expenditure can enhance medium-term planning, improve prioritization in budget requests and facilitate the monitoring of the performance of gender policies. One pre-condition for tracking is that gender activities can be traced in the programmatic structure of the budget, where this is in place, or as line items. This is usually included in the budget statement and could include an allocation report, progress statement or impact analysis. Budget tagging is one way through which governments can make public the resource flows targeted to different government objectives, such as gender equality. It involves the identification of budget programmes which have gender as a principal or significant objective. Budget tagging may not be appropriate to count the full value of spending across certain programmes as spend targeted at gender equality objectives. However, tracking the level of resources allocated in support of gender equality provides the public with an indication of the degree to which gender considerations.

- **Conducting multi-stakeholder engagement**

Consultation is essential. Processes that include national gender agencies and climate stakeholders and allow for opportunities to exchange knowledge among stakeholders is recommended. The stakeholder group can support analysis of budgets - revenue as well as expenditure. Attention should also be paid to gender issues that cross-cut ministries and programmes. For example, reducing inequality between boys and girls in the incidence of public expenditure on education may require changes not only in programmes for primary and secondary schooling in the ministry of education but also in a range of other programmes and ministries.

- **Representation**

Increasing numbers of women and young people in the consultation will help strengthen the process. Gender parity across budget offices and budget personnel is critical. Identifying what the gender distribution at every level of the Department and the planned activity and decision-making process is necessary, as well as for projects funded and implemented externally.



- **Training and capacity development**

It is crucial to identify institutional perspectives on gender-responsive climate budgeting and gender equality and overcome any bias or obstacles. Training for all staff working with budgets can enable enhanced understanding of gender budgeting at each stage of the PFM cycle and the interrelations between these stages; identify the level of practice of gender budgeting; identify synergies with other cross-cutting issues, including climate change, to increase budget efficiency. Understanding why gender and climate budgeting is necessary is a cornerstone for success. Training and capacity building are necessary to implement policy and budget guidance for civil servants and other key actors. This must be coupled with the public administration's political will and understanding of the importance of gender and climate financing.

- **Measurement, Reporting and Monitoring**

Performance indicators are recommended to track and monitor program performance against specific outcomes. This practice is crucial to allow for better transparency and monitoring of the effectiveness of policies to inform changes in future decisions. Solutions must be tailored to individual national circumstances depending on the stage of implementation, level of practice and available resources. Performance and results oriented approach involve specifying gender-related performance targets for all parts of the budget, ideally aligned with existing national gender objectives. A performance-oriented approach is possible only when it is fully integrated into the performance budgeting of a country.

An important development along the path of gender-responsive policy making is the creation and collection of sex-disaggregated data. This data is pivotal in enabling governments to develop effective gender sensitive and climate friendly evidence-based policies. Sex-disaggregated data is required to formulate evidence-based gender equality targets and objectives and systematically monitor progress. The development and utility of sex disaggregated data is now recognized as a key element in all policy development, but in general is not yet fully integrated into the international aid or national budget processes.

Departmental data collection should be augmented by other data collecting institutions, such as the national statistics bureau, and others also collecting sex-disaggregated data. Gender budgeting provides an opportunity to test and bring attention to assumptions and provide a framework to keep governments accountable to overcoming gender and climate challenges.

Sex-disaggregated data guidance should also be developed for budget officers and project managers across sectors to allow accurate data to be gathered before and during the budget process. This can assist in highlighting the disparities, if any, in the allocation of budget between women and men beneficiaries. Qualitative and quantitative data are then used to describe and confirm possible gender patterns previously identified. The result is identification of activities or programmes and an indication on how to redesign them to achieve equality.

- **Accountability**

The Ministry of Finance is usually assigned primary responsibility for leading gender budgeting initiatives. The Ministry establishes requirements for other ministries and agencies within the government to follow; it is responsive to the requests of the spending ministries in the allocation of funds to programs; and works with the revenue authorities to change tax laws or regulations. It is also common practice, that the Ministry of Women's

Affairs or Gender Office or related type ministry is assigned principal responsibility and works in conjunction with the Finance Ministry and other government entities.

This, however, is not the preferred option as it is seen to marginalise gender equality and does not allow for cross cutting across multiple budget lines. Where ministries of finance (and Ministers of finance, in particular), lead these efforts, gender budgeting has tended to have more influence on budget policies. In some cases, the gender-oriented goals of the government were better integrated into the budgeting process and thus gender budgeting was applied more widely across the different areas of government activity. In sub-Saharan Africa's gender budgeting efforts, Rwanda and Uganda appeared to do best at ensuring that gender-oriented goals were set because in part, the Ministry of Finance took the lead in ensuring that ministries and agencies of the government incorporated goals relevant to their areas of responsibility into their budget plans.

Program budgeting tends to lend itself better than traditional input-based budgeting to incorporating themes, such as achieving gender-oriented objectives, into the budget process. Ukraine and Rwanda provide good examples, where governments have integrated gender budgeting into program-based budgeting approach. The role of gender budget statements. Typically, once the macroeconomic goals of the budget are established, the ministry of finance (or Minister) is charged with developing and delivering to Parliament (and the public) a statement of principles that will underlie the budget to be proposed for the coming fiscal year.

- **Gender impact assesment**

After the budget has been distributed – during the ex-post phase – it is necessary to assess if the intended results of different budget measures were achieved. A performance audit should be conducted. A gender perspective in spending review also helps ensure that any decisions to reallocate expenditures from one area to another consider the potential for these decisions to impact on gender inequality. This basically is a review of the budget once spent to make sure that it has met the commitments outlined prior to expenditures.

- **Guarantee a strong enabling environment**

Gender budgeting requires a wide range of supporting factors to ensure its success. Having a sufficient base of information is critical to informing assessments, impacts, and a systematic and wide collection of sex-disaggregated data is pivotal. Other factors, such as engaging and consulting citizens and experts, through structured engagement with civil society or setting up an expert/consultative advisory group can become important to inform ongoing gender budgeting.

Effective implementation of climate and gender budgeting requires political commitment matched with a technical capacity for gender mainstreaming – and this often means the engagement of a gender/climate expert.

Engaged leadership is also of particular importance to ensure that gender equality is integrated into the planning and budgeting processes and that public budget revenues and expenditures benefit women and men equally. Political will within responsive and accountable central government, national parliaments, political parties, regional and local assemblies, and their consultative bodies will ease a gender budget journey. This also requires



other elements of gender equality are integrated, including increased numbers of women in political processes, recruitment of gender advisers and gender policies developed across all sectors. Legislators can also make it mandatory to include gender perspectives into the budget and related policies.

Gender-Responsive Budgeting Checklist

- ✓ Include a gender expertise in the analysis and drafting of the gender budget.
- ✓ Consult women and girls, including women's organizations and climate advocates, in budget discussions.
- ✓ Sex disaggregated indicators are drafted and tested.
- ✓ Baseline data and targets are sex and age disaggregated.
- ✓ Adopt a clear conceptual framework in which to incorporate the gender budgeting.
- ✓ Institutionalize gender impact assessment of budget proposals.
- ✓ Guarantee that there is accountability for gender budgeting.
- ✓ Targets are set high enough to reduce gender inequalities within the scope and influence of the project.
- ✓ Make sure that the targets for gender budgeting are sustainable and transfer across political priorities.