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Policy Paper on Engendering Budgetary Processes



United Nations Economic Commission for Africa
Addis Ababa, Ethiopia

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No Gender No Poverty Reduction

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ABBREVIATIONS

ACW	:	African Centre for Women
CWD	:	Committee on Women and Development
ECA	:	Economic Commission for Africa
GSB(s)	:	Gender Sensitive Budget(s)
IDGs	:	International Development Goals
GAD	:	Gender and Development
GDP	:	Gross Domestic Product
GNP	:	Gross National Product
MTEF	:	Medium Term Expenditure Framework
NEPAD	:	New Partnership for African Development
NGO	:	Non Governmental Organisation
ODA	:	Official Development Assistance
PRSP	:	Poverty Reduction Strategy Papers
UNDP	:	United Nations Development Programme
WID	:	Women in Development
WBI	:	Women's Budget Initiative

I. Introduction

“The budget reflects the values of a country – who it values, whose work it values and who it rewards...and who and what and whose work it doesn’t. The budget is the most important economic policy instrument of government, and as such it can be a powerful tool in transforming our country to meet the needs of the poorest”.¹

I-1 Why Engender National Budgets?

1. This background paper following a desk study by the African Centre for Women (ACW) of the Economic Commission for Africa (ECA) aims to spark policy debate on gender dimensions of the relationship between national budgetary policies, women’s unpaid work and time use in this work, and their vulnerability to poverty. The paper has three primary objectives. First is to highlight economic and social costs to policy makers of ignoring women’s unpaid work and time burden in the household economy. Second is to take stock of where we are in terms of implementing International Development Goals (IDGs) in engendering national budgets in Africa. And third is to identify policy gaps new policy questions and actions for building capacity of selected African countries so as to empower them to engender national budgets in poverty reduction.
2. The paper emanated from ECA’s medium-term sub-programme (2001 – 2005) to develop capacity in selected African countries to provide a unique value-added contribution into current policy debates in poverty reduction through gender sensitive budgets (GSBs). The sub-programme was in turn prompted by a strong mandate to mainstream gender perspectives into national budgets. The United Nations General Assembly Resolution A/S-23/10/Rev.1 (§65), 1997 called for explicit attention to the achievement of the goals of gender equality, development and peace in the budgetary processes at the national, regional and international levels. Earlier, the World Social Summit on poverty in Copenhagen (1995), and the Beijing Platform for Action (1995), called upon Governments to allocate resources to address gender inequalities and to mainstream a gender perspective in all their policies, programmes and budgetary allocations. These two Conferences were instrumental in influencing change at national level. The GSBs are therefore important for making Governments accountable to gender issues and in ensuring that they honour their commitments in such conferences and in a variety of policy statements regarding which groups get what out of the economic pie.
3. The paper argues that if Africa is to achieve equitable growth and sustainable development, gender inequality has to be reduced in the control of a diverse range of assets. And consensus is growing that in order to eradicate poverty, and move towards sustainable development, it is critical that both men and women are empowered to contribute. To enhance women’s contribution, the starting point is to engender national budgets as an important step toward understanding the social content of macroeconomic policies in place.
4. Of the three types of macroeconomic policy (i.e. exchange rate policy, monetary policy and fiscal policy), fiscal policy (taxation and expenditure) is considered the most promising entry point for integrating gender. Fiscal policy, comprising revenue instruments (e.g. taxes and user charges), and expenditure instruments (e.g. transfers, subsidies, and services) are all put together in a national budget which is prepared annually. The budget reflects financial aggregates – totals and sub-totals of expenditure and revenue, and the resulting surplus and deficit. It often has projections of its outcomes and macroeconomic performance for future years, in a medium term expenditure framework (MTEF).

¹ Debbie Budlender & Rhonda Sharp with Kerri Allen: How to do a gender-sensitive budget analysis: Contemporary

5. Engendering national budgetary strategies is inspired by a large number of initiatives that have emerged globally during the last decade and developed gender-sensitive or pro-poor budgets as devices for intervening at the macroeconomic level of policy making. Although GSB initiatives have been in existence for the last 5 years, they have become more widespread after the Beijing Conference. Such budgets were initially referred to as 'women's budgets' or 'women's budget statements'. More recently, they are called 'gender budgets'; 'gender-responsive budgets' or 'gender sensitive budgets', the latter of which is used in this paper. The shift in usage to some degree mirrors the shift from Women in Development (WID) paradigm of the 1970s and 1980s to the Gender and Development (GAD) paradigm in the 1990s. The first approach focuses on 'women' as a disadvantaged or oppressed group, while the latter starts with the viewpoint that women are in many ways disadvantaged, but uses 'gender' as a more explicit relational category of analysis, where 'gender' refers to social relations between women and men. Although there are some attempts to examine the revenue side of budgets from a gender perspective, most initiatives today focus on the expenditure side.
6. Engendered budgets or GSBs are not budgets formulated out specifically for women or for men, but are mostly analyses of actual budgets through a 'genders lens'. They can be regarded as gender-audits of budgets. Gender sensitive budgets do not only review and analyse national budgets (i.e. taxation and expenditures) to determine which groups benefit from macroeconomic policies, and whether biases against women, the poor or other disadvantaged groups are built into budgets, but they also elaborate participatory mechanisms for intervening in these policies. Macroeconomic policy attempts to look at the economy holistically to achieve sustainable improvements in national output and incomes including full employment, rising income, and stable prices. However, there is a tendency to assume that there is no need for macroeconomic policy to pay attention to human development objectives such as the environment, poverty, inequality including gender inequality. And that such problems of gender inequality and poverty would be resolved by "trickle down" of benefits from the macroeconomic aggregates. But there is a growing understanding that "trickle down" is not automatic, and thus concerns of poverty and gender inequality should be integrated directly into the framework of macroeconomic policy.
7. In the face of such omissions, gender blindness can result in both inequality of effect – quite the opposite of what gender neutrality is designed to achieve – and inefficiency in reaching economic targets, including growth, employment and public expenditure levels. Therefore, scrutinising budgets is an important step towards understanding the social content of macroeconomic policies currently in place. Advocates for gender-sensitive budget recognise that because budgets reflect the choices that government has to make, and is the tool it uses to achieve its economic and development goals, it commands substantial resources. Pregs Govender, a South African Member of Parliament recently stated that "If you want to see which way a country is headed, look at the country's budget and how it allocates resources for women and children". Thus, budgets are a powerful policy tool for sustaining gender inequality—or reducing it.
8. Generally, GSB analysis is a mechanism to address three key objectives. First is to raise awareness within governments about the impact of budgets (and the policies and programmes which they support) on both men and women. Second is to inform policy debate about the gender implications of government expenditures and revenues. Third is to increase the effectiveness of government resource allocations for promoting gender equality and human development. They also give special attention to the needs of disenfranchised groups including poor women through prioritisation of public expenditures and the collection of revenues in socially equitable ways.

9. In this paper, ECA aims to draw lessons learned on the strengths and weaknesses of GSB initiatives, identify future steps for the Commission and its development partners, and explore the possibilities of synergy with other on-going policy initiatives such as the New Partnership for African Development (NEPAD). The long-term objective of NEPAD is to eradicate poverty and to promote the role of women in all activities.
10. The paper is organised into five sections including this introduction. Section II highlights the economic and social costs to policy makers of ignoring women's unpaid work and time use in this work. A new approach of gender-aware macroeconomic modelling to demonstrate these costs to policy makers is outlined as a potential advocacy tool. Section III briefly reviews progress to date on the commitments made in Copenhagen and Beijing and how public resource allocation has affected this progress. Best practice examples of gender-sensitive initiatives in Africa are also reviewed. Section IV examines the lessons learnt from GSB initiatives, the complexities, challenges, and opportunities for engendering PRSPs through national budgets, and identifies critical research areas in engendering macroeconomic strategies and policies to make budget exercises more effective instruments in PRSPs. In Section V, the paper presents ECA's framework for reducing poverty in selected countries through engendering the national accounts and national budgets during its 2001 – 2005 work plan. The paper concludes by summing up major findings and recommendations of the desk study.

II. COSTS OF IGNORING WOMEN'S UNPAID WORK AND TIME USE IN NATIONAL BUDGETS

II.1 Capturing Gender-Aware Development Outcomes from National Budgets

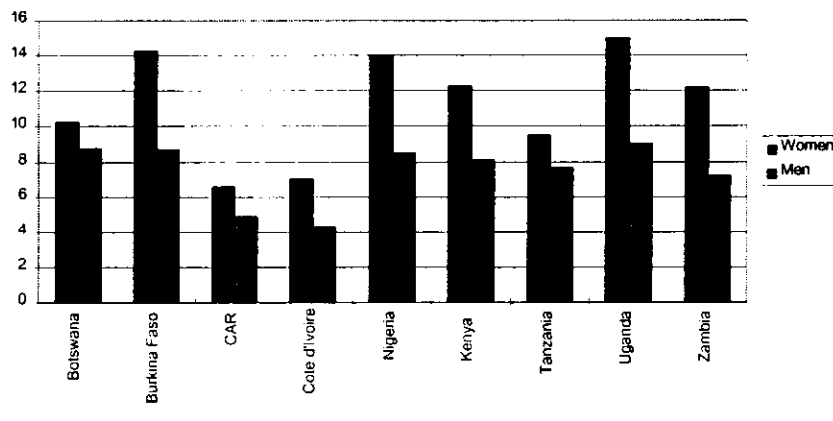
11. Recent work shows that governments are influential in shaping gender outcomes both directly and indirectly through the following three main functions of a budget which have different implications for women and men. The function of *allocation of resources* relates to the provision of public goods and services by the government. All goods and services in a country are produced either by government, by formal and informal market sectors, or by the not-for-profit community and unpaid household sectors. In allocating resources, the government must decide both the relative size of public service provision, and how available resources are divided among the various government functions (e.g. administration, health, defence, agriculture), policies and programs. These allocations to certain functions will benefit women more than men, and vice versa. Gender-sensitive budgets seek to uncover the allocation consequences.
12. The function of *distribution of income and wealth* refers to the use of budgetary policy to try to redress inequalities in income and wealth distribution. Governments make decisions about what constitutes a "fair" distribution between different groups of people. The government's concern could be about inequalities between women and men, as well as between and within households or other groupings. Gender-sensitive budgets are premised on the assumption that a "fair" distribution between women and men is an important goal.
13. Finally, the government uses the function of *stabilisation of the economy* in budgets to promote a certain level of employment, stability in prices, economic growth, environmental sustainability and external balance. Stabilisation policy requires economic, political, social judgements in determining, for example, which objective has high priority at any one time and what are acceptable levels of unemployment, debt, interest rates etc. Budgetary policy can encourage sustainable economic growth through the planning potential of the budget. The questioning of traditional assessments of efficiency by GSB analyses means that problems in achieving macroeconomic goals can be identified.
14. To capture the benefits of these functions for engendering budgets, understanding of the three key options for decision making in budget formulation is paramount. First is the aggregate macro-economic strategy that questions the appropriateness of the overall deficit or surplus and the sustainability of the MTEF. Second is the composition of expenditures and revenues relating to the appropriateness of the mix of spending and taxation. And third is the effectiveness of service delivery that examines if the outcomes of the public sector services meet the required level and pattern of services to firms, families and communities. Although a range of tools for engendering budgets at these three levels are available, the most readily feasible options relate to efficiency of service delivery and composition of expenditures e.g. for a gender-aware MTEF.
15. From a gender perspective, the effectiveness of delivery service needs to internalise whether outcomes meet the needs of both men and women and result in reducing gender inequality. Disaggregated data is needed to demystify the apparent neutrality and more specifically, the gender neutrality of the budget. It will expose how tariffs, industrial relations, taxation, education, and employment policy impact on women and men due to their different location in the family and in the economy.

II.2 Costs of Women's Unpaid Work and Time Use

16. There is increasing awareness that GSBs can reduce gender blindness of the existing conceptual frameworks and statistics used to create budget scenarios. As a budget is usually presented, there is no mention of women but no particular mention of men either. Budgetary policy and economics that more generally appear gender neutral are actually gender-blind. Taxes, revenues and expenditures are not gendered concepts. These gaps hinder budgets from being more accountable to women, resulting in budgets failing to recognise three critical services of women.
17. First, women's contribution to the market economy is underestimated due to missing and biased markets and incomplete statistics concerning women's paid economy. Thus, domestic activities such as water supply, and energy supplies, and caring for the family vital for maintaining and reproducing the labour force, are excluded from national accounts (e.g. GNP). Ignoring the effort and time spent on this work, and the value of goods and services provided, results in misallocation of resources and of budgets. And unpaid labour understates women's output to the economy and to a society's wellbeing. This in turn gives rise to misleading analyses of efficiency, as has been the case with privatisation of public services in the name of increased efficiency and enhanced service delivery, while hiding a transfer of costs to the poor. For instance, reductions in public expenditures in education or health services, and/or the imposition of user fees for such services, have sometimes resulted in increased work burdens on poor women or a reduction in girls' educational attainment levels. These constraints have had adverse effects on not only women's well-being, but also on economic output as the increased work burden on women's time means that they cannot participate in other types of output-enhancing activities. Global estimates suggest that women's unpaid work produces an output of \$11 trillion per annum, compared to a global GDP of about \$23 trillion (UNDP, 1995).
18. Second, traditional macroeconomics focuses on the monetised economy and does not count 'unpaid' care economy (domestic work and voluntary community work) in national accounts or reward it in national budgets. Women do most of the work in the care economy - of maintaining the labour force and the social framework. The care economy in particular contributes to the welfare of individuals receiving care, and contributes to the activities of both the private commodity economy and the public service economy by supplying human resources (human capital) and maintaining the social framework (social capital). These family and community-oriented goods and services are defined in the UN System of National Accounts as lying outside the production boundary. This in part explains, despite many recommendations made by IDGs to increase national budgetary allocation for 'rewarding' social sectors, efforts are still insignificant. Yet, the care economy can not continue to provide these services to the market economy in a sustainable manner without adequate budgetary allocation.
19. Finally, the interaction between the paid and unpaid economy is not considered in national budgets. Analysis of men and women's time allocation shows that the market economy (private and public sector economies) and the unpaid economy (reproductive and productive work) coexist and are interdependent. This means that short-term inter-sectoral and inter-generational trade-offs (and positive externalities) may be very significant especially for asset and labour constrained poor individuals and households. Given the unequal gender division of labour, time constraints are in many cases severe, affecting women more than men in rural areas (Figure 1). Therefore, of the issues constraining women's economic opportunities, addressing "women's time burden", is considered to be one of the highest priorities for a poverty reduction strategy as it shows the constraints and options women and men face in responding to changing economic incentives and opportunities.

20. Because macroeconomists assume that women's time is available in unlimited quantities – i.e. that the supply of women's labour is perfectly elastic, the challenge is whether there will be sufficient resources in the care economy to be able to respond to the demands made on it. If the care economy is overburdened, there will be negative impacts to the commodity and public service economies, which will reduce their productivity and increase their costs, because of inadequate maintenance of human resources and the social framework. The negative impacts will affect the level of growth of output of these sectors and perpetuate poverty.

Figure 1: Productive Hours Per Day by Gender: Selected Countries



Sources: World Bank 1999.

21. There are several implications of GSBs on poverty reduction and sustainable growth. First, GSBs can have a significant impact on the heavy time burden of domestic work, allowing women more time to engage in market economy. Reducing this time burden means increasing labour productivity in the household economy and hence reducing poverty. This explains why it is so important for poverty analysis underlying the PRSPs to include gender-based time budget analysis, and to give the highest priority to measures that save time. These measures include improvements in accessibility to energy and water, intermediate transport, labour-saving technologies across the full range of household tasks – domestic and productive, which is especially critical for women, and promoting greater gender balance in undertaking domestic work. The services need to be accessed by women who are not only overburdened by time, but they have very low purchasing power.
22. Second, appraisal of GSBs can identify and minimise trade-offs between the market and the household economies and allocate resources to these measures, targeting actors in key sectors—agriculture, energy, the environment and natural resources, transport, and water supply and sanitation. In Tanzania reducing women's time burdens in a community of smallholder coffee and banana growers increased household cash incomes by 10%, labour productivity by 15%, and capital productivity by 44% (ECA, 2001).
23. Third, while the relationship between gender equality and growth appear complicated, it is now well established that some dimensions of gender inequality such as in education and health have adverse effects on the growth rate of an economy (Klasen 1999; Dollar and Gatti 1999 in UNDP, 2000). Thus, allocating more resources to women's education and women's health serves not only gender equity and poverty reduction goals, but in a number of instances also enhances overall growth.

24. The new endogenous theory (Aghion et al, 1998) argues that knowledge, innovation and the application of skills are key to long term economic growth. Therefore, it is "a missed opportunity" to deny education to girls, who in most African countries not only outnumber boys, but also mature to be backbones of livelihood. A study by UNDP (UNDP, 1995) in Cote d'Ivoire, India, Indonesia and Thailand reveals that an additional year of schooling can increase a woman's future earnings by about 15%, compared with 11% for a man. And allocating resources to promote women's ability to control their own fertility, are key to population and development- related programmes.

II-3 Understanding Costs of Gender Inequalities through Macroeconomic Modelling

25. To be able to convince policy makers to adjust their policies towards GSBs, the economic and social costs of ignoring women's unpaid work and time burden need to be demonstrated. The first thing to do is to develop a policy matrix to structure the analysis of what we know and where we need future research. From what we know, we can then elaborate gender-aware macroeconomic models to investigate how best to produce for public decisions, a range of macroeconomic scenarios, which are explicitly linked to the expected implications for human development. The models can be used to identify and develop intervention tools as well as analytical tools and indicators for monitoring and tracking the success or failures of GSBs.
26. An awareness of the significance of gender in macroeconomics is beginning to inform policy debate through such models. Such models can generate insights into the type of impacts the various macroeconomic policies are likely to have on unpaid care economy. However, useable models calibrated to particular economies are lacking to evaluate how gender inequalities or gender differences in economic behaviour impact on various macroeconomic outcomes e.g. growth rate, poverty reduction and sustainable development.
27. Macroeconomic modelling can fulfil three useful functions. First, it can help an institution like ECA to organise its knowledge and improve its analytical and advocacy work to convince Member States with theoretical precision. It will also help identify and isolate key variables, specifying in an unambiguous way the nature of expected interaction between these variables. Second, it can ease the difficulty of communication with economists who have little knowledge of gender analysis. Finally, and probably most critical, formal modelling can demonstrate potential effectiveness of gender-aware policies to policy makers. Generally, such models can help illustrate how gender matters in macroeconomics by revealing the gendered nature of macroeconomics from the outset. Therefore, development of these models is necessary to provide clues as to what type of macroeconomic policies can yield gender-responsive impacts in poverty reduction in Africa.

III. WHERE ARE WE FROM COPENHAGEN AND BEIJING?

28. Assessing the progress of women's contribution to the economy against agreed-upon IDGs reveals how much change there has been – but also how much still remains to be done. In this regard, ECA continues to place a high priority on the needs and concerns of women. And it monitors and evaluates the United Nations Conferences of the 1990s that contributed to the emergence of an international consensus on policy goals (e.g. poverty eradication and promotion of gender equality). This paper focuses on the implementation of targets set by the Beijing Platform for Action and the World Social Summit on Development among other IDGs.
29. Overall, the GSB initiatives contributed to the economic and political empowerment of women and poor people. Firstly, they helped raise the awareness of the public on gender inequality and poverty issues by triggering dialogues on these social problems. Secondly, they have demonstrated how public budgets can be made responsive to the needs of women and the poor by incorporating their needs and voices into budgetary decisions. And thirdly, in many instances they have led to more effective revenue collection and use and reduction of corruption by improving transparency and accountability in public finance.

III.1 Progress Since the World Social Summit on Development (1995)

30. Regarding specific global development goals, the commitments of the 1995 World Social Summit on Development held in Copenhagen included:
- (i) the creation of an economic, political, social, cultural and legal environment that enables people to achieve social development goals;
 - (ii) eradication of absolute poverty by a target date to be set by each country;
 - (iii) achievement of equity between women and men; and
 - (iv) universal access to education, and primary health care.
31. In keeping these commitments, countries were expected to integrate the goals into their development plans, mobilise resources, ensure transparency and accountability in the budgetary process and undertake periodic reviews to monitor progress. For example, during the 1995 Social Summit governments made a commitment to strive to increase official development assistance (ODA) to 0.7 percent of GNP. Additionally, both developed and developing country governments agreed on a voluntary 'mutual commitment' that would allocate, on average, 20 percent of ODA and 20 per cent of the national budget respectively, to basic social programmes. This commitment came to be known as the '20/20 initiative'.
32. During the Copenhagen +5 process women's groups succeeded in getting an agreement on gender mainstreaming in all levels of policy-making and planning and a renewed commitment to ensure that gender is mainstreamed within all further initiatives related to each of the ten commitments, government spending and revenue raising decisions.
33. Despite the importance of gender differences within each of the Copenhagen Programme of Action commitments, gender is a focus only in Commitment 5: "to promote further initiatives to enhance equality and equity between women and men". During the Copenhagen +5 process, one such strategy is to analyse national budgets from women's perspectives, allowing women to "follow the money" to see if government rhetoric is followed in practice. This is because implementation of international conference commitments, national policy statements, and obligations under human rights treaties can be linked national budgetary policies.

34. The UNDP Report (Nilufer *et al.*, 2000) reveals that there are shortfalls in achievement of social development goals and can be attributed to a number of factors. Among these are the absence of clear targets and strategies, monitoring mechanisms and accountability measures. Another major obstacle has been the inadequate allocation and ineffective and inequitable use of public resources, despite verbal commitments to the contrary. For example, while the promise to increase ODA to 0.7 percent of GNP might have been genuine, it has proven hollow. In 1997, the proportion of OECD Development Assistance Committee country GNP given as aid fell to 0.22 percent. A recent review of basic social services—including basic health, basic education, nutrition, sanitation and water—has found that universal coverage of such services would require between \$206 and \$216 billion per year, an amount less than one percent of the value of today's global output. However, the actual amount channelled to these services is only \$136 billion (UNDP *et al.* 1998).
35. Many countries are unlikely to live up to their promises unless more radical and concerted efforts are made in the fight for a more equitable social and economic order. As UNDP's Poverty Report 2000 argues with respect to poverty eradication, "A new global strategy has to be mounted—with more resources, a sharper focus and a stronger commitment" (UNDP 2000: 8). A recent report prepared by Social Watch, a coalition of civil society organisations that monitor the commitments made at the Social Summit and in Beijing, reaches similar conclusions (Social Watch 2000).

III.2 Progress Since the Beijing Conference on Women (1995)

36. The Beijing Platform for Action contains twelve critical areas of concern including women's poverty and women's economic and political empowerment, and particularly emphasises the needs of poor women. It also calls upon governments and other actors in development to address these areas by integrating a gender perspective in all programmes and policies and their budgetary dimensions. The Platform further calls for the financing of policies specifically addressing gender equality concerns.
37. The Platform also calls for gender-sensitive budget analysis (see Box 1), to be used to check whether adequate resources are budgeted to implement a country's plan of action and how fiscal policies are affecting women, as compared to men. Five years after the Beijing Conference, by January 2000, a total of 116 Member and Observer States had submitted national action plans. Many of these were prepared in co-operation with NGOs and relevant actors in civil society, whose contributions were important in encouraging governments to draw up specific actions to advance the status of women in one or more critical area. The majority of these focused on four critical areas: education and training, women in power and decision-making, women and health.
38. One problem in implementation of the Platform is that there is often a gap between the process of policy development and that of budget appropriations. A gender-sensitive budget analysis can bring the two processes together, helping government to implement policy effectively. A case in point is the allocation of resources to the Commission on Gender Equality in South Africa. The Commission's budget falls within that of the Department of Justice. However, analysis by the Women's Budget Initiative revealed that the 1997/98 budget allocation to the Commission in its first year of operation was not even sufficient to cover the remuneration of commissioners, and provided nothing to pay executive staff and office costs. It was also far less than that allocated to the Human Rights Commission and the Youth Commission. The Parliamentary Joint Committee on the Improvement of the Quality of Life and Status of Women highlighted this fact, and the Government subsequently increased the Commission's budget allocation substantially.



39. By the year 2000 the evidence indicates that while much has been achieved in some areas in the implementation of the Beijing Platform for Action, progress on the commitments has been slow. For example, on the economic side, serious imbalances in gender equality persist since the Beijing Conference. This stems from the fact that when gender issues arose in development planning or assistance programs before the Beijing Conference, immediate attention was given to equality of social and political rights (empowerment), while mainstream economic issues were relegated to a lower priority. The 1995 UN Human Development Report, indicated that in almost all countries of the world women are over-represented among the unemployed and those living in absolute poverty. In the sub-Saharan Africa alone, of the 50% of the population who live in absolute poverty, about 80% are women. To date the situation in terms of the overall economic and social development is worsening. Besides, there is still inadequate capacity for advocacy and policy analysis to relate gender issues to mainstream development agenda. Finally, insufficient financial and technical resources for gender mainstreaming is an important factor hindering the implementation of the Beijing Platform (United Nations 2000: 18).
40. Clear strategies are key to redressing the kind of societal ills emphasised in both the Copenhagen and Beijing conferences. Many countries do not have explicit anti-poverty plans, but rather choose to incorporate poverty into national planning. However, poverty concerns rarely appear in a prominent way in national planning efforts. Instead, anti-poverty programmes are frequently perceived to be a set of small-scale targeted interventions, usually involving social services or the provisioning of credit to poor people, despite the fact that macroeconomic policies have just as much or even more impact on poverty as targeted small scale interventions (UNDP 2000).
41. Even in the case of countries with explicit anti-poverty plans in place, strategies remain vague, lacking adequate budgets and explicit targets. As a result of both vague strategies and faulty economic frameworks, there is often a strong disharmony between anti-poverty plans and a country's general economic policies, particularly macroeconomic policies. Another explanation for the limited progress vis-à-vis the goals laid out in Copenhagen and Beijing is the lack of good governance. Inadequate transparency and accountability of many governments to their citizens has meant that even when resources are allocated towards poverty reduction, they may not reach poor people. Similarly, even though gender mainstreaming strategies put forth in Beijing clearly included macroeconomic policies, more often than not governments have been less than accountable to women, rendering them unable to claim their fair share of national resources.

III.3 Globalisation and Governments' Ability to Keep Commitments

42. Not all obstacles to progress in social development are of national origin. Increased economic volatility associated with globalisation and widening inequalities across and within nations have also impeded progress on social development. Globalisation, a sweeping force in the late 20th century, has ushered in gains for many countries, regions and individuals. But it has also intensified the social exclusion and marginalisation of poor people, and made it more difficult for some countries to live up to their poverty reduction targets. Several factors have put constraints on national and local budgets.
43. The factors include: international debt burdens, shrinking official development assistance, pressures to adopt macroeconomic policies which put excessive emphasis on fiscal restraint, trade and investment liberalisation policies, increased instability in the global economy resulting from capital account liberalisation, and economic crises associated with such volatility.
44. All these phenomena work to squeeze budgets at times through the revenue side and at times through the expenditure side. Many countries with weak tax collection systems have relied on tariffs as an important source of revenue. Reductions in tariffs and increased competition to attract foreign investment by offering tax breaks make it harder for governments to raise revenues. At the same time, economic instability associated with globalisation increases economic insecurity, requiring governments to spend additional resources in order to shield their citizens from such instability.
45. On the positive side, these same pressures have also triggered creative thinking, proposals and actions upholding a people-centred vision of development, justice, equity and sustainability. A growing 'global' civil society, which globalisation helped create, has been making demands for democratic participation not only at the local and national levels, but also at the international level. For example, the increasing influence of popular movements with their calls for democratic and transparent forms of global, national and local governance was evident in the recent media attention given to protests that took place at the World Trade Organisation's ministerial meetings held in Seattle in 1999, and at the World Bank/International Monetary Fund meetings held in Washington, DC in 2000. The diverse civil society groups that took part in these protests demanded inclusion in discussions about poverty eradication, equitable international trade and finance, increased accountability and transparency, environmental protection and fair labour practices. Civil society organisations called for greater accountability from the multilateral institutions of global governance.
46. The forgoing unsatisfactory achievements in the implementation of the global policy frameworks raise a number of questions. The global stakeholders need to ask themselves what went wrong? Are we fully aware of the fundamental causes of gender inequality and if so, are these causes being addressed appropriately? What are the constraints and opportunities in reducing gender equality and equity? What are the key challenges that need response and what new directions are needed to respond to these challenges to make a difference in human development? These questions will assist in redefining the criteria by which success and failure are measured and how to translate regional and global policy initiatives into practice.

III.4 Best Practices in Engendering National Budgets

47. Despite the little impact regional and global initiatives appear to have on the budgetary process and poverty reduction goals at large, several budgetary initiatives that emerged – some over the past 15 years offer numerous insights into how macroeconomic policies can be designed with a focus on reducing gender inequality and poverty. They illustrate that transformatory approach to economic policies in general, and macroeconomic policies in particular, are possible in countries with diverse social, economic and political conditions. Participatory approaches to national and local level budgeting are the primary vehicles of this transformation which involves both changing the content of policies towards people-centred development and democratising the process of economic policy-making.
48. There have been a number of different entry points into GSBs. Others, as in the case of Australia (Box 2), have started within governments as a result of feminists' efforts within the state bureaucracy to make the state responsive and accountable to women at the macroeconomic level. As in the case of South Africa (Box 3), some have taken place in the context of general social transformation towards a more equitable social order. On a global perspective, the Indian example started out as public audits by ordinary citizens focusing on accountability and transparency. Others have engaged finance ministers and prime ministers, others local public officials. Some are relatively new and have been formulated in order to fulfil commitments made at United Nations Conferences (e.g. the Philippines experience with gender-sensitive budgeting). Some focus on fiscal policy through the lens of poverty or gender and yet others, such as in Canadian, focus on monetary and fiscal policy, linking the concerns of gender equality and social equity with poverty and environmental sustainability in a holistic way.

Box 2: Australia's Gender-Sensitive Budget Initiative

Australia's pioneering work on gender sensitive budgets has recently become a focus of international attention. Australia can claim to be the first country to pursue gender equality through a comprehensive women's budget exercise. The federal Labour government for twelve years between 1984-96 undertook an assessment of the budget for its impact on women and girls. During the 1980s and the 1990s different political parties in each of the six Australian states and two territories also implemented these assessments for various periods of time. Although at the national level and in five states formal women's budgets have now been eliminated, governments in the state of Tasmania and in the Northern Territory still continue to undertake women's budget exercises.

These Australian experiences of developing gender sensitive analyses of government budgets have been seen as role models by other governments. The Australian initiative directly inspired a women's budget project in South Africa following a visit to Australia in 1995 by a delegation of gender specialists and human rights commissioners. The Australian experience has also been fed into the Commonwealth Secretariat pilot project on integrating gender into national budgets which emerged from the Commonwealth Ministers Responsible for Women's Affairs meeting in Trinidad in 1996. Countries which have so far either completed or expressed interest in developing a policy initiative under the Commonwealth pilot scheme include Barbados, Sri Lanka, St Kitts, Fiji and South Africa.

There are now signs of renewed interest within Australia concerning how to forge links between government resource allocations, policy and gendered impacts. Women's policy units, community groups and researchers are beginning to search for new ways of making government budgets gender sensitive in the very different economic and social climate of the late 1990s. They are also looking to integrate the lessons from past experience with new international research emerging on the principles and practice of these exercises.

Source: Rhonda Sharp and Ray Brookhill, 1999: UNDP Workshop on Pro-Poor, Gender and Environment Sensitive Budgets

49. The entry points to appraise budgets may be from the point of view of distributive justice and equity, transparency, accountability, efficiency or sustainability. In recent years, a large number of budget initiatives have been undertaken in a wide range of countries. In the area of gender alone, GSB initiatives are taking place in a growing number of countries. Currently there are budget initiatives in 18 countries (Box 3): consisting of Australia, Barbados, Fiji, Kenya, Malawi, Mozambique, Namibia, Philippines, South Africa, Sri Lanka, St. Kitts, Switzerland, Tanzania, Uganda, UK, United States, Zambia and Zimbabwe (UNIFEM 2000). For the sake of summing up the experiences in these countries, this paper uses a broad definition of a GSB

level public expenditures or revenues from poverty or gender perspectives to constitute a budget exercise. What is covered, who participates and how the results are reported vary in different countries. A few such initiatives cover only expenditures directed specifically at women, although most cover untargted spending categories. Some initiatives are local, others national. Some are located within government; others are launched by groups outside of the official government machinery. Elected representatives can play roles in both. In addition, the Commonwealth has developed a gender budget initiative in partnership with ministries responsible for women's affairs and ministries of finance in a number of member countries.

50. In general terms, the on-going gender sensitive budgets initiatives promote a particular vision of socially equitable development and seek to answer the following questions with respect to a concrete national or sub-national budget:

- Are particular expenditures or methods of raising revenues pro-poor, i.e., in relative terms are they likely to benefit or hurt poor people more than people who are not poor?
- Are particular expenditures or methods of raising revenues gender-sensitive, i.e.,
- how do the benefits and the burdens differentially affect men and women, boys
- and girls?

51. The ultimate goal of these various budget initiatives is to come up with reprioritisation of both expenditures and revenue-raising methods in order to promote social justice. While most budget exercises focus on the expenditure side, some focus on both the expenditure and the revenue side. Even though most of the budget initiatives presented in boxes below focus primarily on one theme such as gender, many go beyond a singular concern either explicitly or implicitly. For example, the GSB exercise in South Africa pays special attention to poor women, starting from the understanding that women are not a monolithic group. It is also concerned with racial inequality. Likewise, the 20/20 initiative, which seeks universal access to basic social services, would also help reduce gender inequality since illiteracy among women is higher compared to men.

Box: 3: Best Practices of Gender Sensitive Budget Initiatives in Africa

(i) Designing a Gender-Sensitive Budget for Mozambique: 1999

Available data shows that more than two thirds of the Mozambican population live in rural areas where women form the majority. Poverty is higher in rural areas, i.e., from the total absolute poor population, 83.1% live in rural areas and only 16.9% live in urban areas. Subsistence agriculture constitute the main occupation of the population, particularly women and it is in this sector where poverty is widespread (96.1% of peasants are poor). Only 11.0% of the population completed primary education, and women are literate only 5.1%, against men, 18.1%. Extensive farming, deforestation, and lack of knowledge on environment protection has led to environment degradation and increased poverty.

Budget planning and allocation have a role in overcoming these very related issues of poverty, gender and environment, and, unlike other countries, the initiative to apply this to concerns started at the Ministry of Planning and Finance (MPF). The general aim is to start directing the public financial resources into actions addressed at reducing gender bias against women. Therefore the MPF initiated the analysis on how sector programmes are addressing these concerns, giving special to the education, agriculture, labour and health sectors. The general finding is that, whatever the level of political commitment, budgets were formulated in such a way as to be too general to allow a sufficient focus on the gender specific needs implied by the political commitment.

Given these findings, the MPF started a programme of budgeting change with the aim of making sure that the priority of financing women related activities is consistently addressed as a line programme and respective budget. The task included the adaptation of the budget format to include gender-related expenditures and income. This was applied to the budgeting handbook, the classification of public expenditures and the sectors and Province Economic and Social plans.

The positive aspects we can draw from the short experience from Mozambique is that it is possible to move further, specially because there is political commitment (poverty and gender issues are addressed in the Five Year Government Programme and in the Post Beijing Action Plan), and the sectors enthusiasm to undertake the changes. However, as the implementation of the changed budget is expected for the next year the MPF cannot evaluate the impact that it will have in each sector. It can be expected the following limitation:

Given the actual budget format, not all public expenditures and incomes can be desegregated by sex, and changes would imply the overall budget reform and data collection (for the income side);

- There is lack of understanding of the most basic gender concepts and how to implement it; this may lead to a 'blind'
- application of the recommendations provided by the MPF ;
- the budget change still at its early stages and did not for sector's self commitment and the external civil society participation.

(ii) The South African Women's Budget Initiative

The South African Women's Budget Initiative (WBI) has now been in existence for close on five years. It has two legs – one inside government and one outside. The first activities were a joint venture between some of the "new" parliamentarians and non-governmental organisations (NGOs). Since being established this leg has produced analyses of all 27 sectoral budgets of the national government, as well as some preliminary analysis of provincial budgets, taxation, public sector employment, donor funding to government and the budget process itself. It has also produced five case studies from among the more than 840 local government budgets.

Within less than a year of publication of the first research, the government had embarked on a parallel initiative of gender analysis of budget. This project, which constitutes the second leg, is led by the national Department of Finance. It serves as one of the pilot studies for the Commonwealth's endeavour to engender macro-economic policy.

The two aspects of the WBI's activities, which between them represent more or less opposite ends of the continuum of engagement. Firstly, the (limited) intervention in respect of the Medium Term Expenditure Framework is largely based within the state. Its intended audience is government players who are responsible for designing the policies and related budgets of the state. Secondly, the Initiative is currently producing workshop materials for use with civil society groupings. This latter intervention exemplifies the Initiative's attempts to strengthen economic literacy as well as to lay a basis for strengthened intervention by ordinary people in policy and budget issues.

(iii) A Gender Analysis of the Zimbabwe Government Budget Allocation Process

The budget is an important instrument of national and economic planning and it represents the interplay of economic, social, and political factors. It is a short-term instrument of economic management and a mechanism to allocate the scarce resources of a nation so that they are managed efficiently and prudently to improve the people's standard of living.

In Zimbabwe the budget is largely non-transformational, hence issues of access to land and other forms of economic wealth, equity, gender inequality, poverty alleviation, and environmental conservation have not been seriously considered in the budget process. The budget does not seem to be the solution to the problems of gender disparities and issues of poverty, especially in the health, education, and employment sectors. So far Zimbabwe has had gender sensitive and pro-poor budget initiatives from UNIFEM, the Poverty Reduction Forum and World University Services (WUS). In 1998 UNIFEM hosted a workshop on engendering budgets which attracted participants from various countries. The Poverty Reduction Forum submitted recommendations for the 1999 budget, and WUS is undertaking a gender analysis of the budgetary allocation process. The aim of all these initiatives is to ensure that the budget is participatory, pro-poor, and gender sensitive.

(iv) Capacity Building for Advocacy on Budgets

Many of the organisations involved in budget advocacy work provide capacity building support to constituencies ranging from civil society organisations involved in or embarking on budget initiatives to members of parliament, parliamentary committees and ministries. Capacity building involves the development of technical and advocacy materials, organisation of conferences, training workshops and knowledge networks. For example, IDASA (South Africa) produces a range of budget related training and advocacy materials. It runs budget training workshops and electronic networks. In Canada, the Canadian Centre for Policy and Choices organise budget schools to make the budget process more transparent, to impart technical information, secure popular input and to disseminate the Alternative Federal Budget. Over 20 budget schools were held across Canada in 1999. In Brazil, the Brazilian Institute of Social and Economic Analyses (IBASE) provides training for the delegates and other bodies associated with the institutions of the participatory municipal budgets as well as to members of civil society. They are also called upon to evaluate and provide suggestions for improvements of the participatory budgets of the 100 cities with such processes in place.

The Commonwealth Gender Budget Initiative assists with gender analysis and planning skills training to enable government officials to bring a gender perspective to their portfolios. A recent workshop on rights-based policy advocacy and programming around budgets held in Ghana brought together a number of activists from mainly Africa-based organisations. The workshop was organised by ISODEC (Ghana), Actionaid (Kenya) and IDASA and partially supported by UNDP. The workshop aimed at empowering participants with the framework and tools necessary to map interests involved in budget making, analyse budgets, enhance budget transparency and contest budgetary priorities. The participants also discussed the implications of the HIPC and PRSP for people-centred budgeting. Sources: Hewitt and Raju 1999; Sucupira and Mello 1999.

Source: UNDP, 2000.

IV. COMPLEXITIES, CHALLENGES AND OPPORTUNITIES FOR ENGENDERING NATIONAL BUDGETS

IV.1: Lessons Learnt

52. As the examples discussed in this paper highlight, there are many policy contexts for which GSBs initiatives can provide useful lessons. These include the formulation of poverty reduction strategies in general and PRSPs in particular, engendering all policies and programmes and efforts to improve governance practices by increased transparency and accountability. United Nations Conferences have established international consensus on the kind of social order people around the world aspire to live in. It will be difficult to bring reality closer to this vision without rethinking and transforming the national and international economic policy frameworks and governance practices. Gender sensitive budgets can be an important starting point for transforming these frameworks and policy practices.
53. The first lesson and probably the most important to date is that there is no easy and quick recipe for developing GSBs. Most GSB initiatives have recognised both the opportunities and challenges in engendering fiscal policies. Budgets have always been regarded as gender neutral instruments and have been drawn up as such. Analysing the gender-related outcomes from these budgets requires hard work, perseverance and imagination (Budlender, 1998). Besides, GSBs will not result in quick or immediate changes, largely due to gaps in our knowledge. In the medium-term, the expected achievements would be in developing national capacities in gender-aware frameworks and tools for engendering budgets including specification of targets and time horizons. Thus, quick changes or adjustment of policies will be few, and realisation of the benefits of GSBs will be slow.
54. A second lesson is that gender budget analysis is best learnt through practical experience. Experience drawn from South Africa underlines the need for capacity building of countries wishing to engender their national budgets. Gender budget training should provide an opportunity for specialists to get practical experience to allow for gender commitment beyond implementation.
55. A third lesson is that gender sensitive budgets offer immense potential, but it is also important to recognise that it is a complicated area of intervention. A critical issue lies in the bureaucracy of decision making – formulated budgets are not necessarily implemented.
56. A fourth lesson revealed in the UNDP's Poverty Report 2000 indicates that many of the national anti-poverty plans "...still continue to treat poverty as though it were a sectoral issue that can be addressed by a set of targeted interventions, such as providing microcredit or basic social services". The Report concludes that there is a need for a new generation of programmes with a focus on making the growth process more pro-poor, targeting inequality through GBS and emphasising the empowerment of poor people and particularly of poor women. The report argues that the 'old-school' prescription of supplementing rapid growth with social spending and safety nets proved to be a wrong solution stemming from a wrong diagnosis of the problem.
57. The Poverty Report emphasises the importance of integration of anti-poverty plans into economic policies and general budget allocations. The distributional effects of government taxes, current expenditures and investments in the government budget must be considered in relationship to the dynamics of poverty in a country and anti-poverty plans. The government budget, like any other economic policy tool, must be one of the basic tools of anti-poverty and anti-inequality policy and programmes by focusing public resources towards poor people. However, one huge obstacle to pro-poor use of public resources and budgeting is 'poor' governance. To paraphrase the Poverty Report, good governance is the 'missing link' between

anti-poverty plans and poverty reduction. Without transparency and accountability, public resources often wind up in the pockets of the non-poor. Ensuring that governments are accountable to citizens living in poverty requires the social mobilisation of poor people and their participation in budgeting processes.

58. A fifth lesson is drawn from the analysis of implementing the Interim PRSPs (I-PRSPs) and full PRSPs. A clear message emerging from all these PRSPs reveal important omissions, mostly in the analysis of poverty at the poverty diagnosis stage of the PRSP policy cycle. In particular, key sectoral and thematic areas such as gender, environment, and food security are conspicuously missing in these papers. The papers also point to the need for I-PRSPs to give closer attention to the links between gender-responsive poverty diagnosis and macroeconomic policy to provide more detailed prioritisation of public actions, and to give better coverage to areas and issues fundamental to PRSP process. Most of these PRSPs did not consider engendering national budgets, national accounts, and building institutional capacity.
59. Progress with gender-sensitive budgets to date and the obstacles they have faced reveal what further steps might be taken to make these initiatives more effective and widespread. These steps fall into two broad interconnected categories: (i) work on the analytical side for further development of knowledge, analytical and policy tools related to budgetary process and their 'translation' into forms easily accessible by ordinary citizens and (ii) work on policy formulation, advocacy and social mobilisation around budgetary issues. The two categories are interconnected in the sense that knowledge and analytical tools that remain in the hands of a few experts will not be very useful. Advocacy, without the analytical tools, is likely to be dismissed. In addition, organising in specific social contexts will require new analyses and adaptation of existing policy tools to that specific context. Thus, social mobilising inspires the production of new knowledge. Conversely, new knowledge can point to new policies and political action.

IV.2 Challenges Relating to Development of Knowledge, Analysis and Tools

60. The analytical linkages between gender inequality and poverty must be further conceptualised, explored and better analysed. Development of analytical tools, which show these interlinkages, might include formal models and simulation exercises as outlined in Section II. Such tools can be helpful in the formulation of policies by allowing policy makers and others to assess the impacts of alternative expenditure allocations and revenue collection or taxation schemes on poverty and gender inequalities. Analytical work needs to take into account the distinctions between paid and unpaid work. Sometimes policies that aim to increase efficiency or targeting end up increasing the unpaid work burden of poor people, especially women.
61. One major obstacle to the development of analytical policy tools, assessment of impacts and monitoring of policies is lack of appropriate data. This problem is particularly acute in the area of gender-disaggregated data. Thus, there is need for better data collection in general and gender disaggregation of data in particular, including making use of existing data from household surveys.
62. Existing budget initiatives tend to emphasise the expenditure side. There is a need for further exploration of the revenue side of GSBs.

- 63. There is a need for further exploration of the relationship of people-centred budgets to monetary policy, as exemplified in the case for the Canadian initiative.
- 64. There is a need for further exploration of policy implications of international phenomena such as debt, international trade and investment policies for local, regional and national GSBs both from the revenue and expenditure sides.

IV.3 Political and Policy Actions

- 65. Advocacy work around budgets must be inclusive and encourage alliances and dialogue between groups organising around gender, poverty or transparency and accountability issues.
- 66. Participation in budgetary processes requires capacity building of participants on budgetary issues through the development of popular materials on budgets, training workshops or 'budget schools'. 'Knowledge networking' (e.g. ECA's PRSP-Learning Group and the planned National Gender Learning Group)—including networking via the Internet —is an element of such capacity building.
- 67. There is a need for national and international dialogue and discussion on GSBs. National Human Development Reports and ECA's African Women's Report, which are important in providing one venue for initiating discussion of budgets.

V. AN OUTLINE OF ECA's FRAMEWORK FOR ENGENDERING POVERTY REDUCTION STRATEGIES

V.1 ECA's Framework for Engendering Poverty Reduction Strategies

68. The ECA's framework for engendering poverty reduction strategies was inspired by the current knowledge gap, and lack of capacity and appropriate tools for engendering national budgets. The objective of the framework is to provide ECA a strategic focus and strategic role in poverty reduction through capacity building of selected African countries in reducing gender inequality and gender inequity during its 2001 – 2005 work programme. It is expected that the implementation of the programme of work would lead to convincing the selected countries to adjust their national planning instruments (national accounting and national budgetary frameworks).
69. The programme plans to address five key issues identified from lessons learnt in ECA's recent desk study. Firstly, the incorporation of gender into the early PRSPs, generally has so far been minimal, and suggests many missed opportunities for enhanced poverty reduction. Gender issues were rarely addressed in productive activities in agriculture, financial services, labour markets or infrastructure. Therefore, a full understanding of the gender dimensions of poverty in these sectors is necessary to improve both the equity and efficiency of PRSP efforts, given that men and women experience poverty differently.
70. Secondly, there are critical interrelationships and linkages among different sectors of activity, especially between the paid economy and unpaid economy. Analysis of men and women's time allocation in agriculture and transport work reveals that time constraints are often severe, affecting women more than men and are more acute for the poorest. Addressing this time burden is considered therefore as one of the highest priorities for PRSPs.
71. Thirdly, the existing conceptual frameworks and statistics used to create budget scenarios are gender blind in that they fail to recognise two critical services of women as discussed in Section II.
72. Fourthly there is lack of explicit links between gender-responsive poverty diagnosis and specific policy recommendations, and lack of clear transmission mechanism between policy recommendations and expected outcomes, including the impacts on poverty reduction.
73. And finally, institutional capacity in PRSPs is currently underplayed and there is lack of clarity on capacity implications of policy choices. In this context, ECA has a comparative advantage as a regional development actor, uniquely positioned to play the role of an honest broker in the PRSP process. It can add value to the process by being a catalyst for ideas, action, capacity building, and for partnerships based on an Africa-driven agenda. Leveraging its convening power, its proximity to African policy makers at the highest levels, its Ministerial meetings all are designed to facilitate informed high-level panel discussions on selected development themes. ECA has also set up regional mechanisms such as the African Development Forum (ADF), the PRSP Learning Group, and the Committee on Women and Development (CWD). These mechanisms further make the Commission uniquely positioned to facilitate the setting of priorities on a regional development agenda like gender, build consensus on the policies and approaches in this agenda, and promote partnership for co-ordinated, long-term support for the PRSP process.

74. On GSBs, ECA offers an opportunity for Ministers of Women Affairs in Africa to use the CWD as an effective vehicle of advocacy through the ECA Conference of Ministers, to increase understanding of Ministers of Finance and Development on how gender can add value to the PRSP process. ECA is also working on priority sectors including poverty reduction as identified in New African Partnership for Development (NEPAD) and as requested by OAU Member States. NEPAD will in future be a vehicle for integrating gender perspectives in all sectors and especially in the PRSP process.

V.2 Key Components of the Framework

75. The framework will comprise two components: (i) Goal, Objectives and Expected Outcomes; (ii) Implementation. The overall goal of the programme is to contribute to poverty reduction through capacity building of selected countries in reducing gender inequality and gender inequity in allocation of resources and distribution of income for the horizon 2010.
76. The objectives of ACW are to:
- (i) promote linkage between gender-responsive poverty analysis at the household level (micro level) and policy recommendations at the national level (macro level);
 - (ii) influence recognition of the value of women's work at the household level in national accounts (public income and expenditure accounts);
 - (iii) ensure that gender-responsive participatory process is integrated into the national PRSP frameworks, and influence linkage of the results with policy choices;
 - (iv) encourage early identification of capacity constraints in realising gender-responsive poverty diagnosis, targets, objectives and policies in PRSP formulation, implementation, monitoring and evaluation (M&E); and
 - (v) build capacity of PRSP planners and managers to use available gender disaggregated data for assessing allocation of resources and distribution of income in national budgets.
77. By the year 2005, the expected medium –term outcomes will include:
- (i) The selected countries will review their PRSP formulation process, especially by integrating gender perspectives into poverty diagnosis.
 - (ii) PRSP planners and managers in the selected countries will acquire appropriate methodologies and tools for analysis of gender sensitive data for the valuation of household output, and for assessing allocation of resources and distribution of income in national budgets.
 - (iii) The selected countries will review their National Accounting Frameworks to capture the value of household output in food processing and provision of water and energy based on administrative data, population census, and household surveys.
 - (iv) Statistical bodies (e.g. United Nations Statistical Commission, ILO) will enhance their efforts towards overcoming statistical gaps in the value of household output.
 - (v) Successful practices in gender sensitive diagnosis (e.g. methodologies and tools for valuation of household output, and assessing national budgetary process) will be disseminated to other countries.
78. The implementation process of the ACW programme on engendering national accounts and budgets as poverty reduction strategies is presented in a framework (Figure 2).

Figure 2: Implementation Process**IMPLEMENTATION PROCESS**

**(1) INTEGRATING GENDER INTO
POVERTY DIAGNOSIS
(2002 - 2003)**

Assessing existing household survey data for gender gaps in current methodologies and tools by one national consultant in each of the 5 selected countries with developed PRSPs.

Submitting results of analysis for validation to ACW National Gender Learning Group made up of senior economists, PRSP Managers, sociologists and gender experts.

Designing methodologies and tools to assist selected countries to revise their national accounting and national budgetary frameworks

Presenting the methodology and tools for validation to the ACW Regional Working Group (25 experts comprising: senior economists, statisticians, planners, gender experts, sociologists and partners).

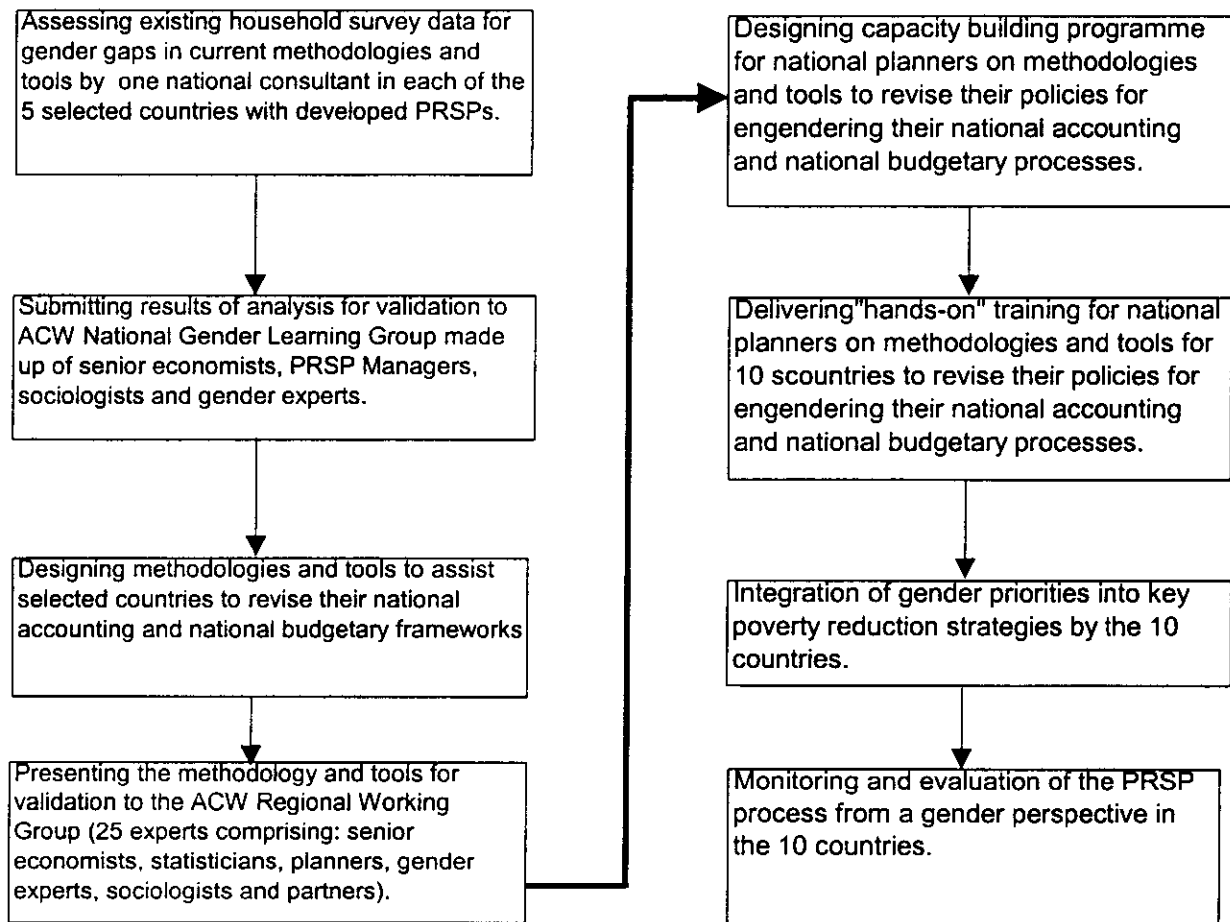
**(2) INTEGRATING POLICY
IMPLICATIONS OF GENDER
ANALYSIS INTO THE PRSP
(2004 - 2005)**

Designing capacity building programme for national planners on methodologies and tools to revise their policies for engendering their national accounting and national budgetary processes.

Delivering "hands-on" training for national planners on methodologies and tools for 10 countries to revise their policies for engendering their national accounting and national budgetary processes.

Integration of gender priorities into key poverty reduction strategies by the 10 countries.

Monitoring and evaluation of the PRSP process from a gender perspective in the 10 countries.



CONCLUSION

This paper tried to highlight the underdeveloped economic and social costs to policy makers of ignoring women's unpaid work and time burden in the care economy and the need to demonstrate these costs more explicitly to policy makers to enhance future adjustments in the budgetary policies in selected African countries. The paper also attempted to take stock of where we are in terms of implementing gender-related international development goals, and to identify policy gaps, and actions to build capacity in selected African countries to empower them to engender national budgets.

Overall, the gender sensitive budget initiatives contributed to the economic and political empowerment of women and poor people. Firstly, they helped raise the awareness of the public on gender inequality and poverty issues by triggering dialogues on these social problems. Secondly, they have demonstrated how public budgets can be made responsive to the needs of women and the poor by incorporating their needs and voices into budgetary decisions. And thirdly, in many instances they have led to more effective revenue collection and use, and reduction of corruption by improving transparency and accountability in public finance.

The main conclusion is that gender sensitive budgets offer immense potential, but it is also a complicated area of intervention. Action is now needed to step up work on the analytical side for further development of knowledge, analytical and policy tools related to budgetary process and their translation into forms easily accessible by ordinary citizens and work on policy formulation, advocacy and social mobilisation around budgetary issues. And building the capacity of national experts in these areas should become a top priority because knowledge and analytical tools that remain in the hands of a few experts will not be very useful. Likewise, advocacy, without the analytical tools, is likely to be dismissed.

A major goal for advocacy is to establish the costs to policy makers of ignoring unpaid women's work and women's time in these activities. Will policies improve, or worsen or leave the same gender-responsive development outcomes? This is a cardinal question to be answered by all inspired to engender national budgetary policies. And any work that tries to address this important question needs to be informed by clear tools to engender national poverty reduction strategies as well as illustration of the relationship between budgetary decisions and human development outcomes. Therefore, research should be supported to develop clear frameworks and various tools for engendering budgetary policies, and to develop gender-aware macroeconomic models that can be used to convince policy makers on the need to mitigate effects of women's unpaid work and unrewarded time use on sustainable growth.

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